

**SUBJ: PRODUCTION APPROVAL HOLDER USE OF OTHER-PARTIES  
TO SUPPLEMENT THEIR SUPPLIER CONTROL PROGRAM**

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**1. PURPOSE.** This order provides information and guidance concerning the use by Federal Aviation Administration (FAA) production approval holders (PAH) of other-party registered suppliers and contracted other-party supplier surveillance and assessments. A PAH includes holders of a Production Certificate, Parts Manufacturer Approval, Technical Standard Order authorization, or Approved Production Inspection System. This order also provides information and guidance concerning PAH registration by another-party. In some countries, the term "certification" is used instead of "registration." For the purpose of this order, the term "registration" will include "certification."

**2. DISTRIBUTION.** This order is distributed to the branch level in the Aircraft Certification Service and to the Flight Standards Service; to the branch level in the Aircraft Certification Division; to the Flight Standards Division; to all Flight Standards District Offices; to all Aircraft Certification Offices; to the branch level in the Aircraft Certification and Airworthiness Offices at the Mike Monroney Aeronautical Center; to the Regulatory Support Division in the Flight Standards Service; to the Suspected Unapproved Parts Program Office; and to the Brussels Aircraft Certification Division.

**3. RELATED FEDERAL REGULATIONS AND ORDERS.**

- a. Title 14 Code of Federal Regulations, part 21, Certification Procedures for Products and Parts.
- b. FAA Order 8120.2, Production Approval and Surveillance Procedures.
- c. Advisory Circular 21-20, Supplier Surveillance Procedures.

**4. DEVIATIONS.** Adherence to the procedures in this order is necessary for uniform administration of this directive material. Any deviations from this guidance material must be coordinated and approved by AIR-200. If a deviation becomes necessary, the FAA employee involved should be guided by sound judgment, ascertaining that all deviations are substantiated, documented, and concurred with by the appropriate supervisor and AIR-200. FAA employees are NOT federally protected for the work they perform if that work is done outside the scope of national policy.

**5. GENERAL.** Production approval holders are required by part 21 to have an inspection/quality control system that ensures purchased items, raw materials, parts, components, and assemblies produced by suppliers to a PAH conform to the approved design and are in a condition for safe operation. The use of other-party organizations to perform supplier surveillance and assessments and to provide supplier registration may be part of a PAH's supplier control program, if appropriate controls are in place as described in this order. A description of these other-party services is provided in the following paragraphs.

- a. Contracted other-party supplier surveillance and assessments is a method whereby a PAH contracts with an other-party, such as a consulting firm or contract quality assurance company, for the

purpose of surveilling and/or assessing a PAH's supplier. Standards to be used by the other-party are agreed upon in advance by the PAH and the other-party.

**NOTE: Contracted other-party supplier surveillance and assessments does not include persons with the same responsibilities and chain of command as those directly on the PAH's payroll and who work exclusively to the PAH's supplier surveillance group's procedures. These persons are considered part of the PAH's supplier surveillance group.**

b. Other-party registration is a method whereby a supplier contracts with an appropriately recognized or accredited other-party for the purpose of obtaining a registration. The recognized or accredited other-party organization is normally a professional society, such as the Society of Automotive Engineers, the National Aerospace and Defense Contractors Accreditation Program, the American Society of Mechanical Engineers, or an ISO 9000 registrar accredited by a group such as the Registrar Accreditation Board. Registration indicates that the supplier has satisfactorily demonstrated an inspection and quality control system that meets the requirements of the other-party on a continuing basis.

c. Other-party registration results in placing the supplier on the other-party's list of registered organizations, or in the supplier receiving a certificate of registration identifying the requirements that have been met. Periodic follow-up evaluations are conducted by the other-party to verify continued compliance with its requirements. A PAH may contract to obtain registration for its own specific functions and may also contract to obtain registration of one or more of its suppliers for specific functions. In most cases, however, a supplier initiates its own contract for registration.

**6. SUBMITTAL OF PROCEDURES.** Production approval holders should submit other-party surveillance and/or registration procedures, or changes thereto, to the FAA for review prior to implementation. This will help ensure that the procedures in this order are consistently applied. The PAH should also review these procedures periodically and revise them as required to ensure that they are current, operational, and continue to meet the requirements of part 21.

## **7. USE OF OTHER-PARTIES TO PERFORM SUPPLIER SURVEILLANCE AND ASSESSMENTS AND SUPPLIER REGISTRATION.**

a. Upon receipt, the cognizant Manufacturing Inspection District Office (MIDO), Manufacturing Inspection Satellite Office (MISO), or Certificate Management Office (CMO) shall review the use of other-party contracted supplier surveillance and assessments and other-party registered suppliers as a part of a PAH's quality system to ensure the requirements of part 21, as applicable, are met.

(1) This review shall be accomplished in a manner consistent with existing procedures for quality system evaluation.

(2) The use of contracted supplier surveillance and assessments and registered suppliers does not exempt the PAH from its regulatory design and quality control responsibilities. These responsibilities cannot be delegated by contractual commitments or any other means.

(3) The PAH remains responsible for initial approval and ongoing supplier control, oversight of all supplier surveillance and assessments, corrective action and follow-up, and appeals process activity conducted at any of its supplier facilities.

**b.** Regardless of other-party methods used, all suppliers remain subject to FAA surveillance.

**c.** Prior to using contracted supplier surveillance and assessments or registered suppliers, the cognizant MIDO/MISO/CMO shall ensure that a control process has been fully documented and properly implemented by the PAH in accordance with existing FAA requirements and the following criteria:

**(1)** Identification of the other-party that has registered or will register suppliers, or will conduct supplier surveillance and assessments.

**(2)** A listing of registered suppliers to be used and/or suppliers under contracted surveillance by the other-party. This listing shall be maintained by the PAH and made available to the FAA upon request.

**(3)** The method used by the PAH to evaluate the registration process of any other-party registration body used. This applies not only to new suppliers, but also to any decision by the PAH to rely on other-party registration of current suppliers. The method shall include the following items as a minimum:

**(a)** Verification that registration standards and checklists used by the other-party are equivalent to or better than the PAH's quality procedures and surveillance criteria that are currently in place under the PAH's supplier control program.

**(b)** Verification that the other-party's surveillance frequency of the supplier is commensurate with the complexity of the product, and with the surveillance frequency currently established by the PAH's supplier control program.

**(c)** Verification that the supplier surveillance was conducted on-site by the other-party.

**(d)** Verification that the other-party has access to applicable proprietary data to the extent necessary to surveil supplier functions.

**(e)** Verification that the surveillance report will be made available to the FAA upon request.

**(f)** Verification that the other-party continues to be recognized or accredited.

**(4)** An indication to what degree the other-party will conduct supplier surveillance on behalf of the PAH. If the other-party replaces surveillance in part, the PAH shall identify the functions that will continue to be surveilled by the PAH.

**(5)** The method used by a supplier and the other-party to notify the PAH whenever a nonconformance that would prevent registration or lead to the loss of an existing registration is discovered at the supplier's facility. The PAH shall also have an established method that ensures the supplier continues to report nonconformances to the PAH.

**(6)** The procedure to be followed by the PAH to ensure that all purchased items, raw materials, parts, components, and assemblies produced by suppliers conform to the FAA-approved design data and are in a condition for safe operation.

(7) The general requirements to be levied upon the other-party contracted to support the PAH in surveilling and assessing a supplier shall also include provisions for the cognizant MIDO/MISO/CMO to accompany the other-party upon request.

d. The PAH shall ensure that any purchase order with an other-party registered supplier specifies compliance with the requirements of the other-party that issued the registration, along with the PAH's requirements.

## **8. REGISTRATION OF A PAH BY OTHER-PARTIES.**

a. Registration indicates that the PAH has satisfactorily demonstrated to the other-party an inspection and quality control system that meets the requirements of the other-party. This results in placing the PAH on the other-party's list of registered organizations.

b. A PAH may contract to obtain registration for one or more of its own specific functions and may also contract to obtain registration of one or more of its suppliers for specific functions. In most cases, however, a supplier would initiate its own contract for registration.

c. When a PAH proposes to obtain and use other-party registration as part of its quality system, the PAH shall ensure and show the cognizant MIDO/MISO/CMO that use of the other-party's standards will continue to produce parts that conform to the FAA-approved design. The PAH shall also show that the other-party's standards meet or exceed the applicable part 21 requirements. Registration of a PAH by other-parties will not be a substitute for, or relieve the PAH of, FAA oversight to part 21 requirements.

**9. INFORMATION CURRENCY.** Any deficiencies found, clarifications needed, or improvements to be suggested regarding the content of this order should be forwarded to the Aircraft Certification Service, Automated Systems Branch, AIR-520, Attention: Directives Management Officer, for consideration. FAA Form 1320-19, Directive Feedback Information, is located on the last page of this order for your convenience. If an interpretation is urgently needed, you may contact the Production and Airworthiness Certification Division, AIR-200, at (202) 267-8361, but you should also use Form 1320-19 as a follow-up to the verbal conversation.

Frank P. Paskiewicz  
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Certification Division, AIR-200



U.S. Department  
of Transportation

**Federal Aviation  
Administration**

### Directive Feedback Information

Please submit any written comments or recommendations for improving this directive, or suggest new items or subjects to be added to it. Also, if you find an error, please tell us about it.

Subject: Order 8120.12

To: Directive Management Officer, AIR-520.

*(Please check all appropriate line items)*

An error (procedural or typographical) has been noted in paragraph \_\_\_\_\_ on page \_\_\_\_\_.

Recommend paragraph \_\_\_\_\_ on page \_\_\_\_\_ be changed as follows:  
*(attach separate sheet if necessary)*

In a future change to this directive, please include coverage on the following subject  
*(briefly describe what you want added):*

Other comments:

I would like to discuss the above. Please contact me.

Submitted by: \_\_\_\_\_ Date: \_\_\_\_\_

FTS Telephone Number: \_\_\_\_\_ Routing Symbol: \_\_\_\_\_