AIRWORTHINESS NOTICE

AN No. : 8201 Issue 1

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This Airworthiness Notice is issued in pursuant to Section 240 of the Civil Aviation Act 1969 and Civil Aviation (Amendment) Act 2003. Any person who fails to comply with this Airworthiness Notice, shall be guilty of an offence.

PRODUCTION ORGANISATION APPROVAL (POA)

1.0 INTRODUCTION

1.1 Civil Aviation Regulation (CAR) 1996, Regulation 38, makes provision for the approval of production organisation and provides the regulatory basis for the Certificate of Approval.

1.2 This Notice provides details to supplement the CAR in respect of Production Organisation Approval (POA). At the same time, the provisions in Airworthiness Notice (AN) No. 1, Appendix 2 which are related to POA are hereby superseded by this Notice.

1.3 An organisation responsible for the manufacture of products, parts and appliances shall demonstrate its capability by holding a POA, issued by Director General of Civil Aviation (DGCA) in accordance with this Notice.

2.0 SCOPE

2.1 This Notice establishes:

(a) The procedure for the issuance of a POA for a production organisation showing conformity of products, parts and appliances with the applicable design data; and

(b) The rules governing the rights and obligations of the applicant for, and holders of, such approvals.

3.0 ELIGIBILITY

3.1 Any person or organisation engaged or intending to engage in, any stage of manufacture or construction of aircraft, engine, propeller or aircraft part or appliance shall be eligible as an applicant for a POA.

Refer to CAR 1996, Regulation 38(1).

NOTE: For the purposes of this Notice, “aircraft part or appliance” means any part, instrument, mechanism, equipment, apparatus, appurtenance or accessory fitted to, or installed or provided in, an aircraft including communications equipment that is used or intended to be used in operating or controlling the aircraft in flight.

3.2 The applicant shall:

(a) justify that, for a defined scope of work, an approval under this Notice is appropriate for the purpose of showing conformity with a specific design; and

(b) hold or have applied for an approval of that specific design; or

(c) have ensured, through an appropriate arrangement with the applicant for, or holder of, an approval of that specific design, satisfactory coordination between production and design.

3.3 DGCA does not issue a POA if the facility is located outside of Malaysia, unless the DGCA finds that the facility places no undue burden on the DGCA in administering applicable airworthiness requirements.
4.0 APPLICATION

4.1 Each application for POA shall be made in a form and manner established by the DGCA and shall include a draft of the Production Organisation Manual (POM) as required in paragraph 7.0 of this Notice, and the terms of approval requested to be issued under paragraph 12.0 of this Notice.

5.0 ISSUE OF PRODUCTION ORGANISATION APPROVAL

5.1 An organisation shall be entitled to have POA issued by the DGCA when it has demonstrated compliance with the applicable requirements under this Notice.

6.0 QUALITY SYSTEM

6.1 The production organisation shall demonstrate that it has established and is able to maintain a quality system. The quality system shall be documented. This quality system shall be such as to enable the organisation to ensure that each product, part or appliance produced by the organisation or by its partners, or supplied from or subcontracted to outside parties, conforms to the applicable design data and is in condition for safe operation, and thus exercise the privileges set forth in paragraph 17.0 of this Notice.

6.2 The quality system shall contain:

(a) As applicable within the scope of approval, control procedures for:

(i) Document issue, approval, or change to ensure that only current, correct, and approved documents and data are used;
(ii) Vendor and subcontractor assessment audit and control;
(iii) Verification that incoming products, parts, materials, and equipment, including items supplied new or used by buyers of products, are as specified in the applicable design data;
(iv) Handling and storage;
(v) Controlling design data and subsequent changes to ensure that only current, correct, and approved data is used;
(vi) Identification and traceability;
(vii) Manufacturing processes to ensure that each product and article conforms to its approved design;
(viii) Inspection and testing, including production flight tests to ensure that each product and article conforms to its approved design;
(ix) Calibration of tools, jigs, and test equipment. Each calibration standard must be traceable to a standard acceptable to the DGCA
(x) Non conforming item control;
(xi) Airworthiness coordination with the applicant for, or holder of, the design approval;
(xii) Records completion and retention;
(xiii) Personnel competence and qualification;
(xiv) Issue of airworthiness release documents;
(xv) Handling, storage and packing;
(xvi) Internal quality audits and resulting corrective actions and preventive actions;
(xvii) Work within the terms of approval performed at any location other than the approved facilities;
(xviii) Work carried out after completion of production but prior to delivery, to maintain the aircraft in a condition for safe operation;
(xix) In-service feedback; and
(xx) Quality escapes.

Note: The control procedures need to include specific provisions for any critical parts.
(b) An independent quality assurance function to monitor compliance with, and adequacy of, the documented procedures of the quality system. This monitoring shall include a feedback system to the person or group of persons referred to in paragraph 8.1(c)(ii) of this Notice and ultimately to the accountable manager referred to in paragraph 8.1(c)(i) of this Notice to ensure, as necessary, corrective action.

7.0 PRODUCTION ORGANISATION MANUAL (POM)

7.1 Pursuant to CAR 1996, Regulations 38(2)(a)(ii) and (iii) the organisation shall furnish to the DGCA a production organisation manual (POM) providing the following information:

(a) A statement signed by the accountable manager confirming that the POM and any associated documents which define the approved organisation's compliance with this Notice will be complied with at all times;

(b) The titles and names of the management staff approved by DGCA in accordance with paragraph 8.1(c)(ii) of this Notice who will be responsible for ensuring compliance with the requirements of this Notice;

(c) The duties and responsibilities of the management staff as required by paragraph 8.1(c)(ii) of this Notice including matters on which they may deal directly with the DGCA on behalf of the organisation;

(d) An organisational chart showing associated chains of responsibility of the management staff as required by paragraphs 8.1(c)(i) and (ii) of this Notice;

(e) A list of certifying staff as referred to in paragraph 8.1(d) of this Notice;

(f) A general description of man-power resources;

(g) A general description of the facilities at the address specified in the production organisation's certificate of approval;

(h) A general description of the production organisation's scope of work relevant to the terms of approval;

(i) The procedure for the notification of organisational changes to the DGCA;

(j) The amendment procedure for the production organisation manual;

(k) A description of the quality system and the procedures as required by paragraph 6.2(a) of this Notice; and

(l) A list of those outside parties referred to in paragraph 6.1 of this Notice.

7.2 The production organisation shall furnish a statement of the qualification and experience of the management staff and other persons responsible for making decisions affecting airworthiness and environmental protection in the organisation. Refer to CAR 1996, Regulation 38(2)(a)(i).

7.3 The POM shall be amended as necessary to remain an up-to-date description of the organisation, and copies of any amendment shall be furnished to the DGCA.
8.0 APPROVAL REQUIREMENTS

8.1 The production organisation shall demonstrate, on the basis of the information submitted in accordance with paragraph 7.0 of this Notice that:

(a) with regard to general approval requirements, facilities, working conditions, equipment and tools, processes and associated materials, number and competence of staff, and general organisation are adequate to discharge obligations under paragraph 18.0 of this Notice.

(b) with regard to all necessary airworthiness, noise, fuel venting and exhaust emissions data:

(i) The production organisation is in receipt of such data from the DGCA, and from the holder of, or applicant for, the type-certificate, or design approval, to determine conformity with the applicable design data.

(ii) The production organisation has established a procedure to ensure that airworthiness, noise, fuel venting and exhaust emissions data are correctly incorporated in its production data.

(iii) Such data are kept up to date and made available to all personnel who need access to such data to perform their duties.

(c) with regard to management and staff:

(i) A senior management person has been nominated by the production organisation, and is accountable to the DGCA. His or her responsibility within the organisation shall consist of ensuring that all production is performed to the required standards and that the production organisation is continuously in compliance with the data and procedures identified in the manual referred to in paragraph 7.0 of this Notice.

(ii) A person or group of persons have been nominated by the production organisation to ensure that the organisation is in compliance with the requirements of this Notice, and are identified, together with the extent of their authority. Such person(s) shall act under the direct authority of the accountable manager referred to in paragraph 8.1(c)(i) of this Notice. The persons nominated shall be able to show the appropriate knowledge, background and experience to discharge their responsibilities.

(iii) Staff at all levels has been given appropriate authority to be able to discharge their allocated responsibilities and that there is full and effective coordination within the production organisation in respect of airworthiness, noise, fuel venting and exhaust emission data matters.

(d) with regard to certifying staff, authorised by the production organisation to sign the documents issued under paragraph 17.0 of this Notice under the scope or terms of approval:

(i) The knowledge, background (including other functions in the organisation), and experience of the certifying staff are appropriate to discharge their allocated responsibilities;

(ii) The production organisation maintains a record of all certifying staff which shall include details of the scope of their authorisations; and

(iii) Certifying staff are provided with evidence of the scope of their authorisation.
9.0 CHANGES TO THE APPROVED PRODUCTION ORGANISATION

9.1 After the issue of a POA, each change to the approved production organisation that is significant to the showing of conformity or to the airworthiness and characteristics of noise, fuel venting and exhaust emissions of the product, part or appliance, particularly changes to the quality system, shall be approved by the DGCA. An application for approval shall be submitted in writing to the DGCA and the organisation shall demonstrate to the DGCA, before implementation of the change, that it will continue to comply with this Notice.

9.2 The DGCA shall establish the conditions under which a production organisation approved under this Notice may operate during such changes unless the DGCA determines that the approval should be suspended.

10.0 CHANGE OF LOCATION

10.1 A change of the location of the manufacturing facilities of the approved production organisation shall be deemed of significance and therefore shall comply with paragraph 9.0 of this Notice.

11.0 TRANSFERABILITY

11.1 Except as a result of a change in ownership, which is deemed significant for the purpose of paragraph 9.0 of this Notice, a POA is not transferable.

12.0 TERMS OF APPROVAL

12.1 The terms of approval shall identify the scope of work, the products or the categories of parts and appliances, or both, for which the POA holder is entitled to exercise the privileges under paragraph 17.0 of this Notice.

12.2 Those terms shall be issued as part of a POA.

13.0 CHANGES TO THE TERMS OF APPROVAL

13.1 Each change to the terms of approval shall be approved by the DGCA. An application for a change to the terms of approval shall be made in a form and manner established by the DGCA. The applicant shall comply with the applicable requirements of this Notice.

14.0 INVESTIGATIONS

14.1 The production organisation shall make arrangement that allows any persons authorised by the DGCA to make any investigations, including investigations of partners and subcontractors, necessary to determine compliance and continued compliance with the applicable requirements of this Notices. 
Refer to CAR 1996, Regulation 38(3)(a), (b) and (d).

14.2 The production organisation shall allow any persons authorised by the DGCA to review any report and make any inspection and perform or witness any flight and ground test necessary to check the validity of the compliance statements submitted by the applicant.
Refer to CAR 1996, Regulation 38(3)(c).

15.0 FINDINGS

15.1 When objective evidence is found showing non-compliance of the holder of a POA with the applicable requirements of this Notice, the finding shall be classified as follows:

(a) A level one finding is any non-compliance with this Notice which could lead to uncontrolled non-compliances with applicable design data and which could affect the safety of the aircraft.

(b) A level two finding is any non-compliance with this Notice which is not classified as level one.
15.2 A level three finding is any item where it has been identified, by objective evidence, to contain potential problems that could lead to non-compliance under paragraph 15.1 of this Notice.

15.3 After receipt of notification of findings under the applicable administrative procedure established by the DGCA,

(a) In case of a **level one** finding, the holder of the POA shall demonstrate **immediate corrective action** to the satisfaction of the DGCA.

(b) In case of **level two** findings, the corrective action period granted by the DGCA shall be appropriate to the nature of the finding but in any case initially shall not be more than **three months**. In certain circumstances and subject to the nature of the finding the DGCA may extend the three month period subject to a satisfactory corrective action plan agreed by the DGCA.

(c) A level three finding shall not require immediate action by the holder of the POA.

15.4 In case of level one or level two findings, the POA holder may be subject to a partial or full limitation, suspension or revocation under the applicable administrative procedure established by the DGCA. The holder of the POA shall provide confirmation of receipt of the notice of limitation, suspension or revocation of the POA in a timely manner.

16.0 DURATION AND CONTINUED VALIDITY

16.1 A POA shall be issued for a period of one (1) year. It will be renewed upon satisfactory DGCA annual audit and acceptance of annual renewal fee. It shall remain valid as stated in the certificate unless;

(a) The production organisation fails to demonstrate compliance with the applicable requirements of this Notice; or

(b) The DGCA is prevented by the holder or any of its partners or subcontractors to perform the investigations in accordance with paragraph 14.0 of this Notice; or

(c) There is evidence that the production organisation cannot maintain satisfactory control of the manufacture of products, parts or appliances under the approval; or

(d) The production organisation no longer meets the requirements of paragraph 3.0 of this Notice; or

(e) The certificate has been surrendered or revoked under the applicable administrative procedures established by the DGCA.

16.2 Upon surrender or revocation, the certificate shall be returned to the DGCA.

17.0 PRIVILEGES

17.1 Pursuant to the terms of approval issued under paragraph 12.0 of this Notice, the holder of a POA may:

(a) Perform production activities under this Notice;

(b) In the case of complete aircraft and upon presentation of a Statement of Conformity (JPA 35), obtain an aircraft certificate of airworthiness and a noise certificate without further showing; or

(c) In the case of other products, parts or appliances, issue DCA Authorised Release Certificates (ARC) in accordance with Airworthiness Notice No. 29A without further showing.
18.0 OBLIGATIONS OF THE HOLDER

18.1 The holder of a POA shall:

   a) ensure that the POM furnished in accordance with paragraph 7.0 of this Notice and the documents, to which it refers, are used as basic working documents within the organisation.

   b) maintain the production organisation in conformity with the data and procedures approved for the POA.

   c) determine that:

      (i) each completed aircraft conforms to the type design and is in condition for safe operation prior to submitting Statements of Conformity to the DGCA, or

      (ii) other products, parts or appliances are complete and conform to the approved design data and are in condition for safe operation before issuing DCA ARC to certify airworthiness, and additionally in case of engines, determine according to data provided by the engine type-certificate holder that each completed engine is in compliance with the applicable emissions requirements as defined in ICAO Annex 16, current at the date of manufacture of the engine, to certify emissions compliance, or

      (iii) other products, parts or appliances conform to the applicable data before issuing DCA ARC as a conformity certificate;

   d) record all details of work carried out.

   e) establish and maintain an internal occurrence reporting system in the interest of safety, to enable the collection and assessment of occurrence reports in order to identify adverse trends or to address deficiencies, and to extract reportable occurrences. This system shall include evaluation of relevant information relating to occurrences and the promulgation of related information.

   f) provide the following reports:

      (i) Report to the holder of the type-certificate or design approval, all cases where products, parts or appliances have been released by the production organisation and subsequently identified to have possible deviations from the applicable design data, and investigate with the holder of the type-certificate or design approval in order to identify those deviations which could lead to an unsafe condition;

      (ii) Report to the DGCA, the deviations which could lead to an unsafe condition identified according to paragraph 18.1(f)(i) of this Notice. Such reports shall be made not later than seventy-two (72) hours in a form and manner established by the DGCA unless exceptional circumstances prevent this; and

      (iii) Where the holder of the POA is acting as a supplier to another production organisation, report also to that other organisation all cases where it has released products, parts or appliances to that organisation and subsequently identified them to have possible deviations from the applicable design data.

   g) provide assistance to the holder of the type-certificate or design approval in dealing with any continuing airworthiness actions that are related to the products parts or appliances that have been produced.
establish an archiving system incorporating requirements imposed on its partners, suppliers and subcontractors, ensuring conservation of the data used to justify conformity of the products, parts or appliances. Such data shall be held at the disposal of the DGCA and be retained in order to provide the information necessary to ensure the continuing airworthiness of the products, parts or appliances.

19.0 MISCELLANEOUS

19.1 Any expense incurred by reason of anything done during, in or incidental to the investigation mentioned in paragraph 14.0 of this Notice shall be paid by and be recoverable from the holder of the POA. Refer to CAR 1996, Regulation 38(4).

19.2 CAR 1996, Regulation 186 prescribes the regulation for fees and charges. The details of the fees and charges are specified in the Twelfth Schedule, Part B (other charges) paragraph 8.

19.3 Current holders of POA, which were issued in accordance with Airworthiness Notice No. 1, Appendix 2, are required to comply with this Notice within six (6) months from the date of this Notice.

DIRECTOR GENERAL
DEPARTMENT OF CIVIL AVIATION
MALAYSIA