

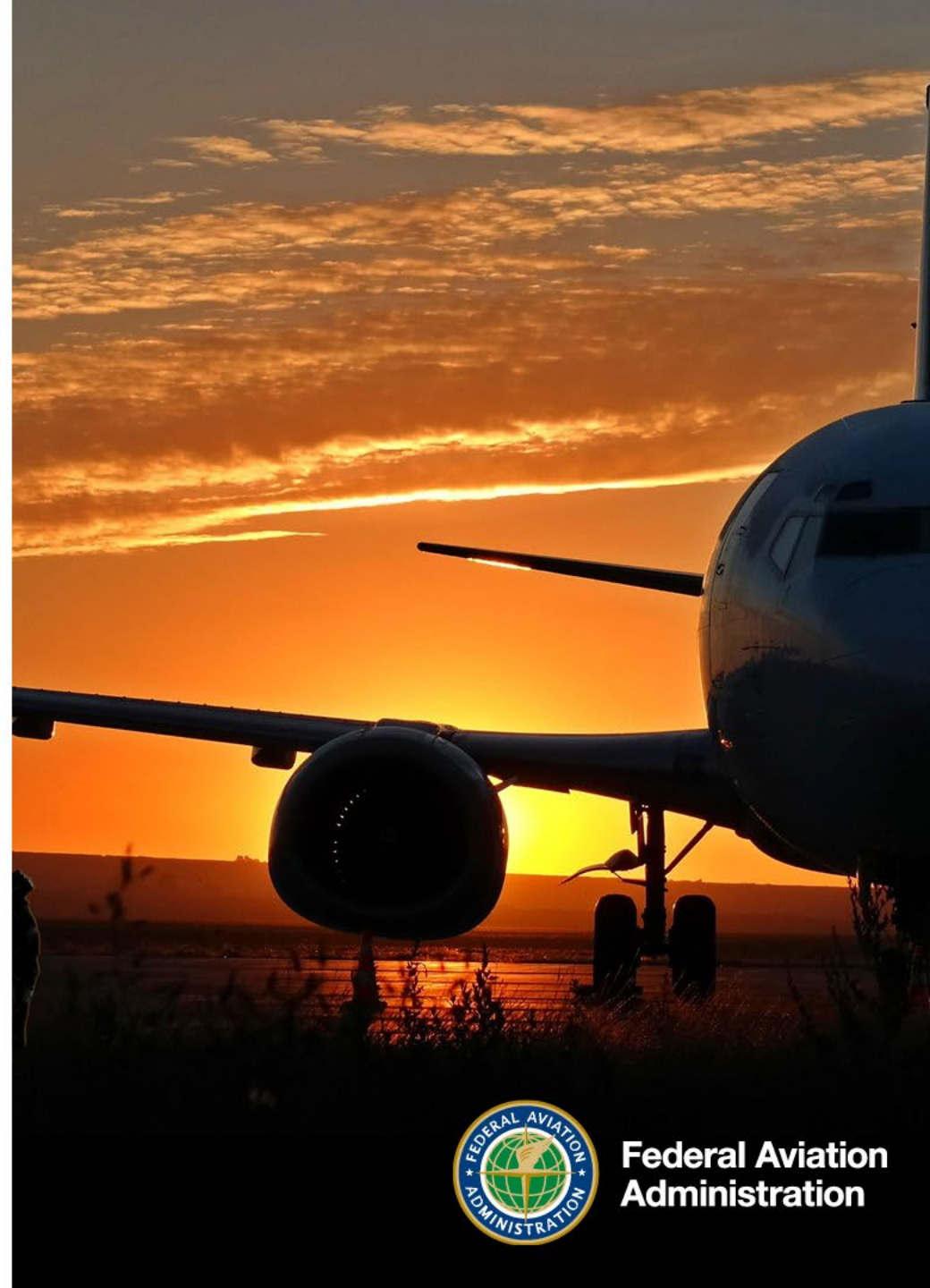
EASA 2024 SMS Workshop

FAA 14 CFR Part 5 Overview

Presented to: EASA Design Organizations
By: Michael Alberts, FAA, Aircraft
Date: Certification Service, AIR-600
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**Federal Aviation
Administration**



FAA SMS Part 5 Rule Amendment

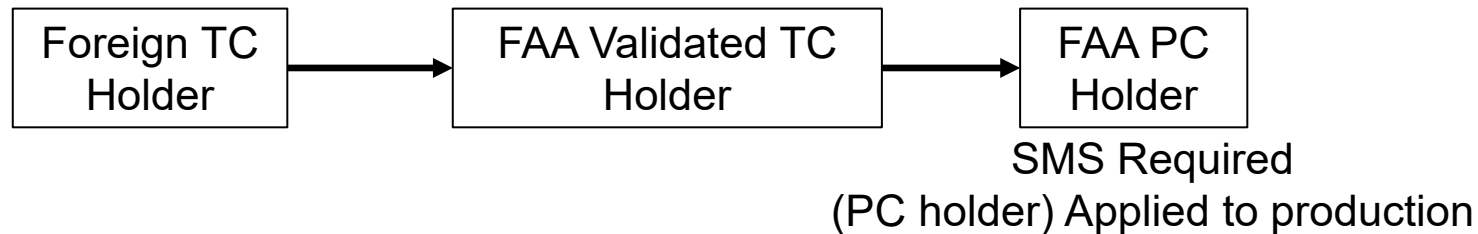
- **Part 5 SMS final rule published 26 April 2024 and is effective 28 May 2024**
 - Extends SMS requirements (currently for air carriers) to commuter and on-demand operators, air tour operators, and certain type certificate (TC) and production certificate (PC) holders
- **TC and PC applicability aligned with ICAO Annex 19 to require SMS for organizations that design or manufacture products (Aircraft, Engines, or Propellers)**
 - Holders of TC and PC for the same product
 - PC holders that are licensees of a TC for the same product
 - TC holders (except for validated TCs) that license their TC for production of a product
 - Includes licensing to obtain a FAA PC, foreign PC, or equivalent foreign production approval



SMS Applicability for Split State of Design / State of Manufacture

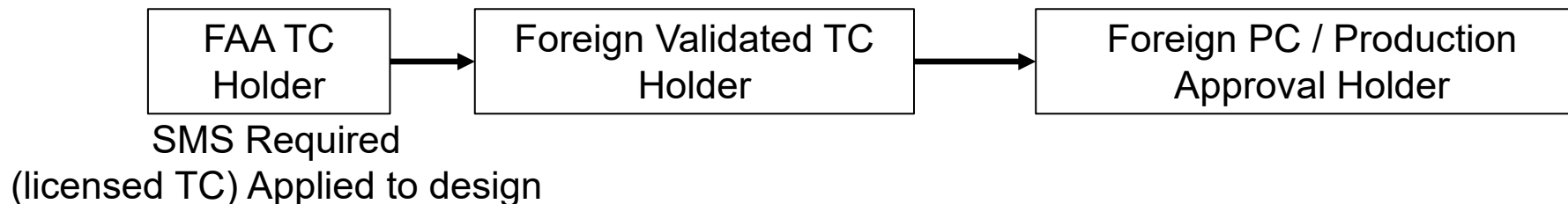
- **Foreign State of Design and U.S. State of Manufacture**

- U.S. PC holder must have an SMS



- **U.S. State of Design and Foreign State of Manufacture**

- U.S. TC holder must have an SMS



Voluntary SMS Program

- **Holders of the following are not required to meet part 5, but may participate in the FAA Voluntary SMS (VSMS) program:**
 - PC for parts only (not a complete product)
 - TC where there is no associated PC (product that was never, or is no longer, produced)
 - FAA Validated TC that is licensed to another person to obtain a PC
 - Supplemental Type Certificates (STC) and PC for an STC
 - Technical Standard Order Authorizations (TSOA)
 - Parts Manufacturer Approval (PMA)
- **FAA will provide SMS “acceptance” letter upon successful VSMS implementation**



SMS Implementation Timing

- **Existing TC and PC Holders:**
 - Submit implementation plans by 28 November 2024 (6 months after effective date)
 - Complete SMS implementation by 28 May 2027 (36 months after effective date)
- **New PC Applicants:**
 - Submit implementation plan during production certification process (making application for PC)
 - Complete SMS implementation within 36 months after submitting implementation plan
- **TC Holders entering into new licensing agreement:**
 - Submit implementation plan when entering into licensing agreement (to obtain a PC)
 - Complete SMS implementation within 36 months after submitting implementation plan
- **VSMS design and production approval holders:**
 - Submit implementation plan after entering into voluntary SMS program
 - Approval holder receives SMS acceptance letter following FAA confirmation that SMS meets part 5



SMS Final Rule and Policy Summary

- **14 CFR Part 5: Contains the amended regulatory text for SMS rule**
- **AC 21-58: Provides acceptable means to comply with part 5**
 - Includes Regulatory Text followed by a Discussion (explanation of the process), Implementation Strategy (example of an acceptable means of compliance), and a Scalability Example (recognizing there is a spectrum of complexity within products and organizations)
- **Order 8120.24: Process for FAA to approve SMS implementation plans, complete SMS verification and, complete SMS evaluation**
 - Work Instructions: Instructions for FAA workforce to complete requirements in Order 8120.24
 - Data Collection Tools: Questions FAA workforce will ask during SMS verification and evaluation compliance
- **Order 8120.25: Process for FAA to conduct SMS oversight**
 - Currently under development



Part 5 Meets Requirements in ICAO Annex 19

- **Original part 5 published in 2015 and applicable to part 121 operators – met ICAO Annex 19 framework.**
 - Subpart A: General
 - Subpart B: Safety Policy
 - Subpart C: Safety Risk Management
 - Subpart D: Safety Assurance
 - Subpart E: Safety Promotion
 - Subpart F: SMS Documentation and Recordkeeping
- **Original part 5 written generally so it could be applied in the future to other aviation service providers.**



Key Part 5 Changes in Final Rule

- **Updated Hazard Definition:**
 - Improved alignment with ICAO Annex 19 definition
 - Hazard defined as “a condition or an object that could foreseeably cause or contribute to an incident or aircraft accident”
- **Implementation Plan Required**
 - Meets statutory requirement for TC & PC holders to “adopt” an SMS
 - Describes means of compliance used to meet part 5
 - *Not required by ICAO Annex 19*



Key Part 5 Changes in Final Rule

- **Safety Policy Includes a Code of Ethics**
 - Meets statutory requirement clarifying that safety is the organization's highest priority
 - *Not required by ICAO Annex 19*
- **Provide an Organizational System Description**
 - Defines boundaries of where SMS is applied in the organization
 - Summarizes the processes, procedures, activities, personnel, equipment, and facilities that impact the aviation safety of the products and services provided
 - Includes processes and procedures for design and certification, production, and continued operational safety
 - *Not required by ICAO Annex 19*



Key Part 5 Changes in Final Rule

- **Provide and Receive Hazard Notifications:**
 - Provide hazard notifications to interfacing persons who could address the hazard or mitigate the risk
 - Interfacing person must contribute to the safety of the product or service provided
 - Investigate (under safety assurance) hazard notifications received from external sources
 - *Not required by ICAO Annex 19*
- **Provide Confidential Employee Report Summaries**
 - Meets statutory requirement to provide FAA with a summary of the confidential employee reports received every six months
 - *Not required by ICAO Annex 19*



FAA SMS Objectives

- **Mutual acceptance of EASA member's SMS**
 - No impact to product validations
- **Part 5 SMS requirements only applied to U.S. based design or manufacturing operations**
- **No expectation that EASA members adopt part 5 SMS requirements that are outside ICAO Annex 19 framework**



- FAA webpage: SMS for Design and Manufacturing Organizations
 - https://www.faa.gov/about/initiatives/sms/specifics_by_aviation_industry_type/design_and_manufacturing_organizations
- Federal Register: Safety Management System Final Rule
 - [Federal Register: Safety Management Systems](#)

Questions?

