

GLOBAL MANUFACTURING INITIATIVE

TEAM 1

***AUTHORITY
COMMON
DEFINITIONS OF
TERMS***

1 OCTOBER 2005

INTRODUCTION

The Global Manufacturing Team 1, Common Definitions of Terms, was formed as an outcome of the 3rd International Production & Airworthiness (P&A) Meeting held in February 2002. It was determined that a set of common definitions for certain terms would be the first step to help authorities work better together globally, and it would also help authorities support the Global Manufacturing Vision.

The objective of the Team was to establish a list of terms with common definitions for use between authorities, with the expectation that, wherever possible, authorities would incorporate these terms into regulations, policy, and guidance. During the 5th International P&A Meeting in 2004, 16 terms developed by the Team were accepted for use by the authorities. This was followed by the acceptance of 5 additional terms at the 6th International P&A Meeting in 2005. In addition to establishing a list of terms with common definitions, the Team was further tasked to develop a suitable arrangement template and an explanation of Original Equipment Manufacturer.

This document consists of the final products of Team 1:

- Twenty-one terms with accepted definitions,
- An explanation of Original Equipment Manufacturer, and
- A template for a "Suitable Arrangement."

The Team went inactive at the conclusion of the 6th International P&A Meeting, with the agreement the Team could be reactivated if the authorities decided that there was a need for a common definition of a particular term.

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SECTION 1

Common Definitions of Terms

Airworthiness Approval:

Certification that an item conforms to approved design data and is in a condition for safe operation.

Appliance:

Any instrument, equipment, mechanism, part, apparatus, appurtenance, or accessory, including communications equipment that is used or intended to be used in operating or controlling an aircraft in flight and is installed in or attached to the aircraft.

Applicable Design Data:

Applicable design data consists of all necessary drawings, specifications and other technical information provided by the applicant for, or holder of, a Design Organization Approval, Type Certificate, Supplemental Type Certificate, Technical Standard Order authorization, Parts Manufacturer Approval, or equivalent, and released in a controlled manner for production purposes.

Note: Applicable design data may or may not be approved by the National Aviation Authority.

— Approved Design Data:

Approved design data is applicable design data that has been granted an approval (e.g., TC, STC, TSO authorization, PMA, or equivalent) by the relevant National Aviation Authority.

Categorized Parts List:

A list of parts developed by the National Aviation Authority that is used as a reference in determining an acceptable level of surveillance of its Production Approval Holders.

Digital Signature:

A secure digital means of conveying the same meaning as an individual's handwritten signature in an electronic document, which when printed may or may not contain an exact copy of the originating handwritten signature.

Direct Delivery Authorization:

The written agreement from the holder of the design data to a Production Organization Approval (POA) holder that allows that POA to release parts and appliances directly to end users and to declare that such parts and appliances are in conformance to the design data.

Direct Ship Authorization:

The written authorization granted by a Production Approval Holder (PAH), with responsibility for the airworthiness of a part or appliance, to a supplier to ship parts directly to end users, without the parts being processed through the PAH's own facility.

Electronic Signature:

An exact copy of a handwritten signature that is securely produced by electronic means.

Identity Determination:

A determination in support of design and production approval that a part is the same in all respects to the design of the part covered under the original design approval.

Note: This determination may be made by a National Aviation Authority.

Installation Eligibility:

Acceptability of a part for installation on type-certificated product(s) based on airworthiness data and the configuration of the product.

Licensing Agreement:

A commercial agreement between a Type Certificate or Supplemental Type Certificate Holder and a Production Approval Holder/Production Organization Approval Holder (or applicant) formalizing the rights and duties of both partners to use the design data for the purpose of manufacturing the product or part.

Quality System:

An organizational structure with responsibilities, procedures, processes, and resources that implements a management function to determine and enforce quality principles. A Quality System encompasses Quality Assurance and Quality Control.

– **Quality Assurance:**

A management system for programming and coordinating the quality maintenance and improvement efforts of the various groups in a design and/or manufacturing organization, so as to permit design and/or production in compliance with regulatory and customer requirements.

– **Quality Control:**

Conduct and direct supervision of the quality tasks (inspection of product) to ensure that the quality requirements of the product are achieved.

Standard Part:

A part that is manufactured in complete compliance with an established government or industry-accepted specification, which contains design, manufacturing, and uniform identification requirements. The specification must include all information necessary to produce and conform the part, and must be published so that any person/organization may manufacture the part.

Note: Examples of specifications include, but are not limited to National Aerospace Standards (NAS), Air Force-Navy Aeronautical Standard (AN), Society of Automotive Engineers (SAE), SAE Aerospace Standard (AS), Military Standard (MS), etc.

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Suitable Arrangement:

A written, signed, and descriptive document that satisfies the appropriate National Aviation Authorities that coordination between the Production Organization (or applicant) and the Design Organization (TC or STC holder) (or applicant) is adequate and meets a set of minimum requirements.

Supplier:

Any person or organization contracted to furnish aviation products, parts, appliances, components, materials, or services (at any tier).

Note: A supplier may or may not be approved by the National Aviation Authority.

- **National Aviation Authority Approved Supplier:**
A supplier that holds a production approval issued by its National Aviation Authority for that product, part, appliance, component, material, or service.

- **Distributor:**
A supplier that engages specifically in the buying and selling of aviation products, parts, appliances, components or materials, and conducts no manufacturing activities.

- **Risk Share Partner:**
A supplier that has a corporate relationship for sharing risk and cost.

SECTION 2

Explanation of Original Equipment Manufacturer (OEM)

While attempting to define the term OEM, the Team recognized that there was a difference of opinion regarding what level of product or part is produced by an OEM. Since this term has no regulatory meaning and presented no problem for authorities working together, the Team agreed there was no need to create a common definition. However, all authorities agreed that an explanation of OEM would be beneficial.

The authorities also agreed that if an individual authority had a need to address the term OEM, the authority's position could be explained on a Frequently Asked Questions web page or other suitable venue.

What is an Original Equipment Manufacturer (OEM)?

In the aviation community, some persons use the term OEM to describe a type-certificate (TC) holder that produces a product, such as Boeing and Airbus. Others use the term to describe a manufacturer that supplies parts/equipment to TC holders.

The term is used mainly by the aviation industry. For the aviation authorities, the term has no regulatory meaning.

Whatever definition of OEM you choose, the important thing to remember is that the term may not mean the same thing to everyone.

SECTION 3

Suitable Arrangement Template

In 2004, the definition of a Suitable Arrangement was finalized by the Team. To further assist in the understanding of the Suitable Arrangement concept, Team 1 was tasked to develop a list of generic elements that would normally be found in a Suitable Arrangement.

The Suitable Arrangement template that follows provides a sample framework in cases where regulatory authorities require a documented arrangement between a Production Organization and a Design Organization. This document was approved at the 5th International P&A Meeting.

Suitable Arrangement

Date: MM DD YYYY

Ref: XXXYYYZZZ

Framework for a Suitable Arrangement between [*Insert Design Organization Name*] and [*Insert Production Organization Name*] in accordance with [*Insert Regulatory Reference*]

This Document is offered as a sample framework where Regulatory Authorities require a documented arrangement between a Production Organization and the Design Organization with design responsibility for the part.

1. Scope

- 1.1 The [*Insert Regulatory Authority*] requires a documented arrangement and satisfactory co-ordination between the [*Insert Design Organization Name*] (the Design Holder) and [*Insert Production Organization Name*] (the Production Organization) for allowance of the [*Insert Regulatory Reference*] Production Organization the right to issue Authorized Release

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Certificates [*Insert Appropriate Form Reference*] for products, parts, or appliances in accordance with [*Insert Regulatory Reference*].

- 1.2 This writing describes the documented arrangement to achieve satisfactory co-ordination.
- 1.3 This agreement shall remain in effect as long as an active contract in support of design organization production; a product support agreement; and/or a licensing agreement; is in effect between the Design Holder and Production Organization for the part numbers as listed in Attachment A.
- 1.4 This arrangement does not alter the rights and obligations between [*Insert Production Organization Name*] and its customer with respect to the terms and conditions of the sale of the products, parts or appliances, which shall remain as determined by [*Insert Production Organization Name*] and its customer.

2. Responsibility of the Design Holder ([*Insert Design Organization Name*])

- 2.1 The Design Holder will advise the Production Organization of type certification status at aircraft type and model level which relate to products listed in Attachment A.

The Design Holder acknowledges the approved design data provided, controlled, and modified in accordance with this arrangement is recognized as approved by the [*Insert Regulatory Authority*] (the primary certification authority) and, therefore, parts and appliances manufactured in accordance with the data and found in condition for safe operation, may be released by the Production Organization certifying airworthiness.

- 2.2 The Design Holder is responsible to obtain regulatory approval, using normal procedures, of design changes proposed by the Production Organization.
- 2.3 The Design Holder will inform the Production Organization of approved modifications applicable to products listed in Attachment A.
- 2.4 The Design Holder is responsible to assure correct and timely transfer of up to date applicable Design data (e.g. drawings, material specifications, dimensional data, processes, surface treatments, shipping conditions, quality requirements, etc) to the production organization approval holder.
- 2.5 The Design Holder is responsible to provide a visible statement of approved design data.

3. Responsibility of the Production Organization ([*Insert Production Organization Name*])

- 3.1 The Production Organization is responsible for developing its own manufacturing data in compliance with the airworthiness data package.
- 3.2 The Production Organization is responsible to ensure all design changes are coordinated and approved per design holder/Supplier change management process/contract prior to release of product.
- 3.3 The Production Organization is responsible to assist the design holder in dealing with continuing airworthiness matters and for required actions (e.g. traceability of parts in case of direct delivery to users, retrofitting of modifications, traceability of approved deviations for individual parts as applicable, technical information and assistance, etc.).
- 3.4 The Production Organization determines the products are complete and conform to the approved design data and are in condition for safe operation before issuing an Authorized Release Certificate [*Insert Appropriate Form Reference*] to certify airworthiness.
- 3.5 The Production Organization reports to the design holder all cases where products, parts, or appliances have been released by the Production Organization and subsequently identified to have deviations from the applicable design data and investigate with the design holder to identify those deviations.
- 3.6 The Production Organization takes responsibility to assist the design holder in case of products prior to type certification in showing compliance with airworthiness requirements.

4. Joint Responsibility of the Design Organization and Production Organization

- 4.1 The Design Organization and Production Organization take joint responsibility to deal adequately with production deviations and non-conforming parts in accordance with the applicable procedure of the design organization and the production organization approval holder.
- 4.2 The Design Organization and Production Organization take joint responsibility to achieve adequate configuration control of manufactured parts, to enable the POA holder to make the final determination and identification for conformity or airworthiness release and eligibility status.
- 4.3 The Design Organization and Production Organization take joint responsibility to interface procedures (Contract, quality plan, handbooks, common applicable procedures, working plans etc.) Which have to be addressed in the arrangement.

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- 4.4 The Design Organization and Production Organization take joint responsibility to ensure the arrangements deal with applicable design data whether such data is approved or not approved. This must be identified.
- 4.5 The Design Organization and Production Organization take joint responsibility to identify the responsible persons/office who control the above.

Name:

Title:

Insert Design Organization Name

Date:

Name:

Title:

Insert Production Organization Name

Date:

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Attachment A

(1) Part Number	(2) Nomenclature	(3) Type Certificate	(4) Model

The Design Holder acknowledges that the part numbers listed in column (1) are recognized as approved by the (primary certification authority) through inclusion in the approved design data noted in column (3) for aircraft models specified in column (4).

[Insert Production Organization Name] is hereby authorized to use this information to show the Aviation Authorities that a documented arrangement and satisfactory coordination between the Design Holder *[Insert Design Organization Name]* and the Production Organization *[Insert Production Organization Name]* exists. This arrangement is required to allow *[Insert Production Organization Name]* Annex Part 21A Subpart G Production Organization to issue Authorized Release Certificates (EASA Form One) for products, parts, or appliances listed above (and components of) in accordance with Annex Part 21A.165.

NOTICE: This form and the accompanying letter may be used by *[Insert Production Organization Name]* and is not transferable. This form does not constitute the design organization Quality Assurance approval of products produced by *[Insert Production Organization Name]*.