

Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 on common rules for the operation of air services in the Community (Recast) (Text with EEA relevance)

CHAPTER II

**OPERATING LICENCE**

*Article 5*

**Financial conditions for granting an operating licence**

1 The competent licensing authority shall closely assess whether an undertaking applying for the first time for an operating licence can demonstrate that:

- a it can meet at any time its actual and potential obligations established under realistic assumptions, for a period of 24 months from the start of operations; and
- b it can meet its fixed and operational costs incurred by operations according to its business plan and established under realistic assumptions, for a period of three months from the start of operations, without taking into account any income from its operations.

2 For the purposes of the assessment referred to in paragraph 1, each applicant shall submit a business plan for, at least, the first three years of operation. The business plan shall also detail the applicant's financial links with any other commercial activities in which the applicant is engaged either directly or through related undertakings. The applicant shall also provide all relevant information, in particular the data referred to in point 1 of Annex I.

3 Paragraphs 1 and 2 shall not apply to an undertaking applying for an operating licence intended to cover operations with aircraft of less than 10 tonnes maximum take-off mass (MTOM) and/or less than 20 seats. Such undertakings shall demonstrate that their net capital is at least EUR 100 000 or provide, when required by the competent licensing authority, all relevant information for the purposes of the assessment referred to in paragraph 1, in particular the data referred to in point 1 of Annex I.

The competent licensing authority may nevertheless apply paragraphs 1 and 2 to an undertaking applying for an operating licence under the provisions of the previous subparagraph that intends to operate scheduled air services or whose turnover exceeds EUR 3 million per year.

**Changes to legislation:**

There are outstanding changes not yet made to Regulation (EC) No 1008/2008 of the European Parliament and of the Council. Any changes that have already been made to the legislation appear in the content and are referenced with annotations.

View outstanding changes

**Changes and effects yet to be applied to :**

- Regulation revoked by S.I. 2018/1392 reg. 7
- Regulation title amended by S.I. 2018/1392 Sch. 2 para. 2
- Art. 5(3) sum substituted by S.I. 2018/1392 Sch. 2 para. 7(a)
- Art. 5(3) sum substituted by S.I. 2018/1392 Sch. 2 para. 7(b)

**Changes and effects yet to be applied to the whole legislation item and associated provisions**

- Signature words omitted by S.I. 2018/1392 Sch. 2 para. 22
- Art. 2(2) words substituted by S.I. 2018/1392 Sch. 2 para. 4(2)
- Art. 2(7) words omitted by S.I. 2018/1392 Sch. 2 para. 4(3)
- Art. 2(8) words omitted by S.I. 2018/1392 Sch. 2 para. 4(4)
- Art. 2(11) words substituted by S.I. 2018/1392 Sch. 2 para. 4(5)(a)
- Art. 2(11) words substituted by S.I. 2018/1392 Sch. 2 para. 4(5)(b)
- Art. 2(11A) inserted by S.I. 2018/1392 Sch. 2 para. 4(6)
- Art. 2(13)(14) omitted by S.I. 2018/1392 Sch. 2 para. 4(7)
- Art. 2(18)(19) words omitted by S.I. 2018/1392 Sch. 2 para. 4(8)
- Art. 2(20)-(22) omitted by S.I. 2018/1392 Sch. 2 para. 4(9)
- Art. 2(26) substituted by S.I. 2018/1392 Sch. 2 para. 4(10)
- Art. 4(a) words substituted by S.I. 2018/1392 Sch. 2 para. 6(b)
- Art. 4(b) words substituted by S.I. 2018/1392 Sch. 2 para. 6(c)
- Art. 4(f) omitted by S.I. 2018/1392 Sch. 2 para. 6(d)
- Art. 13(3)(a) words omitted by S.I. 2018/1392 Sch. 2 para. 14(4)(b)(ii)
- Art. 13(3)(a) words substituted by S.I. 2018/1392 Sch. 2 para. 14(4)(b)(i)
- Art. 13(3)(b) words inserted by S.I. 2018/1392 Sch. 2 para. 14(4)(c)(ii)
- Art. 13(3)(b) words substituted by S.I. 2018/1392 Sch. 2 para. 14(4)(c)(i)
- Art. 13(3)(b) words substituted by S.I. 2018/1392, Sch. 2 para. 14(4)(c)(zi) (as inserted) by S.I. 2019/687 reg. 5(4)
- Art. 16(3)(a) words inserted by S.I. 2018/1392 Sch. 2 para. 17(4)(b)
- Art. 16(4)(c) words substituted by S.I. 2018/1392 Sch. 2 para. 17(5)(b)(ii)
- Art. 16(12)(a) words omitted by S.I. 2018/1392 Sch. 2 para. 17(10)(c)
- Art. 16(12)(b) words substituted by S.I. 2018/1392 Sch. 2 para. 17(10)(d)
- Art. 17(5)(a) omitted by S.I. 2018/1392 Sch. 2 para. 18(4)(a)
- Art. 17(5)(d) words omitted by S.I. 2018/1392 Sch. 2 para. 18(4)(b)