



**Aviation Finance Leaders  
Survey 2026: Navigating turbulence**  
Ireland's aviation finance leaders chart the course ahead

## Foreword

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### **The Aviation Finance Leaders Survey 2026 reveals a sector navigating unprecedented geopolitical complexity while positioning itself for sustainable growth.**

Our survey of Ireland's aviation leasing ecosystem, the leading hub in global aircraft financing, was completed in Q1 2026, capturing perspectives formed at the time the Middle East conflict escalated. The results indicate a positive industry outlook, though geopolitical risk and supply chain issues, unsurprisingly, remain potential constraints for growth.

What is notable is not just the prevalence of these concerns, but the way they interact. The Middle East conflict is simultaneously a fuel cost story, an airline credit story, a flight cancellation story and an asset value story.

The industry remains resilient, with respondents indicating diversified portfolios and proven playbooks for times of uncertainty, leveraging experiences from Covid-19 and the Russian invasion of Ukraine, to mitigate current risks. Aircraft supply constraints have and continue to be a factor. Yet these very pressures could create more opportunities for the aviation finance sector, in particular accelerating airlines investment in next-generation, more fuel-efficient aircraft, especially if jet fuel costs persist.

Our research identifies six critical outlooks that will determine competitive positioning over the medium term:

1. Geopolitical risk has moved to a top boardroom priority.
2. Supply chain disruption and maintenance cost inflation is the number one operational headache.
3. M&A will continue as a growth lever, though at a more moderate pace.
4. Digital transformation is a priority, but AI ambitions exceed current organisational readiness.
5. Sustainable Aviation Fuel ('SAF') adoption is a critical play, but requires a long-term, coordinated strategy.
6. The tax environment is shifting, compliance complexity is the new normal and is driving up costs particularly in a global business environment.



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The research demonstrates a sector with sophisticated understanding of emerging opportunities. The critical imperative now is the disciplined translation of strategic clarity into operational capability and we have summarised these into four decisions that matter now:

1. Stress-test your portfolio and exposures for a prolonged Middle East conflict scenario.
  2. Get specific about your AI roadmap - What most organisations lack is not ambition or interest, it is a specific, funded programme with clear use cases and measurable outcomes.
  3. Build your talent pipeline for the future - assess critical skill gaps in digital finance and data analytics. Equally critical: building sustainability expertise now.
  4. Treat the tax function as a strategic asset, not a compliance obligation.
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Thanks to our partner Ishka Airfinance and to all the participants in the survey.



**David McCaffrey**  
**Deloitte Ireland**  
**Aviation Finance Leader**  
May 2026

## Foreword | Ishka Airfinance

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### **2026 Aviation Finance Leaders Survey highlights the realities and costs for today's lessors**

Deloitte's inaugural aircraft lessor CFO survey shines a spotlight on some of the key issues in aviation finance through a C-suite lens, in particular the cost challenges arising for the sector and emerging opportunities.

CFOs of aircraft lessors are clearly concerned about the financial implications for airlines and for their own operations, stemming from the Middle East crisis, which has caused a significant disruption to the price, and supply, of jet fuel. An overwhelming 91% of respondents were either moderately or somewhat concerned by geopolitical issues. The jet fuel crisis was a contributing factor to one airline's liquidation (Spirit) and is likely to put pressure on many others. It also raises difficult questions for lessors:

- Should lessors offer a lifeline to airlines through deferred rents?
- What is the end-cost of aircraft repossession?
- How does taking back aircraft impact returns?

### **Supply chain costs and opportunities**

Technical and maintenance costs are a key concern for CFOs. Exactly half of all respondents (50%) identified both maintenance and supply chain disruptions for aircraft and parts as "a major issue". The two issues are, of course, linked. Lengthy MRO turnaround times have been made worse by lower availability of spare components as well as limited MRO capacity posed by poorer-than-expected new engine performance.

However, these increased costs, are also driving investment opportunities for lessors. An





overwhelming 73% of respondents identified engine leasing as a key potential area for investment over the next three years, while 55% expect investment into MRO opportunities.

A few leasing firms expressed an interest in eventually diversifying their investment strategy via clean propulsion technologies (e.g., zero and low-emission CTOL aircraft and e-VTOLs). Whether they are ready to take that step is a different matter. The survey highlighted a noticeable lack of planned investment or appetite by surveyed lessors for SAF, which suggests that lessors are still finding their feet when it comes to effective SAF strategies.

### **A continuing reliance on banks**

CFOs hold the keys to the treasury function within a leasing company. The survey captured a wide range of different lessor sizes, with 23% of respondents currently managing or owning less than 25 aircraft,

while nearly a third (27%) reported portfolios of more than a 150 aircraft.

Despite the recent growth of private lending in aviation, the bulk of lessors responding to the survey are still relying on the bank market for a significant portion of their financing (73%) and expect to continue to do so. Clearly private credit/aviation alternative lenders are making a dent in this, but banks are still seen as vital debt providers.

A big thank you to all the leasing firms who participated in the survey.



**Dickon Harris**  
**Ishka Airfinance**  
**Head of Insights**  
May 2026

## Executive Summary

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**Ireland's aviation finance community's outlook for 2026 and beyond is one of cautious optimism. The findings of our research can be distilled into six headline themes:**

1

**Geopolitics has moved to a top boardroom priority.**

91% of respondents identify geopolitical uncertainty as a moderate or major challenge. The Middle East conflict has moved to front-of-mind, with nearly every respondent citing fuel costs, airline creditworthiness, and market volatility as direct concerns. A prolonged Middle East conflict will have longer lasting impacts.

2

**Supply chain disruption is the number one operational headache.**

82% of respondents rate supply chain disruption as a moderate or major challenge, the highest-rated operational challenge in the survey. The OEM delivery backlog is reshaping asset values, constraining portfolio growth, and creating an unprecedented maintenance cost environment.

3

**M&A will continue to be a growth lever, but moderating.**

77% of respondents expect moderate consolidation across the sector over the next three to five years. Adjacent investments outside of core aircraft leasing assets includes engine leasing (73%) and MRO (55%).



4

**Digital transformation is a priority, but AI ambitions exceed current readiness.**

82% of respondents name enhanced management information and real-time data as a top internal investment priority. The automation of financial and technical modelling is seen as GenAI's biggest opportunity (64%). The GenAI opportunity is well understood, yet few organisations have moved meaningfully beyond exploration.

5

**SAF remains a key play, but a longer term, joined up strategy is needed.**

50% of respondents are monitoring SAF but have no active plans given SAF supply chains are immature, and the economics are challenging at present. Meaningful strides will require a joined up public and private investment strategy.

6

**The tax environment is shifting, compliance complexity is the new normal.**

78% of respondents flag increasing tax complexity is driving higher costs. Leaders are not primarily worried about Ireland's tax competitiveness deteriorating. They are worried about the cost and operational burden of managing an increasingly complex global tax function.



## Section 1: Headwinds on Multiple Fronts

Geopolitics, supply chains, and credit risk dominate the agenda

### A sector prepared for turbulence

The sector has a proven playbook for dealing with uncertainty leveraged from experiences gained most recently during the Covid-19 pandemic and Russia's invasion of Ukraine. The twin forces of geopolitical instability and aircraft supply disruption have been a constant theme over the last 5 years. Asked to rate the challenges their organisations face, respondents were striking in their consistency: no issue generated more alarm than these two.

What is notable is not just the prevalence of these concerns, but the way they interact. The Middle East conflict is simultaneously a fuel cost story, an airline credit story, a flight cancellation story and an asset value story. Supply chain disruption compounds all of these: when aircraft cannot be delivered, airlines cannot modernise their fleets, maintenance costs on ageing aircraft escalate, and lessors may find portfolio growth constrained.

91%

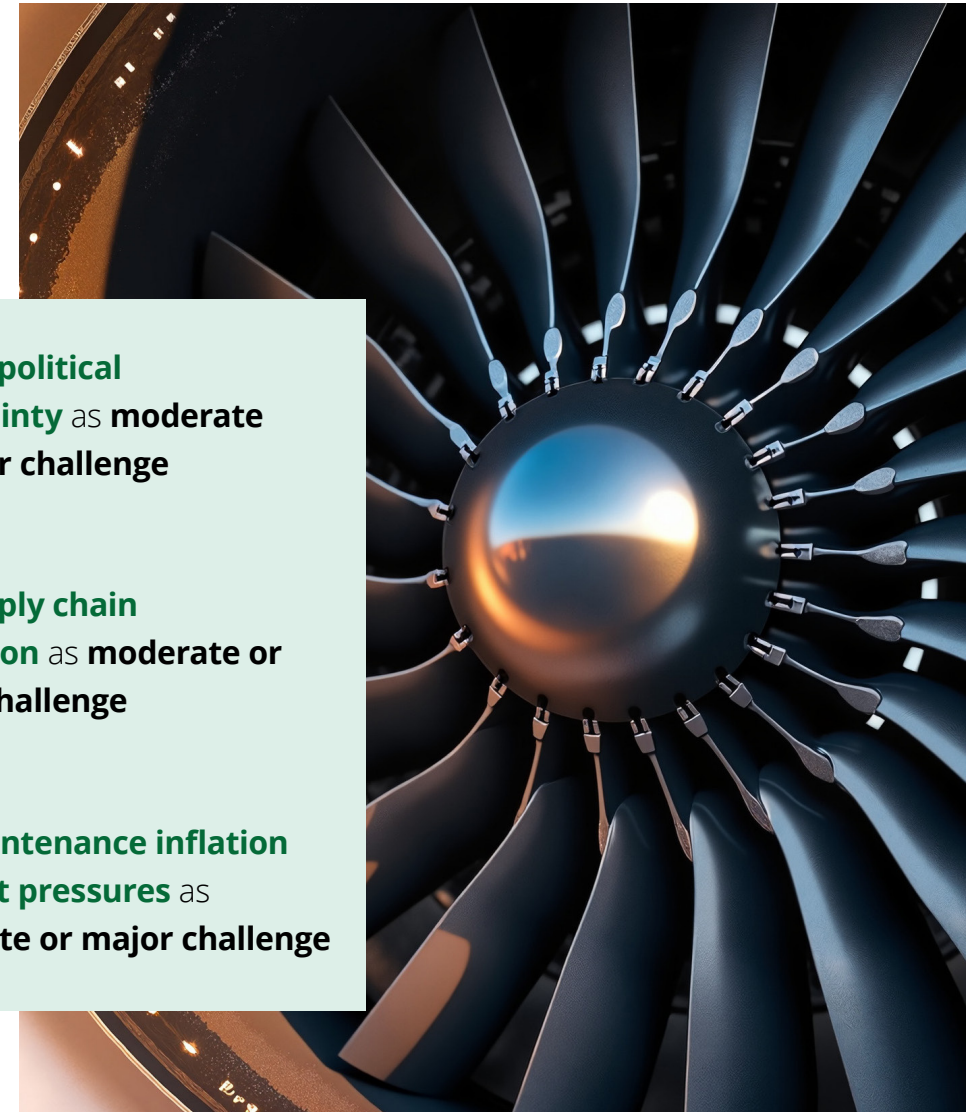
rate **geopolitical uncertainty** as **moderate or major challenge**

82%

rate **supply chain disruption** as **moderate or major challenge**

82%

rate **maintenance inflation and cost pressures** as **moderate or major challenge**





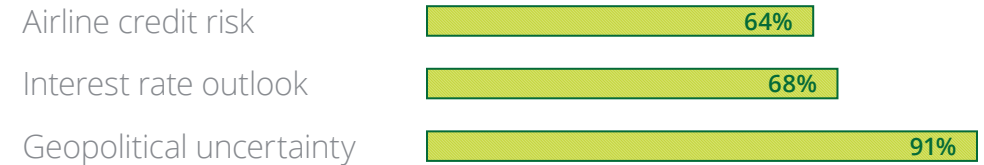
*“A prolonged Middle East conflict will squeeze airlines margins as a result of higher, for longer, jet fuel prices. Airlines are taking corrective action by cancelling flights to ensure operational efficiencies.*”

*Geopolitical risk is creating uncertainty in the market, airlines without strong balance sheets and a jet fuel hedging strategy will suffer more from a longer conflict.”*

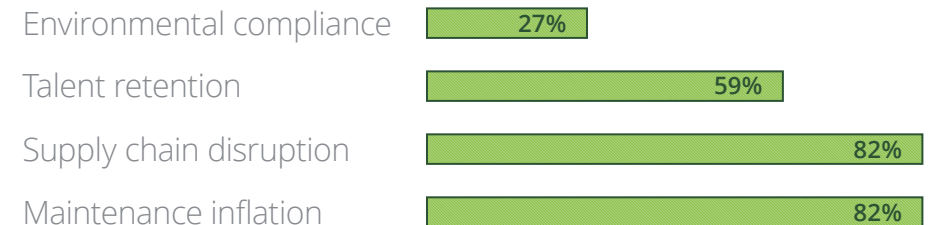
Maintenance inflation stands out as a particular concern with 50% of respondents rating it as a major challenge, the highest ‘major challenge’ rating of any operational issue in the survey. This reflects a structural reality: with OEM deliveries delayed by years, operators are flying older aircraft longer, and the cost of keeping those aircraft airworthy is rising sharply.

**Ron Doyle, Tax Partner**

### Current Strategic Challenges — Rated as Moderate or Major (% of respondents)



### Current Operational Challenges — Rated as Moderate or Major (% of respondents)



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### The airline default question

100% of respondents expressed some level of concern about airline defaults or restructurings over the next 12–24 months. Not a single leader described themselves as ‘not concerned.’ This is a significant but not unexpected finding.

In the wake of the Covid-19 pandemic, lessors strengthened their credit assessment capabilities and rebalanced their exposure from weaker credits, but the current environment is testing even those revised portfolios. Airlines have been compelled to reassess their fleet strategies and cancel thousands of flights due to surging jet fuel costs and supply constraints. Airlines are likely to request the deferral of lease payment obligations given the current operational challenges.



*“The current market dynamic also presents an opportunity for some lessors.*”

*Airlines will realise that with increased jet fuel costs, the investment in next generation aircraft, which are more fuel efficient, may need to be accelerated.”*

**David McCaffrey, Aviation Finance Leader**

The good news is that most respondents view their own portfolios as defensively positioned. Several respondents noted that airline defaults, while disruptive, can also represent re-leasing opportunities in a supply-constrained market. The sector’s institutional memory of Covid-19 recovery means most organisations have built stress-tested processes for asset recovery and remarketing.

## Section 2: Funding, Growth & Consolidation

Traditional banks remain dominant, but the structure of the sector is changing

### Funding strategy: banks hold the line

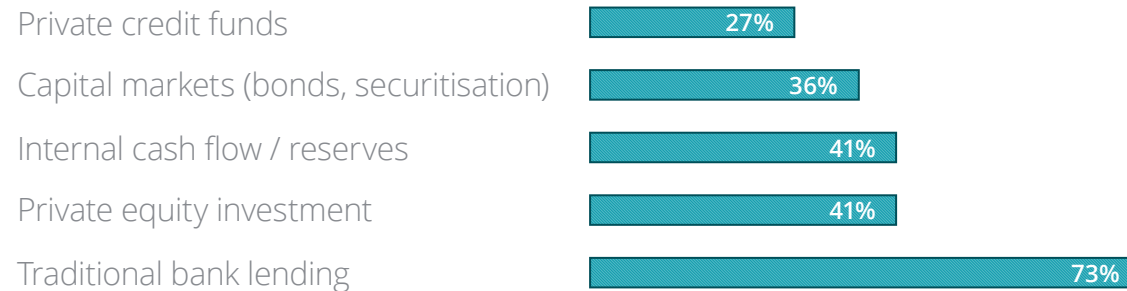
Despite a decade of growth in private credit and capital markets alternatives, traditional bank lending remains the dominant funding source for Ireland's aviation finance community. 73% of respondents named bank lending as the most significant source of future funding, a level of concentration that reflects both the depth of the relationship between Irish aviation platforms and their lending partners, and the relative predictability of bank finance compared to alternatives.



Private equity and internal cash generation are joint second (41% each), reflecting the sector's healthy balance sheets and the continued interest of financial sponsors in aviation-related assets. Capital markets, bonds and securitisation, remain relevant but are selected by only 36%, perhaps reflecting the additional complexity and execution risk they entail

in a volatile rate environment. Market momentum in the ABS sector strengthened during 2025 and 2026. Despite underlying volatility, institutional investor demand for aviation-linked ABS remained resilient, with new issuances resuming following the Middle East conflict.

### Anticipated Sources of Funding over the Next 12 Months (% of respondents, multi-select)



**M&A: a wave is coming but it will be measured**

Significant consolidation activity has defined the industry in recent years, with major transactions fundamentally altering market structure and competitive positioning. 77% of respondents expect moderate consolidation in the aviation finance sector over the next three to five years. This is a consensus view, and the drivers are well-understood; scale advantages in access to capital, OEM relationships, and operational platforms are becoming more pronounced. The constraints on organic growth imposed by aircraft supply shortages create additional incentive for inorganic activity.

**77%** expect **moderate consolidation and M&A activity over the next 3-5 years, creating opportunities for well-positioned platforms to accelerate scale.**

Yet the expectation is for moderation, not transformation. Only 9% anticipate significant consolidation. This may reflect the reality that valuations in aviation finance remain elevated and that the most attractive targets are also the ones that are growing fastest organically and least likely to sell.



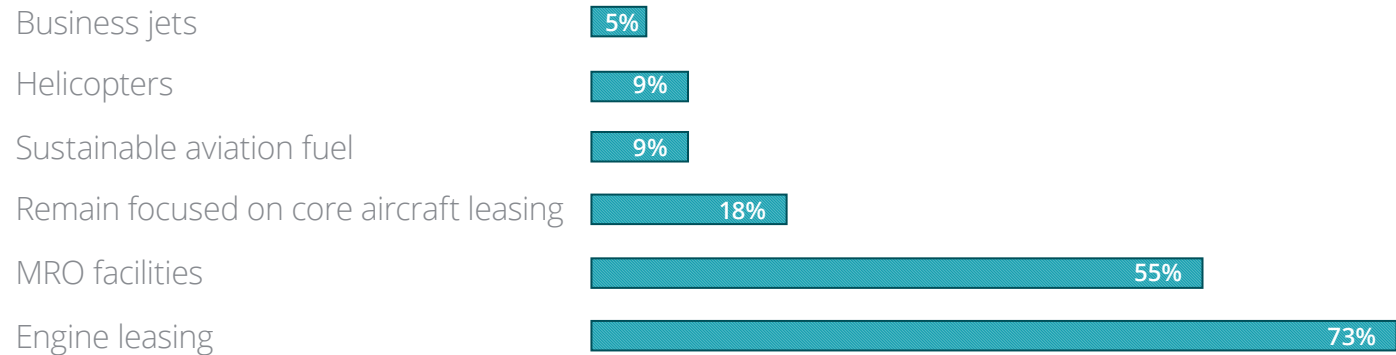
**Asset diversification: engines are the play**

When asked where aircraft leasing platforms will invest over the next three years outside of core assets, engine leasing was the runaway answer (73%), followed by MRO facilities (55%). Both reflect the same underlying logic: supply constraints are creating premium economics for assets that are scarce and in-demand, and engines which are subject to even tighter delivery constraints than airframes, sit at the top of that hierarchy.

The relative marginalisation of sustainable aviation fuel (9%) and advanced air mobility (only 5% actively investing or exploring partnerships in eVTOL/drone logistics) is telling. These sectors attract significant attention in industry forums, but investment capital is following proven near-term returns rather than long-term themes.



**Anticipated Sources of Funding over the Next 12 Months (% of respondents, multi-select)**



## Section 3: The Digital Imperative

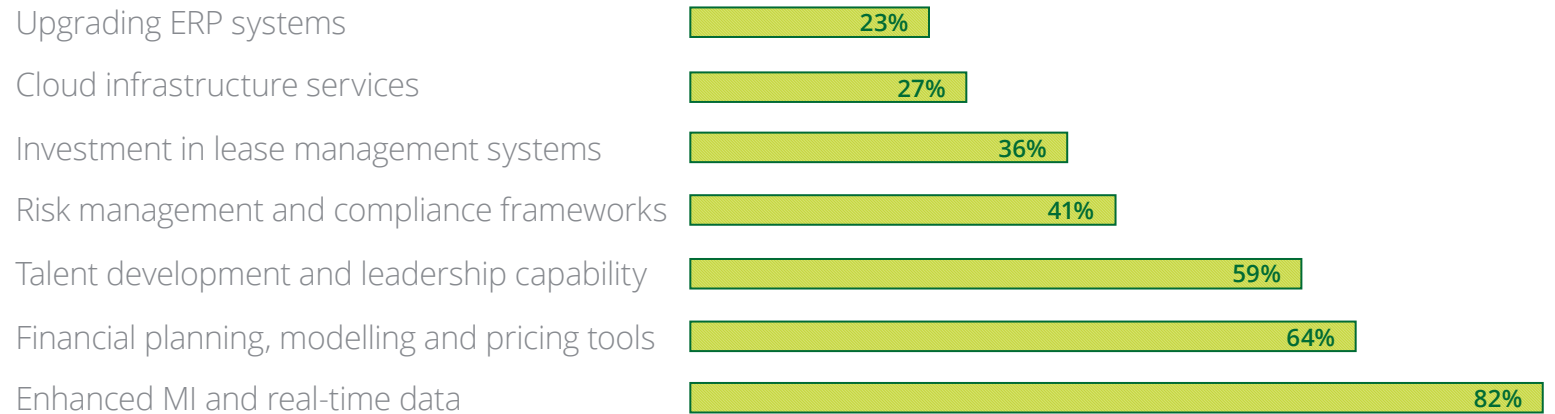
### Data, AI, and the transformation of aviation finance operations

#### Real-time data is the top investment priority

The internal transformation agenda for Irish aviation finance leaders is clear: 82% name enhanced management information and real-time data capabilities as a top investment priority over the next three years, the highest-rated item across all internal investment priorities. This is not a technology conversation; it is a decision-quality conversation.

Leaders are investing in data because the competitive dynamics of aviation finance increasingly reward those who can see further, faster. Portfolio management decisions, which aircraft to remarket, which markets to target, how to price renewal options depend on access to market data that most organisations currently access through fragmented, manual processes. The appetite to change this is real.

#### Top Internal Investment Priorities over the Next 3 Years (% selecting)



### GenAI: high ambition, early stage

The survey reveals a sector that has identified the GenAI opportunity with impressive clarity but is still in the early stages of translating that clarity into action. 64% of respondents see the greatest GenAI opportunity in automating financial modelling and reporting; an equal 64% point to automating maintenance and technical modelling. These are precisely the areas where the aviation finance sector's most time-intensive, error-prone manual processes are concentrated.

The appetite to move is genuine. What leaders are looking for now is practical, sector-specific evidence of what works. Organisations that can point to concrete implementation experience, real efficiency gains, and aviation-specific use cases will have a significant advantage in accelerating their own transformation journeys.

*"The aviation finance sector stands at the threshold of an AI transformation. Early adopters who convert strategic insight into operational execution will gain a significant competitive edge."*

**Kate Sugrue, Director, AI, Technology and Transformation**




**64%**

see **GenAI's biggest opportunity in automating financial and technical modelling, a rare alignment of finance and operations priorities** that creates **genuine transformation potential.**

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**Cybersecurity: a risk hiding in plain sight**

78% of respondents rate cybersecurity risk as moderate or high, yet it ranked among the lower-priority operational concerns in qualitative responses. This gap between perceived risk and active prioritisation is a familiar pattern in financial services, and one that tends to close only after an incident. Aviation finance platforms hold significant quantities of commercially sensitive data; lease terms, maintenance records, and counterparty financial information that represent high-value targets.



*"An ever-widening attack surface brought about by new ways of working along with technology advancements, including AI, are combining to exacerbate security challenges within the aviation and finance sectors. When you combine these factors with the new regulatory requirements like PART-IS, NIS2 and DORA, which place responsibility on senior management and the board for cyber resilience, a renewed energy and level of focus is required to protect these organisations into the future."*

**Gary Corley, Managing Director,  
Cyber Security**

## Section 4: Sustainability — Watching and Waiting

### The Green Transition: Watching the Horizon

#### The sustainability gap

Ireland's aviation finance community is watching the sustainability transition carefully, but it is not yet investing in it meaningfully. The data is remarkably consistent: across sustainable aviation fuel, advanced air mobility, and zero-emission aircraft, the dominant posture is 'monitoring but not committing.'

**55%** say **zero-emission aircraft** are **not part of current strategy**

**50%** are **monitoring SAF** but have **no active plans**

**50%** are **not pursuing advanced air mobility** at this time

This is a rational posture given current market conditions. Electric and hydrogen aircraft remain commercially unproven at scale. SAF supply chains are immature, and the economics are challenging and, in an environment where core aircraft leasing is generating strong returns, the opportunity cost of capital allocation to emerging technologies is significant.

While this approach is logical, it does create potential strategic risk as regulatory and customer pressure on aviation's carbon footprint intensifies. Platforms that have built expertise and relationships in clean aviation technologies will be better positioned when, not if, the market eventually tips. The question for Ireland's aviation finance community is whether 'monitoring' is a strategy or a deferral.

## Section 5: The Tax Environment is Shifting

Compliance complexity is the new normal and the costs are rising

### From routine to complex

Ireland's aircraft leasing community has long enjoyed a stable and internationally competitive tax environment. That environment is not under existential threat, but it is becoming considerably more complex to navigate. The OECD Pillar Two minimum tax framework, evolving transfer pricing requirements, and increasing tax authority scrutiny and challenge are transforming what was once a relatively straightforward compliance exercise into an operational burden.

**78%** flag **increasing complexity** driving **higher costs**

**64%** cite **increased compliance burden** as **moderate or major concern**

**50%** highlight **risk of legislative change** affecting **established platform**



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What is most striking is the gap between concern about effective tax rates (which remains relatively modest with 50% of respondents rating it as a moderate or major concern) and concern about compliance cost and complexity (78% and 64% respectively). Leaders are not primarily worried about Ireland's tax competitiveness deteriorating. They are worried about the cost and operational burden of managing an increasingly complex global tax function.

For smaller platforms in particular, this represents a genuine competitive challenge. The fixed costs of international tax compliance are significant, and the organisations best placed to absorb them are those with the scale to invest in specialist in-house capability or sustained advisory relationships.



*“Tax complexity, driven by global and domestic reforms, is clearly concerning the finance leaders surveyed. While policymakers are believed to be looking towards a simplification agenda, this process is likely to be slow”*

**Ron Doyle, Tax Partner**

## Our Perspective: Four Decisions That Matter Now

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The findings of this research point to four areas where we believe Irish Aviation Finance leaders face genuinely consequential decisions, choices that will shape the competitive positioning of their platforms over the next three to five years.

### 1 **Stress-test your portfolio for a prolonged Middle East conflict scenario**

Leaders should ensure they have modelled the impact of sustained high oil prices (above \$100/barrel), airline distress, and airspace restrictions on their portfolio revenue and credit exposures. The time to do this analysis is before the crisis deepens, not after.

### 2 **Get specific about your AI roadmap**

64% of leaders see GenAI's biggest opportunity in financial and technical modelling automation. The technology to deliver this is available now. What most organisations lack is not ambition or interest, it is a specific, funded programme with clear use cases and measurable outcomes. The

risk of continued exploration without commitment is that competitors who do commit begin to build meaningful efficiency and insight advantages.

### 3 **Build your talent pipeline for the future**

With 59% of aviation finance leaders citing talent investment as a top priority for the next 3-5 years, finance leaders must assess critical skill gaps in digital finance and data analytics. Equally critical: building sustainability expertise now. Within 5-7 years, ESG credentials will directly influence access to capital, customer relationships, and competitive positioning. Finance teams that invest today in talent pipelines will be positioned to lead in a digitally-enabled, sustainability-driven market.

### 4 **Treat the tax function as a strategic asset, not a compliance obligation**

With 64% citing compliance complexity as a growing concern, the tax function is becoming a differentiator. Organisations with well-resourced, forward-looking tax capabilities will navigate the tax environment more efficiently, avoid costly surprises, and be better positioned to structure transactions competitively. The organisations that under-invest here will pay more in cash tax, in professional fees, and in management time.

## About This Research

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This report is based on research conducted by Deloitte Ireland in March and April 2026. We surveyed senior leaders from Ireland's aviation finance and leasing community, including Chief Financial Officers (50%), CEOs and Managing Directors (18%), Heads of Finance (14%), and other senior executives (18%).

Respondents represented organisations across the full spectrum of portfolio size, from platforms managing fewer than 25 aircraft to those with portfolios exceeding 150 aircraft. The research combined an online survey with in-depth interviews, providing both quantitative data and qualitative insight.

The survey was designed in partnership with Ishka Airfinance Global and analysed by Deloitte Ireland's Aviation Finance Practice. This report represents Deloitte's interpretation of and perspective on those findings. It is intended as a contribution to industry discussion and is not a basis for investment or commercial decisions.

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For more information about this research or to speak with a member of our aviation finance team, please contact your [Deloitte Ireland relationship partner](#).



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