



# Part-66 basic examinations performed by Part-147 Maintenance Training Organisations (MTOs)

RMT.0697 — 12.10.2015

### EXECUTIVE SUMMARY

The current Annex III (Part-66) to Regulation (EU) No 1321/2014 allows that basic-knowledge examinations for maintenance certifying staff can be conducted either by an approved Part-147 Maintenance Training Organisation (MTO) or by the competent authority (CA). In the case of Part-147 MTOs, the examination can be performed either in conjunction with the basic-training course they provide or as a stand-alone examination.

Although there is no safety concern in relation to the examinations performed by Part-147 MTOs when they are part of a basic-training course (typically lasting between two and three years), this is not the case with stand-alone basic examinations. A significant number of fraud cases in approved Part-147 MTOs providing unofficial training lasting only for a few days have been reported, where said MTOs released focused information on the content of the upcoming examination to their students. These practices take place in and outside Europe, mostly away from the base of the Part-147 MTO, where oversight by the CA is more difficult to exercise or even impossible to plan.

The situation has spiralled quickly out of control as, progressively, more Part-147 MTOs have been following this practice, enticing their customers with very short, so-called 'refresher courses' supposed to guarantee them that they would pass the official Part-147 examination. In some cases, fraud or malpractice has been confirmed by the Agency or the CAs, which necessitated action being taken against the issued licences or certificates. This has generated a major safety concern, with the risk of having the aviation system overwhelmed with licence holders releasing to service aircraft after maintenance without having the basic knowledge required.

The Agency therefore proposes restrictions to the stand-alone basic examinations when they are performed outside the locations listed in the approval certificate of the maintenance training organisation. This would address the immediate safety concern without the significantly higher impact of completely removing the privilege of Part-147 MTOs to perform examinations.

Applicability		Process map	
Affected regulations and decisions:	Regulation (EU) No 1321/2014; Annex IV (Part-147)	Terms of Reference (ToR)	N/A
Affected stakeholders:	Part-147 Approved Training Organisations (ATOs); competent authorities (CAs)	Concept Paper:	No
Driver/origin:	Safety (immediate safety concern raised by reports, received by the Agency, regarding Part-147 fraud during basic examinations)	Rulemaking group:	No
Reference:	N/A	RIA type:	Light
		Technical consultation during NPA drafting:	N/A
		Publication date of the NPA:	N/A
		Duration of NPA consultation:	N/A
		Review group:	N/A
		Focused consultation:	Yes
		Publication date of the Decision:	N/A



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## 1. Procedural information

### 1.1. The rule development procedure

Due to the immediate safety concern raised by the issue described in Chapter 2 'Explanatory Note' of this Opinion, the European Commission (EC) and the Agency agreed during summer 2015 on an expedited procedure which would result in the European Aviation Safety Agency (hereinafter referred to as the 'Agency') issuing an Opinion to be presented at the EASA Committee of 4-5 November 2015.

In order to ensure that the applicable consultation requirements contained in Regulation (EC) No 216/2008<sup>1</sup> (hereinafter referred to as the 'Basic Regulation') are met, the following actions have been performed:

- stakeholders and National Aviation Authorities (NAAs) were informed of the Part-147 fraud concerns and of possible measures to be taken at the following events:
  - 'Engineering & Maintenance (E&M) Safety Standards Consultative Committee (sub-SSCC)' meeting on 2 June 2015; and
  - '7th Combined Airworthiness Standardisation Meeting' with the NAAs on 2-3 June 2015; and
- stakeholders and NAAs were informed of the exact changes intended to be included in the Opinion at the following events:
  - 'Thematic Advisory Group Production & Maintenance (TAG P&M) meeting #2-2015' on 8 September 2015; and
  - 'Maintenance & Production (M&P) Workshop' on 9 September 2015.

### 1.2. The structure of this Opinion and related documents

Chapter 1 of this Opinion contains the procedural information related to this task. Chapter 2 'Explanatory Note' includes the Regulatory Impact Assessment (RIA) and explains the core technical content. The draft rule text proposed by the Agency is published on the Agency's website<sup>2</sup>.

### 1.3. The next steps in the procedure

This Opinion contains proposed changes to European Union (EU) regulations. It is addressed to the EC to be used as a technical basis in order to prepare a legislative proposal.

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<sup>1</sup> Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC (OJ L 79, 19.3.2008, p. 1).

<sup>2</sup> <http://easa.europa.eu/document-library/opinions>



## 2. Explanatory Note

### 2.1. Issues to be addressed

The current Annex III (Part-66) to Regulation (EU) No 1321/2014 allows that basic-knowledge examinations for maintenance certifying staff can be conducted either by an approved Part-147 MTO or by the CA. In the case of Part-147 MTOs, the examination can be performed either in conjunction with the basic-training course they provide or as a stand-alone examination.

Although there is no safety concern in relation to the examinations performed by Part-147 MTOs when they are part of a basic-training course (typically lasting between two and three years), this is not the case with stand-alone basic examinations. A significant number of fraud cases in approved Part-147 MTOs providing unofficial training lasting only for a few days have been reported, where said MTOs released focused information on the content of the upcoming examination to their students. These practices take place in and outside Europe, mostly away from the base of the Part-147 MTO, where oversight by the CA is more difficult to exercise or even impossible to plan.

The situation has spiralled quickly out of control as, progressively, more Part-147 MTOs have been following this practice, enticing their customers with very short, so-called 'refresher courses', supposed to guarantee them that they would pass the official Part-147 examination. In some cases, fraud or malpractice has been confirmed by the Agency or the CAs, which necessitates action being taken against the issued licences or certificates. This has generated a major safety concern, with the risk of having the aviation system overwhelmed with licence holders releasing to service aircraft after maintenance without having the basic knowledge required.

### 2.2. Objectives

The changes proposed in this Opinion have the objective of addressing the immediate safety concern without the significantly higher impact of completely removing the privilege of Part-147 MTOs to perform examinations.

These changes, if adopted by the EC, will be re-evaluated and, if necessary, supplemented by other measures at a later stage through rulemaking task RMT.0544. Under this task, and with the cooperation of the corresponding working group, a full review of Annex IV (Part-147) to Regulation (EU) No 1321/2014 is intended to be performed. The task will be initiated by launching a formal survey among CAs and stakeholders in order to obtain feedback on the Part-147 areas which need to be reviewed/amended.

### 2.3. Outcome of the consultation

The focused consultation on this rulemaking task (RMT.0697) was performed on 8-9 September 2015 at the following events:

- 'Thematic Advisory Group Production & Maintenance (TAG P&M) meeting #2-2015' with the NAAs on 8 September 2015; and
- 'Maintenance & Production (M&P) Workshop' on 9 September 2015.

The outcome of the consultation was the following:

- (a) Feedback from NAAs:



- (1) Possible impact on NAAs being overwhelmed with applications to include new locations in the Part-147 approval certificate since they would have to consider all those new applications.
  - (i) Most NAAs would solve this issue by recovering the associated costs through their fees & charges system, and by adapting to their resources the amount of time required to process the approval.
  - (ii) A very limited number of NAAs expressed the view that their national fees & charges system and their national legal framework make it difficult to recover those costs, which is particularly critical for locations outside their territory.

The Agency's opinion is that, as detailed under point 3 below, the business case of obtaining an approval outside the EU for ad hoc examinations (which are currently very frequently performed based on approved procedures) will not be so attractive, limiting significantly the number of eventual approval applications.

- (2) Regarding the examination at locations not listed in the Part-147 approval certificate, NAAs did not express any concerns about having the NAA selecting the questions as long as there is no requirement for the NAA to invigilate the exam.

As a result of this comment, the Agency has decided not to introduce a requirement for the NAA to invigilate the exam. The Agency's opinion is that having the NAAs selecting the questions is sufficient to mostly address the safety concern since the Part-147 organisations would not have the possibility to provide focused unofficial training to assist certain candidates in passing the examination.

- (3) One NAA suggested that there should be a 'proof of the need to have the Part-66 licence' in order to take part in the exams since, in their opinion, many students outside the EU only apply for the Part-66 licence because it is accepted by the authorities of many third countries, but they have no intention to maintain EU-registered aircraft.

The Agency's opinion is that this limitation would be very difficult to introduce, not only because of the difficulty to substantiate such a need, but also because of the possible legal implication of not allowing to take part in the examinations to anyone that aspires to obtain a future job in aviation.

In addition, the Agency's opinion (also supported by some NAAs) is that these cases will be significantly reduced with the proposed measures since the students concerned will have to reach approved locations (unless the NAA selects the questions). Furthermore, the business case of obtaining an approval at locations outside the EU in order to just perform these ad hoc examinations will not be so attractive.

- (4) There was a general support to the creation of an European Central Question Bank (ECQB), which was seen as the long-term solution to the problem addressed in this Opinion.



(b) Feedback from stakeholders:

Part-147 organisations and, in particular, the European Aircraft Maintenance Training Committee (EAMTC) expressed the view that most Part-147 organisations act lawfully and follow all applicable rules. As a consequence, the measures to be taken should be based on risks and should be targeted to the fraudulent organisations.

Furthermore, the EAMTC expressed their full support to the objective of eliminating the fraud cases. To that end, they have recently notified their members (those involved in basic training and examination) of the need to ensure that all applicable requirements are met since the aforementioned fraud cases threaten the credibility of the EASA licensing system as well as the business of the Part-147 organisations.

The Agency's opinion is that the proposed measures have been designed to minimise the impact, while addressing at the same time the very significant safety concern currently existing. Nevertheless, the Agency agrees that these measures, if adopted by the Commission, will need to be reviewed and supplemented by other measures/guidance with the full involvement of stakeholders and NAAs. This will be performed under rulemaking task RMT.0544 'Review of Part-147', which will start at the beginning of 2016 by launching a full survey among NAAs and stakeholders. The objective of this survey will be to obtain feedback on the areas of Annex IV (Part-147) to Regulation (EU) No 1321/2014 which need to be reviewed/amended.

Regarding the possible future creation of an ECQB, there were mixed opinions about its benefits. Some Part-147 organisations expressed the concern that this would lead to students just focusing on learning the questions of the ECQB.

## 2.4. Summary of the Regulatory Impact Assessment (RIA)

(a) **Safety impact**

The proposed changes have the objective of addressing an immediate safety concern and preventing that the aviation system is overwhelmed with licence holders releasing to service aircraft after maintenance without having the basic knowledge required.

(b) **Social impact**

This proposal should eliminate the unfair competition created by those MTOs that perform basic examinations without meeting the applicable standards and attract customers by guaranteeing them success in the examination(s).

Furthermore, it should also eliminate the unfair competition created by the individuals who obtained a Part-66 licence without meeting the applicable standards. These individuals reduce the employment opportunities of those Part-66 licence holders who obtained said licence in a fair manner.

(c) **Economic impact**

There would be a negative impact on those Part-147 MTOs which conduct examinations (without a course) at locations not listed in their approval certificate if they cannot come to an agreement with their CA with regard to selecting the questions for the examination.



This impact could be minimised if the MTO has the maximum number of training facilities included in its approval certificate once the CA has performed the corresponding audits. In such a case, the locations which would be typically affected by this limitation would be those places where the MTO performs examinations based on an approved procedure, without identifying the location in advance.

In addition, there is a possible impact on NAAs receiving applications to include new locations in the Part-147 approval certificate.

Certain NAAs would solve this issue by recovering the associated costs through their fees & charges system, and by adapting to their resources the amount of time required to process the approval.

Other NAAs may have more difficulties if their national fees & charges system and their national legal framework do not provide enough flexibility, which would be particularly critical for locations outside their territory. Nevertheless, the Agency's opinion is that the number of new applications for approval coming from outside the EU should be rather limited because the business case of obtaining an approval outside the EU for ad hoc examinations (those typically performed based on approved procedures) will not be so attractive.

Finally, the limitations proposed by this Opinion are expected to increase the support from competent authorities and stakeholders to the creation of the ECQB, which, in the view of the Agency, is the long-term solution to the problem described in this Opinion. This ECQB would also be beneficial from an economic point of view to both the Part-147 MTOs and the CAs since they would no more need to create, maintain/update and audit the questions for the examinations.

**(d) Environmental impact**

Not applicable.

**(e) Proportionality issues**

Not applicable.

**(f) Impact on regulatory coordination and harmonisation**

No impact on bilateral agreements with international partners is envisaged.



## 2.5. Overview of the proposed amendments

The proposed changes to 147.A.145 of Annex IV (Part-147) to Regulation (EU) No 1321/2014 are the following:

### 147.A.145 Privileges of the maintenance training organisation

- (a) The maintenance training organisation may carry out the following as permitted by and in accordance with the maintenance training organisation exposition:
1. basic training courses to the Annex III (Part-66) syllabus, or part thereof;
  2. aircraft type/task training courses in accordance with Annex III (Part-66);
  3. ~~the examinations on behalf of the competent authority, including the examination of students who did not attend~~ the basic or aircraft type training course at the maintenance training organisation;
  4. the examination of students who did not attend the aircraft type training course at the maintenance training organisation;
  5. the examination of students who did not attend the basic-training course at the maintenance training organisation, provided that:
    - (i) the examination is conducted at one of the locations identified in the approval certificate; or
    - (ii) if performed at locations not identified in the approval certificate, as permitted by (b) and (c) below, either:
      - (A) the examination is conducted through a European Central Question Bank (ECQB); or
      - (B) in the absence of an ECQB, the competent authority selects the questions for the examination; and
  6. ~~4.~~the issue of certificates in accordance with Appendix III following successful completion of the approved basic or aircraft type training courses and examinations specified in points (a)(1), (a)(2), ~~and~~ (a)(3), (a)(4) and (a)(5), as applicable.

(...)

Done at Cologne, on 12 October 2015.

Patrick KY  
Executive Director



### 3. References

#### 3.1. Affected 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)

#### 3.2. Affected decisions

N/A

#### 3.3. Reference documents

N/A

