Federal Aviation Administration

Updates on FAA Flight Standards Organization

Presented to: APATS
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Today’s Topics…

• MRO Updates – Bilateral Agreements
• Internal Reorganization of Flight Standards
• New Approach to Compliance and Oversight
MRO updates…

• The Federal Aviation Administration (FAA) will inspect over 4,884 repair stations in 2018.
• Another 380 applicants are in the works currently (About 100 foreign / 280 domestic).
• These numbers vary every year based on new certifications, mergers, acquisitions, buy-outs etc…

4030 +
U.S. Repair Stations

850 +
Int’l Repair Stations
Bilateral agreements…

- Bilateral agreements are between governments.
- A Bilateral Aviation Safety Agreement (BASA) is a cooperative agreement between the FAA and a foreign Civil Aviation Authority (CAA).
- The BASA allows both the FAA and the foreign CAA to leverage resources and to rely on each other’s findings within a specific technical scope.
Bilateral agreements…

• Maintenance Implementation Procedures (MIP) are an agreement under a BASA, between the FAA and a foreign CAA, which allows for reciprocal acceptance of repair station oversight.

• All FAA-certificated repair stations not covered under a MIP are inspected by the FAA each year. Foreign repair stations under a MIP are audited by the foreign CAA.

• Maintenance Agreement Guidance (MAG) provides guidance and defines procedures to support the MIP.
Bilateral agreements…

Current Bilateral Agreements:
• Transport Canada Civil Aviation (TCCA)
• European Union (EU) Aviation Safety Agreement
• Switzerland BASA and MIP with the Federal Office of Civil Aviation Authority (FOCA)
• Singapore MIP

In Work:
• UK CAA (Brexit)
• Nacional Civil Aviation Agency of Brazil (ANAC)
• Japan Civil Aviation Bureau (JCAB)
Bilateral agreements…

• Transport Canada Civil Aviation (TCCA) MIP, the current MIP only allows FAA repair stations to perform maintenance on TCCA aircraft/ components if the aircraft/ components are located inside the United States.

• There are reciprocal provisions to allow TCCA Approved Maintenance Organizations (AMOs) to perform maintenance on FAA aircraft/ components if the aircraft/ components are located inside Canada.

• There is no MAG associated with the MIP because there are no FAA/ TCCA certified repair stations in each respective country.
Bilateral agreements…

• European Union (EU) Aviation Safety Agreement, covers 18 of the 27 EU member countries.

• Before entering into the bilateral agreement, the U.S. evaluated the aviation system of each country and determined which ones were equivalent to the FAA’s system.

• The aviation authorities in those 18 countries, or their designees, inspect U.S. FAA-certificated repair stations on behalf of the U.S.
Bilateral agreements...

- The FAA performs the same function in the U.S. for EASA-certificated repair stations.
- The FAA agreement with the EU provides benefits for repair stations located within the U.S., approximately 1,409 of the 4,030 FAA certificated repair stations located within the U.S. today hold an EASA certification as well.
- An FAA inspection on behalf of EASA saves the U.S. based repair station additional inspection and certification fees.
Bilateral agreements…

• Switzerland BASA and MIP with the Federal Office of Civil Aviation Authority (FOCA) – All laws on civil aviation passed by the EU and subsequently adopted by the Joint Committee, established in the agreement, is applicable in Switzerland.

• MIP allows FOCA and the FAA to accept each other’s standards, systems, and approvals relating to repair stations located in the U.S. and EU-based AMO that maintain civil aviation products.
Bilateral agreements…

- The Singapore MIP went into effect on August 15, 2016.
- The turnover of inspections, monitoring, and surveillance is in progress.
- There about 57 FAA-certificated repair stations in Singapore and four Singapore facilities in the U.S.
- FAA repair stations will be inspected by CAAS at least once every twelve (12) months.
Bilateral agreements…

• Singapore based repair station complying with SAR-145 requirements and the FAA Special Conditions in the MIP, fulfills the requirements in CFR Parts 43 and 145.

• The FAA does not accept CAAS approved data for major repairs/alterations. Data must state “FAA Approved” for Major Repair/Alterations. FAA approval on an FAA 8110-3 or FAA Form 337.
Bilateral agreements…

- (Brexit) - The FAA is conducting technical discussions with the UK CAA and looking into possible efforts on developing a separate MIP and MAG.
- The UK is expected to retain the EASA regulations.
- As far as U.S. repair stations, it appears the UK CAA would accept the current EASA approvals, depending on how the EU and UK agree on conditions after Brexit.
Bilateral agreements…

- The UK leaves the EU agreement on April 1, 2019, at which time a new MIP and MAG with the U.S. must be in place. If there is no MIP by this date, the FAA will have to take over the surveillance responsibility of 180 UK based repair stations.
Bilateral agreements…

• Nacional Civil Aviation Agency of Brazil (ANAC) – Currently in work.
  – From October 23 - November 1, 2017 MIP team held preliminary coordination meetings.
  – October 2017 - April 2018 FAA and ANAC worked on drafting the MIP.
  – ANAC performed their preliminary review and comments were received on March 9, 2018.

• There are 21 FAA-certificated repair stations in Brazil, and 79 Brazilian AMO in the U.S.
Bilateral agreements…

• Japan Civil Aviation Bureau (JCAB) – currently there are approximately 12 FAA certificated repair stations in Japan, and 16 JCAB certificated facilities in the U.S.

• The current BASA does not include maintenance (MIP), but negotiations are currently underway.

• The MIP will be the next step to further enhance the cooperation between JCAB and FAA.
Bilateral agreements…

- The JCAB can not be signatory on international agreements. The U.S. Department of State and the Government of Japan are currently negotiating use of an alternative document.
- Preliminary review of regulatory systems in process. JCAB to revise some regulatory language. Proposed completion at end of 2018.
- A full regulatory comparison still needs to be accomplished to determine system compatibility.
Internal Reorganization of Flight Standards
Future of Flight Standards

**FFS = Organizational Change in Two Key Areas**

### Cultural Change
- Develop individual competencies in:
  - Interdependence, Critical Thinking - Consistency
  - Mindset / Skillset / Toolset

### Enterprise Change
- Develop enterprise competencies in:
  - Leadership Development
  - Change Management
  - Coach Approach
  - Mutual Learning

### Structural Change
- Streamline AFS structure to:
  - Enable a small group of leaders to manage AFS
  - Increase functional focus for each leader
  - Reduce functional duplication/overlap
  - Align standards and implementation

**Result = Organizational Health:**
Agility, Efficiency, Consistency to meet challenges of:
Accountability, Budget, Change-Readiness, Decision-Making (e.g., compliance)
Awareness: What Does AFS Need to Do Better?

• We need to position Flight Standards – *culturally and structurally* – for:

  • **Accountability to Flying Public, Stakeholders**
    • Meet the needs of a constantly & rapidly changing industry
    • Fix/prevent issues (real and perceived) with consistency and standardization in regulatory interpretation

  • **Budget Constraints**
    • Balance allocation of resources
    • Increase efficient use of personnel and travel funds
    • Reduce redundancy in regions

  • **Change Readiness to Meet Constant Stream of New Challenges**
    • Operational efficiency & effectiveness
    • Organizational agility
    • Consistent service and performance

  • **Decision-Making – e.g., Risk-Based Decision-Making Strategic Initiative**
    • Culture must be ready to understand and implement all aspects of risk-based decision-making, including Compliance Philosophy
New Approach to Compliance and Oversight
Challenges

• Common goal = a safe, efficient aviation system

• We must all work together to fix the system/problem.
  • Need to move beyond traditional operator/regulator model and its often adversarial nature
  • Use new tools to foster an environment of mutual trust and respect so as to promote open communication, collaboration, and cooperation.

• Culture change is always challenging, but essential to achieving our safety mission.
## Approach to Safety

<table>
<thead>
<tr>
<th>Traditional approach:</th>
<th>Today’s approach:</th>
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<tr>
<td>• Act <em>after</em> an accident</td>
<td>• Act <em>before</em> an accident</td>
</tr>
<tr>
<td>• Find, fix, and fly</td>
<td>• Encourage reporting</td>
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<tr>
<td>• Make more rules</td>
<td>• Find, fix, and monitor</td>
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Safety Tools

Traditional approach:

Enforcement action

Focus = assigns blame for what has already occurred

Regulator prescribes fixes; Operator complies

Today’s approach:

Risk-Based Decision-Making

• Compliance Philosophy
• Safety Management Systems

Focus = accept responsibility and look forward – how to prevent recurrence

Operator uses proactive risk management; Regulator focuses on safety assurance
End
Questions? Comments?