
SCHEDULE OF IMPLEMENTATION PROCEDURES

for

COOPERATION ARRANGEMENT
ON MUTUAL ACCEPTANCE OF
PARTS MANUFACTURER APPROVALS

BETWEEN

CIVIL AVIATION ADMINISTRATION OF CHINA
AND
CIVIL AVIATION DEPARTMENT OF THE HONG KONG
SPECIAL ADMINISTRATIVE REGION GOVERNMENT

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REVISION LOG

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INTRODUCTION

This document contains the procedures developed by Civil Aviation Administration of China (CAAC) and Civil Aviation Department of the Hong Kong Special Administrative Region Government (CAD) to implement the Cooperation Arrangement (CA) between CAAC and CAD concerning the airworthiness certification, approval, or acceptance of exchanged aeronautical parts.

These procedures are intended to facilitate the mutual cooperation, and technical assistance for Parts Manufacturer Approvals (PMA) parts approved by CAAC and CAD. These procedures also provide for designated officials within CAAC and CAD to make special arrangements as they deem necessary in special situations to implement this Schedule.

This Schedule of Implementation Procedures (SIP) may be jointly reviewed at any time at the request of either CAAC or CAD and will be reviewed periodically, taking into account improvements, additions, or changes suggested by either CAAC or CAD to ensure that the SIP remains current.

Suggestions for improvement are welcomed and can be addressed to either of the authorities on the address as listed in Appendix A, who are responsible for the administrative process of keeping this document current. All changes to this SIP, including Appendices, will be jointly administered by CAAC Aircraft Airworthiness Certification Department, Aircraft Certification Division, and CAD Flight Standards and Airworthiness Division, Airworthiness Office.

CHAPTER 1 GENERAL

1.1 Purpose

This SIP sets forth procedures agreed upon between CAAC and CAD to carry out the objectives of the Cooperation Arrangement on Mutual Acceptance of Parts Manufacturer Approvals between CAAC and CAD revised on 28 August 2013, which supersedes the Cooperation Arrangement on Mutual Acceptance of Parts Manufacturer Approvals between CAAC and CAD issued on 13 May 2009.

1.2 Basis

The basis for this SIP is stated in Article 7 of the CA.

1.3. Objectives

The objectives of this SIP are to carry out the clauses of the CA which address:

1.3.1 Acceptance of PMA parts

The procedures for acceptance of PMA parts by the user authority.

1.3.2 Continued Airworthiness

The procedures for the continued operational safety of delivered parts to be taken by each authority to ensure that in-service safety issues are addressed and resulting corrective actions are carried out in a timely manner.

1.3.3 Accountability

The procedures for each authority to respond to each other for the parts delivered under the CA to ensure that safety issues which may arise with regard to the part in service will be satisfactory resolved in a timely manner.

1.3.4 Mutual Cooperation and Technical Assistance

The procedures which enable CAAC and CAD to exchange appropriate information needed to understand and conduct the approval and monitoring processes within the scope of the CA and to cooperate when technical assistance is needed by either authority fulfilling its airworthiness regulatory duties.

1.3.5 Special Arrangements

The procedures which provide for the resolution by CAAC and CAD by special

arrangement, as necessary, of urgent or special situations not envisaged in this SIP, provided the situation falls within the scope and purpose of the CA.

1.4 Scope

This SIP covers:

- a. The acceptance by CAD of “non-critical parts” and “critical parts” produced under CCAR-21, Chapter 8, Parts Manufacturer Approval.
- b. The acceptance by CAAC of “non-critical parts” produced under HKAR-21, Subpart K, Hong Kong Parts Manufacturer Approval.

Note: Considering that CAD has not issued any approval of “critical parts” produced under HKAR-21, CAAC and CAD agree that the acceptance by CAAC of CAD approved “critical parts”, once CAAC and CAD complete the joint certification for a Parts Manufacturer Approval “critical parts” project applied under HKAR-21. This acceptance will be finalised in amendment of this SIP.

1.5 Amendment of SIP

This SIP may be jointly reviewed at any time at the request of either CAAC or CAD and should be reviewed at least once a year.

Each authority shall collect comments from its industry. Amendments shall be co-developed by the PMA working group of CAAC and CAD, taking into account improvements, additions, or changes suggested by either CAAC or CAD. Amendments shall be approved by the Director of Aircraft Certification Division of Aircraft Airworthiness Certification Department of CAAC and the Chief, Airworthiness Standards of the Flight Standards and Airworthiness Division of CAD.

1.6 Points of Contact

The designated offices for the administration and implementation of this SIP and its amendments are listed in Appendix A.

1.7 Termination

Either CAAC or CAD may terminate this SIP upon twelve months written notice to the other authority or any other date mutually agreed. Termination will not affect the validity of activity conducted under this SIP prior to termination. Termination of this SIP does not relieve the responsibility of producer authority for continued airworthiness of delivered PMA parts.

1.8 Definitions

For the purpose of this SIP, the definitions in Article 1 of the CA shall apply. As used

in this SIP, the following definitions are provided to supplement those definitions contained in Article 1 of the CA.

- a. "Manufacturer" means the organisation responsible for the final assembly, test, and acceptance of a part under the authority approved quality assurance/control system which ensures conformity of the part to an approved design and is in a condition for safe operation.
- b. "Quality Assurance/Control System" means a systematic process of manufacturing, assembly, and testing which provides confidence that aeronautical parts will conform to the approved design and will be in a condition for safe operation.
- c. "Material non-compliance" means "non-compliance" defined in paragraph 8.2.1(1) of AP-21-04R3 for CAAC or "level one finding" under HKAR-21 for CAD.
- d. "Supplier" means the organisation that contract to provide a subassembly, appliance, material or component to a part manufacturer to be incorporated into the manufacturer's civil aeronautical part.
- e. "Critical" in relation to a class of parts, appliances, characteristics, processes, maintenance procedures, or inspections, means their failure, omission or non-conformance may cause a significant degradation of the airworthiness of the relevant product during all phases of operation of the relevant aircraft.
- f. "Critical part" means the following:

Classification of an aircraft part as either critical or non-critical is supported by a failure mode and effects assessment. If, by virtue of the following assessment, an unsafe condition is found in respect of an aircraft part, such part will amount to a "critical part".

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:
 - i. the effect of characteristics, processes, maintenance procedures, or inspections when there is a failure, omission or non-conformance of the part concerned; and
 - ii. 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;
 - (c) the assessment of the effect on the product, affected by installation of the part, and its performance if the next higher assembly fails.
- g. "Non-critical part" means any part other than a critical part.

CHAPTER 2 ACCEPTANCE OF PMA PARTS

2.1 Production Quality Assurance/Control System Approval

All parts delivered under the provisions of the CA shall be produced in accordance with a production quality assurance/control system approved and acceptable to the producer authority, which assures conformity to the approved type design and ensures that completed parts are in a condition for safe operation. Therefore, a separate approval of the PMA's production quality assurance/control system by the user authority is not required, although it is consistent with the intent of the CA that the user authority may, on an initial and recurrent basis, become familiar with the manufacturer's production quality assurance/control system.

2.2 Issuance of Approval Certificates of PMA Parts

Approval certificates of PMA parts shall be issued for parts and materials manufactured in accordance with its own applicable laws, regulations, and requirements with the following manners:

- a. Each CAAC approved part is certified in the form of CAAC Form AAC-038 (Airworthiness Approval Tag), issued in accordance with the CCAR-21 Chapter 8 Parts Manufacturer Approval, stating that the part conforms to CAAC approved design and is in condition for safe operation.
- b. Each CAD approved part is certified in the form of CAD Form One (Authorised Release Certificate), issued in accordance with the HKAR-21 Subpart K Hong Kong Parts Manufacturer Approval, stating that the part conforms to CAD approved design and is in condition for safe operation.

2.3 Acceptance of Approval Certificates

2.3.1 Acceptable Parts

The producer authority shall approve the part when it:

- a. Conforms to approved design data;
- b. Is in a condition for safe operation; and
- c. Is marked in accordance with CCAR 21.308 or HKAR 21.804.

2.3.2 Acceptance of Approval Certificates

The user authority shall fully accept the certification of the parts provided that:

- a. the approval certificates of the parts are issued in accordance with paragraph 2.2 of this SIP; and
- b. the parts are stated as "critical" or "non-critical" in CAAC Form AAC-038, or as "non-critical" in CAD Form One

as if it had made the relevant technical evaluations, test and inspection itself. Therefore, a separate approval certificate or another form of approval is not required to be issued by the user authority.

2.3.3 Exceptions

Any exception to the design standards or production non-conformities to the approved design shall be noted by the producer authority as an exception on the approval certificate. Any exception noted on the approval certificate shall be accepted by the user authority before a part is eligible for installation on an aircraft.

CHAPTER 3 CONTINUED AIRWORTHINESS

3.1 General

The producer authority is responsible for supporting the continued operational safety of the delivered part. The user authority, shares in the responsibility to ensure continued airworthiness of the part while operating on its registry. Under the provisions of the CA, the producer authority is accountable to the user authority to resolve in-service safety issues related to design, production, or operation. The producer authority shall provide applicable information which it has found to be necessary for mandatory modifications, required limitations and/or inspections to the user authority to ensure continued airworthiness of the part. The user authority will review and normally accept the corrective actions taken by the producer authority in the issuance of its own mandatory corrective actions.

At the request of the user authority, the producer authority shall assist the user authority in determining action considered necessary by the user authority for the continued airworthiness of the part. The respective decision as to the final action to be taken lies solely with the user authority.

3.2 Notification of Non-compliance

Each authority agrees to provide the other with information on malfunctions, failures, defects, and accidents encountered in service to the address as listed in Appendix A.

3.2.1 Notification of Unsafe Conditions

When the service experience in the user territory indicates the existence of an unsafe condition associated with the design, manufacture, or operation/maintenance of a part, a Service Difficulty Report (SDR) or Mandatory Occurrence Report (MOR) shall be raised. Such information should be provided without delay to the producer authority. When such information is provided, the producer authority should give expedient attention to the information and consider appropriate action to correct the condition, and so advise the user authority.

3.2.2 Mandatory Airworthiness Actions

In the case of mandatory airworthiness actions, each authority shall keep the other fully informed without delay of its intent to issue and the final issuance of all mandatory modifications, special limitations, or special inspections which are determined to be necessary on parts designed or manufactured in either

territory. The authority intending to take such mandatory airworthiness actions shall identify the safety problem (unsafe condition) requiring the mandatory airworthiness action and any investigation or enforcement action including suspension, revocation or change of scope of approval made by it in respect of any PMA mutually accepted by both authorities pursuant to the CA. In the case of emergency airworthiness information, the authority intending to take such mandatory airworthiness actions should notify the other authority within 96 hours by means of e-mail or fax.

3.2.3 Audit Findings

Each authority shall notify the other authority when a material non-compliance has been discovered during an audit associated with its PMA holder at the PMA working group meeting.

CHAPTER 4 ACCOUNTABILITY

4.1 General

Each authority has responsibility to the other to ensure both design and manufacturing deficiencies are corrected as specified in this chapter on parts which were delivered under the CA. These responsibilities include:

4.1.1 Communication

There is a need for continuing dialogue between the authorities to ensure that the same or consistent information and requirements are issued on a given PMA part. Both authorities agree that the airworthiness documentation exchanged will be in the Chinese or English language.

4.1.2 Accident/Incident Investigation Assistance

When the user authority needs airworthiness information for the investigation of service incidents or accidents involving a part delivered under the CA, the request for the information should be directed to the producer authority. In turn, upon receipt of the request for information, the producer authority should immediately do everything necessary to make sure the requested information is provided in a timely manner. If urgency requires that the user authority request the information directly from the PMA holder when immediate contacts cannot be made with the producer authority, the user authority shall immediately inform the responsible producer authority of this action.

4.2 Protection of Proprietary Data

Both authorities recognise that data submitted by a PMA holder as being the property of that holder, and release of that data by CAD or CAAC is restricted. Both authorities agree that they will not copy, release, or show proprietary data obtained from either authority to anyone outside of CAD or CAAC without written consent of the PMA holder, provided to one authority by the other.

4.3 Enforcement Actions

CAAC and CAD, as the producer authorities, shall notify the other without delay, of any investigation or enforcement action being taken against its PMA approval holder when such action is related to the initial or continued airworthiness of the delivered parts. This notification may be combined with, or be independent of, the notification of non-compliance described in paragraph 3.2 of this SIP.

Both authorities agree to mutual cooperation and mutual assistance in the investigation of any alleged or suspected violations of CAAC regulations or CAD requirements.

CHAPTER 5 MUTUAL COOPERATION AND TECHNICAL ASSISTANCE

5.1 General

In order to enhance the mutual cooperation and update this SIP, both authorities shall meet at least once a year.

5.2 Technical Evaluation Assistance

Upon request and mutual agreement, one authority may provide to the other authority, or may provide on behalf of the other authority, technical evaluation assistance in furtherance of the purposes and objectives of the CA. Such areas of assistance may include, but are not limited to, witnessing tests, performing inspections, reviewing reports and obtaining data.

5.3 Assistance on Design Changes and Repair Designs

Upon request, the producer authority shall assist the user authority in determining whether the design changes or repair designs made under the jurisdiction of the user authority, comply with the airworthiness standards under which such PMA parts were originally approved by the producer authority.

5.4 Exchange of Information on Standards and Certification Systems

5.4.1 Exchange of Information

It is recognised that an essential factor in a smoothly operating CA is a thorough and up-to-date knowledge by the producer authority of the regulations, guidance, policies, practices, and interpretations of the user authority. Early efforts should ensure that each authority has in its possession a complete set of the other authority's written regulations, guidance, policies, practices, and interpretations, or have a source for such information. The release and distribution of laws, regulations, standards and procedures by each authority are stated in Appendix C.

5.4.2 Review and Revision Involvement

Since such regulations, guidance, policies, practices, and interpretations are continually undergoing review and revision, it is imperative that the other authority's maximum practicable involvement in the review and revision process be permitted and encouraged. This should take the form of early and direct notification of all comments resulting, and early notification of the text, impact, and effective date of any adopted changes.

5.5 Significant Changes in Authority Structure

Each authority shall advise the other of any significant changes in its statutory (legal) responsibilities, organisational structure, oversight, or delegated responsibilities. The other authority shall have the right to familiarise itself with such changes, including on-site discussions with the other authority and any evaluations deemed necessary to ensure the continued acceptance of this SIP.

CHAPTER 6 SPECIAL ARRANGEMENT

6.1 General

It is anticipated that urgent or special situations will develop with respect to airworthiness certification or acceptance, or technical assistance which have not been specifically addressed in this SIP but which are anticipated by the CA. When such a situation arises, it shall be reviewed by the respective authority and a procedure developed to address the situation. The procedure shall be mutually agreed upon by both authorities in a separate special arrangement document. If it is apparent that the situation is unique, with little possibility of repetition, then the special arrangement document shall be of limited duration. However, if the situation will lead to further repetitions, then this SIP shall be amended accordingly in accordance with paragraph 1.5.

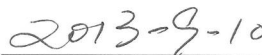
6.2 Approval of Special Arrangement

Special arrangement shall be approved by the Director of Aircraft Certification Division of Aircraft Airworthiness Certification Department of CAAC and the Chief, Airworthiness Standards of the Flight Standards and Airworthiness Division of CAD.

This SIP is done in both Chinese and English, both texts being equally authentic.

This SIP has been reviewed and approved by the undersigned:

on behalf of Civil Aviation Administration of China



ZHANG Sen
Acting Director
Aircraft Certification Division
Aircraft Airworthiness Certification Department

Date

**and on behalf of Civil Aviation Department of the Hong Kong Special Administrative
Region Government**



Y.P. TSANG
Chief, Airworthiness Standards
Flight Standards and Airworthiness Division

Date

APPENDIX A

CAAC and CAD Points of Contact

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APPENDIX B

(Reserved)

APPENDIX C
CAAC and CAD Publications

CAAC and CAD publications are released and distributed as follow;

CAAC:

All laws, regulations, standards and internal working procedures are published in CAAC website:

http://safety.caac.gov.cn/index_sh.jsp

Airworthiness requirements of CAAC are also published annually in a CD format.

CAD:

Laws and regulations are published in Hong Kong Department of Justice website in Hong Kong Laws Chapter 448:

<http://www.legislation.gov.hk/eng/home.htm>

Requirements and standards are published in the CAD website:

http://www.cad.gov.hk/english/publications_press_release.html

Internal working procedures shall be sent to CAAC within 2 weeks upon publication.