EUROPEAN
COMMISSION

Brussels, 17.2.2025
COM(2025) 44 final

ANNEX

ANNEX

to the

Proposal for a Council Decision

establishing the position to be adopted on the Union's behalf with regard to the decision of the Participants to the Sector Understanding on Export Credits for Civil Aircraft

ANNEX

The position of the European Union is to support the changes to the Sector Understanding on Export Credits for Civil Aircraft of the Arrangement set out in this Annex. References below are made to Articles and Annexes of the Arrangement.

Minor technical changes to the Union's position may be agreed to by the representatives of the Union within the Participants to the Arrangement without further decision of the Council.

Additions are in **bold underline**:

CHAPTER I: COVERAGE

18. Used aircraft and other goods and services

This Part of the Sector Understanding shall apply to used aircraft and to spare engines[1], spare parts, conversion, major modification, refurbishing, maintenance and service contracts in conjunction with both new and used aircraft and engine kits.

CHAPTER II: FINANCIAL TERMS AND CONDITIONS

The financial terms and conditions to be applied **for spare engines and used aircraft**[2], other than the maximum repayment term, shall be in accordance with the provisions set out in Part 2 of this Sector Understanding.

It is customary to finance goods and services other than new aircraft, used aircraft and new engines with loans that will cover an extended period of contract performance. Therefore the financial terms and conditions to be applied for other goods and services covered by this Sector Understanding shall be in accordance with the provisions set out in Part 2 of this Sector Understanding, except as set out in Article 22 below.

[…]

20. Spare engines ~~*and spare parts*~~

a) When purchased~~,~~ or ordered in connection with the engines to be installed on a new aircraft, the official support for spare engines may be provided on the same terms and conditions as for the aircraft.

~~When purchased with new aircraft, the official support for spare parts may be provided on the same terms and conditions as for the aircraft up to a maximum 5% of the net price of the new aircraft and installed engines; paragraph d) below shall apply to official support for spare parts in excess of the 5% limit.~~

b) When spare engines are not purchased with a new aircraft, the maximum repayment term shall be eight years. For spare engines with a unit value of USD 10 million or more, the repayment term may be increased to 10 years, provided the transaction meets all the requirements of Article 19 of Appendix II.

---

1 **Reference to spare engines in this Chapter I shall be deemed to include references to spare propulsors.**

2 **Reference to spare engines in this Chapter I shall be deemed to include references to spare propulsors.**

c) ~~When other spare parts are not purchased with a new aircraft, the maximum repayment term shall be:~~

~~1) Five years with a contract value of USD 5 million or more.~~

~~2) Two years with a contract value of less than USD 5 million.~~

21. Contract for Conversion/Major Modification/Refurbishing

a) If a transaction for conversion:

1) ~~I~~**i**s valued at USD 5 million or more, and

– ~~M~~**m**eets all the requirements of Article 19 of Appendix II, a Participant may offer official support with a repayment term of up to eight years.

– ~~D~~**d**oes not meet all the requirements of Article 19 of Appendix II, a Participant may offer official support with a repayment term of up to five years.

2) ~~I~~**i**s valued at less than USD 5 million, a Participant may offer official support with a repayment term of up to two years.

b) If a transaction is for a major modification, or refurbishment, a Participant may offer official support with a repayment term of up to:

1) five years if the contract value is USD 5 million or more; **and**

2) ~~T~~**t**wo years, if the contract value is less than USD 5 million.

22. Maintenance and Service Contracts, **Spare Parts[3] (other than Engines) and Engine Kits**

a) Except for Article 22 b) below, ~~T~~**t**he Participants may offer official support with a repayment term of up to ~~three~~ **five** years~~.~~ **after the starting point of credit if the contract value is USD 5 million or more, or two years if the contract value is less than USD 5 million.**

b) When purchased with new aircraft, the official support for spare parts may be provided on the same terms and conditions as for the aircraft up to a maximum 5% of the net price of the new aircraft and installed engines. Article 22 a) shall apply to official support for spare parts in excess of the maximum 5% limit.

c) The Participants shall:

1) require a minimum down payment of 15% of the net price of the spare parts, the engine kits or maintenance and service contracts receiving support at or before the starting point of credit;

2) not provide official support in excess of 85% of the value of the net price of the spare parts, the engine kits or maintenance and service contracts receiving support.

d) ASU MPR rules will apply as set out in APPENDIX II, SECTION 3: Minimum Premium Rates For Goods And Services Other Than Used Aircraft Covered By Part 3 Of This Sector Understanding.

[3] **For the avoidance of doubt, Maintenance and Service Contracts shall include Maintenance, Repair and Overhaul contracts.**

~~23. Engine Kits~~

~~The Participants may offer official support with a repayment term of up to five years.~~

[…]

Appendix V. List of Definitions

[…]

Starting Point of Credit: **For:**

- the sale of aircraft including helicopters~~,~~ **and** spare engines ~~and parts,~~ at the latest the actual date when the buyer takes physical possession of the goods, or the weighted mean date when the buyer takes possession of the goods
- **maintenance and services contracts, spare parts (other than engines) and engine kits[4], in the case of:**

i) **parts, spare parts or other** physical ~~possession of the~~ goods~~. For services,~~: the ~~latest~~ starting point of credit is **not later than the actual date of acceptance of the goods or the weighted mean date of acceptance of the goods by the buyer; or**

ii) **for services contracts where no parts, spare parts or other physical goods are being supported: a)** the date of the submission of **the** invoices to the **buyer or acceptance of services by the buyer, or b) the weighted mean date of the submission of the invoices to the buyer or the weighted mean date of acceptance of services by the buyer, or**

iii) **parts, spare parts or other physical goods and services where financed in the same transaction: the starting point of credit is the later of a) the actual date of acceptance of the goods or the weighted mean date of acceptance of the goods, or b) the actual date of the submission of the invoices to the buyer or actual date of acceptance of services by the buyer or the weighted mean date of the submission of the invoices to the buyer or the weighted mean date of acceptance of services by the buyer.**

Where the actual date of acceptance or the weighted mean date of acceptance cannot be defined upfront due to the nature of the goods or services, the starting point of credit may be determined using a reasonable estimate of the relevant date or weighted mean date.

[4] **For the avoidance of doubt, Maintenance and Service Contracts shall include Maintenance, Repair and Overhaul contracts.**