

**TECHNICAL ARRANGEMENT FOR  
THE ACCEPTANCE OF AIRWORTHINESS AND  
ENVIRONMENTAL  
APPROVAL OF CIVIL AERONAUTICAL PRODUCTS**

**BETWEEN  
GENERAL ADMINISTRATION OF CIVIL AVIATION OF CHINA  
AND  
THE CIVIL AVIATION ADMINISTRATION OF ISRAEL**

- j) "Manufacturer" means the person responsible for the final assembly of a product under a CAAC-AAD or CAAI approved production quality system, which ensures conformity of the product to an approved type design. Final assembly includes the activities of producing or fabricating, notwithstanding that other persons at other locations may have manufactured portions of the product.
- k) "Finding," means the result of a civil aviation authority review, investigation, inspection, test, analysis, etc., to determine compliance of a design with a law, regulation, standard, or requirement, or conformity of a product with approved type design data
- l) "Person" means an individual, firm, partnership, corporation, company, association, joint-stock association, or government entity. It includes a trustee, receiver, assignee, licensee, or similar representative of any of them.
- m) "Product" means any civil aircraft, aircraft engine, propeller, subassembly, appliance, material, part, or component to be installed thereon.

## 2. SCOPE OF COVERAGE

This Arrangement applies to:

- a) The acceptance by the Importing Authority of the type design approval, including changes to the type design, and the findings of compliance made by the Exporting Authority with the Importing Authority design-related operational requirements, for civil aeronautical products for which the exporting authority responsible for the type design;
- b) The acceptance by the Importing Authority of the airworthiness and environmental certification, approval or acceptance of civil aeronautical products for which either contracting authorities is the authorities responsible for the type design and manufacture.
- c) Cooperation and assistance on the continuing airworthiness of in-service products;
- d) Technical co-operation and assistance, including the exchange of information, towards maintaining sufficiently equivalent airworthiness and environmental standards and certification systems between the Contracting Authorities; and
- e) Cooperation in providing technical evaluation assistance to the other Authority.

## 3. WORKING PROCEDURES

### 3.1 General

Each Contracting Authority will develop procedures for granting airworthiness and environmental certification to imported civil aeronautical products whose design or, where applicable, manufacture is under the responsibility of the other Contracting Authority so as to give maximum practicable credit for technical evaluations, tests results, inspections,

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quality assurance system monitoring, conformity statements, marks of conformity and certificates accepted or issued by the Exporting Authority in granting its own domestic certification for such civil aeronautical products.

### 3.2 Type Design Approval

#### 3.2.1 Application.

An applicant for type design approval shall make application through its own Authority with a request that the application and related information be forwarded to the importing Authority.

#### 3.2.2 Initial familiarization briefing.

On major projects, as soon as practicable after the application has been received and accepted by the importing Authority, and when the design is sufficiently defined, a familiarization briefing on the product may be requested by the importing Authority. The briefing will be held at a mutually agreeable location for attendance by the importing Authority, the exporting Authority and the applicant. The primary purposes of the briefing will be to permit:

- a) The applicant to describe the design to the importing Authority. This briefing (or series of briefings) will cover all aspects of the design. Emphasis should be placed on any novel, unusual, or critical design features which might necessitate issuance of either importing Authority or exporting Authority special conditions or new applications of existing standards;
- b) The importing Authority to engage in detailed technical discussions with the exporting Authority and the applicant on the design, including particular applications or interpretations of the airworthiness standards of the exporting State and the importing State;
- c) For products with a prior service history, the applicant and the exporting Authority to brief the importing Authority on the product service history, including corrective measures applied to preclude occurrence of incidents or accidents.

#### 3.2.3 Establishment of the type certification basis by the importing Authority

- a) The importing Authority will establish a Type Certification Basis for the product design in accordance with its own domestic airworthiness standards and procedures in effect for a similar product, on the basis of the standards which were in effect in the importing State at the time the application was received for the approval of the product type design by the exporting Authority.
- b) Ounce the importing Authority Type Certification Basis has been established, the airworthiness criteria for type certification by the importing Authority will be developed jointly by the importing Authority and the exporting Authority so as to:
  - i) Give maximum credit to the exporting Authority's domestic certification program; and
  - ii) Provide the importing Authority a basis to find compliance with its own national airworthiness standards or to find that equivalent criteria have been met, based on an exporting Authority certification of compliance with the agreed airworthiness criteria.

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- c) The airworthiness criteria defined by the importing Authority will consist of the airworthiness standards as applied by the exporting Authority under its own domestic certification system, plus any additional technical conditions and mandatory design-related operational requirements specified by the importing Authority to establish an equivalent level of safety with its own domestic standards for a similar product.

#### 3.2.4 Additional technical conditions.

The additional technical conditions may include any or all of the following:

- a) Additional airworthiness conditions based on differences, between the two States. In the basic airworthiness standards, interpretations, applications, policies, and guidance materials giving consideration to the importing authority airworthiness standards in effect on the date of application for importing type certificate.
- b) Special Conditions related to novel or unusual features of the product design which are not covered by the airworthiness standards of the exporting Authority;
- c) Airworthiness conditions based on an evaluation of equivalent safety findings and exemptions granted by the exporting Authority to the applicant for domestic certification;
- d) Actions deemed necessary for continued safe operation in the importing State as a result of the importing Authority review of the service history and the actions taken by the exporting Authority to correct unsafe conditions on products of a type design previously certified by the exporting Authority and having accumulated a documented service history.

#### 3.2.5 Design-related operational requirements

Operational requirements of the importing Authority for a particular kind or condition of operation, which would affect the design or performance of the product, could include the provision of additional equipment, as well as supplementary advisory information in the aircraft flight manual and maintenance information.

Mandatory design-related operational requirements will be notified by the importing Authority at the time of each validation process.

#### 3.2.6 Data submittal and design review.

Required technical data representing the product will vary with the type and complexity of the product involved. Preceding the issuance of type certification, the importing Authority may request additional technical design data, may review the product, and may fly the product for its certification and familiarization purposes. Also, when deemed necessary, the importing Authority may fly, or conduct a detailed review of the product to ensure compliance with the additional technical conditions. The applicant will submit all data, as required by the importing authority, to the exporting Authority for verification and transmission to the importing Authority.

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### 3.2.7 Technical meeting

In addition to the initial familiarization briefing, other technical meetings may be necessary to ensure that any additional technical conditions and mandatory design-related operational requirements that have been communicated to the exporting Authority are well understood, and that any outstanding technical issues are resolved. All technical meetings will normally be arranged through the exporting Authority. Location of the meetings may vary, depending on the needs and priorities, and will normally have both Authorities' representatives in attendance. Such meetings (and guidelines for the meetings) may include:

- a) Technical meetings requested by the applicant, the exporting Authority, or the importing Authority for the purpose of reporting new developments, reviewing changes, or resolving technical compliance questions;
- b) Technical meetings between both Authorities for timely resolution of outstanding issues;
- c) Technical meetings held with the applicant to provide the applicant with the importing Authority's position with respect to any unresolved technical issues; and
- d) Technical meetings involving flight operations and maintenance specialists of both Authorities, and the applicant to facilitate operational acceptance of the product by the importing Authority for a particular kind or condition of operation

### 3.2.8 Issue Papers.

Issue papers may be prepared by the importing authority which describe issues, such as the type certification basis, which need particular attention and resolution before the importing authority can grant a TC or before an aircraft can enter a special type of operation, such as extended-range operations. Each civil airworthiness authority will determine the exact form and scope of the issue papers and details of their use will be provided to the other authority.

### 3.2.9 Approval of Aircraft Flight Manual

The importing authority will review the aircraft flight manual and, after acceptance, will request the exporting authority to approve the flight manual for individual imported aircraft on its behalf in accordance with the type design approval of the importing authority.

## 3.3 Approval of changes to a type design.

- 3.3.1 Approval of changes to the type design (e.g., model changes) sought by the type certificate holder shall be issued as amendments to the TC by the importing authority. Changes to a type certificated design which are not great enough to require new application for a type certificate may also be approved through the issuance of a STC. A certification procedure similar to that described in Section 3.2 shall be applied, but adjusted as appropriate for the magnitude and complexity of the design change. The importing authority retains the right to determine if the proposed change is of such significance as to require a new type certificate for the changed type design, based on how the change would be dealt with for a similar product and circumstances in the importing State. Examples of change that are

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significantly affecting the approved type design are provided in Appendix 1.

- 3.3.2 Routine design changes (such as customer unique items, service bulletin changes, and product improvements), other than those to be dealt with under Section 3.3.1, shall be considered approved by the importing authority upon approval by the exporting authority under its normal procedures. This information on the changes should be supplied to the importing authority on a timely basis

### **3.4 Design Approvals of Products Other Than Aircraft, Aircraft Engines, and Propellers.**

#### 3.4.1 Application.

An applicant for design approval shall make application through its own authority with a request that the application and related information be forwarded to the importing authority.

- a) All Chinese applications for CAAI APA (equivalent to FAA TSO) design approval shall be sent by the CAAC to the CAAI:  
P.O.Box 8, Ben-Gurion Airport 70150.  
Phone: 972-3-9774540, Fax: 972-9774592
- b) All Israel applications for Chinese design approval shall be sent by CAAI to Airworthiness Certification Division Aircraft Airworthiness Certification Department of CAAC:  
155 Dong Si St. West, Beijing, 100710, P.R.China  
Phone: 86-10-64091331, Fax: 86-10-64092331

#### 3.4.2 Letters of Technical Standard Order (APA) Design Approval

The CAAI issues a letter of APA design approval for appliances of a kind for which a performance standard has been published in an FAA Technical Standard Order (TSO). The CAAC issues a letter of TSO design approval for appliances of a kind for which a performance standard has been published in a Chinese Technical Standard Order (CTSO). The appropriate form of TSO design approval, within the limits of the scope of this Schedule, may be issued to the applicant by the importing authority after:

- a) Receipt and review of a certifying statement from the applicant through the exporting authority, with certification by the exporting authority, that the performance of the appliance or article complies with the applicable TSO or other accepted standards of the importing authority;
- b) Receipt and review of all the required data pertaining to the proper installation, performance, operation, and maintenance of the appliance;
- c) Receipt and review of other specific technical data, as jointly agreed between the authorities, needed to demonstrate compliance with a TSO, such as a first-of-a-kind TSO, or unique applications of a TSO appliance; an
- d) Receipt and review of any approvals of deviations granted by the exporting authority. The importing authority must approve deviations.

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Note: A Letter of Design Approval does not constitute an installation approval for the TSO appliance on an individual aircraft. The applicant/installer must obtain installation approval from their national civil aviation authority for use on an aircraft registered in P.R.China./Israel.

### 3.5 Acceptance of Product Airworthiness Approval.

Export Certificates of Airworthiness (CAAI Form EN 806 and CAAC-AAD Form AAC-086 (6/90)) shall be issued by the exporting authority for completed aircraft, aircraft engines, and propellers (export class I products). Certificate of Airworthiness for Export (Airworthiness Approval Tags -CAAI Form 8130-3 and CAAC-AAD Form AAC-038 (4/92)) shall be issued by the exporting authority for articles, appliances, parts and materials (export class II and III products).

#### 3.5.1 Complete aircraft, aircraft engines, and propellers.

The importing authority shall accept the Export Certificate of Airworthiness of the exporting authority on the aircraft, aircraft engine, or propeller when the exporting authority certifies that each product:

- a) Conforms to a type design approved by the importing authority, as specified in the importing authority's type certificate data sheet;
- b) Is in a condition for safe operation, including compliance with applicable importing authority mandatory airworthiness modifications and special inspections;
- c) Meets the special requirements of the importing country, as notified; and
- d) For an aircraft engine or propeller, had undergone a final operational check (was run and is working within the approved limits).

#### 3.5.2 Appliances

The importing authority shall accept the certificate of airworthiness for export of the exporting authority on appliances when the exporting authority certifies that each appliance:

- a) Meets the applicable TSO requirements of the importing country;
- b) Complies with applicable importing authority mandatory airworthiness modifications and special inspections;
- c) Is marked in accordance with applicable requirements; and
- d) Meets the special requirements of the importing country.

#### 3.5.3 Parts and materials

The importing authority shall accept the certificate of airworthiness for export of the exporting authority on parts and materials when the exporting authority certifies that each product:

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- a) Conforms to approved design data;
- b) Is marked in accordance with applicable requirements; and
- c) Meets the special requirements of the importing country.

#### 3.5.4 Export Certificate of Airworthiness exceptions.

The exporting authority as an exception on the Export Certificate of Airworthiness document shall note any non-conformity to the importing authority's approved type design. Any exceptions noted on the Export Certificate of Airworthiness for an aircraft, aircraft engine, or propeller must have a written acceptance from the importing authority before aircraft is eligible for an Israel or P.R.China airworthiness certificate.

#### 3.5.5 Certificate of airworthiness for export exceptions.

Any non-conformity to the importing authority's approved design shall be noted by the exporting authority as an exception on the certificate of airworthiness for export. Any exceptions noted on the certificate of airworthiness for export must have a written acceptance from the importing authority before an appliance is eligible for installation on an aircraft having a Israeli or P.R.China airworthiness certificate.

#### 3.5.6 Additional requirements for importing product.

Additional inspection may be made or specified by the Importing Authority, as it deems necessary, at the time of its airworthiness and environmental certification, approval or acceptance of a civil aeronautical product.

### 3.6 Production Surveillance

3.6.1 By mutual agreement, a Contracting Authority will, on behalf of the other Contracting Authority:

- a) Monitor the quality assurance system for the production of civil aeronautical products, accepted by both Authorities, to evaluate the need for improvement, to initiate corrective action and/or to assure conformance to the approved type design; and to satisfy both authorities as to manufacturers' compliance with quality requirements specified by the contractor and accepted by its authority. Both authorities will verify that the supply definition of the parts and appliances is well defined in the documents mentioned in the appendices of this Arrangement.
- b) The authority of the subcontractor will verify that the subcontractor:
  - produces and/or assembles parts and appliances according to design, production and quality requirements specified in the appendices of this Arrangement;
  - delivers parts and appliances according to supplied definition specified in the contractor's purchase orders.

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Both authorities shall ensure respectively the implementation of the necessary corrective actions by the subcontractor and the contractor.

The authority of the subcontractor will employ its own methods and procedures to carry out surveillance of the subcontractor, unless notified otherwise by the authority of the contractor in the relevant appendix of this Arrangement.

- c) Conduct conformity inspection of parts assembly and subassembly to support the issuance of Airworthiness Release Certificate CAAI Form 8130-3 or CAAC equivalent.

3.6.2 Each Contracting Authority shall make available to the other Contracting Authority all data, drawings, reports, norms, specifications, instructions, guidelines, policies, and other information necessary to perform the activities referred to in paragraph 3.6.1(a)

3.6.3 By mutual agreement, a Contracting Authority may participate, with the other Contracting Authority, on production control and engineering activities as necessary, and to participate periodically to audits on the quality assurance system of the other Contracting Authority.

#### 4. MUTUAL COOPERATION AND TECHNICAL ASSISTANCE

##### 4.1 Continuing Airworthiness

4.1.1 Each Contracting Authority shall provide full support in analyzing airworthiness aspects of accidents and incidents occurring on civil aeronautical products to which this Arrangement applies and which would raise questions concerning the airworthiness of such products. The exporting authority is accountable to the importing authority to resolve in service safety issues related to design production or operation.

4.1.2 The Exporting Authority shall, in respect of civil aeronautical products designed or manufactured in its State, specify any appropriate action it deems necessary to correct any unsafe condition that may be discovered after such product is placed in service, including any actions in respect of components designed and/or manufactured by a supplier under contract to a prime contractor.

4.1.3 The Exporting Authority shall, in respect of civil aeronautical products designed or manufactured in its State, assist the Importing Authority in determining any action considered to be necessary by the Importing Authority for maintaining the continuing airworthiness of such product.

4.1.4 Each Contracting Authority shall keep the other Contracting Authority informed of all mandatory airworthiness modifications, special inspections, special operating limitations or other actions which it deems necessary for maintaining the continuing airworthiness of relevant products designed or manufactured in either States and that have been imported or exported under this Arrangement, or prior to the effective date of this Arrangement.

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- 4.1.5 Each authority agrees to provide the information on malfunctions, failures and defects and accidents encountered in service when requested by the other Authority.

CAAI address: P.O. Box 8, Ben-Gurion Airport 70150,  
Israel

Fax: +972-9774592

CAAC address: Aircraft Airworthiness Certification Department  
General Administration of Civil Aviation of China  
155 Dong Si St. West  
Beijing, 100710  
P.R. China

Fax: +86-10-64033087

## 4.2 Technical Assistance and Cooperation.

- 4.2.1 At the request of the Importing Authority, the Exporting Authority shall, in respect of civil aeronautical products designed or manufactured in its State, assist the Importing Authority in determining whether the design of major changes or repairs made under the control of the Importing Authority comply with the airworthiness and environmental standards under which such product was originally approved by the Exporting Authority.
- 4.2.2 Each Contracting Authority shall make available to the other Contracting Authority all its relevant airworthiness and environmental laws, regulations, standards and requirements, and its system for airworthiness and environmental certification or approval.
- 4.2.3 Each Contracting Authority shall, to the maximum extent practicable: ensure that the other Contracting Authority is notified of proposed significant revisions to its standards and system for airworthiness and environmental certification or approval, that may affect the terms of this Arrangement; offer the other Contracting Authority an opportunity to comment; and give due consideration to the comments made by other Contracting Authority on the proposed revisions.
- 4.2.4 By mutual agreement and upon request, each Contracting Authority shall, as practicable, provide technical evaluation and assistance to the other Contracting Authority.
- 4.2.5 Both Contracting Authorities may undertake joint type design approval projects in respect of products covered by this Arrangement when it is in the interest of both Contracting Authorities.

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## 5. PREVAILING INTERPRETATION

In the case of conflicting interpretations of the airworthiness or environmental criteria or design-related operational requirements prescribed by the Importing Authority pertaining to the certification, approval, or acceptance of civil aeronautical product under this Arrangement, the interpretation of the Importing Authority shall prevail.

## 6. ACCOUNTABILITY

### 6.1 Implementation

The Director General of Aircraft Airworthiness Certification Department of CAAC (CAAC-AAD) and Deputy Director of CAAI for Airworthiness will be in charge of the administration and implementation of the provisions of this Arrangement.

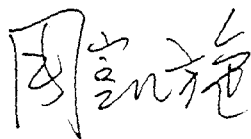
### 6.2 Organizational Changes

The Contracting Authorities will advise each other of any significant change to their organization affecting the administration and implementation of the provisions of this Arrangement, including the identity of the persons identified in paragraph 6.1.

## 7. ENTRY INTO FORCE

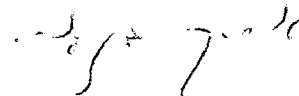
This Arrangement shall enter into force upon signature.

Civil Aviation Administration of China  
Airworthiness Certification Department  
Deputy Director General  
**Zhou Kaixuan**



Date: 28 May, 2004

Civil Aviation Administration of Israel  
Ag. Director General  
**Arik Ben - Ari**



Date: 28 May, 2004

## APPENDIX 1

### EXAMPLES OF CHANGES THAT SIGNIFICANTLY AFFECT THE APPROVED TYPE DESIGN

The following changes are considered to significantly affect the type design approved by the Importing Authority:

- a) Significant changes to the cabin interior configuration;
- b) Having an effect on the importing authority type certification basis;
- c) Involving new interpretation of the requirements,
- d) Introduction of configurations characteristics or aircraft limitations (e.g. weight or thrust increases or the introduction of new take-off or landing configurations) not previously approved by the importing Authority.
- e) Modifications which would result in changes to the Importing Authority Type Certificate Data Sheet;
- f) Modifications which would result in changes to the Limitations Section of the AFM;
- g) Modifications which result in aircraft configurations not addressed in the Importing Authority's accepted Flight Manual (including supplements);
- h) Modifications which result in changes to the Airworthiness Limitations of the Instructions For Continued Airworthiness;
- i) Modifications which have an impact on any Additional Technical Conditions prescribed by the Importing Authority;
- j) Modifications requiring (or affecting) Exemptions or Findings of Equivalent Safety or novel methods of compliance; and
- k) Other modifications considered necessary by the importing authority or the Exporting Authority.

Note: A method of compliance would be considered to be "novel" if it had not been applied previously in a similar context by both authorities.

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APPENDIX 2

To Technical Arrangement to expand Para. 3.6.1

Content of the contract between

Bedek Aviation Group of Israeli Aircraft Industries (BAG) and

Shenyang Aircraft Corporation (SAC)

**Contracts :**

B767-200/300 Kit Production Contract Between  
IAI, SACR Enterprises Inc. and SAC dated October 22, 2002.

**For series production aircraft :**

Assy. Door Surround Struc.	368-53-00-95301-101 Rev.*
Assembly – Main Deck Cargo Door	368-52-00-95270-101
9G Safety & Floor Mod.	368-53-00-90500-001
Aircraft Systems Mod.	368-00-00-91200-001

Including in parts subassembly and assembly

**Quality plan covering these productions :**

Product quality plan ref. SAC QP-016 prepared by SAC and approved by IAI on 13/03/2003.

Address of the contractor:

Bedek Aviation Group,  
Israel Aircraft Industries, Ben Gurion Airport, ISRAEL

Address of the subcontractor:

Shenyang Aircraft Corporation

No. 1 Linghe Street, Huanggu District, Shenyang, China

**Address of the CAAC representative :**

Airworthiness Certification Division  
Northeast Regional Administration of CAAC  
Xiaoheyan Road, No. 3, Dadong District  
Shenyang 110043  
P.R. China  
Fax: 024-88294012  
Tel.: 024-88293936

**Address of the CAAI representative :**

Civil Aviation Administration of Israel,  
P.O.Box 8, Ben Gurion Airport, 70100, Israel.

**Authority in charge of the approval of the design data :** CAAI

**Date of exchange of information between CAAC and CAAI :** March annually

\* The revision will be determined after STC issuance.

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**Requirements:**

CAAC, as the Authority of the subcontractor, will conduct the production surveillance according to the procedures in paragraph 3.6 on behalf of CAAI, the Authority of the contractor.

(1).CAAC is requested by CAAI to monitor the special processes, involved in production of above items.

(2).CAAC is requested by CAAI to review and verify the accuracy of description, cause and corrective actions mentioned in each deficiency report (MRB forms) issued by SAC inspections. The verification should be indicated by CAAC's representative signature on each report.

(3).CAAC is requested by CAAI to perform inspection on all final assemblies before delivery. CAAC is requested to verify that all the deficiency reports, linked to the delivery items are approved by CAAI.

(4).The inspection should be documented on CAAI Form 8100-1 or CAAC equivalent.

CAAI will provide technical support and training for CAAC to perform the work if necessary.

**Date of exchange of information between CAAC and CAAI:** March annually or upon request of one of the Authorities.

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## APPENDIX 3

### Implementation of the production surveillance

For each project in section 3.6, the Authority of the subcontractor will start the surveillance on behalf of the Authority of the contractor not later than five (5) working days after the cost of the surveillance is recovered or to be recovered. The Authority of the subcontractor will inform the Authority of the contractor if some problems are met in the recoveries of fees.

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