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| **Subject: TM-CAD Group Operations Policy** | | |

## 1.0 INTRODUCTION

Group Operations[1] (GO) have been a reality for many years as the current regulatory framework does not prevent the implementation of this business model which accounts for a sizeable portion of the CAT traffic in the European Union.

However, several challenges have been identified in:

1. Establishing clear boundaries and caveats to the implementation of GO; and

2. Ensuring an adequate and efficient level of oversight of GO by the affected Competent Authorities (CA).

The lack of regulation has created two opposing forces in the industry –

1. Operators who will benefit from Group Operations.
2. Social and employment unions who would need to ensure that working conditions are not degraded.

Group Operations have also been included in the EASA Research Agenda. Area OP-03 titled Group Operations – assess regulatory obstacles and social implications at EU and international level describes the implications of such operations.

The regulatory framework does not currently support nor prohibit interoperability. As such it is TM-CAD policy to enable this model between AOCs established in a Member State. Organisations holding an AOC issued by TM-CAD shall ensure that the guidance and steps in this document are adhered to.

In 2021, TM-CAD participated in a dedicated Working Group composed of eleven participating NAAs. The result of this working group is the EASA Guidance to Competent Authorities in overseeing GO. This document allows the identification of two main pillars commonly used and practiced in GO.

1. Management System; and
2. Flight Crew Training and Checking.

*It was envisaged that guidance for Flight Time Limitations would be developed by end of 2022, however this is still pending.*

[1] There is no formal definition of GO in the relevant EU regulations. The closest relevant definition can be found in Art. 65 of the BR: *two or more organisations forming part of a single business grouping, each of which has a principal place of business in a different Member State and each of which holds a certificate.*

### 1.1 Evolution of the model

Upon the request of the Member States, in its Meeting of 7 October 2014 the Rulemaking Advisory Group (RAG) tasked EASA to assess the developments in the business models used by airlines and to identify hazards and assess related risks. EASA, therefore, set up a working group of 11 NAA representatives to identify hazards and assess risks stemming from the development of business models and to propose possible mitigating measures.

The Working Group (WG) delivered a set of recommendations in the form of actions for further analysis, which were included in the European Plan for Aviation Safety (**EPAS**).

Two of the EPAS actions **(EPAS Member State Task MST.022 and EPAS Safety Promotion Task SPT.073)** relate to the capability of operators to **capture new hazards within the operator's management system**.

This 'new model' has been invoked and practiced in Europe since the early 2000's and one of the main players were airlines in the TUI group and Thomas Cook, where different AOCs in different Member States needed to operate within a Group concept (i.e., crew are enabled to operate across different AOCs). TUI group studied the concept of aircraft cross-operating amongst different AOCs on a 'quick' term solution however this was deemed impossible due to legal implications.

To prepare the guide, EASA established an **Industry Safety Action Group**, which reviewed present and emerging threats that could potentially introduce new hazards. The group studied how the existing framework addresses these hazards and proposed a set of proportionate mitigating measures.

## 2.0 TYPES OF GROUP OPERATIONS

Some groups have reached a high level of integration of their AOC management systems, leading to harmonized operations, with increased efficiency and flexibility. In many cases, a "parent" AOC plays a prominent role in the financial, management and operational control of the other AOC, also providing centralized services, such as aircraft continuing airworthiness, crew rostering and staff training.

The gains in efficiency and flexibility could be offset by an increased complexity in managing the integration (i.e., ensuring all business, safety, compliance needs are addressed and remain aligned) and in the related oversight by the CA involved, particularly in case of significant sub-contracting. In many GO configurations, some CAs have reported difficulties in identifying clear accountabilities and responsibilities in each AOC management system, although by regulation each AOC is responsible for its management system, even if they all follow common group standards, policies, or procedures.

## 3.0 GROUP OPERATIONS GUIDANCE MATERIAL & CHECKLIST

TM-CAD has prepared the GO Application Package (available on Centrik). This document is based on the EASA published documentation that has been prepared after consultation referred to in 1.1. It is recommended that interested operators prepare all the material required and establish a ***Group Operations Manual.*** This manual shall serve as the basis for verification required by TM-CAD and other counterpart NAAs.

The GO Application is divided into eight subdivisions related to Management System, and three Flight Crew Training and Checking subdivisions. Operators may elect to make use of specific clusters and not others. This depends on the level of integration between AOCs.

*GO is not applicable for operations between EASA Members State AOCs and AOCs certified in Third Countries.*

**No crediting can be given to operator specific training and checking that was provided by a TCO if no BASA or delegated act exists that is catering for such acceptance or crediting.**

## 4.0 HAZARD IDENTIFICATION & RISK ASSESSMENT PROCESS

Each application cluster provides non-exhaustive guidance to the potential hazards and threats posed to the group. The documentation shall be part of the risk management process enabled in the management system, and GO shall be part of the organisation's risk profile.

## 5.0 OPERATORS OPTING TO USE GO

Operators wanting to make use of GO, shall contact TM-CAD and the counterpart NAA. The submission should include a clear plan (objectives to be reached, and how GO will be implemented), management of change and associated risk assessments. Each cluster or group contains a non-exhaustive list of hazards that shall be included in the assessment.

Ideally prior to GO implementation a Cooperative Oversight Agreement (COA) between CA should be in place but this is not mandatory. Operators shall facilitate all the oversight and verification exercises that will be required in the process. Oversight will not be shared unless an agreement is reached between the CAs.

### 5.1 Trial Phase

The GO shall be subject to a trial period of 90 days. The scope of the trial is to ensure that no safety concerns arise from such operations.

### 5.2 GO Report

Each AOC holder shall provide TM-CAD with a monthly GO report. This should at least contain the following elements –

- Number of flights operated with crew members of other AOC.
- Number of Safety Reports and/or MORs raised during GO flights.
- FTL exceedance reports during GO flights.

## 6.0 MANAGEMENT OF DIFFERENCES

Alignment of procedures is a key enabler in GO setup. Operators requiring the use of GO shall ensure that any differences arising in manuals and associated procedures are managed within each AOC. These differences shall form part of the mandatory training course for flight crew and cabin crew when changing from one operator to the other.

## 7.0 COMPETENT AUTHORITY (CA) PROCESS

GO can have an impact on the CA work processes. GO may not be effective without CA cooperation. TM-CAD and the other participating CA enter a Cooperative Oversight Agreement (COA). Such COAs provide a fundamental working tool for authorities to agree and cooperate in a systemic manner. This is also a requirement as per ARO.GEN.200 and authorities are obliged to exchange all safety related information.

The scope of the areas of oversight accountability and responsibility for each CA detailed in such COA needs to be clearly defined to mitigate any potential safety risk or to avoid any gap in oversight.

### 7.1 Validation

Each CA retains its responsibilities on certification and oversight of the AOCs it has issued; nevertheless, each CA may rely to a certain extent on the verifications (initial or continued) performed by another CA, provided this "validation" is described in the CA procedures and, possibly, in the related COA *(note that ARO.GEN.205 "Allocation of tasks to qualified entities" does not apply to COA between CAs).*

This is a second-phase step in cooperation between CAs, which may only take place after the mechanisms in the COA and no safety concerns are flagged because of GO.

## 8.0 LEGAL RESPONSIBILITY

The CA of the operator's principal place of business remains however legally responsible for those tasks, unless they have been re-allocated to another Member State or EASA in accordance with Articles 64 or 65 of Regulation (EU) 2018/1139. Furthermore, TM-CAD's remit is limited to the constraints of the Basic Regulation and EU 965/2012.

**FLIGHT OPERATIONS INSPECTORATE**