Australian Government
Department of Defence

ADVISORY CIRCULAR

AC 006 / 2017

MILITARY TYPE CERTIFICATE HOLDER ARRANGEMENTS

An Advisory Circular is issued by the Authority to promulgate important information to the Defence Aviation community, but does not mandate any action. This includes informing the community on aviation safety / airworthiness matters, information that enhances compliance understanding for existing regulation, or policy guidance for aviation issues not yet regulated that requires further understanding.

Audience

This Advisory Circular (AC) 006/2017 applies to:

Government organisations eligible to hold MTC, MSTC or major repair approvals via derogation from DASR 21.A.14, 21.A.112B and 21.A.432 *Demonstration of capability*.

Purpose

This Advisory Circular (AC) explains how DASA will utilise new regulatory provisions that enable government organisations to hold Military Type Certificates (MTC), Military Supplemental Type Certificates (MSTC) and major repair design approvals. The DASA intent is to use these provisions to make specific government organisations the exclusive holders of such airworthiness instruments. As DASA will no longer retain type certificates, the new provisions clarify organisational and individual responsibilities and the role of DASA in assuring the discharge of those obligations.

For further information

For further information on this AC, contact DAVREG-DASA.

Status

Version	Date	Approved by	Details
1.0	09 October 2017	DG DASA	Initial release

Unless specified otherwise, all regulation referenced in this AC are references to the Defence Aviation Safety Regulation (DASR).

1. Reference Material

1.1. Acronyms

AC	Advisory Circular
AMC	Acceptable Means of Compliance
CAMO	Continuing Airworthiness Management Organisation
CRE	Configuration, Role and Environment
DAS	Design Assurance System
DASA	Defence Aviation Safety Authority
DASR	Defence Aviation Safety Regulation
DoSA	Delegate of the Safety Authority
EMAR	European Military Airworthiness Requirements
GM	Guidance Material
MTC	Military Type Certificate
MRTC	Military Restricted Type Certificate
MSTC	Military Supplemental Type Certificate
OEM	Original Equipment Manufacturer
TC	Type Certificate
TCDS	Type Certificate Data Sheet
TLS	Through-Life-Support

1.2. Definitions

1.2.1 Nil

2. Background

2.1. DASA issued Military Type-certificates (MTC), Military Restricted Type-certificates (MRTC), Military Supplemental Type Certificates (MSTC) and major repairs are issued for internal Defence purposes, and hence are subject to additional requirements that relate to how Defence products are acquired, operated, and supported in ADF service. In the ADF context, the applicant for an MTC or MRTC is not necessarily the product's OEM; rather, the applicant may be the Defence organisation acquiring the product under a contract. Unlike civil TC obligations, Defence MTC and MRTC obligations are not enforceable via national legislation, meaning there is no enduring obligation under law for relevant non-ADO organisations to manage the basis of certification through to the product's life of type.

2.2. To account for this circumstance, during the September 2016 transition to DASR, DASA retained all MTC/MRTC and awarded Authority delegations to select senior ADF engineers (the AMTCH DoSA) to assure appropriate arrangements were established to meet MTC holder obligations. The regulatory provisions underpinning this arrangement were captured under AMC and GM to DASR 21.A.44 *Holder Obligations*.

2.3. Under the retention model there were limited provisions available to specifically identify the individuals and/or organisations that were responsible for the execution or fulfilment of the holder obligations. Similar challenges in enacting holder obligations were also realised within European militaries, and the 4th October 2016 update to the European Military Airworthiness Requirements (EMAR) included provisions to allow for government organisations to apply for and hold MTC/MRTC, MSTC and major repair design approvals. DASA will adopt those EMAR changes into the DASR, with the intent to issue Australian MTCs to government organisations.

3. **Regulatory provisions**. The updated regulatory provisions from EMAR Ed. 1.2 scheduled for a September 2017 inclusion into DASR 21.A.14 for MTC and MRTC, 21.A.112B for STC, and 21.A.432 for major repair design introduces the following wording:

'By way of derogation from paragraph (a) and (b), any government organisation applying for a MTC/MRTC[1] may demonstrate its capability by having an agreement in place, accepted by the Authority, in accordance with DASR 21.A.2 with a design organisation which has access to the type design data. The agreement shall include detailed statements how the actions and obligations are delegated to enable the government organisation, in cooperation with the contracted organisation, to comply with the requirements of DASR 21 Subpart J, including demonstration of compliance with DASR 21.A.44[2].'

3.1. **Application of new provisions.** In conjunction with the above regulatory provisions, DASA will introduce the following underlying principles that will guide DASA when issuing MTC/MRTC and associated major changes to the certified Type Design:

Principle 1. Only DASA will issue MTC and MRTC for ADF aircraft types.

[1] or STC or Major Repair Design Approval

[2] or 21.A.118A or 21.A.451 (for STC or major repair design approval) respectively

Principle 2. DASA issued MTC and MRTC will be held by Australian government organisations (the holding organisation).

Principle 3. All major changes to Type Design will be approved by DASA.

Principle 4. Only the MTC / MRTC holding organisation will be eligible to hold major change approvals (includes changes via MSTC).

3.2. The DASA MTC holder intent utilises the updated regulatory provisions to exclusively issue MTC and all associated MSTC and major change approvals to select government organisations. This approach addresses the concern over ensuring holder obligations are accounted for via contractual or other suitable arrangements, and establishes an ADF organisation as a focal point for management and oversight of the holder obligations for all ADF aircraft designs.

3.3. These arrangements, while different to those seen in civilian aviation, are expected to have minimal impact upon commercial design organisations that would otherwise hold MTC or STC. In most cases those organisations will retain access to the Type Design data, be engaged by the government holder organisation to provide execution of the holder functions, and be able to reference the DASA certification of the design to support, where contractual arrangements allow, marketing of that design for wider commercial use.

3.4. **The organisation.** The relevant DASR clauses stipulate that MTC, STC and major repair design approvals may be issued to government organisations. This does not mean that the holding organisation is considered to be, or is required to become, an approved DASR organisation such as a MDOA, CAMO or DASR 145 maintenance organisation. Instead the holding organisation shall be required to:

3.4.1. Develop, and seek DASA approval of, a Type Continued Airworthiness Exposition (TCAE) detailing the arrangements in place to ensure the instrument holder obligations, and some additional DASR specific requirements associated with the holder duties, are being fulfilled, and

3.4.2. Identify a senior engineer within the holding organisation to be responsible for coordinating delivery of all holder responsibilities as detailed within the TCAE.

3.5. DASA shall indicate approval of the Type Continued Airworthiness Exposition (TCAE) through issuance of the MTC / MRTC. Continued oversight of the holding organisation will be conducted by DAVCOMP-DASA through the application of routine DAVCOMP oversight activities such as surveillance, site visits and regular communication.

3.6. **Holder obligations.** The government organisation selected to fulfil holder obligations will be required to ensure a range of responsibilities are fulfilled, either via internal resources, by contractual or other suitable agreement with an external design organisation(s), or a combination of both. The holder organisation responsibilities, as defined within AMC to DASR 21.A.44 are:

3.6.1. *Instrument specific obligations.* Table 1 identifies the DASR clauses relevant to holding a MTC, STC or major repair design for design changes.

Obligations	Design	Repair
	MTC (21.A.44) STC (21.A.118A)	21.A.451(a)
Failures/Malfunctions/Defects	21.A.3	21.A.3
Airworthiness Directives	21.A.3B	21.A.3B
Co-ord Production and Design	21.A.4	21.A.4
Production of repair parts		21.A.439
Repair Embodiment		21.A.441
Repair Limitations		21.A.443
Record Keeping	21.A.55 (MTC) 21.A.105 (STC)	21.A.447
Instructions Continuing Airworthiness	21.A.61 (MTC) 21.A.120 (STC)	21.A.449
Collaboration with MTC Holder	21.A.115(c)(2) (STC)	21.A.433(b)
Marking	Subpart Q (MTC) 21.A.804 (STC)	21.A.804(a)
Manuals	21.A.57	
Demonstration of Capability	21.A.14 (MTC) 21.A.112B (STC)	
ASI/ESI Assessments	21.A.44(c)	
Integration	21.A.42	

Table 1 – Summary of instrument obligations

3.6.2. Additional information regarding the role of the holding organisation in the application for and processing of applications for major changes and major repair design approvals to certified Type Design is available in Advisory Circular AC 004 / 2017 *Applications for major changes to Type Design*.

3.6.3. *Risk management and characterisation.* Military operations inherently require greater levels of flexibility than their civilian counterparts in order to meet operational contingencies or to achieve higher risk operations in the national interest. This flexibility is achieved through a range of instruments including Military Permits to Fly (MPTF), through the exercise of operational airworthiness via Command Clearances, or via other operational decisions. This type of activity relies heavily upon the timely provision of technical risk characterisation and advice related to deficiencies in the Type Design or to support short-notice

operation outside of approved Configuration, Role or Environment (CRE). The MTC holder organisation arrangements ensures that technical and risk advice related to the Type Design is available to the operating organisation in a timely manner that can support the issue of airworthiness instruments and hence the achievement of military objectives.

3.6.4. *Contractual arrangements.* The government organisation may not be able to organically fulfil all of the functions associated with the above obligations, especially where 'thin-SPO' arrangements already exist. Where this is the case, these functions must be contracted out to design organisations that have access to the relevant Type Design data and appropriate engineering systems and resources to execute the holder obligations. In order to maintain a consistent level of supporting organisation, DASA has stipulated that any design organisation contracted (or engaged via other suitable arrangement) to provide holder functions must be compliant with DASR 21.A.14(a), in other words, hold a DASR 21J organisation approval.

3.6.5. DASA acknowledges that some ADF platforms have, or will, inherit procurement or support arrangements that preclude the ability to contract an MDOA for execution of holder functions. In these circumstances the holding organisation needs to ensure an equivalent level of safety as that afforded via a DASR Design Assurance System (DAS) and Safety Management System (SMS) can be attained through a combination of internal capability and arrangements with the non-MDOA external design organisations.

3.6.6. The arrangements formed by the holder organisation with its supporting design organisations should also include provision for access to ADF Type Design data in the event where that supporting organisation is no longer able or willing to fulfil their obligations.

4. **Transition arrangements.** Transition from the current arrangements, whereby DASA retains all of ADF MTC/MRTC and holder obligations are overseen by AMTCH DoSA on behalf of DASA, should occur as soon as practicable but must be at an acceptably mature state before the wider DASR transition period ends in late 2018. Key elements in achieving transition are:

4.1. **Identification of government organisation.** The identification and selection of government holder organisations shall be based upon the organisation being able to comply with the requirements of DASR 21 Subpart J through the existing arrangements detailed within the approved AMTCH Expositions. As such platform SPOs will predominately remain responsible for the holder functions, but will now retain that responsibility via direct regulatory clarity rather than in response to DoSA oversight.

4.2. **Development and submission of TCAE.** The TCAE template will be released shortly, but will be, in most respects, consistent with the existing AMTCH expositions already approved for ADF aircraft. As such, while the development and submission of the

TCAE will attract some administrative overhead, minimal impact is anticipated on the actual conduct of holder functions.

4.3. **Identification of an senior Defence engineer**. Where the platform SPO Chief Engineers (CENGRs) hold the AMTCH DoSA delegation, and the SPO meets all or most of the holder responsibilities (internally or externally via contract/agreement) DASA shall accept those CENGRs as suitable candidates for the senior engineer incumbent. The TCAE shall include sufficient details of the senior ADF engineer, and hence approval of the TCAE will also constitute approval of the incumbent engineer.

4.4. **Process.** DAVCOMP-DASA will engage SPOs currently fulfilling/oversighting delivery of holder obligations in accordance with approved AMTCH expositions, with the intent to develop and approve the TCAE. Upon approval of a platform's TCAE, DASA will issue the relevant MTC / MRTC to the holding organisation, and also re-issue DoSA delegation letters that withdraw the relevant AMTCH delegation.

5. Reporting/Recording Actions

5.1 Reports required

5.1.2 Nil

5.2 Recording action

5.2.1 Nil

6. AC Currency

6.1 This AC will remain current until cancelled by DASA.

Original Signed

09 October 2017

Director General – Defence Aviation Safety Authority