


<b>OPERATIONS ADVISORY NOTICE (OAN)</b>		 Transport Malta Civil Aviation Directorate Flight Operations Inspectorate Security Gate 1 Luqa Airport Luqa LQA 3000 Malta
OAN Number: <b>11/14</b>	Issue Date: <b>15<sup>th</sup> December 2014</b>	
<b>Subject: Code-Share Arrangements</b>		

## 1.0 Introduction

Commission Regulation (EU) No. 965/2012 includes provisions for the regulation of the code-share agreements between EU Member State operators and Third-Country Operators (TCO).

This OAN provides guidelines to AOC holders to comply with ORO.AOC.115 requirements and related Acceptable Means of Compliance (AMC's) and Guidance Material (GM).

## 2.0 Safety of a Code-Share Agreement

When evaluating the safety of a code-share agreement, the inspectorate should check that the:

- i. Documented information provided by the applicant in accordance with ORO.AOC.115 is complete and shows compliance with the applicable ICAO standards; and
- ii. Operator has established a code-share audit programme for monitoring continuous compliance of the third country operator with the applicable ICAO standards.

The declaration shall be submitted to the Flight Operations Inspectorate as soon as the code-share agreement is finalised by both parties.

## 3.0 Operator Requirements

ORO.AOC.115 gives provisions for the requirements that an operator shall satisfy when entering a code-share agreement with a third-country operator.

The operator may only enter into such an agreement after:

- i. Having verified that the third country operator complies with the applicable ICAO standards; and
- ii. Having provided the competent authority with documented information enabling such authority to comply with ARO.OPS.105.

The operator shall monitor and regularly assess the ongoing compliance of the third country operator with the applicable ICAO standards. The operator shall also not sell and issue tickets for a flight operated by a third-country operator when subject operator is subject to an operating ban pursuant to Regulation (EC) No 2111/2005 or is failing to maintain compliance with the applicable ICAO standards.

## 4.0 Verification of Compliance

The initial verification of compliance with the applicable ICAO standards may be conducted by the operator at the third country's facilities. The audit should focus on the operational, management and control systems of the operator. The International Air Transport Association (IATA) Operational Safety Audit (IOSA) are considered to be a default standard. The scope of any in-house audits of other third-party audits should check compliance with at least the same ICAO standards.

#### 4.1 *Code-share audit programmes*

The ICAO standards are addressed by IOSA. IOSA standards are deemed to provide an equivalent level of safety, and its audit scopes fulfil the requirement of ORO.AOC.115 (b). The third country code-share operator should be audited at periods not exceeding 24 months. The beginning of the first 24-month oversight planning cycle is determined by the date of the first audit and should then determine the start and end dates of the recurrent 24-month planning cycle. The interval between two audits should not exceed 24 months.

The operator should maintain a list of the third country code-share operators monitored by the third party provider. This list and the full audit report prepared by the third party provider should be made available to TM-CAD upon request or whenever a change within the same list occurs.

#### **5.0 Oversight by TM-CAD**

The oversight of these code-share agreements shall form part of the operator's compliance system (Check 5). The oversight shall include verification that audits and compliance monitoring of applicable ICAO standards have been included in the operator's system.

#### **6.0 Applicability**

The requirements of Part-ARO and ORO apply only to code-share agreements where the Maltese AOC sells tickets on flights conducted by third country operators.

**Flight Operations Inspectorate**