



Agenda Item 7: Innovation

Harmonization of MEL Approval Processes for Multi-State Operators

(Presented by the Latin America and Caribbean Air Transport Association – ALTA)

This Paper presents a project proposal for the simultaneous approval of an MEL for an operator with multiple AOCs in different States, operating aircraft under an interchange agreement.

ICAO Strategic Objectives:

A: Safety

1. Introduction

1.1 The rapid evolution of transnational airline operations and regulatory frameworks has highlighted the complexity of Minimum Equipment List (MEL) and other operational approval processes across different States.

1.2 Currently, airlines operating under multiple Air Operator Certificates (AOCs) – such as LATAM Airlines, which holds AOCs in Brazil, Chile, Colombia, Ecuador Peru, and Paraguay – face challenges due to the independent and often sequential MEL approval procedures mandated by each State.

1.3 This paper presents an initiative to harmonize and accelerate MEL approval processes by fostering simultaneous and coordinated approvals across these States, as a pilot project. Based on the results of the project, the concept could be applied to other operational approvals, and would benefit several transnational airlines groups in the region.

1.4 This approach aims to improve regulatory efficiency without compromising State obligations under the Chicago Convention.

2. Discussion

2.1 Problem Statement

Under the current framework, each State independently reviews and approves MEL amendments, even when they involve the same aircraft type and operator. This leads to:

- Inconsistent approval criteria among States;
- Delays due to sequential approval processes (one State waiting for another to approve first);
- Increased administrative burden for both regulators and airlines;

These inefficiencies pose operational challenges and increase costs, affecting the competitiveness of multinational operators.

2.2 Proposed solution

A coordinated, simultaneous MEL approval process across the States issuing AOCs to multinational operators, such as LATAM Airlines, would:

- Promote regulatory alignment and best practices sharing;
- Reduce delays by allowing parallel processing;
- Support regulatory harmonization;
- Improve communication across regulatory authorities;
- Optimize resource allocation by eliminating redundant reviews.

This initiative builds upon the harmonized regulatory framework in the South American region and aligns with ICAO's strategic objectives for safety and efficiency.

2.3 Expected benefits

2.3.1 For States:

- Improved coordination among Civil Aviation Authorities (CAAs);
- Enhanced regulatory consistency and transparency;
- More efficient use of human and technical resources;
- Strengthening regional cooperation in regulatory oversight;
- Increased operational safety through standardized MEL criteria;
- Safe and sustainable development of the civil aviation industry in the region.

2.3.2 For Airlines

- Faster MEL approval times, leading to reduced aircraft downtime;
- More predictable operational planning and compliance management;
- Lower administrative costs through streamlined regulatory processes;
- Enhanced operational flexibility, benefiting both large and small carriers;
- Reduction in duplicated regulatory efforts, optimizing efficiency for all stakeholders.

2.3.3 Please refer to the Appendix for a detail proposal for the pilot project.

3. Suggested action

3.1 The Meeting is invited to:

- a) Endorse and support the concept of simultaneous MEL approvals for multinational operators.
- b) Establish a working group within the ICAO SAM Office to define a harmonized approval framework;
- c) Encourage States to cooperate on MEL approval timelines and align criteria where possible;

- d) Consider this approach as a pilot initiative for broader regulatory harmonization efforts.

In the first phase of implementation of this initiative, it is suggested that the pilot project be developed with the States that issued an AOC to LATAM Airlines, due to the fact that is the transnational group with the largest number of OACs, and this allows to involve more States.

- END -

Project name: Simultaneous approval of a revision to the MEL of a multinational operator

Date: 19 September 2024

Sponsor: ALTA

Champion: ICAO SAM Office

Team: ICAO SAM, ALTA, SRVOOP, LATAM

Client: LATAM Airlines

Project ID: TBD

1. Executive Summary

The rapid evolution of new business models and cross-border operations has highlighted the complexity of these operations and the need to develop effective compliance and oversight mechanisms, posing new challenges for States and service providers. This project aims to explore the benefits of enhanced inter-State and operator-State cooperation through a pilot exercise for the simultaneous approval of an MEL revision by all States issuing an AOC to a multinational operator.

2. Problem/Opportunity Statement

Multinational holding with AOCs issued by two or more States and operating aircraft under interchange arrangements are subject to multiple operational approvals by each State issuing an AOC, in accordance with their obligations as the State of the Operator under the Chicago Convention.

These approvals, although addressing the same subject and affecting the same aircraft or group of aircraft, are conducted independently by each State, often sequentially. In many cases, some States require or await approval from another State before issuing their own authorization. Additionally, there is a lack of uniformity in the approval criteria applied by each State, leading to significant variations in technical requirements and processing times.

These discrepancies pose a challenge for multinational operator groups and create inefficiencies in their processes that, with greater uniformity and coordination, could result in faster and more efficient approval procedures.

In this regard, the project seeks to address the following question: *Can better coordination among the States issuing AOCs to a multinational group lead to faster and more efficient approval processes without affecting State obligations under the Chicago Convention?*

3. Business Options

a. Do nothing: Maintain the operational approval processes for aircraft operated under interchange by multiple States as independent processes managed by each State.

b. Do something: Leveraging the high degree of regulatory harmonization in the region to promote cooperative activities could result in more efficient processes for both States and service providers.

4. Expected Benefits

The project is expected to generate the following benefits:

- a) Greater awareness of regulatory differences and State procedures in the region for carrying out approval processes.
- b) Identification of best practices and lessons learned, to be shared among all States in the region.
- c) Improved coordination and communication among State inspectors.

Additionally, the following potential benefits may arise:

- a. Faster and more efficient approval processes for multinational operators.
- b. Greater harmonization of regulations and procedures related to approvals for multinational operators.
- c. More efficient use of State resources as a result of improved multinational collaboration.

5. Project Objectives

The objective of the project is to determine whether a coordinated and simultaneous approval process for an MEL amendment for an operator holding multiple AOCs from different States has the potential to generate technical, operational, administrative, and financial efficiencies for States and service providers, and whether this practice is scalable to other operational approval processes.

6. Scope Statement/Project Deliverables

The project deliverable will be the simultaneous approval of an MEL amendment for a multinational operator. The project will also include the following additional deliverables:

1. Lessons learned from the pilot project for consideration in future similar projects.
2. Identified opportunities for improvement to facilitate communication and collaboration among States in carrying out approval and oversight activities for multinational operators.

7. Critical Success Factors

The project primarily depends on the availability of the following:

- Support from senior management of the service provider and the States involved.
- An adequate communication strategy that ensures a clear understanding of the project's scope, costs, and benefits for each stakeholder.
- Availability of qualified technical personnel in the States, the operator, and the project team members..

4. High Level Milestones

- Internal project approval
- Project presentation to the operator
- Project presentation to the States
- Signing of the Participation Agreement in the project
- Coordination meeting between POIs & PMIs
- Coordination meeting between POIs, PMIs, and the operator
- Start of the 5-phase process
- Simultaneous approval of the MEL amendment

5. Budget/Cost/Funding

Activities related to the simultaneous approval of an MEL amendment will be conducted primarily in a virtual format. To facilitate this, the SAM Office will create a virtual exchange space on the Microsoft Teams platform or an equivalent, enabling file sharing and communication among stakeholders.

However, an in-person meeting is planned with all the operator's POIs & PMIs for the presentation and initial project coordination, followed by a meeting involving the POIs, PMIs, and the operator's technical representatives. This meeting will last two days and will take place in Lima, at the SAM Regional Office. The costs associated with the meeting, including transportation, accommodation, and meals for the POIs and PMIs, will be arranged and facilitated by ALTA.

6. Stakeholders/Communication Plan

Key Individuals/Organizations:	Specific Needs/Concerns:	Actions/Mean/Frequency of Communication
ICAO SAM RD/DRD - ALTA	Progress, Status, and Budget	Monthly progress by mail
AAC de los Estados	Progress, Status, and Budget	Monthly progress by mail
LATAM Management	Progress and status	Monthly progress by mail
ICAO HQs	Results of the project	And the end

7. Risk management

#	Major Risks	Assessment	Mitigation
	Lack of commitment/interest from the States	Medium	Communication strategy/Signing of agreement at the Directorate General level of the CAAs
	Differences in State requirements and procedures	Medium	Pre-coordination meeting among POIs and PMIs to reach an agreement on the project framework.
	Failure to meet agreed deadlines during the process by one or more States	Medium	Signing of agreement at the Directorate General level of the CAAs Periodic coordination meetings with POIs/PMIs
	Change of POI/PMI during the project	Low	Signing of agreement at the Directorate General level of the CAAs Periodic coordination meetings with POIs/PMIs
