

## **IBAC Technical Report Summary**

**Subject: IBAC Technical Report**

**Meeting: FAA/Asia-Pacific Bilateral Partners Dialogue Meeting, Wellington New Zealand, April 1, 2004**

**IBAC File: Government – Industry Meetings**

**Reported by: *James D. Erickson***

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### **Summary:**

This was the second Asia – Pacific Bilateral Partners Dialogue Meeting which IBAC attended as an accredited organization.

By far the issue emphasized most by the industry at this meeting was Harmonization of regulatory requirements among aviation authorities. During the open question and answer session IBAC's concerns about Fractional Ownership was the primary subject of discussion.

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### **Implication for Business Aviation:**

IBAC concerns have been heard and understood by 9 Aviation Authorities of the US and Asia-Pacific region. These authorities indicated a willingness to defer future rulemaking on Fractional Ownership until an ICAO working group has had an opportunity to study the issue and make recommendations.

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### **Decisions Required:**

None

Attachment: photo from the meeting – from left - FAA Associate Administrator for Regulation and Certification, Nic Sabatini, IBAC Representative James Erickson, and FAA Director of the Aircraft Certification Service, Mr John Hickey

# Report of the FAA/Asia-Pacific Bilateral Partners Dialogue Meeting

Wellington New Zealand, March 30 – April 1, 2004

From March 30, 2004 through April 1, 2004 the FAA/Asia-Pacific Bilateral Partners Dialogue Meeting was held in Wellington New Zealand. The FAA met with aviation regulators from 8 leading Asia-Pacific aviation countries with which the US has Bilateral Aviation Safety Agreements. Attendance at the first two days of the conference was for government aviation officials only. The last day was industry aviation day and was attended by both industry and the 9 aviation authorities. Approximately 120 people attended industry day and the New Zealand industry was heavily represented. Although industry day consisted mainly of briefings on aviation safety issues, there was ample opportunity for questions and interaction on a number of issues. Briefing items included fuel tank safety, foreign registered aircraft and FAA designees, Bilateral Aviation Safety Agreements, aircraft security, and new technologies for aviation. New Zealand industry briefed the authorities on items of interest. By far the issue emphasized most by the industry was Harmonization of regulatory requirements among aviation authorities. In frustration over satisfying 9 separate regulatory agencies and their auditors, one organization, Christchurch Engine Center, had developed a set of internal compliance procedures and endeavored to get each of the 9 regulators and to sign an agreement that this single set of requirements met the organization's aviation safety requirements. They have nearly succeeded and continue to work toward having all 9 approve the document.

During the open question and answer session IBAC's concerns about Fractional Ownership was the primary subject of discussion. James Erickson, representing IBAC, acknowledged FAA's leadership in participative rulemaking and briefed the meeting on IBAC safety policies and safety record. He then introduced IBAC concerns about the inequities being experienced in Fractional Ownership. This was a good example of the Harmonization needed among countries in regulating the industry and showed how mutual acceptance (as suggested by some participants in lieu of harmonization) simply would not work in this context. Fractional Ownership was characterized as a rulemaking tragedy both from the industry standpoint and from the standpoint of the regulator. It is a tragedy to the industry because of gross inequities and competitive disadvantage and to the regulator because it has resulting in the industry focusing on the economics consequences of regulating in this area instead of the safety aspects of the rule. We discussed "commercial operations" at some length. At the end of discussion, the IBAC representative asked participating authorities to do two things: 1) Support IBAC at the ICAO Assembly in developing a working group to address this issue, and 2) Not to initiate or advance rulemaking in the area of Fractional Ownership until the ICAO working group has completed its recommendations. All Authorities indicated support of these requests. In the security area, John Hickey indicated that forthcoming security requirements related to internal design of the aircraft (strengthened bulkheads, least risk bomb location, etc) will apply to new designs only and be likely to include only those new aircraft weighing more than 100,000# with 60 or more passengers.

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