



# Advisory Circular

**Subject: Aircraft Certification Authorized Persons Located Outside Canada**

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## Table of contents

- 1.0 Introduction ..... 2**
- 1.1 Purpose ..... 2
- 1.2 Applicability ..... 2
- 1.3 Description of changes..... 2
- 2.0 References and requirements..... 2**
- 2.1 Reference documents ..... 2
- 2.2 Cancelled documents..... 2
- 2.3 Definitions and abbreviations ..... 2
- 3.0 Background ..... 3**
- 4.0 Remote delegate privileges..... 4**
- 4.1 Transport Canada jurisdiction for oversight ..... 4
- 4.2 Governance..... 5
- 4.3 Oversight ..... 6
- 5.0 Information management ..... 6**
- 6.0 Document history..... 6**
- 7.0 Contact us..... 7**

## 1.0 Introduction

- (1) This Advisory Circular (AC) is provided for information and guidance purposes. It describes an example of an acceptable means, but not the only means, of demonstrating compliance with regulations and standards. This AC on its own does not change, create, amend, or permit deviations from regulatory requirements, nor does it establish minimum standards.

### 1.1 Purpose

- (1) The purpose of this document is to provide guidance on how to include a person located outside of Canada as an Authorized Person (AP) within a Design Approval Organization (DAO) or Airworthiness Engineering Organization (AEO) that has an ordinary place of business in Canada.

### 1.2 Applicability

- (1) This document applies to all Transport Canada Civil Aviation (TCCA) employees and to individuals and organizations when they are exercising privileges granted to them under an external Ministerial delegation of authority. This information is also available to the aviation industry for information purposes.

### 1.3 Description of changes

- (1) Not applicable.

## 2.0 References and requirements

### 2.1 Reference documents

- (1) It is intended that the following reference materials be used in conjunction with this document:
  - (a) [Aeronautics Act](#) (R.S.C., 1985, c. A-2);
  - (b) Chapter 505 of the Airworthiness Manual (AWM) — Delegation of Authority;
  - (c) AC 505-002 — Airworthiness Control System for a Delegated Organisation (Aircraft Certification);
  - (d) Staff Instruction (SI) 500-003 – Aircraft Certification Level of Involvement;
  - (e) SI 505-001 – Delegation of Authority Process – Aircraft Certification; and
  - (f) Transport Canada – Risk Assessment Report – Granting Delegation to Remote Authorized Person. RDIMS 8110222.

### 2.2 Cancelled documents

- (1) Not applicable.

### 2.3 Definitions and abbreviations

- (1) The following **definitions** are used in this document:
  - (a) **Airworthiness Engineering Organization (AEO):** Means the group of individuals in the employ of and nominated by the applicant in accordance with subsections 505.103(c) and (d) and 505.105(e) of the AWM;

- (b) **Authorized Person (AP):** Means an individual nominated by an AEO or DAO, in accordance with subsection 505.105(e) and 505.405(e) of the AWM and authorized by TCCA to carry out certain specified authorized functions on behalf of the DAO or AEO for the Minister. An AP will have a Letter of Authorization (LOA) issued by the Minister and is governed by the AEO's or DAO's Design Approval Procedures Manual (DAPM) / Engineering Procedures Manual (EPM);
  - (c) **Delegate:** In the context of this AC, delegate means a corporation authorized pursuant to subsection 4.3(1) of the *Aeronautics Act* to perform functions on behalf of the Minister subject to the conditions specified in subchapters B or E of Chapter 505 of the AWM;
  - (d) **Design Approval Organization (DAO):** Means the group of individuals in the employ of and nominated by the applicant in accordance with subsections 505.403(c) and (d) and 505.405(e) of the AWM; and
  - (e) **Remote Authorized Person (Remote AP):** An AP that has a normal place of work outside of Canada.
- (2) The following **abbreviations** are used in this document:
- (a) **AEO:** Airworthiness Engineering Organization;
  - (b) **AP:** Authorized Person;
  - (c) **AWM:** Airworthiness Manual;
  - (d) **CARs:** *Canadian Aviation Regulations*;
  - (e) **DAO:** Design Approval Organization;
  - (f) **DAPM:** Design Approval Procedures Manual;
  - (g) **DAR:** Design Approval Representative;
  - (h) **EPM:** Engineering Procedures Manual;
  - (i) **FoC:** Finding of Compliance;
  - (j) **LOA:** Letter of Authorization; and
  - (k) **TCCA:** Transport Canada Civil Aviation.

### 3.0 Background

- (1) The Delegations and Surveillance Division administers procedures used by the National Aircraft Certification Branch to manage delegates authorized by the Minister to perform duties related to the design approval of aeronautical products.
- (2) The Minister may extend a delegation of authority to industry members as a privilege, to make a Finding of Compliance (FoC) or to approve designs, which allows the Minister to leverage the knowledge, experience and technical expertise that exists in industry in fulfilling the responsibilities of the Minister. In turn, the delegation system benefits industry by allowing companies to use Minister's delegates to bring aeronautical products to market with reduced delay.
- (3) The authority for the Minister to delegate comes from subsection 4.3(1) of the *Aeronautics Act*. The Minister uses the authority of the *Act* to authorize any person or class of persons (i.e., a person or a corporation) to make a FoC within their defined scope and in respect of the applicable aircraft certification requirements for a design approval.
- (4) The *Canadian Aviation Regulations* (CARs) do not set out rules of conduct for the delegation referred to in (3) above; however, Chapter 505 of the Airworthiness Manual (AWM) provides the

standards, or criteria, by which the Minister assesses the eligibility for and authorises a delegation.

- (5) To obtain a delegation of authority as a Design Approval Representative (DAR), subsection 505.203(f) of the AWM requires that an applicant be a Canadian citizen, or permanent resident, and have an ordinary place of business in Canada.
- (6) There is no citizenship or residency requirement for APs within a DAO or AEO; however, companies with an AEO or DAO are required to have an ordinary place of business in Canada, in accordance with subsections 505.103(b) or 505.403(b) of the AWM, respectively.
- (7) TCCA recognizes that the aeronautical product design industry has become increasingly global over past decades. Further, significant portions of the industry have coalesced from what were independent companies, each with a base of operations largely in one country, into a relatively fewer number of global companies. A single parent global company may maintain places of business in various countries, where each subdivision of the company may specialize in particular model lines and/or technological areas of expertise. In certain highly specialized engineering technical areas, there may even be too few experts globally to enable each base of operation to maintain their own separate expert(s) on staff. In these cases, rather than maintain a full-time cadre of expertise at each of its international bases of operation, the parent company may wish to maintain a core of specialized resources and to allocate them as needed on a project-by-project basis within its own global operations.
- (8) In consideration of these evolving business models, TCCA has decided to consider, under its delegation procedures, the possibility to expand the technical membership of DAOs and AEOs to include APs that may be working from a location outside of Canada. Where an AP that normally works from a location outside of Canada is authorized to perform functions on behalf of the Minister, this will be referred to as remote delegation and the AP so authorized would be referred to as a Remote Authorized Person (Remote AP). A risk assessment was completed to look at the impact of changing delegation policy to permit Remote APs in DAOs or AEOs.

#### **4.0 Remote delegate privileges**

- (1) The procedures with respect to remote delegation will be applied on a case-by-case basis.
- (2) In accordance with paragraph 505.101(b)(3) and 505.401(b)(3) of the AWM (“...in the employ of...”), the AP being nominated for remote delegation will be in the employ of a corporation that has a direct corporate relationship (i.e., common ownership, subsidiary, etc.) with the Canadian corporation of which the DAO or AEO is a part of. Third-party suppliers and contractors are not considered to have a direct relationship with the DAO or AEO.
- (3) DAOs or AEOs seeking the privilege of using a Remote AP are to propose processes to manage this privilege in such a manner as to ensure an equivalency to their Canada-based APs.
- (4) The applicant for Remote AP privileges is required to address all the paragraphs identified in section 4.

#### **4.1 Transport Canada jurisdiction for oversight**

- (1) The State of Design is Canada in respect of the DAO's or AEO's design approval activities.
- (2) The DAO or AEO activities will be conducted in either of the two official languages of Canada.
- (3) The *Aeronautics Act*, the CARs, Standards, and TCCA advisory and guidance materials are to be followed.

## 4.2 Governance

- (1) DAO or AEO responsibilities to manage APs are unchanged, regardless of the AP's geographic location.
- (2) Managing Remote APs is an additional item in the statement of commitment that the delegate includes in their Design Approval Procedures Manual (DAPM) or Engineering Procedures Manual (EPM).
- (3) There will exist a direct corporate relationship (i.e., common ownership, subsidiary, etc.) between the DAO or AEO site and the site at which the Remote AP is employed.
- (4) The authorization of persons outside of Canada is based on an underlying assumption that the critical mass of the DAO or AEO remains based in Canada. As such, a large majority of the AP population in the DAO or AEO are to work in Canada. Applications for a Remote AP may be denied on the basis that the existing number, or ratio of remote APs to Canada-based APs, is too high.
- (5) To the maximum extent practicable, the DAO or AEO will develop the required expertise and technical capability within Canada so that Canadian counterparts to the Remote AP will be developed for the DAO or AEO to minimize its reliance on remote delegation over time.
- (6) Remote AP candidates are to satisfy the requirements of section 505.109 of the AWM for AEOs and section 505.409 of the AWM for DAOs. A Remote AP must have graduated from a recognized university with an engineering degree or be certified or eligible for certification by a provincial association as a Professional Engineer in Canada, with a specialty relevant to the scope of authorization requested. Proposed Remote APs with foreign credentials must provide proof of Canadian equivalency. Consult the Canadian Information Centre for International Credentials for further information at <https://www.cicic.ca/2/home.canada>. TCCA will not consider Remote APs who do not meet these criteria.
- (7) It is impractical for TCCA to find that a Remote AP can meet the equivalency criterion in paragraph 505.109(b)(1) of the AWM ("or have knowledge and experience which, in the opinion of the Minister, is equivalent to the foregoing graduation or certification") or in subparagraph 505.409(b)(1)(iii) of the AWM. TCCA will therefore not consider Remote APs who do not meet the criteria in subparagraphs 505.409(b)(1)(i) or 505.409(b)(1)(ii) of the AWM, or in paragraph 505.409(b)(2) of the AWM where the speciality is test pilot ("...an equivalent qualification gained through engineering test flying"). Similarly, TCCA will not consider Remote APs who do not meet the non-equivalent criteria in paragraph 505.109(b)(1) of the AWM ("Be a graduate in an engineering discipline from a recognized University or be certified or eligible for certification by a Provincial Association as a professional engineer in Canada"). The expectations for the development of Remote APs are the same as for Canada-based APs.
- (8) All Remote AP applications will be reviewed by all Chiefs and Director of the TCCA National Aircraft Certification Branch.
- (9) Consideration of Remote AP applications will include an assessment of whether there would be an additional burden to TCCA in terms of time and cost for oversight of the Remote AP, as compared to a Canada-based AP. As such, TCCA will recover from the DAO or AEO any extra cost associated with international travel to perform reviews of the Remote AP. It may be expected that the Remote AP's managing TCCA office will require at least one in-person visit with the Remote AP each year, accomplished concurrently with other TCCA activities whenever possible, to supervise, monitor, train, and track the Remote AP's activity. On an ongoing basis, it is expected that TCCA staff interaction with the Remote AP would include provisions by the DAO or AEO to allow communication with the Remote AP in a manner that is comparable to what would otherwise be possible with a Canada-based AP. This would include providing access to data seamlessly, regardless of where the AP is located, and ensuring that the Remote AP will cooperate with the regulatory oversight activities.

- (10) Remote APs are to be available during regular office hours of the TCCA office that they report to, when communications with TCCA personnel are required.
- (11) Letters of Authorization (LOAs) for Remote APs will contain a “sunset clause”, indicating that the delegation expires within two years of issuance, at which time the ongoing delegation of authority will be re-evaluated for the purpose of renewal for a new term. An LOA may be withdrawn by the Minister in accordance with section 505.425 or 505.125 of the AWM.
- (12) A DAO or AEO that is granted a remote delegation privilege is to update their DAPM or EPM commitment section to acknowledge that the remote delegation contains a sunset clause, which will expire within two years of issuance, and that the remote delegation will be re-evaluated at that time.
- (13) A Remote AP seeking authorization must complete the Aircraft Certification Specialty Course, or equivalent TCCA accepted DAO or AEO training, prior to the authorization being granted.
- (14) Upon authorization of the Remote AP, TCCA will, as a courtesy, contact the CAA in the country where the Remote AP works, to inform it that the request for TCCA remote delegation has been granted.

#### **4.3 Oversight**

- (1) The DAO's or AEO's DAPM or EPM will be used to document the processes and procedures relating to the management of each Remote AP. Remote APs are required to work with Transport Canada regulations, standards, advisory, and guidance material when carrying out their functions as a Remote AP. The DAO or AEO will afford each Remote AP with the same resources and data as any other of their Canada-based APs to effectively carry out their authorized functions.
- (2) The DAO's or AEO's responsibilities to manage APs are unchanged, regardless of the AP's geographic location.
- (3) The DAO's or AEO's systems for Quality and Safety Management are to be extended to Remote APs. The DAO or AEO will establish a governance agreement for the Remote AP between the DAO or AEO and the management of the organization where the Remote AP resides.
- (4) TCCA's oversight responsibilities of the DAO or AEO remain unchanged.

#### **5.0 Information management**

- (1) Not applicable.

#### **6.0 Document history**

- (1) Not applicable.

## 7.0 Contact us

For more information, please contact:

Delegations and Surveillance Division (AARDL)

National Aircraft Certification Branch

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