



INTERNATIONAL CIVIL AVIATION ORGANIZATION

PROJECT DOCUMENT

(Confidential)

Project Title: The provision of technical assistance to the State Secretariat of Civil Aviation of the Government of Cambodia in resolving safety oversight deficiencies in the area of airworthiness

Project Number: RAS/97/903

Government Executing Agency: State Secretariat of Civil Aviation of the Government of Cambodia (SSCA)

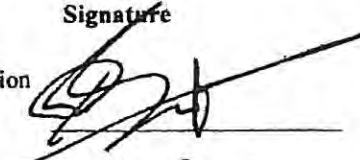
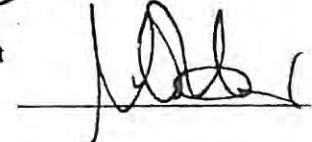
Executing Agency: International Civil Aviation Organization (ICAO)

Duration: 8 months

Project Cost: US\$ 135 400

Source of funding: Safety Fund (SAFE)

Project Outline: This project will provide an Operational Assistance (OPAS) Expert in the field of Airworthiness, to work with local counterparts, training and developing their capacity in airworthiness, and to establish a sustainable capability in this area in close coordination with the COSCAP-SEA.

Signed on behalf of	Signature	Name and Title	Date
International Civil Aviation Organization (ICAO)		Raymond Benjamin <i>Secretary General</i>	<u>25/1/15</u>
State Secretariat of Civil Aviation of the Government of Cambodia (SSCA)		H.E. Mao Havannal <i>Secretary of State for Civil Aviation</i>	<u>11/03/15</u>

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1. INTRODUCTION

1.1 Background and justification

1.1.1 The SSCA is responsible for regulatory oversight of all aviation safety functions within the Kingdom of Cambodia. Detailed information (*i.e. Key Figures, USOAP Results, Traffic Distribution, Recent Events, etc.*), on the State's safety situation can be accessed from the ICAO secure portal, under the SPACE application.

1.1.2 The Comprehensive Systems Approach (CSA) USOAP audit conducted from 27 November to 6 December 2007, formulated 107 findings in all areas and resulted in an average LEI of the eight critical elements of a safety oversight system of 71.72%. An ICAO Coordinated Validation Mission (ICVM) from 26 to 29 October 2009 reviewed the status of compliance and effective implementation of the 14 ICAO Audit recommendations in the AIR field and determined that the State has yet to complete corrective actions towards the resolution of six (6) of the AIR audit findings. Although the ICVM confirmed an improvement of the LEI to 58.41%, there are still outstanding AIR issues including the certification and oversight of approved maintenance organizations. While the air operator certificate (AOC) Requirements and Guidance Material (AOCR) have been developed and published there remains a need to eliminate contradictions. Further, a more comprehensive Airworthiness Inspection Manual has to be developed encompassing various procedures for the approval of modifications and repairs, maintenance programs, approved maintenance organizations etc. Additionally procedures need to be developed for the issuance of special flight permits, the issuance of export airworthiness approvals, ramp inspections, surveillance of AOC holders and AMOs, etc. Finally, the lack of trained Airworthiness Inspectors to properly oversee national and international air operator airworthiness needs to be addressed.

1.1.3 The President of the Council of ICAO visited Cambodia from 6 to 8 July 2011 to discuss the progress made by Cambodia in the area of civil aviation, provide ICAO assurance to assist SSCA Cambodia, as well as exchange views with high level Government officials of the Kingdom of Cambodia.

1.1.4 On 25 July 2011, the Regional Director of the ICAO Asia Pacific Regional Office wrote to the Director General of the State Secretariat of Civil Aviation (SSCA) of Cambodia, as a follow-up to the President of ICAO Council visit, to solicit the views of the SSCA on how best ICAO can assist Cambodia in resolving the safety oversight deficiencies identified in the ICAO USOAP audit. The ICAO APAC Office also requested SSCA Cambodia to identify the specific areas and type of assistance that could be provided by ICAO based on existing resources available with Cambodia.

1.1.5 On 17 November 2011, the Secretary of State of the SSCA requested ICAO to provide support and assistance in a number of areas including airworthiness, air transport policies and regulations, aerodrome and personnel licensing.

1.1.6 ICAO/TCB has had numerous cooperation activities with Cambodia. For instance, through Annex 1 to the CASP-AP (RAS/04/901) Phase II Project Document, ICAO recently proposed assistance to the SSCA to develop a plan for the restructuring of the administration of Civil Aviation Security, the establishment of a dedicated aviation security force for airports, the design of a modernized operational framework for aviation security and for alternative mechanisms to discharge non-core functions. This proposal has been accepted by the SSCA Cambodia.

1.1.7 Cambodia is a member of the ICAO COSCAP-SEA regional cooperative programme. COSCAP-SEA has arranged short term support from within existing resources (as supported by aviation industry donors): Aerodrome Certification (1 week, May 2012) and Airworthiness (4 weeks, May 2013). While these were of assistance to SSCA, they could not address all of their needs in the airworthiness area. Similarly, additional short-term assistance under COSCAP-SEA may be possible in other technical areas such as personnel licensing and library management.

1.1.8 In 2013 the SSCA requested that an Airworthiness OPAS expert be supplied to them through a TCB project which was to be funded by the Government of Cambodia. While a ProDoc was developed, the project was never implemented due to lack of funding.

1.1.9 The SSCA has now requested that COSCAP SEA assist them in applying to the ICAO SAFE Fund for financial support for the provision of an Airworthiness OPAS expert for a period of five months.

1.1.10 The SAFE Fund is an aviation safety fund created by ICAO to allow for the collection and use of voluntary contributions from States and other donors in a responsible, consistent, transparent, efficient and timely manner, while minimizing administrative costs. The Fund may be utilized for a number of different types of projects including those that are safety related for which States cannot otherwise provide or obtain the necessary financial resources. The application of funding for safety related issues is intended to assist in remedying or mitigating safety related deficiencies identified through ICAO Universal Safety Oversight Audit Program (USOAP) as an element of the GASP. The request from the SSCA of Cambodia matches up well with the mandate of the SAFE Fund.

1.2 Proposed objectives and links to ICAO strategic objectives

1.2.1 The objective of this initiative is to assist SSCA in its efforts to comply with the international aviation requirements, ICAO Standards and Recommended Practices and related guidance material. Also, to enhance SSCA capability to review, update and effectively apply airworthiness safety oversight regulations, procedures, documents and manuals according to national and international requirements and standards.

1.2.2 The project will provide support to the SSCA to:

- a) Review and update regulations, manuals and procedures to ensure effective application of airworthiness (licensing, certification and surveillance) functions in conformity with ICAO SARPs and guidance material;
- b) Related to the first objective, provide on-the-job training, workshops and seminars to SSCA airworthiness inspectors in order to improve the safety, efficiency and regularity of air operations; and,
- c) Related to the second objective, assist in the surveillance of air operators (airworthiness aspects) and aircraft maintenance organizations by the implementation of airworthiness safety regulations and the application of proper procedures.

1.2.3 Safety has been identified by ICAO as one of five comprehensive Strategic Objectives for the 2014-2016 triennium. This Strategic Objective for safety is focused primarily on the State's regulatory oversight capabilities. The proposed SAFE project is clearly focused on increasing the SSCA's regulatory oversight capabilities through the provision of technical assistance and OJT provided by the Airworthiness expert.

1.2.4 The Global Aviation Safety Plan's (GASP) near term objectives indicate that the implementation of ICAO Standards and Recommended Practices related to the State's approval, authorization, certification and licencing process is a prerequisite enabler for safe and sustainable air traffic growth. The expert assistance provided by this SAFE project will be focused on developing the approval, authorization and certification processes of the Cambodian SSCA.

1.2.5 The GASP objectives are further supported through specific safety initiatives that are categorized according to four distinct Safety Performance Enablers. These enablers form the structure for the implantation of the GASP initiatives and related Safety Objectives that have been established. The Safety Performance Enablers identified in the GASP are standardization, collaboration, resources and safety information exchange. This SAFE project proposal for Cambodia embodies two of the GASP Safety Performance Enablers; collaboration and resources.

- a) Collaboration is clearly embodied in the project through the provision of expert technical assistance by ICAO to the SSCA to improve the regulatory oversight capability of the Cambodia SSCA in the area of Airworthiness.
- b) Resources are also clearly embodied through the investment in people since the project will serve to enhance the skills of the SSCA Airworthiness Inspectors.

1.3 Technical Assistance description

1.3.1 The project will be undertaken as follows:

- a) The project will be under the overall management of ICAO RO and COSCAP-SEA.
- b) Assignment of an international Airworthiness Inspector as an Operational Assistance (OPAS) Expert.
- c) The SSCA inspectors would be provided on-the-job training by the ICAO Airworthiness inspector and, to the extent possible, will attend relevant courses and workshops to enhance and update their knowledge and ratings, and to familiarize themselves with national laws, regulations and procedures.
- d) The ICAO Airworthiness Inspector will review and make recommendations to the SSCA for the update and enhancement of the existing civil aviation legislation, safety regulations, guidance material and related procedures.

1.4 Expected outcomes

1.4.1 The project expected outcomes are:

- a) USOAP Corrective Action Plan will be completed for all Airworthiness PQ's and entered into CMA OLF;
- b) Guidance material will be developed for Airworthiness AMO certification and regulatory oversight.
- c) On-the-job training will be provided to SSCA Airworthiness Inspectors related to new procedures and manuals that are being developed. This training will be recorded in the SSCA's inspector training files.
- d) SSCA Airworthiness Inspectors will be able to independently complete certification and regulatory oversight activities in all applicable areas.

1.5 Fulfilment of project selection criteria for funding by SAFE fund

1.5.1 The proposed project meets all of the criteria for funding by the SAFE Fund:

- a) The project addresses the priorities of a strategic objective since it enhances safety through capacity building of the SSCA's regulatory oversight capabilities in the area of Airworthiness.
- b) The expected results are consistent with ICAO's Strategic Objectives as explained in paragraph 1.2 above.
- c) The activity outputs that will be monitored and are measurable are shown in para 2.2.
- d) The resources being applied produce results for the beneficiaries in a cost-effective manner through the provision of full time resources on site in Cambodia. This is far more cost effective than sending multiple missions to Cambodia to provide the required technical support.
- e) The results/benefits will continue after ICAO's involvement ends since the SSCA will have trained personnel and guidance material for their continued use in conducting on-going regulatory oversight.
- f) The initiative is locally driven, while responsibility and accountability for results are shared and roles are clear. Cambodia requested this project and originally tried to fund it with SSCA resources through a TCB project. The previous work completed

on the ProDoc concerning responsibility and accountability has been incorporated into the SAFE Fund proposal.

- g) Risks are identified and mitigation strategies proposed. See para 4.3.

2. SCOPE

2.1 Project activities

2.1.1 The project activities will include:

- a) Analysis of open USOAP airworthiness findings and provision of recommendations and technical support to enable the closure of these findings;
- b) Review and recommend updates to legislation and regulations with respect to the applicable airworthiness SARPs;
- c) Assist the SSCA to implement a procedure for amending its regulations following an Annex amendment;
- d) Assist in developing a comprehensive set of technical guidance material, safety oversight procedures and manuals associated with airworthiness which enables SSCA airworthiness inspectors to effectively carry out their tasks, including the development of approval procedures for inclusion in the Airworthiness Inspection Manual (reference: AIR/05, AIR/09, AIR/11 and AIR/12);
- e) Participate, as related to the provision of on-the-job training for new procedures, with SSCA flight and airworthiness safety oversight personnel in the surveillance of air operators, aircraft maintenance organizations, and their personnel, in accordance with the relevant national law, regulations and procedures, identify weaknesses and deficiencies, and specify appropriate corrective actions;
- f) Follow up on the implementation of the above mentioned corrective actions; and,
- g) Assist in the development of a training programme for SSCA airworthiness inspectors.

2.2 Outputs/deliverables

2.2.1 The expected outputs/deliverables will be:

- a) Updated USOAP Corrective Action Plan, SAAQ, compliance checklists and other documentation required under the CMA;
- b) Proposed changes to the civil aviation legislation and regulations as required;
- c) Procedures and manuals developed for the certification and surveillance of air operators and AMOs in compliance with SSCA requirements;
- d) Completion of guidance materials for Cambodian Airworthiness Inspectorate including inspector handbooks; and,
- e) On-the-job training provided to SSCA Airworthiness Inspectors related to new procedures and / manuals that may be developed.

3. INPUTS

3.1 Government/SSCA Cambodia inputs

3.1.1 The Cambodia Government/SSCA will designate a National Project Coordinator (e.g., Director of Airworthiness) to be involved in project implementation as the counterpart of the ICAO Airworthiness Inspector.

3.1.2 The Cambodia Government/SSCA shall provide the administrative personnel required to support the activities of the project expert during the term of his assignment, including a secretary familiarized with the operation of standard computer applications and English language, as well as transport in the country, if needed, for the ICAO expert.

3.1.3 The Cambodia Government/SSCA will provide office space, furniture, office equipment, local and international telephone, facsimile and electronic mail services, local transportation, stationery and office supplies, document reproduction facilities and all other material required by project personnel.

3.1.4 Expenses related to the use of premises, operation and maintenance of equipment and vehicles, public services, utilities, and the procurement of equipment, training aids, technical publications, reference material and other supplies required for project implementation etc., will be borne by Cambodia Government/SSCA.

3.1.5 The implementation of the training program for SSCA personnel will be supported by the SSCA as required: when attending training abroad the Government/SSCA Cambodia shall furnish the air tickets and will continue providing the salaries and other emoluments to its personnel. For training organized in-house the SSCA will support the expenses related to the fielding of an instructor as required.

3.1.6 The SSCA will ensure that updates to the Corrective Action Plans (CAPs) on the On-Line Framework (OLF) have been completed prior to the project commencing.

3.2 ICAO Inputs (funded by SAFE fund)

3.2.1 The following services will be provided by ICAO:

- a) Recruitment of an international Airworthiness Inspector (OPAS);
- b) Briefing, backup and debriefing of the Expert by ICAO RO and COSCAP-SEA as required; and,
- c) Review, finalization, printing and distribution of the Expert's reports, as required.

4. SUMMARY OF PLANNED SCHEDULE

4.1 The SSCA has indicated that they would like the project to commence as soon as possible. They have requested the on-site technical assistance be for a period of eight months. The SSCA has been scheduled for a USOAP audit from 30 November to 9 December 2015. They would like to have the support in place during the first quarter of 2015, at the latest, in order to gain the maximum benefits from the project in preparing for the USOAP audit.

4.2 The Expert shall finalize the project work plan in consultation with the Government/SSCA two weeks after the start of the project activities in-country and will transmit it to ICAO/TCB, the SSCA and COSCAP SEA for coordination purposes. Further revisions and updating of the project work plan shall be managed in the same way.

5. REQUIRED RESOURCES

5.1 The following resources will be required in order to begin the project:

- a) One Airworthiness OPAS expert to be assigned to Cambodia SSCA in Phnom Penh for a period of eight months – to commence first quarter 2015 – see Attachment A for required qualifications.
- b) Estimated Costs – see attached budget Attachment B.
- c) Potential for partners – funding requested from Boeing.

6. PROJECT PROGRESS AND RESULTS INDICATORS

6.1 Monitoring

6.1.1 *Monitoring* is the continuous process of analyzing and comparing what was planned and what was achieved by the project in terms of activities and results. It is the permanent gathering and regular analysis of data to determine if project inputs are sufficient, if their application is adequate, if the rules and procedures are being followed, if the work plan is being observed, so that adequate adjustments are made and timely corrective actions are taken.

6.1.2 Both the Government/SSCA and ICAO RO and COSCAP-SEA will monitor the project carefully, to ensure that its implementation will be carried out as stipulated.

6.1.3 ICAO Regional Office and COSCAP-SEA will monitor the project utilizing the following processes:

- a) Visits to project site, as required;
- b) Follow-up meetings;
- c) Government/SSCA periodic reports;
- d) Monthly activity reports from the Airworthiness Expert.

Note: — Data processing resources should be considered as a basic tool for the smooth functioning of the monitoring process.

6.2 Bipartite review meetings

6.2.1 The project will be subject to internal evaluation and control by bipartite review meetings (BPR) of representatives of the Government, SSCA and ICAO RO and COSCAP-SEA. The Expert will prepare and submit for each meeting a project progress report (PR) on internal evaluation of project outputs.

6.2.2 Bipartite review meetings will be held in accordance with the policies adopted by the parties directly involved in the project. The aim is to assess the progress of the project, based on the APR, so as to adopt recommendations to improve the design and implementation of the project in order to achieve the expected results.

6.2.3 The bipartite review meetings may be convened, when deemed necessary, by the Government, SSCA, ICAO RO or COSCAP-SEA, but at least once at the mid-point of the project.

6.2.4 The ICAO Airworthiness Inspector is responsible for organizing the BPR, in consultation with the Government/SSCA, ICAO RO and COSCAP-SEA, and shall prepare and circulate the respective report to the participants at least two weeks before the meeting.

6.3 Risk assessment

6.3.1 The most serious factor that could be the cause of major delays or impede the achievement of project objectives and outputs would be the availability of sufficient financial resources.

6.3.2 Other factors that could be the cause of delay or impediment for the achievement of project objectives and outputs are:

- a) Delay in approving the project;
- b) The lack of appropriate expert (s) and instructors to execute project activities;
- c) Delays in the provision of facilities, equipment and services required for project operation;
- d) Force majeure.

6.3.3 The negative effects of risks could be mitigated through sound management and continuous monitoring of project activities by the Cambodia Government/SSCA and ICAO.

7. GENERAL PROVISIONS

7.1 This Project Document is executed in furtherance of the COSCAP-SEA Programme Document between ICAO and the participating States that was signed by Cambodia on October 2001.

7.2 ICAO's policies, practices, procedures and rules will apply in implementing the services and inputs to be provided by it under the project.

7.3 The Cambodia Government/SSCA shall indemnify, hold harmless and, in consultation with ICAO, defend ICAO, including its personnel from any and all actions, claims or other demands arising out of any act performed by ICAO pursuant to the Project Document. The obligation under this clause does not lapse upon termination or completion of the services.

7.4 Nothing in or relating to this Project Document shall be deemed a waiver, express or implied, of any immunity from suit or legal process or any privilege, exemption or other immunity enjoyed or which may be enjoyed by ICAO and its Personnel either pursuant to the *Convention on the Privileges and Immunities of the Specialized Agencies, 1947* or other applicable conventions, agreements, laws or decrees.

7.5 Any dispute, controversy or claim arising out of or relating to the services shall be settled by direct negotiations between the ICAO and Cambodia Government/SSCA.

7.6 The implementation of the activities under the Project Document may be terminated at any time prior to its expiration with sixty (60) calendar days' notice in writing. Such termination shall not affect obligations already accruing to either party and the Parties will take the necessary steps to bring activities that are in progress at the time of such termination to an orderly conclusion.
