

MEMORANDUM OF UNDERSTANDING

BETWEEN

CIVIL AVIATION AUTHORITY OF NEPAL

AND

CIVIL AVIATION ADMINISTRATION OF CHINA

FOR

CONTINUING AIRWORTHINESS OF AIRCRAFT DESIGNED AND

PRODUCED IN CHINA AND OPERATING IN NEPAL



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The Civil Aviation Authority of Nepal (CAAN), legally assigned as the Civil Aviation Authority in the State of Nepal and the Civil Aviation Administration of China (CAAC), legally assigned as the Civil Aviation Administration in the People's Republic of China, referred in this document, for convenience, as Authorities:

- considering the Annexes to the Convention on International Civil Aviation, as signed at Chicago on 7 December 1944, which has been endorsed by both the countries
- desiring to promote aviation safety and environmental quality;
- noting common concerns for the safe operation of civil aircraft;
- desiring to enhance cooperation and increase efficiency in matters relating to civil aviation safety in the field of airworthiness.

have reached the following understandings:

ARTICLE-I

GENERAL PROVISIONS

This MoU defines the responsibilities of both Authorities, regarding the Chinese designed and manufactured civil aircraft operation in Nepal. The issuance of Type Certificate and/or Validation of Type Certificate by Nepal for importing aircraft shall depend upon existing Nepalese legislation, rules, regulation and requirements.

This MoU is on execution of the following obligations:

- a) To promote cooperation and assistance on the process of issuing Type Certification or Validating Type Certification by CAAN to the aircraft designed and manufactured in China;

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- b) To promote cooperation and assistance in the issuance of individual airworthiness certificate by CAAN for aircraft to be operated in Nepal, if needed;
- c) To promote cooperation and assistance in the issuance on the application of airworthiness directives;
- d) To promote cooperation, assistance and an exchange of information on the continued airworthiness of civil aircraft;
- e) To promote cooperation in technical aspect, if needed ;
- f) To facilitate investigation of accidents or incidents of civil aircraft.

ARTICLE-II

MUTUAL COOPERATION AND ASSISTANCE

- a) Both Authorities shall cooperate in the analysis of airworthiness concerns occurred on the civil aircraft to which this MoU applies;
- b) CAAC shall specify any appropriate action that it finds necessary to correct any unsafe condition discovered on the civil aircraft, during the aircraft operation;
- c) CAAC shall assist CAAN in the determination of actions considered necessary for the continued airworthiness of the civil aircraft;
- d) Continued airworthiness and operation documents and follow on updates will be provided to the Nepalese operators;
- e) CAAC shall communicate to CAAN the airworthiness directives, mandatory modifications, the special inspections, the special limits of operation, or the other necessary specific actions for the continued airworthiness of the concerned aircraft;
- f) The mandatory modifications, the content of the manufacture's maintenance program, flight manual, MMEL, Certification Maintenance Requirements, Airworthiness Limitations and further change shall be accepted as per CAAN rules, regulations, requirements;
- g) CAAN shall inform CAAC of the applicable design related operation requirements in Nepal before the issuance of type certificate;
- h) CAAN shall inform CAAC of all notification of serious service difficulties noted during the operation. The contents related to this is listed in appendix I;
- i) CAAN shall inform CAAC of the civil aircraft accidents occurred if any, as per ICAO Annex 13 Chapter 4;
- j) In case of divergent interpretation of airworthiness conditions required by CAAN regarding certification, recognition or acceptance, CAAN rules, regulations and requirements shall prevail;
- k) Upon formal request of CAAN, CAAC shall extend cooperation to enhance safety and continuing airworthiness of aircraft designed and manufactured in China.

ARTICLE-III

COMMUNICATION

Communication concerning continued airworthiness information exchange between both Authorities should be provided to the addresses listed in Appendix II. Correspondence and documentation will be prepared and submitted in the English language.

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ARTICLE-IV

IMPLEMENTATION

- a) The two Authorities shall work in accordance with this present Memorandum of Understanding from the date of its signature. It could be reviewed by mutual agreement of both Authorities;
- b) Each Authority shall inform the Other by notification of any change intervened in its competence in regard to this present MoU;
- c) Any other related matters, CAAN and CAAC agreed to consider to discuss in future at the time convenient to both Authorities.

ARTICLE-V

AMENDMENT


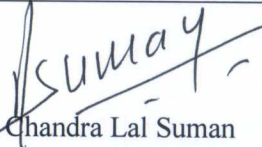
This MoU may be reviewed / amended through the exchange of official letters by Authorities.

ARTICLE-VI

ENTER IN FORCE

This MoU, or any amendment to its text, shall go into effect upon the date of signature by both Authorities and shall remain in force until revised by mutual agreement between the two Authorities or terminated by one of the Authority. Such termination shall be effected by sixty days written notification to the other Authority.

This MoU is prepared and signed in two originals in English language, one for each Authority.

 Yin Shijun Deputy Director General Aircraft Airworthiness Certification Department Civil Aviation Administration of China 155 Dangsi St, West, Beijing 100710 China	 Ratish Chandra Lal Suman Deputy Director General Civil Aviation Authority of Nepal Babar Mahal, Kathmandu, Nepal
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Date: Jan. 7, 2013

Place: Beijing, China

APPENDIX I

All notification of serious service difficulties (malfunction or defect reports/aircraft operational main event reports) will be provided to the CAAC designated office within 20 working days of the CAAN receiving notification. Both Authorities will use the most expedient means available to deliver this information (fax, electronic mail).

Notification will be provided of the following failures, malfunctions or defects encountered in service:

(A) Aircraft

- v. Structural or flight control system malfunction, failing capable to cause an interference with the normal control of the aircraft which derogate the qualities of flight;
- vi. A complete loss of power of one electrical power generating system or hydraulic power system during a given operation of the aircraft;
- vii. Failure or malfunction of more than one altimeter, of a airspeed or of their respective display systems;
- viii. The loss in flight of parts or assemblies such as engines, flaps, etc;
- ix. Hazardously misleading information navigation systems;
- x. Failure or malfunction of the alarm warning systems;
- xi. Failure of the whole system of the aircraft braking;
- xii. De-pressurization of the aircraft;
- xiii. Any other situation capable to compromise the safety of the aircraft.

(B) Engines

- v. Failures which are uncontained;
- vi. Fires caused by a system or component failure;
- vii. Flammable fluid leakage in areas where an ignition source normally exists;
- viii. Abnormal vibration caused by a failure, malfunction, or source defect;
- ix. Failures which result in an in-flight engine shutdown;
- x. Engine system failures, malfunctions, or defects which cause damage to the adjacent aircraft structure, equipment, or components.



APPENDIX II

What follows are the contact addresses between the Civil Aviation Administration of China and Civil Aviation Authority of Nepal.

People's Republic of China

Civil Aviation Administration of China

Aircraft Airworthiness Department

155 Dangsi St. West Beijing 100710

China

Tel: 86-10-64091331/ 86-10-64091390

Fax: 86-10-64033087

E-mail: zhangsen@caac.gov.cn /jy_zhao@caac.gov.cn

Nepal

Civil Aviation Authority of Nepal

Head Office, Babar Mahal, Kathmandu,

Nepal

Tel: 977-1-4262387

Fax: 977-1-4262516

E-mail: cnsatm@mos.com

