

RE: EBAA/EASA TCO Authorization Seminar 24 September 2014

Background:

The European Commission passed Regulation (EC) No 216/2008, known as the Basic Regulation, in February of 2008, which required the European Aviation Safety Agency (EASA) to issue authorizations to third country operators (TCO) as a prerequisite of obtaining an operating permit from a member state of the European Union. In November of 2012 EASA published the final rules on TCOs engaged in commercial air transport (CAT) operations in Europe. The authorization requirements are spelled out in Regulation (EU) No 452/2014, known as Part-TCO.

Part-TCO is intended to harmonize and streamline the authorization process for TCOs. Previously, operators were required to apply for operating permits from each country, whereas, under the new rule, one authorization will grant operating permission to all 32 EASA member states and outlying territories. The TCO authorization is granted after a risk-based assessment is performed by EASA. EASA will determine a level of confidence in the regulatory agency of the TCO and the operator's level of compliance with ICAO Standards through an application process.

Part-TCO entered into force on May 26th, 2014. This began a six month application period which closes on November 26th, 2014. After the application period, EASA has 24 months to assess TCOs who submit an application by the deadline. Operators who fail to apply for TCO authorization by the November deadline may experience delays in the authorization process.

Applicability:

Part-TCO applies to all operators conducting commercial operations to any of the 32 EASA member states (EU members, Iceland, Liechtenstein, Norway and Switzerland) or outlying territories (Gibraltar, Aland Islands, Azores, Madeira, Canary Islands, Guadeloupe, French Guiana, Martinique, Reunion, Saint-Martin, Mayotte).

Part-TCO begins with a 30 month transition period in which operators are expected to register for TCO authorization and continue to apply to individual EU member states for operating permits. The regulation dictates that "any natural person or a legal person holding an air operator certificate (AOC) or equivalent issued in a third country" must apply for authorization to operate "an aircraft for the purpose of commercial air transport operation within, into or out of the territory subject to the provisions of the Treaties of the European Union." Operators overflying the EU, without landing, will not need to apply for TCO authorization.

EASA is expecting application from approximately 900 operators. As of 24 September 2014, they have received 380 applications. A significant number of operators waiting until the 26 November deadline may result in delays of the approval process.

The Authorization Process:

The authorization process will consist of four distinct phases; the initiation phase, the evaluation phase, the authorization phase, and the monitoring phase. Operators currently taking customers to the 32 EASA member states or outlying territories should begin the initiation phase by November 26th, 2014. If an on-demand operator receives its operating certificate after this date, it should begin the initiation phase no more than 30 days prior to its first trip to an eligible country. To begin the process, TCOs

should submit an administrative application with the application form, Operating Certificate, Ops Specs, and Certificate of Incorporation. EASA will use the information collected and a data driven model to determine the level of scrutiny to be applied in the process. Depending on the level of confidence in the operator and the operator's regulatory agency, each operator will undergo a desktop review, a consultation via video or teleconference, or a face to face interview in Cologne. On-site audits are not anticipated in the standard review process.

Phase two is the evaluation phase. Upon receiving the administrative application, EASA will grant the TCO access to the web interface to complete a questionnaire. Two separate questionnaires have been developed. Basic Operator Data (BOD) will be collected from all applicants. Advanced Operator Data (AOD) will be collected from operators in whom EASA requires additional information. EASA will use all gathered information to determine compliance with ICAO Standards from Annex 1 - Personnel Licensing, Annex 6 Parts 1 and 3 - Commercial Operations, Annex 8 - Airworthiness of Aircraft, Annex 18 - Dangerous Goods, and Annex 19 - Safety Management.

EASA will not expect compliance to ICAO standards where the EU has filed differences and will accept mitigating strategies where the state of registry has filed differences. A Level 1, significant non-compliance, or a Level 2, non-compliance, rating will be assigned to all differences. Authorizations will not be granted to operators who have a Level 1 finding.

In the third phase, the authorization phase, operators are placed on the publically available list of authorized operators. The authorization is accompanied by TCO Specifications which contain details of permitted operations, i.e. low visibility operations. The TCO Specs are essentially a reissuance of the Operator Specification, but may be more restrictive in some areas, such as forbidding the carriage of dangerous goods in the EU. Once issued, the authorization does not have an expiration date. However, if it goes unused for 24 months, it will become invalid.

In the monitoring phase, phase four, accidents need to be reported to EASA through the web interface. Fleet, accident, and management personnel information must be maintained on the TCO website at all times. Any changes will require approval prior to operating in the EU. EASA will continue to review the files of authorized TCO operators at intervals not greater than 24 months.

The Web Interface:

The TCO authorization program is designed to be funneled through a web-Interface. Each TCO will receive a log-on after completing the administrative application. The log-on will be assigned to the operator's designated master user. The master user can then create staff users and assign them tasks or sections of the BOD or AOD to complete.

The web-interface will be focal point for data collection, task monitoring, and communication. EASA intends to use the system as the key communication portal between TCOs and the agency. A section of the page allows EASA and the TCO to track pending tasks, such as completion of the AOD. As the primary communication platform, a pending task will also be created whenever EASA has questions or comments. EASA and the TCO will be able to communicate via a function which operates similar to a chat box. However, if a major issue arises, EASA will also email the master user, eliminating the necessity to constantly check the TCO webpage.

Although the website is password protected, keeping the information shared with EASA from the general public, web access will be given to the European Commission and each operator's regulatory agency.

EASA intends to hold an educational seminar for the use of the website. All of EASA's reference and guidance material can be found at <https://tco.easa.europa.eu/> Additionally, presentations conducted at the TCO Seminar can be found on the EBAA website at

<http://www.ebaa.org/en/news-publications/news/key-takeaways-from-the-ebaa-easa-part-tco-seminar.aspx>