



NPA 2010-09

Contracting of continuing airworthiness activities

**(2nd part – contracting of CAMO by a
community CAT operator)**

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Abbreviations for the purpose of the 2nd part of NPA 2010-09

- CA: Continuing Airworthiness
- CAT: Commercial Air Transport.
 - ★ According to the definition of “community” operator (see slide 10)
- CAM: Continuing Airworthiness Management.
 - ★ Addresses all tasks (and not anymore specific CAM tasks)
- CAMO: approved Continuing Airworthiness Management Organisation (organisation complying with Part M Subpart- G).
- MAC: Means of Active Control for the purpose of CA contracting

- SMS: Safety Management System
- RAA: Risk Assessment Analysis (only for CAT)
- CACE: Continuing Airworthiness Control Exposition



STRUCTURE OF NPA 2010-09

1. Executive summary (pages 3/4/5)
2. Explanatory notes (start page 6)
 1. Part ONE – Contracting of certain CAM tasks by a CAMO (under its quality system) (bottom page 9) -Review of M.A.711
 2. Part TWO – Contracting by an operator involved in CAT of the CAM of its aircraft (pages 13-17) – **this presentation**– Review of M.A.201(h)1
3. Regulatory Impact Assessment (start page 18)
 1. Part ONE (pages 19 to 23)
 2. Part TWO (pages 24 to 30)
4. The proposed changes to the rules (pages 31/120)
 1. Implementing rules (pages 31 to 52)
 2. AMCs/GMs (pages 53 to 120)



Current rules - starting point

M.A.201(h)1:

- For aircraft involved in CAT the operator shall be approved as a CAMO.

- Per Article 1.3 of EC n°2042/2003 provisions of CAT apply to licensed air carriers as defined by Community Law (Regulation (EC) No 1008/2008 of 24 September 2008), which excludes the following operations:
 - ✦ Non-power driven aircraft.
 - ✦ Flights A to A.
 - ✦ Aircraft registered in the EU operated by third country operators.



1. Development of a new option for a community CAT operator



Drawbacks of the current situation

The current rules make it mandatory for the CAT operator to be CAMO approved (M.A.201(h)). However, this requirement has created certain problems:

- Small operators may find it **difficult** in some cases **to have the full in-house expertise** to manage the continuing airworthiness of their fleet.
- Some operators, even if already CAMO approved, may find it difficult to put the resources in place and change their scope of approval when a new fleet is added through a **short-term dry lease agreement**.
- In many circumstances, the CAMO (as part of the CAT operator) is formally a **different legal entity than the operator** itself (typically the case where they are part of the same parent company or holding). This makes it impossible, under the current rules, for the CAMO of the operator to assume any responsibility.
- **Aircraft manufacturers** are unable to offer **full** CAM services for CAT operators.



...a new option...

As explained this morning, the group came to the conclusion that, when a CAMO operator contracts another CAMO:

- ✦ there was no clear method by which the contracting organisation could obtain credit from the fact that the contracted organisation held a CAMO approval;
- ✦ there may be confusion about the responsibilities of each party and that the overall management of the continuing airworthiness of the aircraft would be diluted.

However, a new option may be envisaged: the CAT operator without being CAMO approved must contract the CAM of its aircraft to a CAMO.



The introduction of the new option would have the following advantages (1)

- Small operators, where it is not reasonable to expect that they have full in-house capability, will be able to fully contract an approved CAMO with the appropriate competence. For safety reasons, this is considered a better option than the current practice where these small operators are already contracting most of the CAM tasks to approved or non-approved organisations under their own quality system (which in certain cases, because of the small size of the organisation, may not be very robust).
- It would assist CAT operators (already CAMO approved) introducing a new fleet for a very short period of time (i.e., short-term dry lease).



The introduction of the new option would have the following advantages (2)

- It will allow those aircraft manufacturers interested in offering full continuing airworthiness management services to provide these for CAT operators.
- A significant number of those organisations (not CAMO approved) which are currently working under the quality system of CAMOs belonging to a CAT operator are expected to seek a CAMO approval to offer full contracting services.
 - This will increase the level of oversight upon these organisations and the quality of the work performed.
 - It will also allow these organisations to assume responsibility for the tasks performed, which is not currently the case.



The introduction of the new option would have the following advantages (3)

- It will formalise the current situation where the CAMO of the operator may be a different legal entity than the operator itself (part of the same parent company or holding) without the need to create an additional CAMO with the same legal entity as the operator and a contracting agreement with the CAMO who is really performing the tasks.



The introduction of the new option would have the following drawbacks:

The CAT operator may have a tendency to:

- ★ fully rely on the contracted CAMO; and
- ★ have a poor exchange of timely information between operations and the CAMO; and
- ★ contract the CAMO with the best economic offer, which in some cases may be far from the operational base. This would complicate the management of the aircraft.

Therefore, it was decided to introduce the following compensating measures:



Introduction of a new option for CAT operators **Compensating measures (1)**

Introduction of:

- ✧ a contract with the CAMO which ensures clear continuing airworthiness responsibilities and that tasks are correctly addressed;
- ✧ establishment of a satisfactory channel of communication between the operator and the contracted CAMO;
- ✧ a Risk Analysis Assessment (criticality) for each continuing airworthiness task (coming from the SMS concept);
- ✧ a confirmation of the level of control required for each of these tasks;



Introduction of a new option for CAT operators Compensating measures (2)

- ✦ a plan to demonstrate that adequate resources are in place (manpower, competence, airworthiness data exchange, oversight, procedures, etc.) in order to justify the level of control, based on the Risk Assessment Analysis (size, complexity, etc.);
- ✦ a minimum level of technical expertise in order to carry out continuing airworthiness control (such as an Accountable Manager, a Nominated Post Holder (NPH), additional staff if necessary...)
- ✦ an exposition manual confirming that the procedures and the resources are adequate
 - ➔ This document will be further called CACE (Continuing Airworthiness Control Exposition)



Introduction of a new option for CAT operators

Conclusions

The CAT operator does not need to meet the requirements of M.A. Subpart G because the accomplishment of the CAM is carried out by approved organisation (the contracted CAMO).

In this case, the CA responsibility of the CAT operator is limited to the 'control' of the contractor's activities on behalf of the CAT operator (according to the Contract)

This does not mean 'active control' (as for M.A.711 – contracting tasks under the quality system of the CAMO operator) but is, nonetheless, sufficient control to meet ICAO Annex 6 requirements.

- ★ The Risk Assessment Analysis (RAA) is one way to demonstrate that level of "control" (see slides n° 26/27)

The operator, who is not CAMO approved, relies on a contracted CAMO to provide the CAM but without delegating its overall responsibility.

The contracted CAMO assumes responsibility for the proper accomplishment of the CAM. The operator remains ultimately responsible for the CA of the fleet.



Legal reminders: ICAO and EASA basis

ICAO Annex 6 Part 1 (CAT aeroplanes) Chapter 8

- a) Operators **shall ensure that each aeroplane they operate is maintained in an airworthy condition IAW procedures acceptable to the State of Registry;**
- b) An Operator shall provide ... a **Maintenance Control Manual** acceptable to the State of Registry.

Annex IV Essential requirements for air operations referred to in Article 8 of BR (EC) n°216/2008

§6: the aircraft must not be operated unless the aircraft is in an airworthy condition

§8: **for commercial purposes and operation of complex motor-powered aircraft**, the continuing airworthiness must be **controlled** by an organisation responsible for the CAM, establishing an organisation manual



Therefore EASA decides to propose...

INTRODUCTION OF A NEW SUBPART J TO PART M

- Similar to the structure of subpart G to Part M
 - ★ See as from slide 19
- Although “being in compliance with Part M subpart G” means “approval”, “being in compliance with Part M subpart J” does not lead to the issuance of an approval certificate. Why?
 - ★ No provision in the Basic Regulation for this kind of certificate;
 - ★ Part M subpart J applies to the Operator that already has a certificate (i.e. an “AOC”). Compliance with Subpart J will be part of the oversight performed on the operator in order to maintain its AOC.

Note: it was decided to keep all requirements in EC n°2042/2003 and not to transfer them in coming AR/OR rules.



Terminology used all along the NPA for the “J” option

- If the Operator is not CAMO **approved** then it must **comply** with Part-M Subpart J.
- An operator in compliance with Part M subpart J shall **control** the CAM which are contracted to a stand alone CAMO, although the CAMO when contracting CAM tasks under its quality system, **actively controls** IAW M.A.711
- The Risk Assessment Analysis (RAA) is the way a “Subpart-J compliant” Operator **controls** the CAM contracted to a CAMO.
 - ✦ versus MAC: “**active control**” of contracted CAM tasks by a CAMO, under its quality system (M.A.711)
 - ✦ RAA and MAC are described at the level of an AMC
 - ✦ RAA: Risk refers to SMS (only applicable to CAT)



2. Development of Part M subpart J ("J" Operator)



Part-M subpart J

SUBPART J – OPERATOR CONTRACTING CONTINUING AIRWORTHINESS MANAGEMENT ACTIVITIES TO AN APPROVED M.A. SUBPART G ORGANISATION

- ✦ **M.A.1001 Scope**
- ✦ **M.A.1002 Application**
- ✦ **M.A.1003 (reserved)**
- ✦ **M.A.1004 Continuing Airworthiness Control Exposition (CACE)**
- ✦ **M.A.1005 Facilities**
- ✦ **M.A.1006 Personnel requirements**
- ✦ **M.A.1007 (reserved)**
- ✦ **M.A.1008 Control of continuing airworthiness management**
- ✦ **M.A.1009 Documentation**
- ✦ **M.A.1010 Continuing Airworthiness Management Contract**
- ✦ **M.A.1011 Privileges of the organisation**
- ✦ **M.A.1012 Quality System**
- ✦ **M.A.1013 Changes to the operator related to Part M subpart J**
- ✦ **M.A.1014 Record-keeping**
- ✦ **M.A.1015 Continued validity of the Air Operator Certificate when the operator is subject to Part-M Subpart J**
- ✦ **M.A.1016 Findings**



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Part-M subpart J

Note: The next slides describes the content of the "major" requirements and associated AMCs...



Part-M subpart J

M.A.1002 Application

- ✦ (b) When the operator is required to comply with this Subpart, the scope of work shall be:
 - identified on the air operator certificate (AOC) issued by the competent authority, for the aircraft operated or for a particular fleet, and
 - specified in the approved continuing airworthiness control exposition (CACE) in accordance with M.A.1004

Note: a definition of fleet is given in new AMC to M.A.201(h) 1&2

- ✦ (c) Being compliant with this Subpart does not constitute an authorisation to operate the types of aircraft referred to in the CACE of the operator. The authorisation to operate the aircraft is the AOC.



Part-M subpart J

A fleet is considered to be (new AMC to M.A.201(h) 1&2):

- ✦ An aircraft; or
- ✦ A group of aircraft pertaining to the same type or to a group of aircraft types; or
- ✦ Based upon the aircraft maintenance programme and not limited by reference to individual EASA certificated aircraft; for instance, Airbus A300 series under maintenance programme XXX and Airbus A300-600 series under maintenance programme YYY.

The definition of 'fleet' should be reflected in the CACE (same applies for CAMO/CAME).

- ✦ Only one contracted CAMO per fleet is allowed
- ✦ Refer to M.A.1011



Part-M subpart J

M.A.1004 Continuing Airworthiness Control Exposition (CACE)

- Build on M.A.704 (CAME), its AMC and Appendix V to AMC to M.A.704
- Adapted to the “J” option.
- Appendix V to AMC to M.A.704 is renamed Appendix V to AMC to M.A.704 and M.A.1004

M.A.1005 Facilities

The operator shall provide suitable office accommodation at appropriate locations for the personnel.



Part-M subpart J

M.A.1006 Personnel requirements

As a minimum

- ★ **An accountable manager who has authority for ensuring that:**
 - all CAM activities can be financed and carried out to the standard required for the issue and the continued validity of an AOC.
- ★ **a nominated post holder (NPH), responsible for the management and supervision of the CAM**
 - the NPH shall not be employed directly or indirectly by either an M.A. Subpart G organisation or a Part-145 organisation under contract to the operator, unless specifically agreed by the competent authority.
- ★ **sufficient appropriately qualified staff for the expected work**
 - AMC M.A.1006 helps to quantify with the help of the RAA (“control”)
- ★ **Demonstration of relevant knowledge, background, and appropriate experience related to aircraft continuing airworthiness.**
 - AMC M.A.1006 (d) for the NPH



Part-M subpart J

M.A.1008 Control of continuing airworthiness management

- Through the contract
- Coordination between the operator, the contracted CAMO and the Part-145 maintenance organisation (s)
- Defines the level of "control" through the RAA (next slide)

M.A.1010 Continuing Airworthiness Management Contract

- Part A to Appendix I to Part M is former Appendix I (M.A.201(e))
- Part B to Appendix I to Part M has been created and is only applicable to community CAT operator. It describes the obligations of:
 - The operator; and
 - The contracted CAMO
 - Should reflect the results of the RAA (next slides)

Note: some tasks cannot be contracted



Part-M subpart J

The **RAA** (Risk Assessment Analysis) is an analysis in order to describe the level of "control" of the contracted CAMO by the "J" Operator:

- ✧ **Is detailed in AMC M.A.201(h) 1&2**
- ✧ Derived from the SMS concept;
- ✧ **Is always applicable for CAT;**
- ✧ Should be prepared by the Operator, made available to the Competent Authority and reflected in the manuals such as CACE, contract(s), procedures etc



Part-M subpart J

The RAA shall address:

- safety policy and objectives, hazard identification and severity of occurrences, deriving safety risks, safety risk management, probability and severity, (un) acceptable safety risk tolerability, control/mitigating factors, etc., for each identified continuing airworthiness task;
- Be completed by the level of oversight required for each of these tasks;
- associated to a plan in order to demonstrate that adequate resources are in place (man/hours, competence, assignment of responsibilities and tasks, procedures, IT and management tools, airworthiness data exchange and documentation, facilities, etc.) in order to:
 - ✦ - justify the level of effective control; and
 - ✦ - maintain the risk under the acceptable risk tolerability (how to manage the organisation)



Part-M subpart J

M.A.1011 Privileges of the organisation

An operator in compliance with Part M Subpart J:

- has, under its AOC certificate, the privilege to contract all CAM to an appropriately approved CAMO per fleet.
- Is not entitled to hold airworthiness review privileges because:
 - ★ it has contracted out all its CAM; and
 - ★ the day-to-day CAM is performed by the contracted CAMO where the core expertise remains and where all CAM justifications and details are kept.

Note: If the contracted CAMO holds these ARC privileges, it may issue or extend the ARC or make a recommendation (no change to M.A.711 in liaison with M.A.901). The contract has to include procedures for proper communication between operator and CAMO.



Part-M subpart J (subpart B): Authority requirements

M.A.1012 Quality system

- In line with CAT operations

M.A.1014 Record-keeping

- Arrangements with the contracted CAMO
- + contracts (36 Months after the withdrawn from service)

M.A.1016 Findings

- Same as for M.A.716
- Audits from the Competent Authority

Needs also for Authority requirements (section B to Part-M): ...next slide...



Part-M subpart J (subpart B): Authority requirements

SUBPART J — OPERATOR CONTRACTING CONTINUING AIRWORTHINESS MANAGEMENT ACTIVITIES TO AN APPROVED M.A. SUBPART G ORGANISATION

- ✦ M.B.1001 Application
- ✦ M.B.1001 Initial Application
- ✦ M.B.100 (reserved)
- ✦ M.B.1004 Continuing oversight
- ✦ M.B.1005 Findings
- ✦ M.B.1006 Changes
- ✦ M.B.1007 Revocation, suspension and limitation of an AOC
- ✦ M.B.1008 Competent authority oversight of activities contracted by the Part-M Subpart J compliant operator
- ✦ M.B.1009 (reserved)
- ✦ M.B.1010 Continuing Airworthiness Management Contract



Part-M subpart J (subpart B): Authority requirements

In particular, creation of:

- ✦ **An EASA Form 13 "J" for the "Scope of work" and the "audit" of the "J" Operator (NAA oversight)**
 - ➔ Former EASA Form 13 becomes EASA Form 13 "G"
- ✦ **Scope of work for a CAT "J" Operator**
 - ➔ Document / statement to be attached with the AOC when an operator complies with Part M subpart J (it is not a certificate – no form 14)
 - ➔ New appendix XV to AMC M.B.1002(g)
- ✦ **Review of EASA Form 4**



Additional proposed changes to the rules

There may be three different competent authorities involved in the continuing airworthiness management and airworthiness review of an aircraft involved in CAT. These are:

- ★ the competent authority of the Member State of registry,
- ★ the competent authority of the Member State of the operator,
- ★ the competent authority responsible for the approval of the contracted CAMO.



Additional proposed changes to the rules

The Agency has decided to limit the possibility for a “J” operator to contract a CAMO to those CAMOs registered in a Member State.

As a consequence, a community operator involved in CAT will not be allowed to contract a CAMO registered in a third country.

The origin of this decision are the requirements contained:

1) in M.B.704 (c)

- **where the competent authority of the CAMO has to perform a survey of a relevant sample of aircraft managed by the CAMO**

2) in M.B.303

- **Where the competent authority of the state of registry has to perform an ACAM programme (aircraft CA Monitoring)**



Additional proposed changes to the rules

In the case where the CAMO is registered in a Member State, most of the aircraft managed by this CAMO will be likely registered in that Member State

As a consequence, when complying with M.B.704 (c), the competent authority of the CAMO

- may do the sampling by mostly selecting aircraft which are on its register.
- may take credit for inspections that they have already performed through the M.B.303 Aircraft Continuing Airworthiness Monitoring (ACAM) programme when acting as State of Registry.

Furthermore, most of the aircraft managed by that CAMO will likely belong to operators located in the same Member State, which makes it easier for the competent authority to oversee the interface/communication between operator and CAMO.



Additional proposed changes to the rules

However, when the CAMO is registered in a third country, the competent authority responsible for its oversight is EASA.

Since EASA does not act as State of Registry or as State of Operator for any aircraft, the oversight of the fleet managed by the CAMO and the oversight of the interface/communication between the community CAT operator and the foreign CAMO would have been extremely difficult.

In addition, in order to cover all those cases where CAMO, Operator and Register belong to different Member States, M.B.105 has been reviewed to ensure that it addresses the need for adequate exchange of information and mutual cooperation

- ★ In particular AMC to M.B.105 is much more detailed.



Proposed M.A.201(h) now reads:

New M.A.201 (h)

In the case of commercial air transport the operator is responsible for the continuing airworthiness of the aircraft it operates and shall:

1. be approved in accordance with Section A, Subpart G of this Annex (Part-M); ***and/or***
2. ***(i)*** contract all continuing airworthiness management activities of a fleet to a single appropriately approved M.A. Subpart G organisation registered in one of the Member States, in accordance with Appendix I, Part B; ***and***
(ii) be in compliance with Section A, Subpart J of this Annex (Part-M); and

.../...



New AMC to M.A.201(h)1&2 replaces ex AMC to M.A.201(h):

The requirement is intended to provide for the possibility of the following options:

- (i). The operator is M.A. Subpart G approved,
- (ii). The operator is M.A. Subpart G approved, and/or
- (iii). The operator is in compliance with M.A. Subpart J and must contract all continuing airworthiness management to an M.A. Subpart G organisation.

In the case of having different continuing airworthiness management arrangements for different fleets, the operator may both:

- hold M.A. Subpart G approval, and
- be in compliance with M.A. Subpart J



New AMC to M.A.201(h)1&2 replaces ex AMC to M.A.201(h):

The operator's responsibility for continuing airworthiness management is achieved by:

- (a) **active control** through direct involvement as specified in the CAME when the operator is M.A. Subpart G approved and contracts CAM tasks under its quality system, and/or
- (b) **control** when the continuing airworthiness management is performed by a contracted M.A. Subpart G organisation and the operator is in compliance with M.A. Subpart J.

When an operator (or prospective operator) involved in commercial air transport is deciding whether to apply for M.A. Subpart G approval or comply with M.A. Subpart J, it will be up to them to determine which option is most appropriate in each particular case with the agreement of their competent authority.



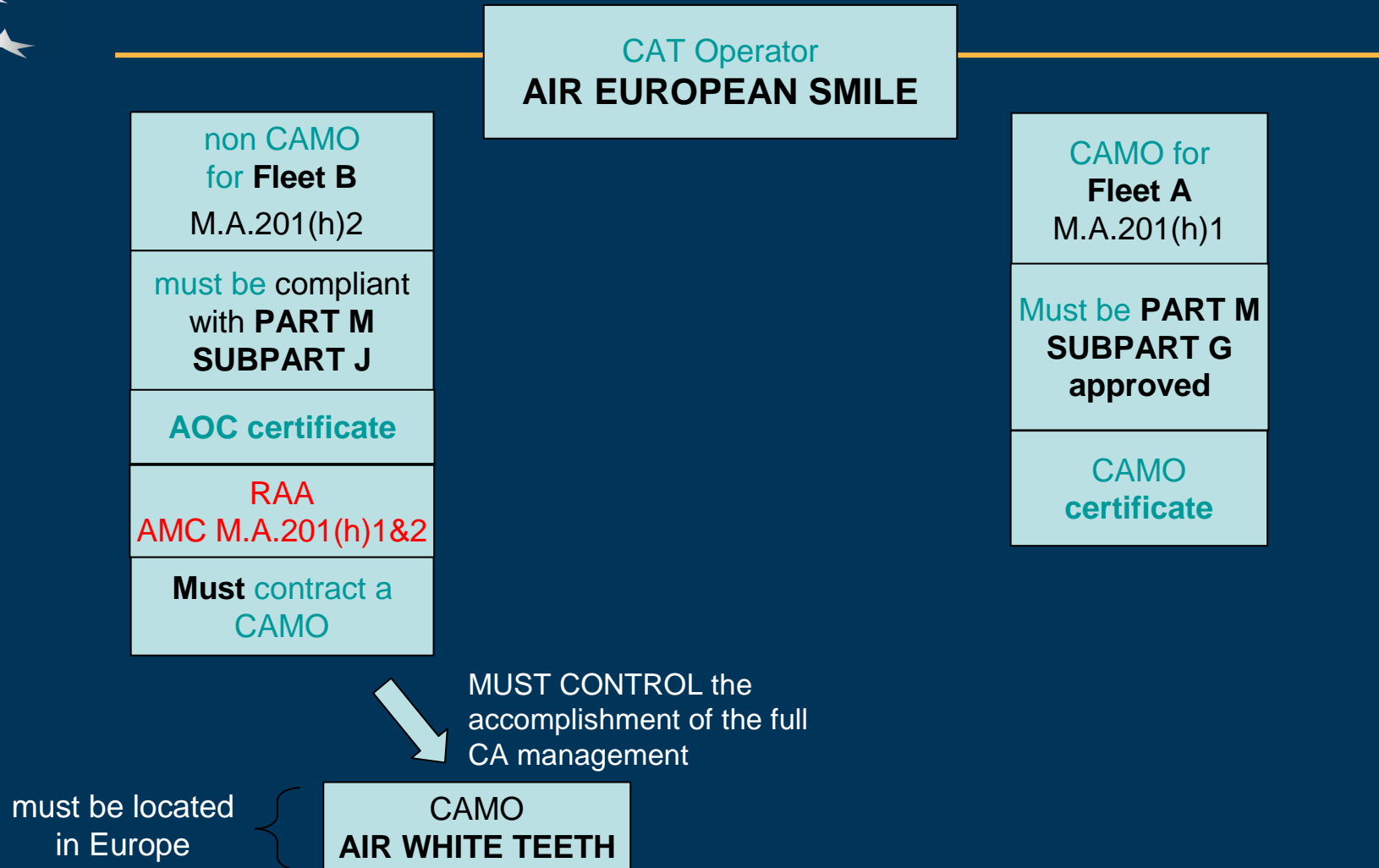
New AMC to M.A.201(h)1&2 replaces ex AMC to M.A.201(h):

To make this determination, the operator should consider the following criteria:

- (a) their relevant experience in carrying out continuing airworthiness activities (not less than 24 months);
- (b) the size and the complexity of the fleet, the number of contracts and the nature of the tasks to be contracted;
- (c) the availability of sufficient resources;
- (d) their capability to be M.A. Subpart G approved or capability to control the accomplishment of the CAM (by a contracted CAMO) in case of compliance with M.A. Subpart J;
- (e) whether they intend to obtain M.A.711 privileges (in the case of M.A. Subpart G organisations).

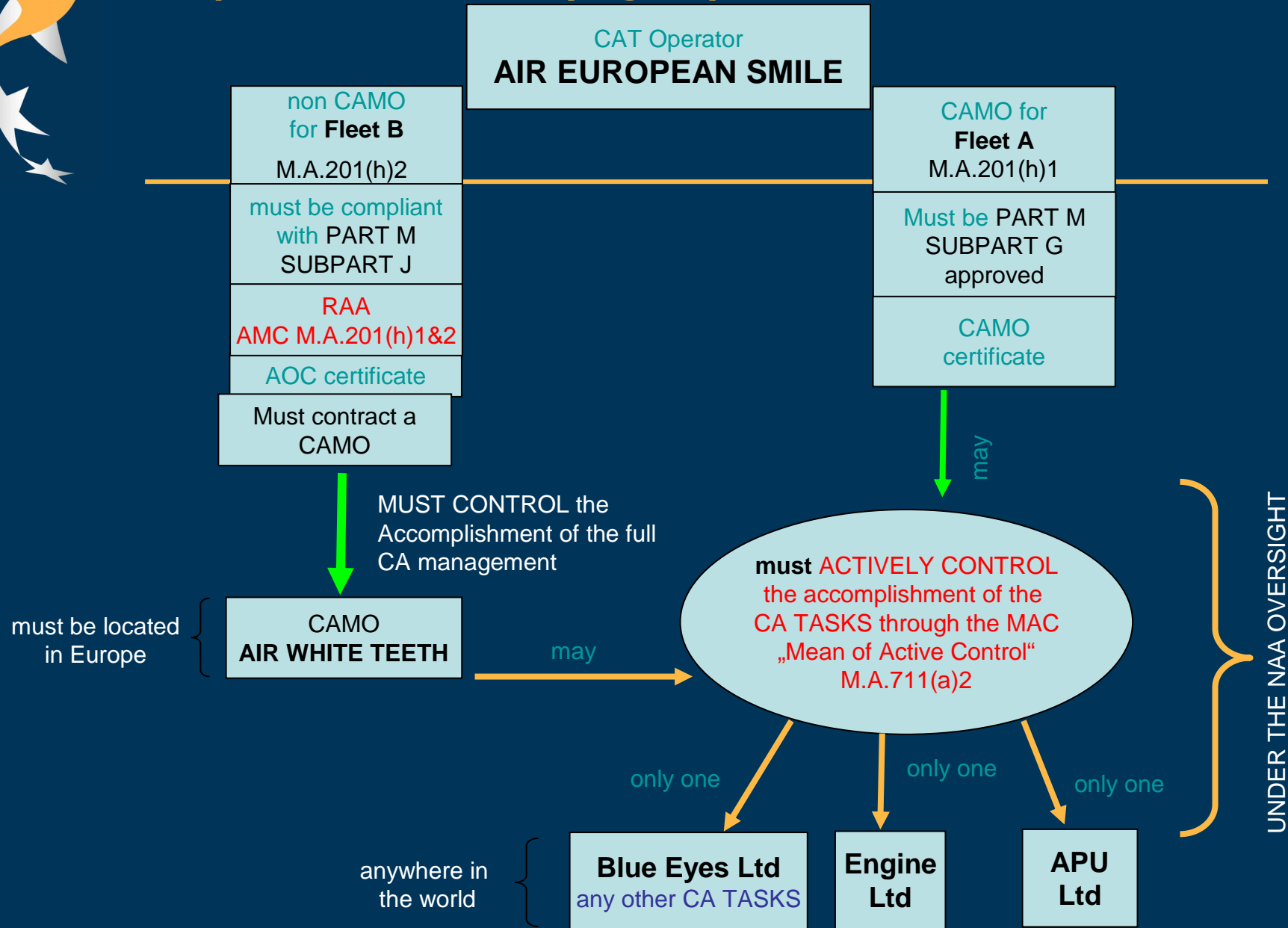


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Regulatory impact assessment



Who is affected by this NPA?

The changes would affect:

- ✦ Community CAT operators
- ✦ CAMOs (and potential applicants for CAMOs),
- ✦ OEMs (offering total care type packages),
- ✦ MROs
- ✦ EU NAAs,
- ✦ EASA.



Commenting period

This NPA will be further evaluated in liaison with:

- Task MDM.055 (introduction of SMS for EC n°2042/2003).
 - NPA 2010-10 (task MDM.047) (alignment with BR 216/2008).
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- ❑ The commenting period has been extended until 30 December 2010
 - ❑ <http://hub.easa.europa.eu/crt/>



**Should you have any question on this
presentation, contact**

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END