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WORKING PAPER

SEVENTH WORLDWIDE AIR TRANSPORT CONFERENCE (ATCONF/7)

Montréal, HQ, 16 to 20 November 2026

Agenda Item 3: Strengthening regulatory and institutional frameworks
3.1: Strengthening regulatory oversight and evolving institutional frameworks

EFFECTIVENESS OF REGULATORY INTERCHANGE FRAMEWORKS IN STRENGTHENING GLOBAL CONNECTIVITY AND AIR TRANSPORT RESILIENCE

(Presented by El Salvador and supported by 18 LACAC Member States[2])

EXECUTIVE SUMMARY

The economic viability and resilience of international air transport depend on the ability of the global regulatory framework to adapt to efficient business models, such as transnational airline groups and aircraft interchange agreements. Currently, in the absence of unified International Civil Aviation Organization (ICAO) guidance on Annex 6 (6.1.3) and the *Manual of Procedures for Operations Inspection, Certification and Continued Surveillance* (Doc 8335), various States have imposed redundant national approval requirements on key technical documents, such as the Minimum Equipment List (MEL).

This regulatory duplication is more than a technical matter; it has become an indirect administrative and economic barrier that restricts the operational rights established in the *Manual on the Regulation of International Air Transport* (Doc 9626), hampering fleet agility, distorting regional connectivity and penalizing the sector's financial sustainability without adding any value to operational safety. Furthermore, it fragments the consistency of the criteria evaluated under the Universal Safety Oversight Audit Programme (USOAP).

This paper proposes that the Conference should urge ICAO to develop guidelines standardizing the Technical Acceptance Mechanism, thereby fostering mutual trust among States, reducing cross-border regulatory costs and driving the economic development of air transport.

Action: The conference is invited to:

a) recommend that ICAO consider developing the guidance material contained in Doc 8335 with a view to incorporating a standardized technical acceptance methodology for Annex 6, Part I, 6.1.3, to include criteria that avert administrative burdens, additional costs and operational delays affecting air transport connectivity, efficiency and resilience;
b) invite ICAO to compile best practices, develop model tools and promote technical training to support States implementing technical acceptance processes; and

[1] Spanish version provided by El Salvador.
[2] Argentina, Belize, Bolivia (Plurinational State of), Chile, Costa Rica, Cuba, Dominican Republic, Ecuador, Guatemala, Guyana, Honduras, Jamaica, Nicaragua, Panama, Paraguay, Peru, Uruguay and Venezuela (Bolivarian Republic of).

c) urge ICAO to harmonize the USOAP assessment criteria in this area, in recognition that mutual technical acceptance practices are efficient regulatory governance schemes that avoid administrative barriers to aviation business.	
Strategic Goal:	This working paper relates to the Strategic Goal: *The Economic Development of Air Transport Assures the Delivery of Economic Prosperity and Societal Well-Being for All*.
Financial implications:	Doc 8335 will be updated as part of the regular work programme of existing technical panels, without requiring additional or extra-budgetary resources.
References:	*Convention on International Civil Aviation* (Chicago Convention) Annex 6, Part I (Attachment B) Doc 8335, *Manual of Procedures for Operations Inspection, Certification and Continued Surveillance* Doc 9626, *Manual on the Regulation of International Air Transport* Doc 9760, *Airworthiness Manual*

1. INTRODUCTION

1.1 International air transport operates within a globalized economic environment that requires maximum optimization of capital assets and agile operational frameworks to ensure connectivity and market resilience in the face of macroeconomic volatility. The *Manual on the Regulation of International Air Transport* (Doc 9626) conceptualizes aircraft interchange as a mechanism for giving effect to operating rights and market access. This commercial practice enables an aircraft to maintain operational continuity by linking routes operated by two different carriers under their respective State operational controls.

1.2 Considered from the perspective of the International Civil Aviation Organization (ICAO) air transport policies, State institutional frameworks must evolve in tandem with contemporary market structures, such as airline consortiums (holding companies). Such models enable developing regions to optimize their secondary and shared fleets in order to continue providing air services that are both economically viable and socially essential, thereby mitigating connectivity marginalization.

1.3 However, institutional asymmetries in the interpretation of the current technical guidelines (*Manual of Procedures for Operations Inspection, Certification and Continued Surveillance* (Doc 8335)) have undermined the economic purpose of interchange, transforming a legitimate commercial operating right into a labyrinth of overlapping local certifications. It is imperative that this Conference address regulatory harmonization not merely as a means of ensuring operational safety, but as an indispensable enabler of the sustainable economic development of global aviation.

1.4 Furthermore, in line with the priorities set out in agenda item 3.1, the procedural evolution towards the Technical Acceptance Mechanism strengthens the sustainability and functional autonomy of Civil Aviation Authorities. Optimizing oversight processes promotes the efficient use of public financial resources and facilitates the modernization of institutional management models, enabling developing States to optimize the performance of their operating budgets.

2. DISCUSSION

2.1 The economic regulation of international air transport is based on principles of reciprocity and regulatory efficiency. Doc 8335 (paragraph 4.3.3) equates interchange operations with dry-lease operations, requiring clarity as to State responsibilities. However, the absence of an explicit methodology for cross-border validation of the Minimum Equipment List (MEL) (Annex 6, 6.1.3) has led to an excessive and extraterritorial extension of regulatory scope by multiple receiving States.

2.2 This regulatory distortion compels transnational operators to secure independent, successive sovereign approvals for the same technical platform that has already been certified. Requiring such "double administrative approvals" undermines legal certainty within the aviation market. The immediate economic consequence is a harsh penalty on sector productivity in the form of higher compliance costs and delays in the flexible deployment of aircraft; this erodes benefits for the end consumer and stifles regional competitiveness.

2.3 Far from strengthening the system, this institutional fragmentation of technical oversight introduces market inefficiencies and latent risks that hinder regular commercial flows.

i. **Administrative barriers to access rights**: The requirement for parallel approvals acts as an indirect non-tariff restriction, limiting the ability to make immediate use of aircraft under interchange agreements authorized by bilateral agreements.

ii. **Asymmetrical connectivity for developing regions**: Airlines in small markets rely on the mobility of their integrated fleets. Administrative rigidity hampers the ability to respond to demand spikes or network disruptions, thereby weakening the resilience of transport services in vulnerable regions.

iii. **Inconsistency in global oversight (Universal Safety Oversight Audit Programme (USOAP))**: The absence of an international standard for technical governance leads to discretionary interpretations during USOAP audits. This compels States to implement pre-emptive bureaucratic redundancies solely to avoid formal audit findings, thereby diverting scarce public resources away from actual operational oversight in the field.

iv. **Technical conflict regarding the human factor**: The coexistence of multiple authorized versions of an MEL for the same aircraft gives rise to confusion in flight crews and dispatchers about the applicable regulatory hierarchy. This compromises technical clarity at the critical moment of commercial dispatch, increasing the risk of operational errors in the event of in-flight failures.

v. **Sustainable institutional oversight**: This documentary redundancy overburdens the capabilities of Civil Aviation Authorities. Consistent with the approach outlined in agenda item 3.1, sustainable oversight must rely on high levels of specialization; the acceptance mechanism optimizes the State’s pool of qualified human capital, allowing inspectors to focus on direct operational ramp oversight rather than repetitive desk-based audits.

2.4 The structural solution to this economic constraint is to be found in the very institutional principles of ICAO. Annex 6, Part I (Attachment B) authorizes the use of the acceptance mechanism, an act of administrative governance whereby a State recognizes the intrinsic validity of certification by a

competent counterpart aeronautical authority, following verification of compliance with the general ICAO framework.

2.5 Elevating technical acceptance to a standardized global practice within Doc 8335 will provide a fast-track, transparent mechanism for interchange agreements. It safeguards the sovereignty of the receiving State, which retains the right to oversee operations within its territory, while eliminating the bureaucratic duplication of the original technical file. This shift in institutional paradigm promotes an ecosystem of mutual trust, drastically reduces the transaction costs of State oversight and maximizes the economic return on global aviation infrastructure.

3. CONCLUSION

3.1 Sustainable growth in global air transport in the coming decades calls for smart institutional frameworks that prevent technical oversight processes from devolving into commercial barriers and obstacles to the free operation of services.

3.2 The adoption in Doc 8335 of unified global guidelines that validate the acceptance mechanism for technical documentation of aircraft under interchange arrangements is a crucial step towards bureaucratic efficiency. It will safeguard the integrity of safety oversight while fostering an agile, economically resilient and equitable market.

3.3 By harmonizing international oversight and audit criteria (USOAP) under mutual recognition frameworks, ICAO will enable operators and States to focus their capabilities on air transport efficiency, ensuring that regulation acts as a driver of global development rather than being a hindrance to national connectivity.

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