

**COOPERATION ARRANGEMENT
ON MUTUAL ACCEPTANCE
OF APPROVAL OF AIRCRAFT MAINTENANCE ORGANISATIONS
BETWEEN
GENERAL ADMINISTRATION OF CIVIL AVIATION OF CHINA,
CIVIL AVIATION DEPARTMENT, HONG KONG, CHINA AND
CIVIL AVIATION AUTHORITY – MACAO, CHINA**

The General Administration of Civil Aviation of China, the Civil Aviation Department, Hong Kong, China and the Civil Aviation Authority – Macao, China, hereinafter referred to as the Authorities,

desiring to promote aviation safety,

noting common concerns for the safe operation of civil aircraft,

recognising the emerging trend towards worldwide design, production, and interchange of civil aeronautical products,

desiring to enhance cooperation and increase efficiency in matters relating to civil aviation safety,

considering the possible reduction of the economic burden imposed on the aviation industry and operators by redundant technical inspections, evaluations, and testing,

recognising the mutual benefit of improved procedures for the reciprocal acceptance of approval of aircraft maintenance organisations,

the Authorities will work in accordance with the procedures of this Arrangement from the date at which it has been signed by the Authorities, until such time it is revised by mutual arrangement of the Authorities or replaced by some other Agreements or revoked by any one of the Authorities.

1 GENERAL

The Authorities accept that the rules, standards, practices, procedures and system for the approval and monitoring of maintenance organisations are sufficiently equivalent to permit the acceptance of each other's maintenance certification system.

Therefore, without prejudice to the obligation of each Authority under its own regulations, the purpose of this Arrangement is to:

- 1.1 avoid the duplication of inspections and evaluations;
- 1.2 give the same validity to the other Authorities' inspection and evaluation findings for the approval of maintenance organisations; and
- 1.3 give the same validity to the other Authorities' system for the release of civil aircraft and/or aircraft components to service after maintenance.

2 DEFINITIONS

Approval of a maintenance organisation means the approval, acceptance, authorisation, certification or licensing of a maintenance organisation in respect of specified civil aircraft and/or aircraft components subject to the organisation's compliance with the approved procedures.

Civil aircraft component means any part or equipment which is to be installed in a civil aircraft, its engines or propellers, and which has a part number or serial number allocated by the aircraft/engine/propeller/equipment manufacturer, unless such part or equipment has been designated by the manufacturer as standard parts. Complete engines (including engine modules) and propellers are included in this definition for the purpose of this Arrangement.

Maintenance means the performance of inspection, overhaul, repair, preservation, modification and the replacement of parts, materials, appliances, or components to ensure that the civil aircraft and/or aircraft component remains in compliance with the applicable requirements for certification by a maintenance organisation.

Maintenance organisations mean persons and organisations that are carrying out the business of maintenance.

3 SCOPE

This Arrangement applies to:

- 3.1 the acceptance by one Authority of the maintenance performed under the maintenance system of the other Authorities on civil aircraft and/or aircraft components;
- 3.2 the acceptance by one Authority of the approval of maintenance organisations by the other Authorities and the certification of civil aircraft and/or aircraft components by approved maintenance organisations in others' territory;
- 3.3 the cooperation and assistance with respect to maintaining the continuing airworthiness of civil aircraft and/or aircraft components;
- 3.4 the exchange of information regarding maintenance standards and maintenance certification systems; and
- 3.5 the cooperation in providing technical evaluation and assistance.

4 MAINTENANCE ORGANISATION APPROVAL

- 4.1 Subject to paragraph 4.2, each maintenance organisation that agrees to comply with Annex 1 and is approved to perform maintenance functions under the jurisdiction of one Authority will be recognised by the other Authorities for the performance of the same functions (hereinafter called 'a recognised maintenance organisation').
- 4.2 Unless otherwise decided in a particular case between the Authorities, the recognition of a recognised maintenance organisation is only valid when the organisation is located within the territory of the Authority granting the approval. For line maintenance of aircraft other than in

the territories of the Authorities, the recognition of a recognised maintenance organisation is only valid when the maintenance organisation is an operator licensed by the same Authority to operate air services.

- 4.3 Any Authority retains the right to request a review of any data concerning any approval granted in the others' territory from time to time as it may think fit.

5 MAINTENANCE

- 5.1 Maintenance functions with respect to a civil aircraft and/or aircraft component used for any purpose and regulated by any Authority can be performed and certified by a recognised maintenance organisation approved by the other Authority for those same maintenance functions subject to compliance with paragraphs 5.2, 5.3 and 5.4 when appropriate.
- 5.2 This Arrangement does not cover designs of civil aircraft and/or aircraft components. In case of repair or modification by a recognised maintenance organisation, the design of such repair or modification shall be approved by the Authority having jurisdiction over the civil aircraft and/or aircraft component concerned.
- 5.3 This Arrangement allows a recognised maintenance organisation, upon request by an operator, to use the operator's procedures that are required by the Authority having jurisdiction over the operator concerned.
- 5.4 In cases of aircraft maintenance, this Arrangement allows a maintenance organisation, approved by one of the Authorities, to certify the maintenance using certifying staff holding a CCAR-66 People's Republic of China Civil Aircraft Maintenance Personnel License, HKAR-66 Aircraft Maintenance Licence or MAR-66 Aircraft Maintenance Engineer Licence.
- 5.5 Pursuant to paragraph 5.1, the certification of maintenance functions by a recognised maintenance organisation approved by any Authority

will be recognised by the other Authorities as follows:-

- a. a CCAR 145.33 Certificate of Release to Service, a HKAR 145.50 Certificate of Release to Service and a MAR 145.50 Certificate of Release to Service are deemed equivalent; and
- b. a Form AAC-038 Authorised Release Certificate/Airworthiness Approval Tag, a CAD Form One Authorised Release Certificate and an AACM Form One Authorised Release Certificate are deemed equivalent.

5.6 Any Authority retains the right to request a review of any data concerning any approval granted in the others' territory from time to time as it may think fit.

6 MUTUAL COOPERATION AND TECHNICAL ASSISTANCE

6.1 Information

The Authorities will provide information regarding the maintenance to be performed under the provisions of this Arrangement, and will develop appropriate publications and circulate these publications through established methods in each other's territory to:

- a. inform the public of the provisions of this Arrangement; and
- b. outline the regulatory requirements and special requirements necessary for persons to perform work under the provisions of this Arrangement.

6.2 Technical evaluation assistance

The Authorities will provide technical evaluation assistance to each other, upon request, to further the purposes and objectives of this Arrangement. Such areas of assistance may include, but are not limited to:

- a. performing surveillance and providing reports regarding

continued compliance with the requirements described in this Arrangement by maintenance organisations in each territory;

- b. conducting and reporting on investigations to the extent permitted by the laws applicable to each other's territory; and
- c. obtaining and providing data for reports.

6.3 Exchange of information

The Authorities shall provide each other with complete sets of regulations, policies, guidance, practices and interpretations relevant to this Arrangement, and will ensure that such documents are updated in a timely manner. In addition, any proposal to amend such documents will be provided to the other Authorities for the opportunity to review and comment prior to the amendment being effected.

6.4 Regulations, Policies and Guidelines

The Authorities will make arrangements to consult each other in the process used to establish and amend the regulations, policies, guidance, practices and interpretations relevant to this Arrangement including the expansion of the scope of this Arrangement. Such expansion may be related to any aspects of maintenance and maintenance organisations.

6.5 Implementation Procedures

The Authorities will follow the Joint Maintenance Procedures Document which is to be jointly compiled by the Authorities after signing of this Arrangement.

6.6 Urgent or Unusual Situations

Where urgent or unusual situations develop which are within the scope of this Arrangement but not specifically addressed, the Authorities will review and consult each other, and upon mutual consent, take appropriate action, including amendment to this Arrangement where required.

6.7 Audits and Inspections

The Authorities will by mutual cooperation arrange each other:

- a. to participate in inspections and audits of maintenance organisations in each other's territory on a sample basis for the purpose of promoting the safety of international civil aviation; and
- b. to conduct independent inspections at each other's maintenance facilities to investigate any issue that may have a potential effect on the safety of a civil aircraft or the continued compliance with the requirements for certification.

6.8 Notification of Non-Compliance

Each Authority will:

- a. notify the other Authorities of serious non-compliance by any recognised maintenance organisation with any regulations or any condition made in accordance with or relating to this Arrangement; and
- b. promptly advise the other Authorities of any investigation or enforcement action, including revocation, suspension or change of scope of approval in respect of mutually recognised maintenance organisations.

7 ACCOUNTABILITY

- 7.1 Director General of Flight Standards Department, General Administration of Civil Aviation of China, the Director-General of Civil Aviation of Hong Kong Special Administrative Region and President of Civil Aviation Authority – Macao Special Administrative Region will be in charge of the administration and implementation of the provisions of this Arrangement.
- 7.2 The Authorities will advise each other the identity of the persons specified in paragraph 7.1 and any significant change to the organisation of the Authority that will affect the administration and implementation of the provisions of this Arrangement.
- 7.3 The Authorities will jointly review this Arrangement from time to time and may amend it as appropriate by written arrangement.

8 INTERPRETATION

Any disagreement regarding the interpretation or application of this Arrangement and the Joint Maintenance Procedures Document will be resolved by consultation between the persons in charge of the implementation of this Arrangement pursuant to paragraph 7.1 or their designates.

9 COMING INTO EFFECT

This Arrangement will come into effect upon signature by the persons in charge of the implementation of this Arrangement pursuant to paragraph 7.1 and supercede the following instruments:

- a. The Cooperation Arrangement on Mutual Acceptance of Approval of Aircraft Maintenance Organisations between General Administration of Civil Aviation of China, Civil Aviation Department, Hong Kong, China and Civil Aviation Authority – Macao, China, signed on 21 May 2002.
- b. The Addendum to Cooperation Arrangement on Mutual Acceptance of

Approval of Aircraft Maintenance Organisations between General Administration of Civil Aviation of China, Civil Aviation Department, Hong Kong, China and Civil Aviation Authority – Macao, China, signed on 18 February 2004.

10 TERMINATION

Any one of the Authorities may at any time give written notice to the other Authorities of its decision to terminate this Arrangement. This Arrangement will terminate twelve months following the date of receipt of the notice by the other Authorities, unless the said notice of termination has been withdrawn by mutual arrangement before the expiry of this period.

11 Annex 1 to this Cooperation Arrangement forms an integral part of it.

The foregoing record represents the understandings reached between the General Administration of Civil Aviation of China, the Civil Aviation Department, Hong Kong, China and the Civil Aviation Authority – Macao, China upon the matters referred to therein.

Signed at Beijing on 2 June 2006 on behalf of General Administration of Civil Aviation of China

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Director General of Flight Standards Department, General Administration of Civil Aviation of China

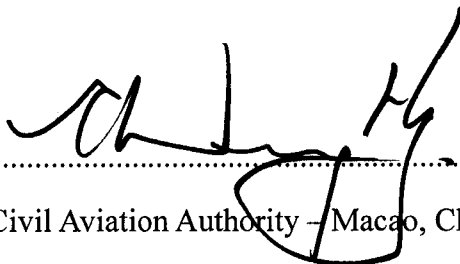


and on behalf of Civil Aviation Department, Hong Kong, China



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Director-General of Civil Aviation, Civil Aviation Department, Hong Kong, China

and on behalf of Civil Aviation Authority, Macao, China



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President of Civil Aviation Authority – Macao, China

RECOGNITION OF MAINTENANCE ORGANISATIONS

The recognition of a maintenance organisation by the other Authorities pursuant to paragraph 4.1 of the Cooperation Arrangement will be based upon compliance with the following requirements by the maintenance organisation:

- 1 The maintenance organisation shall be approved by the Authority in whose territory the maintenance organisation is located except as provided otherwise in paragraph 4.2 of the Arrangement.
- 2 The maintenance organisation shall provide a supplement to the organisation's manual/exposition which addresses at least the following issues:
 - a. a commitment statement signed by the current responsible manager that the maintenance organisation will comply with the manual/exposition and supplement;
 - b. the Authorities may access the maintenance organisation to ascertain its compliance with any applicable requirements;
 - c. in the case of serious non-compliance with regulations or established standards and, where the Authority having jurisdiction over the maintenance organisation cannot satisfy the other Authorities that it took the appropriate enforcement action, the maintenance organisation must accept that it may be subject to the other Authorities' enforcement action in order to maintain its status with that Authority;
 - d. the maintenance organisation will comply with the operator's work order taking particular note of airworthiness directives, modifications and repairs as issued or required by the other Authorities. The maintenance organisation may, upon request by an operator, to use operator's procedures that are required by the Authority having jurisdiction over the operator concerned. The maintenance organisation, when carrying out aircraft maintenance, may certify the maintenance using certifying staff holding a CCAR-66 People's Republic of China Civil Aircraft Maintenance Personnel License, HKAR-66 Aircraft Maintenance Licence or MAR-66 Aircraft

Maintenance Engineer Licence. Any parts used will be manufactured or maintained by organisations approved or accepted by the other Authority that oversees the operator with the exception that parts used in component maintenance can be manufactured or maintained by organisations approved or accepted by the Authority where the maintenance organisation is located;

- e. the operator has established the appropriate Authority approval of any modifications and repairs;
 - f. civil aircraft and/or aircraft component release procedures allow release against CCAR 145.33, HKAR 145.50 or MAR 145.50 and aircraft components are released on AAC-038, CAD Form One or AACM Form One as appropriate; and
 - g. any civil aircraft and/or aircraft component maintained in the territory of the other Authority found in an unairworthy condition will be reported to the other Authority and the operator.
- 3 The maintenance organisation agrees to pay any nominal fee associated with the extra costs incurred by visiting Authority audit team.