



# A continuing airworthiness management organisation (CAMO) for a single air carrier business grouping

RMT.0734

## EXECUTIVE SUMMARY

The objective of this Opinion is to address the barriers and inefficiencies that Regulation (EU) No 1321/2014 creates for European Union (EU) air carrier business groupings as regards the management of the continuing airworthiness (CAW) of their fleets.

This Opinion proposes air carriers licensed in accordance with Regulation (EC) No 1008/2008 that form part of a single air carrier business grouping to be allowed to contract a CAMO within that grouping for the CAW management of aircraft operated by them.

The proposed changes are expected to reduce the regulatory burden and increase cost-efficiency for air carrier business groupings mainly by:

- reducing the duplication of tasks between organisations which have harmonised objectives and procedures; and
- removing barriers to short-time interoperability of aircraft between the air carriers that form part of an air carrier business grouping.

As a consequence, the competitive disadvantage of EU air carriers when compared to other non-EU carriers, will be reduced.

It should be noted that the need to increase efficiency is more significant nowadays due to the impact of the COVID-19 pandemic on aviation.

<b>Domain:</b>	Maintenance and continuing airworthiness management		
<b>Related rules:</b>	Commission Regulation (EU) No 1321/2014 (CAW Regulation)		
<b>Affected stakeholders:</b>	CAMOs; air carrier business grouping operators; national competent authorities (NCAs)		
<b>Driver:</b>	Efficiency/proportionality	<b>Rulemaking group:</b>	No (dedicated expert group)
<b>Impact assessment:</b>	Yes	<b>Rulemaking Procedure:</b>	Direct publication

## EASA rulemaking procedure milestones

Start Terms of Reference	Advisory Body Consultation NPA 2021/101	Proposal to the Commission Opinion	Adoption by Commission Implementing Rules	Decision Certification Specifications, Acceptable Means of Compliance, Guidance Material
5.1.2021	18.6.2021 (consultation with the P&CA TeB and EM.TEC)	15.9.2021	2022/Q2	2022/Q2



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## 1. About this Opinion

### 1.1. How this Opinion was developed

The European Union Aviation Safety Agency (EASA) developed this Opinion in line with Regulation (EU) 2018/1139<sup>1</sup> ('Basic Regulation') and the Rulemaking Procedure<sup>2</sup>.

This Rulemaking Task (RMT).0734 is included in the European Plan for Aviation Safety (EPAS) [2021–2025](#). The scope and timescales of the task were defined in the related Term of Reference (ToR)<sup>3</sup>.

EASA developed the *draft* text of this draft Opinion, based on the input of an expert group composed by representatives of NCAs of Member States (Finland, France, Germany, Ireland, Luxembourg) and industry (A4E). The EASA advisory bodies (ABs) were consulted through NPA 2021/101<sup>4</sup>.

EASA has taken the decision to follow the procedure laid down in Article 15 'Special rulemaking procedure: direct publication' of MB Decision No 18-2015 as this regulatory proposal addresses an issue which was already widely consulted through Notice of Proposed Amendment (NPA) No 2010-09 of RMT.0209 (M.014) 'Contracting of continuing airworthiness management activities'. The scope of RMT.0209 was broader than that of the present RMT as its objective was to abandon the 1-to-1 relationship between AOC holder and CAMO for any licensed air carriers, not only for air carrier business groupings. Although RMT.0209 was not included in the EPAS 2019-2023 edition, due to the need to prioritise EASA resources, the discussion that took place at that time has been beneficial to identify the solutions to past concerns such as potential complexity of the oversight, possible dilution of operator's responsibilities and risks of inappropriate coordination between the AOC holder and the CAMO.

EASA reviewed the comments received during the AB consultation with the support of the expert group. The comments received and EASA's responses to them are summarised in Section 2.4.

EASA developed the *final* text of this Opinion and the draft regulation based on the input of the AB (Art. 15) consultation and the expert group. The draft regulation is published on the Official Publication of EASA<sup>5</sup>.

The major milestones of this rulemaking activity are presented on the title page.

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<sup>1</sup> Regulation (EU) 2018/1139 of the European Parliament and of the Council of 4 July 2018 on common rules in the field of civil aviation and establishing a European Union Aviation Safety Agency, and amending Regulations (EC) No 2111/2005, (EC) No 1008/2008, (EU) No 996/2010, (EU) No 376/2014 and Directives 2014/30/EU and 2014/53/EU of the European Parliament and of the Council, and repealing Regulations (EC) No 552/2004 and (EC) No 216/2008 of the European Parliament and of the Council and Council Regulation (EEC) No 3922/91 (OJ L 212, 22.8.2018, p. 1) (<https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1535612134845&uri=CELEX:32018R1139>).

<sup>2</sup> EASA is bound to follow a structured rulemaking process as required by Article 115(1) of Regulation (EU) 2018/1139. Such a process has been adopted by the EASA Management Board (MB) and is referred to as the 'Rulemaking Procedure'. See MB Decision No 18-2015 of 15 December 2015 replacing Decision 01/2012 concerning the procedure to be applied by EASA for the issuing of opinions, certification specifications and guidance material (<http://www.easa.europa.eu/the-agency/management-board/decisions/easa-mb-decision-18-2015-rulemaking-procedure>).

<sup>3</sup> ToR RMT.0734 Issue 1 (<https://www.easa.europa.eu/document-library/terms-of-reference-and-group-compositions/tor-rmt0734>).

<sup>4</sup> In accordance with Article 15 'Special rulemaking procedure: direct publication' of MB Decision No 18-2015.

<sup>5</sup> <http://easa.europa.eu/document-library/opinions>

## 1.2. The next steps

This Opinion contains the proposed amendments to the CAW Regulation<sup>6</sup>. It is submitted to the European Commission, which will decide whether to amend the CAW Regulation based on the Opinion.

For information, EASA published a draft version of the related AMC and GM, and will publish the decision that amends the AMC and GM to the CAW Regulation when the European Commission adopts the Regulation.

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<sup>6</sup> Commission Regulation (EU) No 1321/2014 of 26 November 2014 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks (OJ L 362, 17.12.2014, p. 1) (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014R1321&qid=1630330521749>).



## 2. In summary — why and what

### 2.1. Why we need to amend the rules — issue/rationale

Further to the CAW Regulation, air carriers licensed in accordance with Regulation (EC) No 1008/2008<sup>7</sup> need to have their own CAMO approved as part of the AOC for the aircraft they operate.

This requirement creates certain barriers to the establishment and implementation of a common CAW management system for all aircraft that are operated by that grouping. The lack of such a common CAW management system results in duplication of tasks because the organisations do not benefit from having similar objectives and procedures, and in prevention of short-time interoperability of aircraft between different AOC holders. These barriers are more significant nowadays due to the evolution of the business model of the EU air carriers into air carrier business groupings. As a consequence of the current regulatory requirement, complex operational arrangements between the various CAMOs that report to a single controlling undertaking (executive board) are established, which often include extensive subcontracting of CAW tasks to each other's CAMOs in the grouping.

In addition, each CAMO might potentially have different competent authorities depending on their principal place of business, which increases the potential different interpretations of standardised processes within an air carrier business grouping.

Moreover, the current situation is considered by some air carriers to create a competitive disadvantage compared to other non-EU air operators, which on the one hand are not subject to such legal constraints and on the other hand use more integrated operating and CAW management processes — for instance, in other aviation markets such as in the USA, Asia or the Middle East.

The above-mentioned issues are of particular importance in the current COVID-19 pandemic context, in which every efficiency gain will contribute to a quicker recovery and the establishment of a future cost-efficient set-up while maintaining or improving the safety level.

### 2.2. What we want to achieve — objectives

The overall objectives of the EASA system are defined in Article 1 of the Basic Regulation. This Opinion will contribute to the achievement of the overall objectives by addressing the issues described in Section 2.1.

The specific objectives of this Opinion are, therefore, to reduce the regulatory burden and increase cost-efficiency for air carrier business groupings mainly by reducing the duplication of tasks and removing barriers to short-time interoperability of aircraft. Consequently, it will foster the international competitiveness of the EU air carrier business groupings.

### 2.3. How we want to achieve it — overview of the proposed amendments

The main technical changes proposed in this Opinion are an evolution of the following existing concepts:

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<sup>7</sup> 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) (OJ L 293, 31.10.2008, p. 3) (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32008R1008&qid=1630331284353>).

- the contract between an operator which is not a licensed air carrier and a CAMO to manage the CAW in accordance with Appendix I to Part-M;
- the collaboration between the NCAs to exchange information; and
- the mutual recognition of the organisations and the oversight activities of the different NCAs.

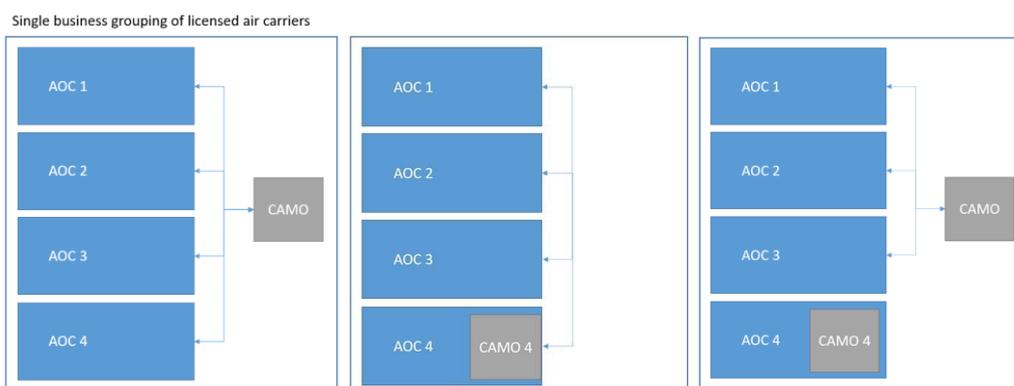
In more detail, the current Opinion develops these concepts as follows:

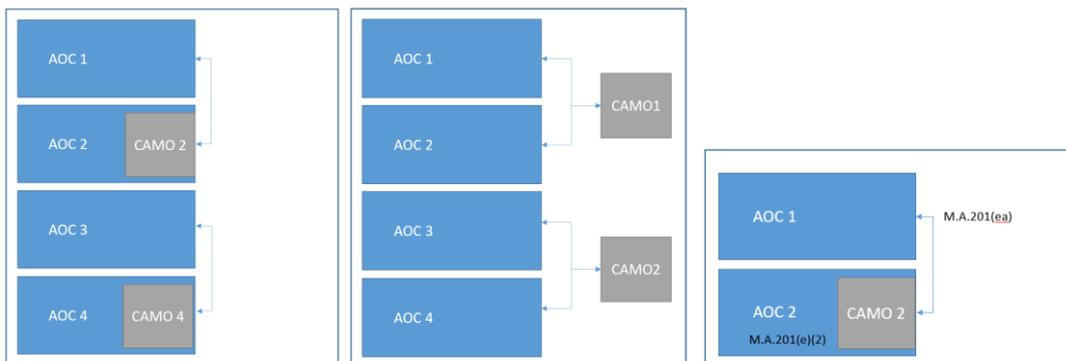
- At least two air carriers forming part of a single air carrier business grouping, instead of each one being approved as CAMO, may use the same CAMO which is part of that grouping (new point M.A.201(ea)). If the operator is not itself approved as CAMO, a contract will be established in accordance with Appendix I to this Annex between the CAMO and the AOC holder not itself approved as CAMO. This is an additional option to the existing one and there is no obligation to follow the new set-up proposed by this Opinion. This fulfils the objectives of RMT.0734 (higher efficiency by reducing duplication and benefiting from common procedures, smooth interoperability of aircraft between the air carriers that use the same CAMO and provides industry with the flexibility to organise themselves considering their business needs).

In terms of implementation, several schemes are possible within an air carrier business grouping:

- all AOC holders can contract the same CAMO; or
- one AOC holder is approved as CAMO (same entity following the provision in M.A.201(e)(2)) and at least another AOC holder contracts that CAMO (use of the provision in M.A.201(ea)); or
- a mixture of the above. This means that, within a single air carrier business grouping, it is possible to have more than one CAMO.

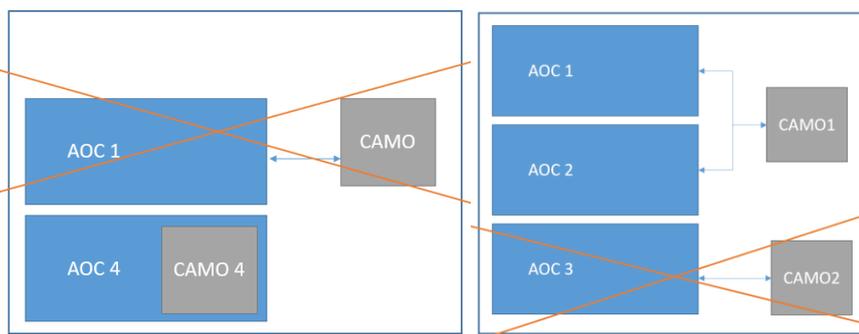
The following schemes illustrate the different possibilities:





On the other hand, the following schemes illustrate what is not possible:

Single business grouping of licensed air carriers

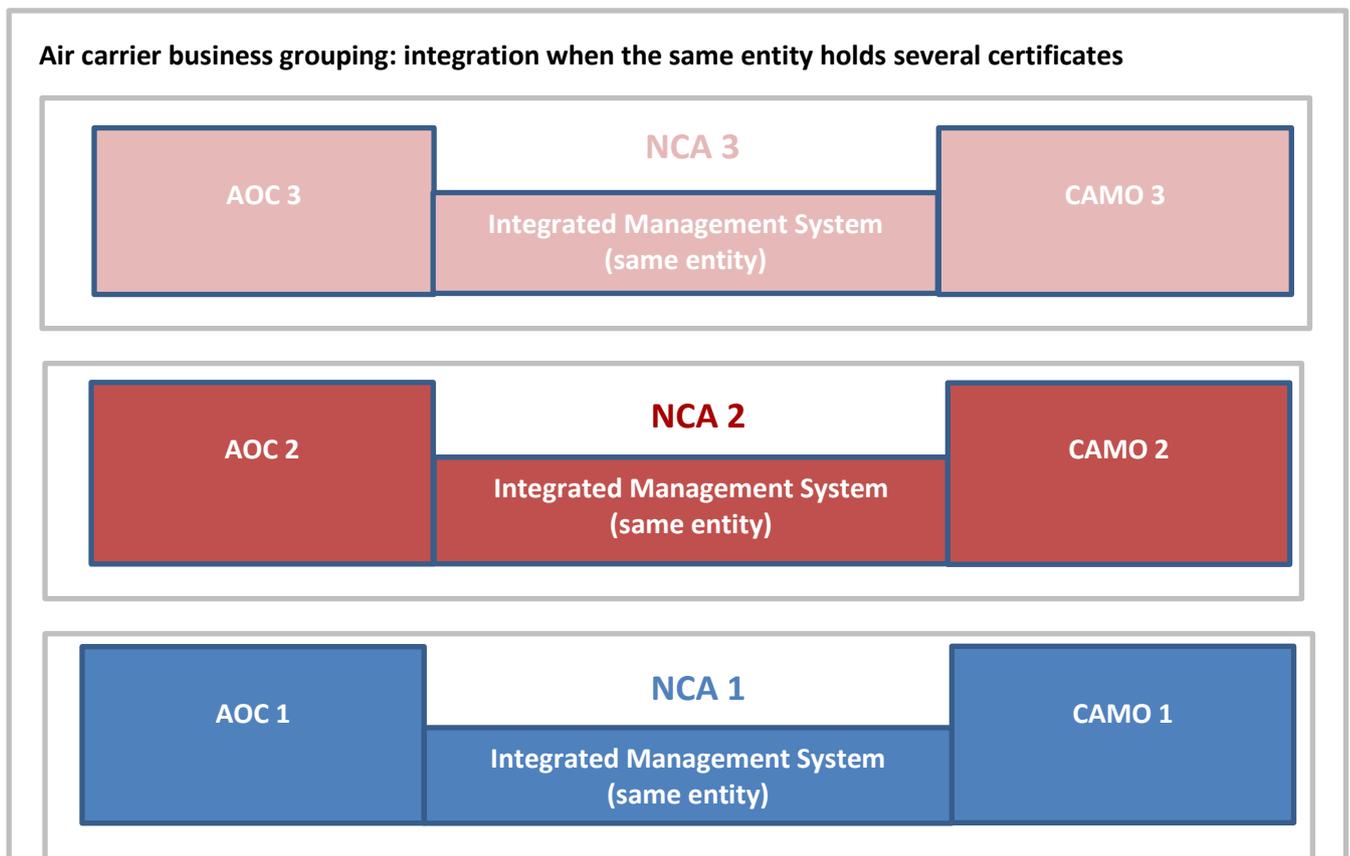


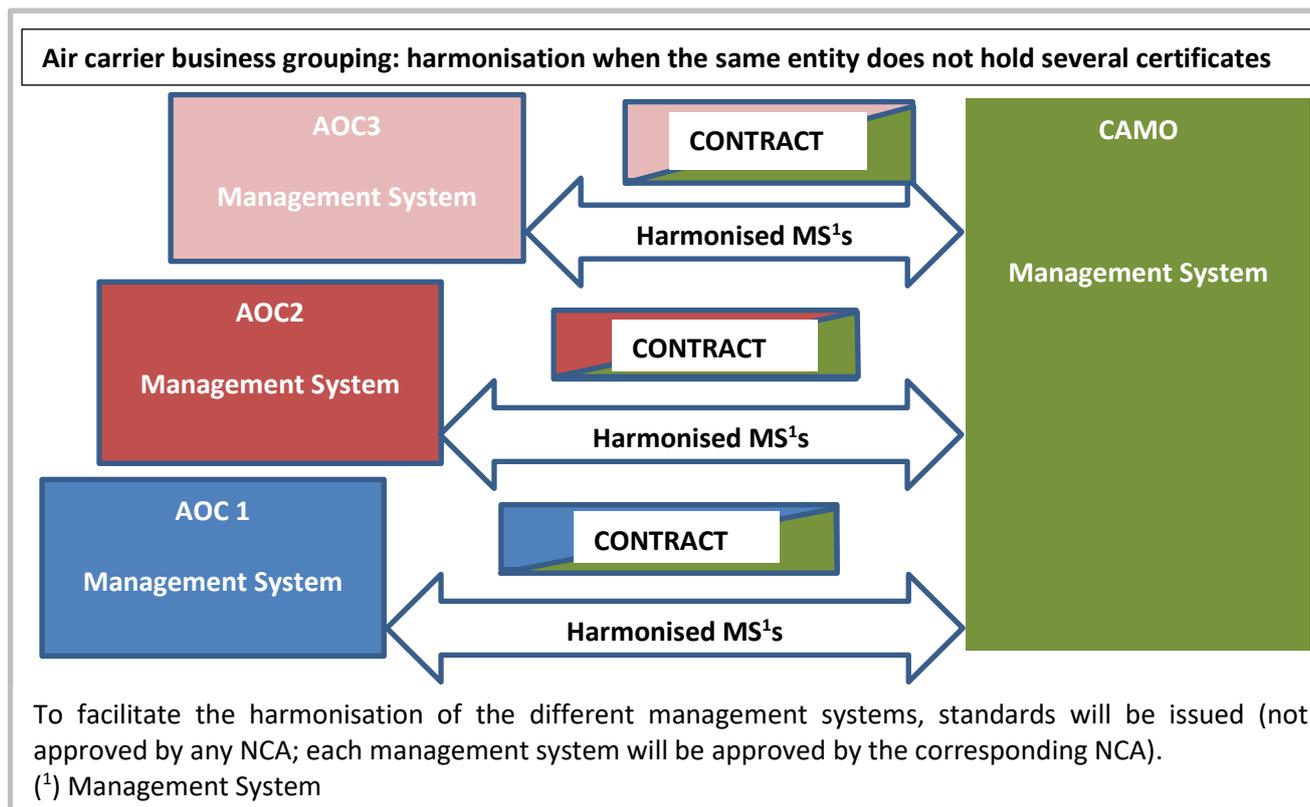
- As a consequence of this new option, the following requirements are updated to be coherent with the new proposal:
  - CAMO.A.125 — privileges of the CAMO;
  - CAMO.A.135 — no automatic invalidation of the CAMO certificate when the AOC is terminated, suspended or revoked; and
  - Appendix I to Part-CAMO — the CAMO certificate, EASA Form 14.
- ‘Business grouping’ is a term used in commercial law but not defined in the Basic Regulation. In the framework of this Opinion, an air carrier business grouping meets the intent of ‘group of undertakings’ as defined in Directive 2009/38/EC<sup>8</sup>. The undertakings concerned include air carriers licensed in accordance with Regulation (EC) No 1008/2008 and an organisation approved under Part-CAMO. These undertakings can be located in one single Member State or in several.
- This proposed Regulation allows AOC holder(s) to contract one CAMO under the following criteria, including the rationale behind setting these criteria:
  - The principal place of business of the CAMO is located in a territory to which the Treaties apply, to avoid a negative social impact (e.g. loss of EU workforce).

<sup>8</sup> Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (Recast) (OJ L 122, 16.5.2009, p. 28) (<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32009L0038&qid=1630333554266>).

- The management systems of the organisations under contractual arrangement are harmonised to avoid any potential negative impact on safety when the air carrier is no longer the same entity as the CAMO, and their management systems are not, consequently, integrated. The harmonisation keeps the same safety objective as the integration when applied to management systems. The harmonisation aims for common or consistent safety objectives between the organisations, thereby reaching similar safety performance. This requires an extensive and continuous exchange of information between the organisations on hazards identification, safety risk management methods, strategic decisions, safety actions and best practices. The harmonisation does not change the current responsibility of each organisation regarding their own approved management system. The harmonisation of management systems is possible between any organisations, but it is easier to achieve when there is an overarching structure (controlling undertaking) that develops the same standards and has a strategic goal, as in the case of a business grouping.

The following schemes illustrate the differences between integration and harmonisation of the management systems.





- Currently an operator which is not a licensed air carrier can contract the management of the CAW to a CAMO in accordance with Appendix I to Part-M. This Opinion uses this existing concept and extends its application to air carrier business groupings by including additional obligations to the CAMO and AOC holders. This ensures that the particularities of this type of operation are properly considered. Furthermore, the assessment of the contract requirements carried out under this RMT identified some needs for clarification and some shortcomings applicable to any operation when an operator contracts a CAMO or CAO, in particular:
  - missing elements linked to maintenance check flights and aircraft maintenance programme, such as deviations; and
  - unproportionate process in case of a non-conformity with the contract which leads to a null contract regardless of the nature of the non-conformity.

Those elements are addressed in the proposal.

- The oversight principles are adjusted to enhance the cooperation mechanisms between the NCAs responsible for the oversight of the CAMO and AOC holders concerned. These principles include sharing the result of the oversight activities when it is relevant for the performance of their tasks. By doing so, the different NCAs will have visibility on the overall operational context which can be organised via an agreed cooperation programme. An additional aspect to enhance the collaboration is to encourage the performance of some oversight tasks on the CAMO by the NCA responsible for the operators. The use of this possibility will not transfer the responsibility of the NCA, which is kept by the NCA where the principal place of business of the organisation is located.

- Although the proposal for a cooperation mechanism between the NCAs applies to both the NCAs of operators and the NCA of the CAMO, it was decided at this point to not propose an amendment to Regulation (EU) No 965/2012<sup>9</sup> (Air OPS Regulation) following the holistic approach of the EU regulatory framework. This means that all affected NCAs would use the oversight principles proposed by the Opinion when applicable. As mentioned before, these principles are not new and basically emphasise the sharing of information between different NCAs, a practice that EASA fully supports in all different contexts. Besides, this task was not intended to interfere with the existing work under RMT.0392, which will address ‘group operations’. The outcome of RMT.0392 would include similar provisions to the ones proposed in the current Opinion from a broader perspective, not only for CAMO.
- Although there are no changes as to which the competent authority is, the current proposal includes an amendment of the related point of the CAW Regulation to cover EU Member States’ responsibilities under the Chicago Convention, in accordance with the Basic Regulation. This increases harmonisation with the Part-145 as proposed in [Opinion No 04/2020](#) (embodiment of safety management system (SMS) requirements into Part-145 and Part 21).
- EASA has assessed whether this Opinion creates a difference with the ICAO standards. The outcome of this assessment is as follows:
  - Air carrier contracting a CAMO for the CAW management: The ICAO Standards and Recommended Practices (SARPs) use the term ‘employ’ in ICAO Annexes 6 and 8. In accordance with the EASA understanding, this expression needs to be read in a broad, comprehensive way, and cannot be limited only to staff hired under an employment contract. In simpler terms, ICAO standards do not regulate the specific arrangements for the hiring of CAW staff, as that is up to the national orders of each contracting State. For these reasons, any arrangement between the staff and the CAMO or the operator (e.g. service contract, employment contract, secondment) with the practical effect that there is a person or a group of persons who are entrusted with the task of carrying out the CAW management of aircraft would fall under this term.
  - State of registry responsibilities: In the case of the aircraft maintenance programme, the ICAO standard establishes that it has to be approved by the competent authority for which the State of registry is responsible. This is the requirement in the CAW Regulation, with the possibility of delegating this approval to the State of operator or State of CAMO. Disconnecting AOC holder and CAMO would not result in a difference with the SARPs as the obligation to have a CAMO approved as part of the AOC is established only in the EU regulatory framework.

<sup>9</sup> Commission Regulation (EU) No 965/2012 of 5 October 2012 laying down technical requirements and administrative procedures related to air operations pursuant to Regulation (EC) No 216/2008 of the European Parliament and of the Council (OJ L 296, 25.10.2012, p. 1) (<http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1494235623593&uri=CELEX:32012R0965>).



## 2.4. What are the stakeholders' views — outcome of the consultation

EASA consulted the draft Opinion with its ABs.

140 comments were received from 11 commenters. 8 of these commenters were NCAs representing their Member States and 3 commenters represented industry.

The main aspects highlighted by the commenters were:

- Industry comments support this Opinion although they would like to broaden the scope to be used not only for air carrier business groupings but also for the whole community of licensed air carriers.
- A few Member States raised explicit comments not supporting this regulatory proposal. The main reasons are that they consider that this proposal:
  - is not safety-driven; and
  - does not address a clear need because a business grouping might have different market objectives and this might create an imbalance in the internal market.
- Most of the Member States provided contributions to improve the initial draft Opinion. This led to the following amendments:
  - amendment of Section 2.3 of the initial draft Opinion to make it clearer; and
  - update of M.A.201(ea) (when, in an air carrier business grouping, one of the AOC holders is approved as CAMO and possibility for more than one CAMO within the air carrier business grouping), CAMO.A.125 (CAMO privileges) and CAMO.A.135 (how the revocation of the AOC would affect the CAMO certificate).

In addition, comments identified the need for additional AMC and GM, in particular as regards the harmonisation of the management system, the cooperation on the oversight, and the qualification to monitor the CAW management contract. These comments will be addressed when EASA will develop the final AMC and GM.

The following paragraphs provide a more comprehensive presentation of the most frequent comments or of the comments with the highest impact, and the EASA reaction to them:

### — **To allow any licensed air carrier to contract a CAMO — 4 commenters**

EASA agrees that a similar concept to the present regulatory proposal can be developed for the whole community, but the present Opinion addresses in particular the barriers and inefficiencies created for EU air carrier business groupings as explained in the ToR. Due to the characteristics and specific needs of this industry, certain barriers are more significant for them, such as the extensive duplication of tasks between CAMOs of the same grouping and prevention of short-time interoperability of aircraft between different AOC holders. In addition, air carrier business groupings with AOC holders with similar aircraft types and operations in different Member States, report different interpretations on standardised CAW processes.

As a consequence of the above, the current Regulation creates a competitive disadvantage in efficiency terms when comparing this EU business model with similar operations of non-EU air operators.



Some commenters mention that this proposal can create a competitive issue within the EU. In EASA's view, the Regulation would not create any significant internal market unbalance because it focuses on the characteristics and needs of air carrier business groupings without imposing new requirements; it just allows for an additional option. This means that some air carrier business groupings might decide that this option is not suitable for their specific business needs; therefore, there will be no change in their situation. The same applies for other air carriers not forming part of a business grouping, as the requirements they are subject to are not changed.

In any case, EASA acknowledges that some commenters would welcome a broader implementation of the concepts developed in this Opinion to contract the management of CAW tasks to a CAMO. A potential outcome would be that it could be assessed as a new candidate issue in order to examine whether inefficiencies created to any air carrier exist and how those could be best addressed.

As a result of the EASA assessment of these comments, apart from the clarification provided in this Section, some parts of the Opinion were adjusted to illustrate better the special relevance of this proposal to air carrier business groupings.

— **Amend the Air OPS Regulation and relevant AMC and GM to include similar provisions applicable to the operators — 4 commenters**

Several comments requested to duplicate some provisions in the Air OPS Regulation, in particular:

- to prevent misunderstandings;
- to include an assessment of the contracted CAMO as referred to in the contract;
- to harmonise the management systems, not only between the CAMO and AOC holders with a contractual relation in accordance with M.A.201(ea) but also between the different AOC holders of the same air carrier business grouping
- to include the cooperation requirements in the oversight; and
- to include the reference of the contracted CAMO in the Operations Specifications (EASA Form 139) as the AOC reference is currently included in the CAMO certificate (EASA Form 14).

The assessment of these comments brought the following outcome:

- The harmonisation of management systems between the AOC holder and the contracted CAMO is included in this Opinion. This harmonisation replaces the current requirement of integration of the management systems of the AOC holder and CAMO when they are the same entity. The integration of the management systems is placed in the CAW Regulation and, following the same logic, the harmonisation is included in the CAW Regulation too. No implementation issues have been identified regarding the current requirement of integration of management systems even though it is not duplicated in the Air OPS Regulation.
- The harmonisation of the management systems of the different AOC holders in the same air carrier business grouping is not intended to be regulated by this proposal.



- As explained in Section 2.3, EASA does not amend the Air OPS Regulation to duplicate requirements following the holistic approach of the EU regulatory framework. In addition, this regulatory proposal does not intend to interfere with the existing RMT.0392 that addresses ‘group operations’ from a broader perspective, not only from that of the CAMO.

#### — Cooperation oversight — 3 commenters

The cooperation oversight proposed in this Opinion is based on the exchange of the information relevant for the other authorities for the performance of their tasks and shall include the results of the oversight activities. In addition, it may include the performance of oversight tasks on the CAMO by the competent authorities responsible for the operators.

3 comments mention that this requirement is not strong enough if there is a need for enforcement actions on the CAMO coming from the oversight performed on the AOC holder. In EASA’s view, there is no need to amend the current wording because CAMO.B.355 is enough to properly enforce the suspension, limitation and revocation of CAMO certificate.

Another comment mentions that the use of the term ‘may’ at implementing rule level creates confusion and that this text should be transferred to GM. In EASA’s view, the NCA needs to take a conscious decision whether to act or not and the use of the term ‘may’ allows discretion to ensure proportionality.

A commenter also highlights the lack of cooperation provisions between the competent authority of the CAMO and the competent authority of the Member State of registry. EASA believes that the relationship between these competent authorities is not affected by this proposed regulation. Already today, a CAMO in one Member State can manage an aircraft registered in another Member State.

#### — Differences with ICAO SARPs — 2 commenters

2 comments mention the possibility that the proposed Regulation might create a difference with ICAO SARPs, in particular in relation to the State of registry responsibilities and points 8.1.5, 8.2.1, 8.2.2., 8.2.4, 8.3.1 and 8.4.1. of Annex 6. EASA assesses this potential difference in Section 2.3 of this document and concludes the following:

- Regarding the State of registry responsibilities, currently the CAW management of an EU-registered aircraft can be performed by any CAMO regardless of its principal place of business, and this situation is not changed by the proposal in this Opinion.
- Regarding an air carrier contracting a CAMO for the CAW management: the contractual relation between the operator and the CAMO does not create a difference with the SARPs as the obligation to have a CAMO approved as part of the AOC is established only in the EU regulations. This applies, among others, to the CAW management exposition, aircraft maintenance programme and CAW records.

#### — Potential misalignment with Regulation (EC) No 1008/2008 — 2 commenters

The comments in relation to Article 2 of Regulation (EC) No 1008/2008 are the following:



- Allowing a licensed air carrier to contract a CAMO with a principal place of business that is not the same as that of the AOC holder concerned might be not in line with the definition of the principal place of business for a licensed air carrier.
- How a licensed air carrier that contracts the entire CAW function to an external CAMO has the professional ability to ensure the safety of operations.

EASA has assessed these comments as follows:

- Further to Article 2 of Regulation (EC) No 1008/2008, ‘principal place of business’ means the head office or registered office of a Community air carrier in the Member State within which the principal financial functions and operational control, including continued airworthiness management, of the Community air carrier are exercised. In accordance with the EASA understanding, the phrase ‘including continued airworthiness management’ can be interpreted in a broader way than only being approved as CAMO because the operator retains the ultimate responsibility of the CAW regardless of whether it is approved as CAMO or it contracts a CAMO.
- Article 2 of Regulation (EC) No 1008/2008 states that AOC means a certificate delivered to an undertaking confirming that the operator has the professional ability and organisation to ensure the safety of operations specified in the certificate, as provided in the relevant provisions of Community or national law, as applicable. In EASA’s view, the phrase ‘professional ability and organisation to ensure the safety of operations’ for CAW means that the operator nominates qualified persons responsible for the management and supervision of CAW or for the CAW management contract (nomination is in ORO.AOC.135). To facilitate a harmonised implementation, EASA agrees to develop additional AMC and GM on the qualification requirements of the persons responsible for the CAW management contract.

As a conclusion, EASA is of the opinion that this regulatory proposal does not create any misalignment with Regulation (EC) No 1008/2008. To facilitate a harmonised implementation on qualification criteria of the persons nominated to monitor the CAW management contract, new AMC/GM will be developed.

#### — **Accountability and responsibility of the AOC holder for CAW tasks — 2 commenters**

The comments request the modification of the proposed regulation to make it clearer that the AOC holder, despite contracting a CAMO for the management of the CAW tasks, is accountable in the event of an aircraft accident involving technical causes and remains ultimately responsible for the airworthiness of the aircraft it operates. The contract with a CAMO transfers to that CAMO the responsibility for the continued management of the CAW tasks.

EASA confirms that the AOC holder always remains ultimately responsible for the CAW of the aircraft it operates, even if the AOC holder decides to contract the CAW management to a CAMO. But the operator is not any longer responsible for actually performing the CAW tasks, as this responsibility is transferred to the contracted CAMO. In short, both the AOC holder and the CAMO are responsible for CAW tasks, but the extent and the nature of their responsibilities will be different. Regarding the use of the word ‘accountability’, it should not be mixed up with liability. In the case of an accident, it is the court to decide who is liable and to what extent; this cannot be regulated in the CAW Regulation.



EASA's view is that the current proposal is clear on this aspect. In any case, EASA will use the assessment of the received comments in the coming Decision.

— **Continuing airworthiness management contract — 3 commenters**

Some comments suggested improvements of the text that are accepted (such as the possibility to adapt the statement in point 4 of Appendix I to Part-M) and some others identified missing elements (for example, requirements in point M.A.301(f)). The main reason for not accepting the rest of the comments was that they are not correct (wrong interpretation or understanding of the regulation) or because the current regulation already covers them properly (for example, no need to include an additional 'owner' to the existing ones, as the context already identifies who has to take an action considering point M.A.201).

Other comments identified that some elements introduced in the CAW management contract, through points 7.2 and 7.3 of Appendix I to Part-M, also apply to contracts not concluded under point M.A.201(ea). For example, 'obtain the agreement from the operator before subcontracting continuing airworthiness tasks' or 'develop interface procedures with the CAMO to address the issue and renewal of the airworthiness review certificate' could also apply to contracts concluded by any operator (ATO, SPO, etc.) with a CAMO/CAO. EASA agrees on considering this assessment in the context of the activities of RMT.0735 'Regular update of the CAW Regulation'.

— **Principal place of business of the CAMO — 3 commenters**

EASA received 3 comments of a different nature around this topic:

- clarification on whether the CAMO has to be located in the same Member State where the AOC holder has its principal place of business;
- in one commenter's view, this regulatory proposal includes an unnecessary restriction to limit the location of the CAMO in a territory to which the Treaties apply because it is not imposed by the Basic Regulation and, in addition, EASA would be the competent authority if the CAMO is located outside the territory to which the Treaties apply; and
- clarification that the air carrier business grouping definition included in the GM does not prevent that the principal places of business of the different undertakings could be in the same Member State.

After assessing these comments, EASA clarified the wording in the proposed regulation and confirms that the CAMO can be located in any territory to which the Treaties apply irrespective of where the AOC holders' principal places of business are. In addition, the CAMO location limitation is not linked to which the competent authority is; it is intended to avoid a negative impact on the EU workforce based on some feedback collected earlier in the rulemaking process.

— **Update safety impact — 2 commenters**

The comments to include additional elements in the safety considerations are accepted. Please see Section 2.5.



**— Information security risks — 1 commenter**

One comment requests clarification on how the objectives of [Opinion No 03/2021](#), which proposes a regulatory change to address information security risks, might have an influence in the current Opinion to both organisations and competent authorities. EASA confirms that this Opinion is in alignment with the concepts proposed through Opinion No 03/2021, in which point CAMO.A.200A and point ORO.GEN.200A require proper management of information security risks without imposing an integration of the information security management systems between CAMO and operators.

**— Diverse comments requesting additional clarification**

This subsection collects the assessment of several comments that cannot be classified in a single category. Some of them led to additional clarification of concepts included in the initial draft Opinion, such as addition of schematics to visualise the possible set-ups in an air carrier business grouping or to clarification that RMT.0209 (M.014) was not cancelled due to the concerns raised but due to deprioritisation needs.

Some other comments were not accepted for two reasons: misunderstandings of the proposal or, in a few cases, the feedback highlighted as problems introduced through this Opinion some concepts which have not been changed at all by this regulatory proposal. The most significant views under this category are:

- 1 commenter made several comments with the understanding that this Opinion is to allow for the contracting of several CAMOs for specialised tasks or fleets. The text has been reviewed to ensure that there is no room for misinterpretation. Indeed, this Opinion intends to allow the contract with one CAMO. Opening the contract of one AOC holder to several CAMOs would increase the complexity of the set-up and the harmonisation of the management systems.
- Through several comments some NCAs expressed their concerns about the following:
  - the State of registry might be impacted as regards the approval or delegation the approval of the aircraft maintenance programme;
  - an appropriately approved CAMO managing the CAW of a specific aircraft which is registered in another Member State different from where the CAMO has its principal place of business, should not be allowed to issue the permit to fly to that aircraft;
  - this Opinion will allow an approved organisation to assign the performance of the tasks to non-qualified personnel; and
  - the current point CAMO.A.305(b)(1) [(accountable manager) be the person appointed as accountable manager for the air carrier as required by point (a) of point ORO.GEN.210 of Annex III (Part-ORO) to Regulation (EU) No 965/2012;] is inconsistent with the new proposed GM1 CAMO.A.305(b) [‘When a CAMO is contracted in accordance with M.A.201(ea) by an operator or operators belonging to an air carrier business grouping but not to the same legal entity, the organisations (operators and CAMO) do not have to appoint the same accountable manager.’].



After assessing these comments, EASA confirms that this proposal does not change the current principles:

- This Opinion does not propose to amend the current situation regarding the approval of the aircraft maintenance programme.
- Any CAMO with the appropriately approved privileges can issue a permit to fly to any EU-registered aircraft. The location of the principal place of business of the CAMO plays no role in that respect.
- The CAMO personnel have to be qualified to perform its allocated tasks as in the current situation.
- Point CAMO.A.305(b)(1) only applies when the CAMO is also approved as an air carrier licensed in accordance with Regulation (EC) No 1008/2008, which is not the case of this proposal with the introduction of point M.A.201(ea). As a consequence, there is no need to amend this point in the regulation.

Finally, in one commenter's view, the current amendment to CAMO.A.105, on the determination of the competent authority, should be deleted as it is not linked to this rulemaking activity. EASA confirms that, apart from determining which the competent authority of the CAMO would be with the introduction of M.A.201(ea), the technical discussion under the present RMT does not affect which the competent authority is. On the other hand, the current regulation does not cover properly the EU Member States' responsibilities under the Chicago Convention, which is a topic of more general nature than the purely technical discussion in the context of the activities of this RMT. Considering this, the regulatory proposal from Opinion No 04/2020 (embodiment of safety management system (SMS) requirements into Part-145 and Part 21) and that no additional discussion is needed on this point, EASA believes that using this Opinion to introduce this amendment is more beneficial than waiting for another opportunity.

#### — **Development of additional AMC and GM**

One third of the received comments are linked to the draft AMC and GM, in particular asking for additional material linked to the harmonisation of the management systems. These comments have helped in the identification of additional needs. These comments will be addressed in more detail when the Agency issues the AMC and GM related to the regulatory proposals in this Opinion.

## **2.5. What are the expected benefits and drawbacks of the proposed amendments**

The expected benefits and drawbacks of the new option included in M.A.201(ea) are:

#### — Safety considerations

Overall, the proposal has a positive impact on safety as:

- there will be a simpler set-up and clearer organisational accountability and responsibility (with no need of extensive subcontracting among CAMOs within the same air carrier business grouping);



- there will be fewer human factors (HF)-related errors due to lower complexity within the CAMO and its interfaces. The CAMO plays a decisive role by providing and processing all maintenance data;
- there will be more flexibility to specialise the available resources, which would enhance the qualification; for example, staff of each former CAMO in the grouping could be specialised in one or a few certain aircraft types;
- the improved transparency, visibility and information exchange will allow for the better management of the fleet based on a bigger data set of information;
- the requirements regarding the contracting of the management of CAW tasks are improved, considering the updated obligations of the operator concerned and the CAMO; and
- the provisions in the contract of CAW tasks allow to promptly inform the NCAs in case of a non-conformity with the contract.

The following drawbacks and its mitigating measures are described below:

- Potential difficulties of communication between organisations, in particular when comparing with the current system in which the operator and the CAMO are the same entity. This is mitigated with an efficient harmonisation of the organisations' management systems, which in particular ensure, through the contract in Annex I (and related training), the necessary interfaces and lines of communication between the operator concerned and the CAMO. Besides, it is also expected that the affiliation of the CAMO to the business grouping along with standards/protocols that the business grouping may adopt within that group will create communication conditions, close to those where the CAMO and the AOC are one entity.
- When performing the oversight of the organisations, in particular regarding the assessment of the harmonisation of management systems between the AOC holder and the contracted CAMO, there is an additional complexity because different NCAs shall exchange information. This is mitigated by defining clear responsibilities of the involved NCAs and by enhancing the collaboration among the different NCAs as described in the oversight principles of the proposal.

— Economic considerations

Overall, the proposal has a positive economic impact. It will allow for more flexibility, supporting the development of CAW management as a distinct 'business' also in the air carriers' sector.

Due to their own specificities, the economic considerations are shown below according to the stakeholder group affected.

Air carrier business grouping

- Increased fleet agility (reduced transfer cost of aircraft between AOC holders of the same grouping because the CAW tasks are managed by the same CAMO);
- 20-30 % efficiency gain in CAW management when a CAMO is contracted for all EU air carrier business groupings (based on the estimation from the air carrier business groupings):



- Fewer CAW tasks during the transfer of aircraft between air carrier business grouping operators because the aircraft is not transferred between different CAMOs, its CAW remains managed by the same CAMO (as reported by one grouping, EUR 0,5 million saved per aircraft). In particular, it would provide a seamless, common CAW platform allowing the use of the same database.
  - Faster turn-time for aircraft transfer between AOCs holders with capacity gains of 2-3 days and fewer reserve aircraft (typically 5 % of a fleet).
  - One set of documents for CAW management (aircraft maintenance programme including reliability, interoperable aircraft tech log system, service bulletin evaluation, CAW management exposition, templates, etc.).
- Less duplication of engineering tasks and possibility to specialise the available resources;
  - No duplication of structures and infrastructure;
  - Avoidance of different interpretations across the NCAs of the different CAMOs that may lead to less efficiency;
  - A single interface between CAMO and NCA for CAW matters;
  - Level playing field in global competition compared to less restrictive regulatory frameworks for some non-EU air carriers;
  - Benefits for the one CAMO in relation to the number of aircraft types managed by the grouping (e.g. different aircraft types across operators of the same grouping);
  - Reduction of labour cost in some cases for some duplicated functions, in particular for highly qualified staff, i.e. a fleet engineer needed instead of airworthiness manager.
  - The influence of the one CAMO costs will depend on in which country it is located (labour cost might be higher/lower consequently).
  - Proportionate impact on the contract in the case of an identified non-conformity, which includes an assessment of the nature of the non-conformity. This will avoid null contracts with minor non-conformities and the consequent negative economic impact. This applies not only to air carrier business grouping but also to any operator that contracts a CAMO.

**Remark:** The elements highlighted above would affect air carrier business groupings. No direct negative/positive impacts are expected for air carrier operators that are not part of a grouping or, although part of a grouping, not using the proposed regulation.

#### Competent authorities

- For a competent authority that currently oversees several CAMOs within the same air carrier business grouping in that Member State, there would be overall a positive benefit in terms of fewer duplications. If the comparison is with air carriers located in different Member States contracting one CAMO within the business grouping, the oversight of that CAMO would require more workload compared to auditing a CAMO for a single carrier. In addition, an increase in exchange of information with other competent authorities is expected.



- In some cases, depending on the national fees and charges scheme, for some authorities that will oversee a CAMO within the air carrier business grouping, there might be a negative impact in terms of loss of income coming from fees and charges.
- Social considerations

Air carrier business grouping

- The proposed set-up may imply a transfer of posts from the currently duplicated tasks in the multiple CAMOs to the future CAMO that will need to address a higher workload. Another possibility would be for staff to be reallocated to other AOC holder tasks such as the control of the arrangement implementation with the CAMO. In some cases, a low job consolidation could take place due to reduction of management effort needed.
- Improvement of working conditions expected due to the reduction of the complexity caused by the subcontracting set-up.



### 3. How we monitor and evaluate the proposed amendments

Monitoring is a continuous and systematic process of data collection and analysis about the implementation/application of a rule/activity. It generates factual information for future possible evaluations and impact assessments; it also helps to identify actual implementation problems. The proposal on the indicators to be checked is as follows:

What to monitor	How to monitor	Who should monitor	How often to monitor
Questions/issues about the understanding and implementation of 'a CAMO for a single air carrier business grouping'	Number of questions/issues raised	EASA/NCAs  P&CA TeB  EM.TEC	On a recurrent basis, e.g. once every 2 years
Number of CAMOs and AOC holders using the new M.A.201(ea)	Surveys to the NCAs	EASA	On a recurrent basis, e.g. once every 2 years

Cologne, 15 September 2021

Patrick KY  
Executive Director



## 4. References

### 4.1. Related regulations

Commission Regulation (EU) No 1321/2014 of 26 November 2014 on the continuing airworthiness of aircraft and aeronautical products, parts and appliances, and on the approval of organisations and personnel involved in these tasks (OJ L 362, 17.12.2014, p. 1)

### 4.2. Related decisions

Executive Director Decision 2015/029/R of 17 October 2015 issuing acceptable means of compliance and guidance material to Part-M, Part-145, Part-66, and Part-147 of Regulation (EU) No 1321/2014 and repealing Decision 2003/19/RM of the Executive Director of the Agency of 28 November 2003 ('AMC and GM to the Annexes to Regulation (EU) No 1321/2014 — Issue 2')

### 4.3. Other references

N/A

