

**COOPERATION ARRANGEMENT
ON MUTUAL ACCEPTANCE OF
PARTS MANUFACTURER APPROVALS
BETWEEN
CIVIL AVIATION ADMINISTRATION OF CHINA
AND
CIVIL AVIATION DEPARTMENT, HONG KONG, CHINA**

The Civil Aviation Administration of China (CAAC) and the Civil Aviation Department, Hong Kong, China (CAD) (each of them hereinafter referred to as the "Authority" or collectively the "Authorities"),

whereas

- each Authority has considered that the standards and systems of the other Authority for the certification of aircraft parts are sufficiently equivalent to its own to make a cooperation arrangement practicable; and
- in the interest of promoting aviation safety and with a view to fostering cooperation and assistance between the Authorities in achieving common safety objectives, establishing and maintaining airworthiness standards and certification systems of aircraft parts which are as similar to those of the other Authority as practicable and cooperating in the reduction of the economic burden on aviation industries and operators arising from repetitive technical evaluations, tests and inspections in relation to aircraft parts;

therefore, without prejudice to the obligation of each Authority under its own regulations, the Authorities have decided to enter into this Cooperation Arrangement with a view to:

- facilitating the acceptance by the User Authority of the aircraft parts produced by the other Authority;
- providing for the procedures between the Authorities for the above

purposes and for facilitating the management of the emerging trend toward worldwide design, manufacture, and interchange of aircraft parts involving the joint interests of the Authorities in airworthiness certification; and

- facilitating the cooperation between the Authorities for the purposes of sustaining aviation safety.

1 Definitions

1.1 For the purpose of this Cooperation Arrangement:

"Critical" in relation to a class of parts, appliances, characteristics, processes, maintenance procedures, or inspections, means the parts, appliances, characteristics, processes, maintenance procedures, or inspections of which a failure, omission or non-conformance may cause a significant degradation of the airworthiness of the relevant aircraft product during all phases of operation of the relevant aircraft.

"Critical part" has the meaning defined in 1.2 below.

"Non-critical part" means any aircraft part other than a critical part.

"Parts Manufacturer Approval" means the design and production approval issued for the production of modification or replacement parts of an aircraft (including materials, parts, processes, and appliances) in accordance with the Chapter 8 of "CCAR-21 Certification Procedures for Civil Aviation Products and Parts" or Subpart K of "HKAR-21 Certification of Aircraft and Related Products, Parts and Appliances, and of Design and Production Organisations" requirements.

"Producer authority" means the Authority that issues the Parts Manufacturer Approvals under the provisions of this Cooperation Arrangement.

"Product" means an aircraft, aircraft engine, or propeller.

"User authority" means the Authority regulating the acceptance of aircraft parts under the provisions of this Cooperation Arrangement.

- 1.2 For the avoidance of doubt, it is hereby declared that classification of an aircraft part as either critical or non-critical is supported by a failure mode and effects assessment.

Effects assessment shall include at least the following:

- (a) a qualitative assessment of failure modes and effects, in which the part criticality will be noted and the following will be considered:
- the effect of characteristics, processes, maintenance procedures, or inspections when there is a failure, omission, or non-conformance of the part concerned; and
 - the effect of operating outside the part application or intended environment;
- (b) the assessment of the effect of part failure on the next higher assembly and its performance; and
- (c) the assessment of the effect on the product, affected by installation of the part, and its performance if the next higher assembly fails.

If, by virtue of the above assessment, an unsafe condition is found in respect of an aircraft part, such part will amount to a "critical part".

2 Scope

This Cooperation Arrangement covers:

- a. the acceptance by CAAC of "non-critical parts" produced under the HKAR-21, Subpart K, Parts Manufacturer Approval;

- b. the acceptance by CAD of "non-critical parts" produced under the CCAR-21, Chapter 8, Parts Manufacturer Approval;
- c. the exchange of information between the Authorities regarding certification of aircraft parts; and
- d. the cooperation between the Authorities in providing each other with the technical evaluations and assistance in relation to aircraft parts.

3 Acceptance of "non-critical" Parts Manufacturer Approval parts

- 3.1 Provided that each newly manufactured non-critical part is delivered to Mainland China with a certification in the form of a CAD Form One, issued in accordance with the HKAR-21 Subpart K Parts Manufacturer Approval granted by CAD under the Air Navigation (Hong Kong) Order 1995 as amended from time to time, stating that the aircraft part conforms with the CAD approved design and is in a condition for safe operation, CAAC will accept that certification as if it had made the relevant technical evaluations, tests and inspection itself.
- 3.2 Provided that each newly manufactured non-critical part is delivered to the Hong Kong Special Administrative Region, China with a certification in the form of Form AAC-038, issued in accordance with the CCAR-21 Chapter 8 Parts Manufacturer Approval granted by the CAAC under the Civil Aviation Law of The People's Republic of China as amended from time to time, stating that the aircraft part conforms with the CAAC approved design and is in a condition for safe operation, CAD will accept that certification as if it had made the relevant technical evaluations, tests and inspection itself.

4 Mutual Cooperation and Assistance

- 4.1 In respect of a Parts Manufacturer Approval issued by a Producer Authority, the Producer Authority shall on written

request assist the User Authority in determining whether the design of changes or repairs made under the control of the User Authority, comply with the airworthiness standards under which such aircraft parts were originally approved by the Producer Authority.

- 4.2 Each Authority shall provide and update the other Authority from time to time of all its relevant airworthiness laws, regulations, standards and requirements, and of its airworthiness certification system.
- 4.3 Each Authority shall as soon as practicable notify the other Authority of proposed significant revisions to its standards and system for airworthiness certification or approval; offer the other Authority an opportunity to comment and give due consideration to the comments made by the other Authority on the intended revisions.
- 4.4 Each Authority shall as soon as practicable notify the other Authority of proposed revisions to certification procedures for aircraft parts covered by this Cooperation Arrangement.
- 4.5 The Authorities shall provide to each other such technical evaluation assistance, upon written request, to further the purposes and objectives of this Cooperation Arrangement as they agree is appropriate.

5 Notification of Non-compliance

Each Authority shall:

- a. forthwith notify the other Authority in writing of any material non-compliance, by any Parts Manufacturer Approval holder, with any regulation or any condition made in accordance with or relating to this Cooperation Arrangement; and
- b. promptly advise the other Authority in writing of any investigation or enforcement action, including revocation, suspension or change of scope of approval made by it in respect of any Parts Manufacturer Approval mutually accepted

by both Authorities pursuant to this Cooperation Arrangement.

6 Interpretation

In the case of conflicting interpretations of the airworthiness criteria prescribed by the User Authority pertaining to an acceptance under this Cooperation Arrangement, the interpretation of the User Authority shall prevail.

7 Implementation

7.1 The Authorities shall endeavour to develop a mutually agreed schedule of implementation procedures for this Cooperation Arrangement.

7.2 When such a schedule has been agreed between the Authorities, this Cooperation Arrangement shall be implemented in accordance with the implementation procedures set out therein.

7.3 The Authorities shall jointly review such schedule from time to time and may amend it as appropriate by written agreement.

8 Entry into Force

This Cooperation Arrangement shall enter into force upon the signature by both Authorities.

9 Termination

Either Authority may at any time give written notice to the other Authority, of its decision to terminate this Cooperation Arrangement. This Cooperation Arrangement shall terminate twelve months following the date of receipt by the other Authority of that notice, unless the said notice of termination has been withdrawn by mutual agreement before the expiry of such period.

Signed in (*Macao, China*) on (*13 May 2009*) on behalf of Civil Aviation Administration of China

張紅鷹

Director General of Aircraft Airworthiness Certification Department, Civil Aviation Administration of China

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



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