Model CIVIL AVIATION SAFETY ACT

[STATE]

VERSION 2.9

November 2019

[THIS PAGE INTENTIONALLY LEFT BLANK]

AMENDMENTS

| Location | Date | Description |
| --- | --- | --- |
| Throughout | 11/2019 | Removed 'Model' from title and on all pages |
| Throughout | 11/2019 | Replaced the § symbol with 'Section' |
| Introduction | 11/2019 | Changed the title for the Chicago Convention to reflect its correct name |
| Introduction | 11/2019 | Section edited for clarification |
| Title | 11/2019 | Changed from 'civil aviation authority' to 'Authority' throughout the Act |
| Section 102 | 11/2019 | Section edited for clarification |
| Section 102 | 11/2019 | New definition added (b) (3) |
| §102(b)(12) | 11/2004 | Definition replaced |
| Section 102 | 11/2019 | New definition added (b) (16) |
| Section 102 | 11/2019 | New definition added (b) (17) |
| Section 102 | 11/2019 | Revised definition based on Annex change (b) (29) |
| Section 102 | 11/2019 | Revised definition based on Annex change (b) (30) |
| Section 102 | 11/2019 | Spare parts definition removed based on Annex change |
| Section 103 | 11/2019 | New section added |
| §201 | 11/2004 | Two options for §201 – one for Parliamentary systems and one for Republics – both included in model |
| §201 | 08/2006 | §201 split into §201 Parliamentary System and §202 Republic System for formatting purposes only and instructional notes adjusted accordingly. Remaining sections in Subchapter II renumbered |
| Section 202 | 11/2019 | Section edited for clarification |
| Section 203 | 11/2019 | Section edited for clarification |
| Section 204 | 11/2019 | Section edited for clarification |
| §205 | 11/2004 | Section added for a Parliamentary system |
| Section 205 | 11/2019 | Section edited for clarification |
| Section 206 | 11/2019 | Section edited for clarification |
| Section 301 | 11/2019 | Section edited for clarification |
| Section 303 | 11/2019 | Section edited for clarification |
| Section 305 | 11/2019 | Section edited for clarification |
| Section 305 | 11/2019 | Section edited for clarification |
| Section 306 | 11/2019 | Section edited for clarification |
| §306 | 11/2004 | New section |
| Section 401 | 11/2019 | Section edited for clarification |
| Section 402 | 11/2019 | Section edited for clarification |
| Section 403 | 11/2019 | Section edited for clarification |
| Section 404 | 11/2019 | Section edited for clarification |
| Section 405 | 11/2019 | Section edited for clarification |
| §405 | 11/2004 | Section replaced |
| Section 406 | 11/2019 | Section edited for clarification |
| Section 407 | 11/2019 | Section edited for clarification |
| Section 407 | 11/2019 | Revised Section title |
| Section 409 | 11/2019 | Section edited for clarification |
| Section 410 | 11/2019 | Section edited for clarification |
| Section 411 | 11/2019 | Section edited for clarification |
| Section 412 | 11/2019 | Revised Section title |
| Section 412 | 11/2019 | Section edited for clarification |
| Section 413 | 11/2019 | Section edited for clarification |
| Section 413 | 11/2019 | New subsection (d) added, Aviation Safety Inspectors |
| Section 414 | 11/2019 | Section edited for clarification |
| Section 415 | 11/2019 | Section edited for clarification |
| Section 415 | 11/2019 | New subsection (d) added |
| Section 416 | 11/2019 | Section edited for clarification |
| Section 417 | 11/2019 | Section edited for clarification |
| Section 418 | 11/2019 | Revised Section title |
| Section 418 | 11/2019 | Revised ICAO Document |
| §418 | 11/2004 | Wording added to denote paragraph applies to a Republic system |
| Section 419 | 11/2019 | Section edited for clarification |
| Section 419 | 11/2019 | New subsection (c) added for Article 83 bis |
| §419 | 11/2004 | New section to allow for regional cooperation. Two options for §419 – one for Parliamentary systems and one for Republics – both included in model |
| Section 420 | 11/2019 | New Section added for Parlimentary System |
| Section 501 | 11/2019 | Section edited for clarification |
| §501(c) | 09/2006 | Those eligible to register an aircraft clarified |
| Section 502 | 11/2019 | Section edited for clarification |
| Section 601 | 11/2019 | Section edited for clarification |
| Section 602 | 11/2019 | Section edited for clarification |
| Section 602 | 11/2019 | New subsection (f) added, Radio Operator Licence |
| Section 603 | 11/2019 | Section edited for clarification |
| Section 603 | 11/2019 | Revised Section title |
| Section 603 | 11/2019 | New subsection (e) added, Radio Station Licence |
| Section 604 | 11/2019 | Section edited for clarification |
| Section 605 | 11/2019 | Section edited for clarification |
| §605 | 11/2004 | “Schools” changed to “Approved Training Organisations” per ICAO Annex 1 amendment |
| Section 606 | 11/2019 | New Section added |
| Section 607 | 11/2019 | Section edited for clarification |
| Section 608 | 11/2019 | Section edited for clarification |
| Section 609 | 11/2019 | Section edited for clarification |
| Section 610 | 11/2019 | Section edited for clarification |
| Section 611 | 11/2019 | Revised Section title |
| Section 611 | 11/2019 | Section edited for clarification |
| Section 612 | 11/2019 | Section edited for clarification |
| Section 701 | 11/2019 | Section edited for clarification |
| §701(c) | 11/2004 | Second sentence added |
| Section 702 | 11/2019 | Section edited for clarification |
| Section 801 | 11/2019 | Section edited for clarification |
| Section 802 | 11/2019 | Section edited for clarification |
| Section 803 | 11/2019 | Section edited for clarification |
| Section 804 | 11/2019 | Section edited for clarification |
| Section 807 | 11/2019 | Section edited for clarification |
| Section 808 | 11/2019 | Section edited for clarification |
| Explanatory Note | 11/2019 | Section edited for clarification |
| Section 901 | 11/2019 | Section edited for clarification |
| Section 902 | 11/2019 | Section edited for clarification |

[THIS PAGE INTENTIONALLY LEFT BLANK]

**INTRODUCTION**

The Model Civil Aviation Safety Act (Act) provides a legal basis for the establishment of a civil aviation authority (CAA) in [STATE], referred to in the Act and the Model Civil Aviation Regulations (MCARs) as the Authority. The Act establishes the Authority under the Director of Civil Aviation (DCA), referred to in the Act as the Director, and defines the duties and authority granted to the Director under the law of [STATE].

The Act consists of nine chapters. Chapters I through IV address the organisation, administration, and general powers and duties of the Authority. Chapter V requires the registration of aircraft in [STATE] and makes the maintenance of a system of recordation of such registration a matter of law. Chapter VI sets forth the statutory bases for safety regulation by the Authority, including the licensing and certification of aviation personnel and operators, the duties required of operators and airmen, the power of inspection granted to the Authority, and the prohibitions applicable to all citizens of [STATE] respecting aviation. Chapter VII sets forth the civil and criminal penalties that may be imposed by the Authority for violations of the law or the regulations, and Chapter VIII establishes the procedure that is to be followed by the Authority in enforcement action. Chapter IX establishes the statutory authority for the economic regulation of air operators, where a Minister is given such authority.

It is recognised that most signatories to the Convention on International Civil Aviation (Chicago Convention) may already have a civil aviation law. The purpose of the Model Civil Aviation Safety Act is to provide the basis for review and modification of existing law, where such review and modification is deemed necessary by [STATE].

[THIS PAGE INTENTIONALLY LEFT BLANK]

**CONTENTS**

[CIVIL AVIATION SAFETY ACT 1](#_Toc21525032)

[Chapter I — GENERAL PROVISIONS 1](#_Toc21525033)

[Section 101. Short Title 1](#_Toc21525034)

[Section 102. Definitions 1](#_Toc21525035)

[Section 103. Abbreviations 3](#_Toc21525036)

[Chapter II — ORGANISATION OF AUTHORITY 5](#_Toc21525037)

[Section 201. Creation of Authority – Parliamentary System 5](#_Toc21525038)

[Section 202. Creation of Authority – Republic 5](#_Toc21525039)

[Section 203. Statement of Authority Policy 6](#_Toc21525040)

[Section 204. Qualifications of Director 6](#_Toc21525041)

[Section 205. Officers and Employees 6](#_Toc21525042)

[Section 206. Board of Directors – Parliamentary System 6](#_Toc21525043)

[Chapter III — ADMINISTRATION OF THE AUTHORITY 7](#_Toc21525044)

[Section 301. Cooperation With Other Agencies 7](#_Toc21525045)

[Section 302. Acquisition of Property 7](#_Toc21525046)

[Section 303. Authorisation to Contract 7](#_Toc21525047)

[Section 304. Exchange of Information 7](#_Toc21525048)

[Section 305. Delegation of Functions 7](#_Toc21525049)

[Section 306. Authorisation to Impose Fees for Services 7](#_Toc21525050)

[Chapter IV — GENERAL POWERS AND DUTIES 9](#_Toc21525051)

[Section 401. General 9](#_Toc21525052)

[Section 402. Orders 9](#_Toc21525053)

[Section 403. Applicability of Administrative Procedure Act 9](#_Toc21525054)

[Section 404. Public Compliance 9](#_Toc21525055)

[Section 405. Exemptions 9](#_Toc21525056)

[Section 406. Development of Civil Aviation 10](#_Toc21525057)

[Section 407. Airspace Control 10](#_Toc21525058)

[Section 408. Air Navigation Facilities 10](#_Toc21525059)

[Section 409. Regulation of Air Traffic 10](#_Toc21525060)

[Section 410. Commercial Air Transport Security 11](#_Toc21525061)

[Section 411. Training Schools 11](#_Toc21525062)

[Section 412. Accident and Incident Investigation 11](#_Toc21525063)

[Section 413. Flight Standards Inspectorate 12](#_Toc21525064)

[Section 414. Validation 12](#_Toc21525065)

[Section 415. Right of Access for Inspection 13](#_Toc21525066)

[Section 416. Authority to Prevent Flight 13](#_Toc21525067)

[Section 417. Authority Respecting the Transportation of Dangerous Goods by Air 13](#_Toc21525068)

[Section 418. International Obligations 13](#_Toc21525069)

[Section 419. Authority to Enter Into Regional Cooperative Aviation Safety Agreements – Republic 14](#_Toc21525070)

[Section 420. Authority to Enter Into Regional Cooperative Aviation Safety Agreements – Parliamentary System 14](#_Toc21525071)

[Chapter V — NATIONALITY AND OWNERSHIP OF AIRCRAFT 15](#_Toc21525072)

[Section 501. Aircraft Registration 15](#_Toc21525073)

[Section 502. Recordation of Interests in Aircraft 15](#_Toc21525074)

[Chapter VI — SAFETY REGULATION OF CIVIL AVIATION 17](#_Toc21525075)

[Section 601. General Safety Powers and Duties 17](#_Toc21525076)

[Section 602. Airman Licences or Certificates 17](#_Toc21525077)

[Section 603. Certificates of Airworthiness 18](#_Toc21525078)

[Section 604. Air Operator Certificate 18](#_Toc21525079)

[Section 605. Approved Training Organisations and Approved Maintenance Organisations 18](#_Toc21525080)

[Section 606. Type Certificates 18](#_Toc21525081)

[Section 607. Form of Applications 19](#_Toc21525082)

[Section 608. Air Navigation Facility Safety Standards 19](#_Toc21525083)

[Section 609. Duty of Operators and Airmen 19](#_Toc21525084)

[Section 610. Authority to Inspect 20](#_Toc21525085)

[Section 611. Amendment, Modification, Suspension, and Revocation of Licences and Certificates 20](#_Toc21525086)

[Section 612. Prohibitions 20](#_Toc21525087)

[Chapter VII — PENALTIES 23](#_Toc21525088)

[Section 701. Civil Penalties 23](#_Toc21525089)

[Section 702. Criminal Penalties 23](#_Toc21525090)

[Chapter VIII — PROCEDURE 27](#_Toc21525091)

[Section 801. Conduct of Proceedings 27](#_Toc21525092)

[Section 802. Complaints to and Investigations by the Director 27](#_Toc21525093)

[Section 803. Evidence 27](#_Toc21525094)

[Section 804. Designation of Agent for Service 28](#_Toc21525095)

[Section 805. Venue 28](#_Toc21525096)

[Section 806. Judicial Review of Orders 29](#_Toc21525097)

[Section 807. Judicial Enforcement 29](#_Toc21525098)

[Section 808. Procedure for Civil Penalties 29](#_Toc21525099)

[Explanatory Note Concerning Air Operator Economic Regulation 31](#_Toc21525100)

[Chapter IX — AIR OPERATOR ECONOMIC REGULATION 33](#_Toc21525101)

[Section 901. Certificate of Public Convenience and Necessity 33](#_Toc21525102)

[Section 902. Permits to Foreign Air Operators 34](#_Toc21525103)

# CIVIL AVIATION SAFETY ACT

An Act to create an independent Authority, to provide for the regulation and promotion of civil aviation in [STATE], to foster its safe development, and for other purposes incidental thereto.

## GENERAL PROVISIONS

1. Short Title

This Act may be cited as the “Civil Aviation Safety Act.”

1. Definitions
	1. [STATE]. The term [STATE] in this Act means the land and water territory of [STATE] to the outer limits of the territorial sea and includes the airspace above such territory.
	2. The following definitions apply to these words where they are used in this Act.
		1. **Aerial work.** An aircraft operation in which an aircraft is used for specialised services such as agriculture, construction, photography, surveying, observation and patrol, search and rescue, aerial advertisement, etc.
		2. **Aerodrome.** A defined area on land or water (including any buildings, installations, and equipment) intended to be used either wholly or in part for the arrival, departure, and surface movement of aircraft.
		3. **Aeronautical product.** Any aircraft, aircraft engine, or aircraft propeller, or a part to be installed thereon.
		4. **Aircraft.** Any machine that can derive support in the atmosphere from the reactions of the air other than the reactions of the air against the earth’s surface. The term “aircraft,” when used in this Act or in regulations issued under this Act, shall apply only to civil aircraft and not to State or public aircraft.
		5. **Aircraft engine.** Any engine used, or intended to be used, for propulsion of aircraft, including all parts, appurtenances, and accessories thereof other than propellers.
		6. **Aircraft piracy.** Any actual or attempted seizure or exercise of control, by force or violence or by any other form of intimidation, with wrongful intent, of an aircraft within the jurisdiction of [STATE].
		7. **Airman.** Refers to:
			1. Any individual who engages, as the person in command or as a pilot, mechanic, or member of the crew, or who navigates an aircraft while the aircraft is underway;
			2. Any individual in charge of the maintenance, overhaul, modification, repair, or inspection of aircraft or aeronautical products; or
			3. Any individual who serves in the capacity of flight operations officer.
		8. **Air navigation facility.** Any facility used in, available for use in, or designed for use in the aid of air navigation, including aerodromes, landing areas, and lights; any apparatus or equipment for disseminating weather information, signalling, radio directional finding, or radio or other electrical communication; and any other structure or mechanism having a similar purpose for guiding or controlling flight in the air or the landing and take-off of aircraft.
		9. **Air operator.** Any person or organisation that undertakes to engage in domestic commercial air transport or international commercial air transport, whether directly or indirectly or by a lease or any other arrangement.
		10. **Air operator certificate (AOC).** A certificate authorising an operator to carry out specified commercial air transport operations.
		11. **Annexes to the Chicago Convention.** The documents issued by ICAO containing the SARPs applicable to civil aviation.
		12. **Appliances.** Instruments, equipment, apparatus, parts, appurtenances, or accessories, of whatever description, that are used, or are capable of being or intended to be used, in the navigation, operation, or control of aircraft in flight (including parachutes, communication equipment, and any other mechanism or mechanisms installed in or attached to aircraft during flight) and that are not part or parts of aircraft or aeronautical products.
		13. **Citizen of [STATE].** Refers to one of the following:
			1. An individual who is a citizen of [STATE];
			2. A partnership of which each member is a citizen of [STATE]; or
			3. A corporation or association created or organised and authorised under the laws of [STATE].
		14. **Civil aircraft.** Any aircraft other than a State or public aircraft.
		15. **Civil aviation.** The operation of any civil aircraft for the purpose of general aviation operations, aerial work, or commercial air transport operations.
		16. **Commercial air transport operation.** A civil aviation operation involving the transport of passengers, cargo, or mail for remuneration or hire.
		17. **Convention on International Civil Aviation (Chicago Convention).** The Convention on International Civil Aviation concluded in Chicago, IL, United States of America, in 1944, in effect, 1947. The Articles of the Chicago Convention govern the actions of the Contracting States in matters of international civil aviation safety directly and through the Annexes to the Chicago Convention, which set forth the ICAO SARPs.
		18. **Crew member.** A person assigned by an operator to duty on an aircraft during a flight duty period.
		19. **Dangerous goods.** Articles or substances that are capable of posing a risk to health, safety, property, or the environment and are shown in the list of dangerous goods in the Technical Instructions or are classified according to those instructions.
		20. **Director.** The DCA appointed under this Act.
		21. **Foreign air operator.** Any air operator, other than a [STATE] air operator, that undertakes, whether directly or indirectly or by lease or any other arrangement, to engage in commercial air transport operations within the borders or airspace of [STATE], whether on a scheduled or charter basis.
		22. **General aviation operation.** The operation of a civil aircraft for other than a commercial air transport operation or an aerial work operation.
		23. **ICAO.** Where used in this Act, an abbreviation for the International Civil Aviation Organization.
		24. **International commercial air transport.** The carriage by aircraft of persons or property for remuneration or hire, or the carriage by aircraft of mail, between any two or more countries.
		25. **Minister.** The Minister responsible for civil aviation.
		26. **Navigable airspace.** The airspace above the minimum altitudes of flight prescribed by regulations under this Act; includes airspace needed to ensure safety in the take-off and landing of aircraft.
		27. **Navigation of aircraft.** A function that includes the piloting of aircraft.
		28. **Operator.** A person or organisation engaged in or offering to engage in an aircraft operation. Any person who causes or authorises the operation of aircraft (in the capacity of owner, lessee, or otherwise), whether with or without the control of the aircraft, shall be deemed to be engaged in the operation of aircraft within the meaning of this Act.
		29. **Person.** Any individual, firm, partnership, corporation, company, association, joint stock association, or body politic, including any trustee, receiver, assignee, or other similar representative of these entities.
		30. **Propeller.** A device for propelling an aircraft that has blades on a powerplant-driven shaft and, when rotated, produces by its action on the air a thrust approximately perpendicular to its plane of rotation. It includes control components normally supplied by its manufacturer but does not include main and auxiliary rotors or rotating aerofoils of powerplants.
		31. **Public aircraft.** An aircraft used exclusively in the service of any government or of any political jurisdiction thereof, including the government of [STATE], but not including any government-owned aircraft engaged in operations that meet the definition of commercial air transport operations.
		32. **Special aircraft jurisdiction of [STATE].** Includes:
			1. Civil aircraft of [STATE]; and
			2. Any other aircraft within the jurisdiction of [STATE] while the aircraft is in flight, which is from the moment when all external doors are closed following embarkation until the moment when one such door is opened for disembarkation or, in the case of a forced landing, until the competent authorities take over the responsibility of the aircraft and the persons and property aboard.
		33. **Validation.** The written acceptance of an action of the civil aviation authority of another country in lieu of an action that this Act assigns to the Director.
2. Abbreviations
	1. The following abbreviations are used in this Act:
		1. **AC –** advisory circular
		2. **AOC –** air operator certificate
		3. **ATC –** air traffic control
		4. **AMO –** approved maintenance organisation
		5. **ATO –** approved training organisation
		6. **DCA –** Director of Civil Aviation
		7. **ICAO –** International Civil Aviation Organization
		8. **SARPs –** Standards and Recommended Practices

[THIS PAGE INTENTIONALLY LEFT BLANK]

## ORGANISATION OF AUTHORITY

Note: A State will use Sections 201 or 202 of this chapter depending on its form of government.

* 1. Creation of Authority – Parliamentary System

Note: A parliamentary system generally follows the British parliamentary model, in which most of the executive powers of government are vested in the majority leadership of the legislative body and the Head of State may, to a greater or lesser degree, play a smaller role in the executive leadership of the country than in a republic. As a general rule, executive direction is vested in a Prime Minister and his or her chosen ministers, one of whom may have civil aviation within his or her portfolio. There is usually no set time period for the term of a Prime Minister and the government may change upon a number of actions, the most common of which is a vote of no confidence or a call for a general election. The execution of the ministerial direction, usually through broadly written regulations, is vested in a civil service headed by a DCA. To meet the independence recommendation in ICAO Doc 9734, Part A, The Establishment and Management of a State Safety Oversight System, the Director usually effects control of the safety of civil aviation through schedules, Implementing Standards, or Aviation Standards that, where designated, carry the force and effect of the regulations. The term “Minister” is not confined to parliamentary systems and may be used in the system of a republic. The Head of State may be a monarch or an elected president.

* 1. MINISTERIAL DIRECTION. The Minister of [APPROPRIATE TITLE] shall oversee the operations of the Authority, established as set forth below. The Minister of [APPROPRIATE TITLE] shall delegate the authority and responsibility attendant upon the direction of the operation of the Authority to a DCA.
	2. ESTABLISHMENT OF AUTHORITY HEADED BY A DIRECTOR. The Authority shall be headed by a DCA, referred to in this Act as the “Director,” who shall be appointed by the [PRIME MINISTER/MINISTER OF (APPROPRIATE TITLE)], with the advice and consent of the [LEGISLATIVE BODY/BODIES], and shall be responsible to the Minister of [APPROPRIATE TITLE] for all civil aviation in [STATE] and for the administration of this Act. The Director shall be appointed for a minimum term of \_\_\_ years and may not be removed except for cause by a resolution signed by the [PRIME MINISTER/MINISTER OF (APPROPRIATE TITLE)].
	3. RESPONSIBILITY OF DIRECTOR.The Director shall be responsible for the exercise of all powers and the discharge of all duties of the Authority and shall have control over all personnel and activities of the Authority.
	4. Creation of Authority – Republic

Note: A republic is usually defined by the election of the Head of State for a defined period of time. The Head of State is directly responsible for carrying out the executive functions, which are usually defined in a State document such as a constitution. Ordinarily, the legislature authorises the formation of executive functions through the combination of its fiscal and other authority defined in the State document. In such systems, the Authority may be set forth by statute and organised and administered by the executive under the statutory scheme set forth by the legislature. The Authority itself may be under the authority of a “Minister” or “Secretary” established by the legislature and executed by the executive power.

(a) ESTABLISHMENT OF AUTHORITY HEADED BY A DIRECTOR. The Authority shall be headed by a DCA, referred to in this Act as the “Director,” who shall be appointed by the [LEADER/PRESIDENT OF (STATE)], with the advice and consent of the [LEGISLATIVE BODY/BODIES], and shall be responsible for all civil aviation in [STATE] and for the administration of this Act. The Director shall be appointed for a minimum term of \_\_\_ years and may not be removed except for cause by a resolution signed by the [LEADER/PRESIDENT OF (STATE), HEAD/HEADS OF LEGISLATIVE BODY/BODIES].

(b) RESPONSIBILITY OF DIRECTOR. The Director shall be responsible for the exercise of all powers and the discharge of all duties of the Authority and shall have control over all personnel and activities of the Authority.

* 1. Statement of Authority Policy
	2. In the exercise and performance of the powers and duties assigned under this Act, the Director shall consider the following, among other things, as being in the public interest:
		1. The promotion, encouragement, and development of safety in civil aviation; and
		2. The regulation of civil aviation in such a manner as to best promote safety.
	3. Qualifications of Director
	4. The Director shall be appointed with regard to fitness for the efficient discharge of the powers and duties vested in and imposed by this Act.
	5. At the time of nomination, the Director shall have significant management and/or technical experience in a field directly related to civil aviation.
	6. The Director shall have no monetary interest in, nor shall the Director own any stocks or bonds of, any aeronautical enterprise, nor shall the Director engage in any other business, vocation, or employment.
	7. Officers and Employees
	8. The Director may elect, employ, and appoint such officers, employees, consultants, attorneys, and agents as shall be necessary to carry out the provisions of this Act, and shall define their authority and duties. No officer, employee, or attorney of the Authority shall have a monetary interest in, nor own any stocks or bonds of, any aeronautical enterprise.
	9. Board of Directors – Parliamentary System
	10. The management of the business and financial aspects of the Authority shall be carried out by the Director, with the advice and direction of a Board of Directors appointed under the laws of [STATE].

Note 1: The functions of a Board of Directors have been established in most States with a parliamentary system; these functions should be set forth as subordinate clauses to this section.

Note 2: The functions of the Board of Directors shall not include the aviation safety authority of the Director under paragraph 201(c) of this chapter. While a Board of Directors may serve in an advisory capacity, in no way should it be constituted so as to diminish the authority of the Director regarding aviation safety.

## ADMINISTRATION OF THE AUTHORITY

* + 1. Cooperation With Other Agencies
	1. The Director shall have the power to use, with their consent, the available services, equipment, personnel, and facilities of other agencies of [STATE], on a reimbursable basis when appropriate, and, on a similar basis, to cooperate with those agencies in the establishment and use of services, equipment, personnel, and facilities of the Authority.
		1. Acquisition of Property
	2. The Director may, where appropriate:
		1. Accept on behalf of [STATE] any gift or donation of money or other property, real or personal, or of services; and
		2. Acquire by purchase, lease, or otherwise personal and real property or interests therein, including, in the case of air navigation facilities owned and operated by [STATE], easements through, or other interests in, airspace immediately adjacent thereto and needed in connection therewith.
		3. Authorisation to Contract
	3. The Director shall be authorised, subject to available appropriations and applicable laws of [STATE] and in furtherance of the proper exercise of assigned powers and duties under this Act, to contract or otherwise arrange for the services of private persons and private, public, or governmental organisations.
		1. Exchange of Information
	4. The Director shall have the power to exchange with foreign governments, through appropriate agencies of the government of [STATE], information pertaining to civil aviation.
		1. Delegation of Functions
	5. DELEGATION TO OFFICERS, EMPLOYEES, AND ADMINISTRATIVE UNITS OF AUTHORITY. The Director may, subject to such regulation, supervision, and review as may be prescribed, authorise the performance by any officer, employee, or administrative unit under the Director’s jurisdiction of any function under this Act.
	6. DELEGATION TO PRIVATE PERSONS. The Director shall have the power to delegate any assigned powers and duties to any properly qualified private person, subject to such regulation, supervision, and review as may be prescribed. However, the Director shall ensure that such functions are not delegated in such a way that air operators, aerial work or general aviation operators, and maintenance organisations, in effect, regulate themselves.
		1. Authorisation to Impose Fees for Services
	7. The Director may impose fees for services of the Authority, including authorisations, approvals, inspections, and the administration of licences and certificates, and shall maintain and publish a schedule of all such fees. Changes in fees to be imposed shall be the subject of a notice of general circulation.

[THIS PAGE INTENTIONALLY LEFT BLANK]

## GENERAL POWERS AND DUTIES

* + - 1. General
	1. GENERAL AUTHORITY. The Director shall have the power to perform such acts, to conduct such investigations, to issue and amend such orders, and to make and amend such general or special rules, regulations, and procedures pursuant to and in accordance with the provisions of this Act, as the Director shall deem necessary to carry out the provisions of, and the exercise and performance of, the powers and duties assigned under this Act.
	2. PUBLICATIONS. The Director shall, in such form and manner as may be best adapted for public information and use, provide for the publication of all reports, orders, decisions, rules, and regulations issued under this Act.
	3. EVIDENCE. In the conduct of any public hearings or investigations authorised by this Act, the Director shall have the power to take evidence, issue subpoenas, and take depositions. Actions of the Director in such cases shall be governed by the procedures specified in Chapter VIII of this Act.
		+ 1. Orders
	4. EFFECTIVE DATE. Except in emergency situations, all orders, rules, directives, regulations, and requirements of the Director shall take effect within such reasonable times as the Director may prescribe, and shall continue in force until a further order, rule, directive, regulation, or requirement or for a specified period of time, as shall be prescribed in the order, rule, directive, regulation, or requirement.
	5. EMERGENCIES. Whenever the Director is of the opinion that an emergency requiring immediate action exists with respect to safety in civil aviation, the Director shall have the power, either upon complaint or upon the Director’s initiative without complaint, at once, if the Director so orders, without answer or other form of pleading by the interested person or persons, and with or without notice, hearing, or the making or filing of a report, to make such just and reasonable orders, rules, directives, regulations, or requirements as may be essential in the interest of safety in civil aviation to meet such emergency, provided that the Director shall immediately thereafter initiate proceedings relating to the matter giving rise to any such order, rule, directive, regulation, or requirement.
	6. SUSPENSION AND MODIFICATION OF ORDERS. The Director shall have the power to suspend or modify orders, rules, directives, regulations, and requirements upon such notice and in such manner as the Director shall find proper.
		+ 1. Applicability of Administrative Procedure Act
	7. Except as otherwise provided in this Act, in the exercise of making orders, rules, directives, and regulations under this Act, the Director shall be subject to the provisions of the [STATE ADMINISTRATIVE PROCEDURE] Act.
		+ 1. Public Compliance
	8. It shall be the duty of any person (along with any agent and employees thereof, in the case of entities other than individuals) subject to this Act to observe and comply with any order, rule, directive, regulation, requirement, licence, or certificate issued by the Director under this Act and affecting such person, so long as the same shall remain in effect.
		+ 1. Exemptions
	9. Only the Director may grant exemptions from the requirements set forth in this Act or in its regulations if the Director finds such action would be in the public interest.
	10. The Director shall issue regulations governing the application for and approval of exemptions.
	11. The Director shall publish any exemption actions taken.
	12. Except as provided in paragraphs 405(a), (b), and (c) of this section, the Director may not grant exemptions from the requirements of this Act.
		+ 1. Development of Civil Aviation
	13. The Director shall be authorised and empowered to encourage and foster the safe development of civil aviation in [STATE].
		+ 1. Airspace Control
	14. USE OF AIRSPACE. The Director shall be authorised and empowered to develop, plan for, and formulate policy with respect to the use of the navigable airspace of [STATE]. The Director may assign, by order, rule, directive, regulation, or requirement, the use of the navigable airspace under such terms, conditions, and limitations as the Director may find necessary to ensure the safety of aircraft and the efficient utilisation of such airspace.
	15. LIMITS ON AUTHORITY. The authority granted to the Director under this section shall be exercised only in that airspace for which ATC responsibility has not been assigned to a foreign country by international agreement or other arrangement.
		+ 1. Air Navigation Facilities
	16. The Director may, within the limits of available appropriations:
		1. Acquire, establish, and improve air navigation facilities wherever necessary; and
		2. Operate and maintain such air navigation facilities.
			1. Regulation of Air Traffic
	17. GENERAL. The Director shall have the power to prescribe, as in the opinion of the Director may be necessary in the interests of aviation safety, air traffic rules and regulations governing the:
		1. Flight of aircraft;
		2. Navigation, protection, and identification of aircraft;
		3. Protection of persons and property on the ground; and
		4. Efficient utilisation of the navigable airspace, including rules as to the safe altitude of flight and rules for the prevention of collision between aircraft, between aircraft and land or water vehicles and objects, and between aircraft and airborne objects.
	18. FACILITIES AND PERSONNEL. The Director shall be authorised to provide, as required in the interest of aviation safety, the necessary facilities and personnel for the regulation and protection of air traffic.
	19. LIMITS ON AUTHORITY. The authority granted to the Director under this section shall be exercised only in that airspace for which ATC responsibility has not been assigned to a foreign country by international agreement or other arrangement.
	20. NATIONAL DEFENCE AND CIVIL NEEDS. In exercising the authority granted in, and in discharging the duties imposed by, this Act, the Director shall give full consideration to the requirements of national defence, commercial and general aviation, and to the public right of transit through the navigable airspace.
		+ 1. Commercial Air Transport Security
	21. SCREENING. The Director shall prescribe reasonable regulations requiring that all passengers and all property intended to be carried in the aircraft cabin in commercial air transport be screened by weapon-detecting procedures or facilities employed or operated by employees or agents of the air operator or foreign air operator prior to boarding the aircraft for such transportation.
	22. PROTECTION AGAINST VIOLENCE AND PIRACY. The Director shall be authorised to prescribe such other reasonable orders, rules, directives, regulations, and requirements requiring such practices, methods, and procedures as the Director may find necessary to protect persons and property aboard aircraft operating in commercial air transport against acts of criminal violence and aircraft piracy.
	23. PROCEDURES FOR INSPECTIONS, DETENTIONS, AND SEARCHES. The Director shall, to the extent practicable, require uniform procedures for the inspection, detention, and search of persons and property in domestic commercial air transport and international commercial air transport to assure their safety and to assure that they will receive courteous and efficient treatment by air operators and their agents and employees.
		+ 1. Training Schools
	24. AUTHORITY TO OPERATE. The Director may conduct a school or schools for the purpose of training employees of the Authority in those subjects necessary for the proper performance of all authorised functions of the Authority. The Director also may authorise the attendance by other governmental personnel, personnel of foreign governments, or personnel of the aeronautical industry at courses given in such schools.
	25. OFFSET OF TRAINING COSTS. The Director shall be authorised, where appropriate, to require payment of appropriate consideration to offset the costs of training provided by such school or schools.
		+ 1. Accident and Incident Investigation

Note: The determination of cause for aviation accidents and incidents is normally entrusted to a governmental authority different from the CAA. Combining analysis for probable cause with safety regulation and enforcement within the same governmental organisation presents the potential for continuing conflict.

* 1. REPORTING OF ACCIDENTS AND INCIDENTS. The Director shall promulgate orders, rules, directives, regulations, and requirements governing the notification and reporting of accidents and incidents involving aircraft.
	2. GENERAL AUTHORITY TO INVESTIGATE. Except as provided in paragraph 412(c) of this section, the Director shall have:
		1. The power and shall investigate, or shall arrange by contract or otherwise for the investigation of, accidents and incidents involving civil aircraft occurring in [STATE] and civil aircraft registered in [STATE] occurring outside the territory of any foreign country for the purpose of determining the facts, conditions, and circumstances relating to each accident and incident and the probable cause thereof; and
		2. The authority to participate in the investigation of accidents and incidents involving aircraft registered in [STATE] and occurring in the territory of a foreign country, consistent with any treaty, convention, agreement, or other arrangement between [STATE] and the country in whose territory the accident or incident occurred.
	3. ACCIDENT AND INCIDENT PREVENTION. The Director shall take any corrective actions which, on the basis of the findings of the accident and incident investigations authorised under this section, in the judgement of the Director, will tend to prevent similar accidents and incidents in the future.
	4. INVESTIGATION OF ACCIDENTS AND INCIDENTS WITHIN MILITARY SITES. Notwithstanding any other provision of this section, the investigation of an accident or incident involving aircraft and occurring within a military site in [STATE], or an accident or incident involving solely an aircraft of the armed forces of any foreign country occurring in [STATE], shall be the responsibility of the military. For the purposes of this paragraph, the term “military site” means an area within [STATE] that is under the control of the military of [STATE] or the military of another country.
	5. USE AS EVIDENCE. No part of any report or reports of the Director relating to any accident or incident or the investigation thereof shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report or reports.
		+ 1. Flight Standards Inspectorate
	6. ESTABLISHMENT. The Director shall be authorised to establish an organisation to assist in carrying out the responsibilities of the Director’s office for licensing, certification, and ongoing inspections of aircraft, airmen, and air operators.
	7. FACILITIES AND PERSONNEL. The Director shall be authorised to provide, as required in the interest of aviation safety, the necessary facilities and personnel for the Flight Standards Inspectorate for the performance of their function.
	8. DIVISIONS. The divisions that shall be included in this inspectorate are:
		1. Airworthiness Inspection;
		2. Flight Operations;
		3. Personnel Licensing; and
		4. Aviation Medical.
	9. AVIATION SAFETY INSPECTORS. The Director shall employ inspectors who shall be charged with the duty of making such inspections of aircraft and/or aeronautical products designed for use in air transportation, during manufacture and while used by the holder of an AOC, as may be necessary to enable the Director to determine that such aircraft and/or aeronautical products are in safe condition and are properly maintained for operation in air transportation, and of advising and cooperating with each air operator in the inspection and maintenance thereof by the holder of an AOC.
		+ 1. Validation
	10. The Director is authorised, in the discharge of certification and inspection responsibilities, to validate the actions of the civil authority of another State in lieu of taking the specific action, with the following restrictions:
		1. For actions on airman or airworthiness certificates, the other State must be a signatory to the Chicago Convention and be fulfilling their obligations under the Chicago Convention with respect to the issuance and currency of these certificates.
		2. For actions applicable to air operators, the Director must exercise discretion and require supporting documents. The Director should ensure that, when validation is based on the actions of another civil aviation authority, there is no information to indicate that State does not meet their obligations under the Chicago Convention regarding certification and ongoing validation of their air operators.
			1. Right of Access for Inspection
	11. The Director shall have access to civil aircraft and associated documents without restriction, wherever such aircraft are operated within [STATE], for the purposes of determining that those aircraft are airworthy and are being operated in accordance with this Act, with regulations issued under this Act, and with applicable ICAO Annexes.
	12. The Director shall be authorised access to civil aircraft registered in [STATE] without restriction, wherever such aircraft are operated in the world, for the purposes of determining that those aircraft are airworthy and are being operated in accordance with this Act and with applicable orders, rules, directives, regulations, and requirements.
	13. The Director shall be authorised access by [STATE] air operators at any place and any time to conduct any tests or inspections in order to determine that those operations are conducted in accordance with this Act and applicable orders, rules, directives, regulations, and requirements.
	14. The Director shall be authorised access to aerodromes, air navigation services facilities, hangars, AMOs, workshops, ramps, fuel storage facilities, cargo loading and handling areas, and aviation training organisation facilities in [STATE].
		+ 1. Authority to Prevent Flight
	15. The Director shall be authorised to direct the operator or airman of a civil aircraft that the aircraft is not to be operated in situations where:
		1. The aircraft may not be airworthy;
		2. The airman may not be qualified or physically or mentally capable for the flight; or
		3. The operation would cause imminent danger to persons or property on the ground.
	16. The Director may take such steps as are necessary to detain such aircraft or airmen.
		+ 1. Authority Respecting the Transportation of Dangerous Goods by Air
	17. The Director shall monitor and enforce compliance with the provisions of ICAO Annex 18, *The Safe Transport of Dangerous Goods by Air,* and ICAO Doc 9284, *Technical Instructions for the Safe Transport of Dangerous Goods by Air* (Technical Instructions), and is authorised to submit variations to the Technical Instructions on behalf of [STATE] where necessary.
		+ 1. International Obligations
	18. In exercising and performing powers and duties under this Act, the Director shall act consistently with any obligation assumed by the government of [STATE] under any international treaty, convention, and agreement that may be in force between the government of [STATE] and any foreign countries.
		+ 1. Authority to Enter Into Regional Cooperative Aviation Safety Agreements – Republic
	19. The Director shall encourage regional cooperation in the regulation and administration of aviation safety.
	20. The Director may enter into agreements for cooperative endeavours in aviation safety with other regional Contracting States to the Chicago Convention. In doing so, the Director shall have the authority, in coordination with [NAME OF FOREIGN MINISTRY OR DEPARTMENT OF FOREIGN AFFAIRS], to negotiate, agree to, and manage any such international regional agreement. The Director may, where appropriate to civil aviation safety and the public interest, further delegate certain aviation safety tasks under the international agreement to citizens of [STATE] or to citizens of the Contracting State with which [STATE] has entered into an international regional agreement.
	21. If [STATE] ratifies Article *83 bis* of the Chicago Convention, it shall recognise the validity of certificates of airworthiness, radio licences, and crew licences issued or rendered valid by the State of the Operator, in accordance with the bilateral agreement with that State.
		+ 1. Authority to Enter Into Regional Cooperative Aviation Safety
			Agreements – Parliamentary System
	22. The Minister of [APPROPRIATE TITLE] shall encourage regional cooperation in the regulation and administration of aviation safety.
	23. The Minister of [APPROPRIATE TITLE] may enter into agreements for cooperative endeavours in aviation safety with other regional Contracting States to the Chicago Convention. In coordination with [NAME OF FOREIGN MINISTRY OR DEPARTMENT OF FOREIGN AFFAIRS], the Minister of [APPROPRIATE TITLE] may, by regulation, delegate to the Director the authority to negotiate, agree to, and manage any such international regional agreement. In entering into such an international regional agreement, the Minister of [APPROPRIATE TITLE] may, where appropriate to civil aviation safety and the public interest, allow the Director to further delegate certain aviation safety tasks under the international regional agreement to citizens of [STATE] or to citizens of the Contracting State with which [STATE] has entered into an international regional agreement.

## NATIONALITY AND OWNERSHIP OF AIRCRAFT

* + - * 1. Aircraft Registration
	1. ESTABLISHMENT OF REGISTRY. The Director shall establish and maintain a system for the national registration of civil aircraft in [STATE].
	2. REGISTRATION REQUIREMENT. It shall be unlawful to operate a civil aircraft in [STATE] unless the aircraft is registered in [STATE] or is registered under the laws of a foreign country.
	3. ELIGIBILITY.An aircraft shall be eligible for registration if and only if it is not registered in a foreign country and, unless otherwise permitted by the Director by regulation, it is owned by:
		1. A citizen of [STATE];
		2. An individual citizen of another State who is lawfully admitted for permanent residence in [STATE];
		3. A corporation lawfully organised and doing business under the laws of [STATE] and the aircraft is based and primarily used in [STATE]; or
		4. The government of [STATE] or a political subdivision thereof.
	4. CERTIFICATE OF AIRCRAFT REGISTRATION. Upon request by the owner of any aircraft eligible for registration, such aircraft shall be registered by the Director and the Director shall issue to the owner thereof a certificate of aircraft registration.
	5. APPLICATION. Applications for a certificate of aircraft registration shall be in such form, shall be filed in such manner, and shall contain such information as the Director may require.
	6. SUSPENSION AND REVOCATION. Any certificate of aircraft registration issued by the Authority may be suspended or revoked by the Director for any cause if the Director finds such suspension or revocation to be in the public interest.
	7. NATIONALITY AND EVIDENCE OF OWNERSHIP. An aircraft shall acquire [STATE] nationality when registered under this Act. A certificate of aircraft registration issued under this section shall not be considered evidence as to ownership in any proceeding under the laws of [STATE] in which ownership of the aircraft by a particular person is or may be in issue.
		+ - 1. Recordation of Interests in Aircraft
	8. ESTABLISHMENT OF SYSTEM. The Director shall be authorised to establish a national system for recording documents that affect the title to, or any interest in, any civil aircraft registered in [STATE] and any aeronautical product intended for use on any aircraft registered in [STATE].
	9. VALIDITY BEFORE FILING. Upon the Director establishing a recording system, no document affecting the title to or any interest in such registered aircraft or aeronautical products shall be valid, except between the parties thereto, unless it is recorded in that system.
	10. APPLICABLE LAWS. The validity of any document so recorded, unless otherwise specified by the parties thereto, shall be determined under the laws of [STATE]. The requirements for documents to be recorded shall be specified in regulations issued by the Director.

[THIS PAGE INTENTIONALLY LEFT BLANK]

## SAFETY REGULATION OF CIVIL AVIATION

General Safety Powers and Duties

* 1. PROMOTING SAFETY. The Director shall have the power and duty to promote safety of flight of civil aircraft in civil aviation by prescribing and revising from time to time as necessary:
		1. Reasonable orders, rules, directives, regulations, and requirements implementing, at a minimum, all Standards of the Annexes to the Chicago Convention; and
		2. Such other reasonable orders, rules, directives, regulations, requirements, and minimum standards governing other practices, methods, and procedures as the Director may find necessary to provide adequately for safety in civil aviation.
	2. CONSIDERATIONS IN THE REGULATION OF AIR OPERATORS. In prescribing orders, rules, directives, regulations, and requirements and in issuing licences and certificates under this Act, the Director shall take into consideration the obligation of air operators to perform their services with the highest possible degree of safety in the public interest.

Airman Licences or Certificates

* 1. AUTHORITY TO LICENCE OR CERTIFICATE AIRMEN. The Director shall be authorised to issue airman licences or certificates specifying the capacity in which the holders thereof are authorised to serve as airmen in connection with aircraft.
	2. APPLICATION AND ISSUANCE. Any person may file with the Director an application for an airman licence or certificate. If the Director finds, after investigation, that such person possesses the proper qualifications for, and is physically able to perform the duties pertaining to, the position for which the airman licence or certificate is sought, the Director shall issue such licence or certificate. The Director may, in lieu of such a finding, consider prior issuance of an airman licence or certificate by an ICAO Contracting State as satisfactory evidence, in whole or in part, that the airman possesses the qualifications and physical ability to perform the duties pertaining to the position for which the airman licence or certificate is sought.
	3. TERMS, CONDITIONS, AND LIMITATIONS. The licence or certificate shall contain such terms, conditions, limitations, tests of physical fitness, and other matters as the Director may determine to be necessary to ensure safety in civil aviation.
	4. CERTIFICATION OF FOREIGN NATIONALS. Notwithstanding the provisions of paragraph 602(b) of this section, the Director may prohibit or restrict, in such manner as the Director shall deem appropriate, the issuance of airman licences or certificates to citizens of foreign countries.
	5. CONTENTS. Each airman licence or certificate shall:
		1. Be numbered and recorded by the Director;
		2. State the name and address of, and contain a description of, the person to whom the licence or certificate is issued; and
		3. Be titled with the designation of the airman privileges authorised.
	6. RADIO OPERATOR LICENCE. The Director may prescribe the terms under which a radio operator licence shall be issued to an airman.

Certificates of Airworthiness

* 1. AUTHORITY TO CERTIFICATE AIRWORTHINESS. The owner of any aircraft registered in [STATE] may file with the Director an application for a certificate of airworthiness for such aircraft.
	2. ISSUANCE. If the Director finds that the aircraft conforms to the appropriate type certificate and, after inspection, finds that the aircraft is in condition for safe operation, the Director shall issue a certificate of airworthiness.
	3. TERMS, CONDITIONS, AND LIMITATIONS. The Director may prescribe in a certificate of airworthiness the duration of such certificate, the type of service for which the aircraft may be used, and such other terms, conditions, limitations, and information as are required in the interest of safety. Each certificate of airworthiness issued by the Director shall be recorded by the Director.
	4. AIRWORTHINESS APPROVALS. The Director may prescribe the terms under which additional airworthiness approvals for the purposes of modification may be made.
	5. RADIO STATION LICENCE. The Director may prescribe the terms under which a radio station licence shall be issued to an aircraft.

Air Operator Certificate

* 1. AUTHORITY TO CERTIFICATE AIR OPERATORS AND ESTABLISH SAFETY STANDARDS. The Director shall be authorised to issue AOCs and to establish minimum safety standards for the operation of the air operator to which any such certificate is issued.
	2. APPLICATION AND ISSUANCE. Any person desiring to operate as an air operator and who is a citizen of [STATE] may file with the Director an application for an AOC. If the Director finds, after thorough investigation, that such person is properly and adequately equipped and has demonstrated the ability to conduct a safe operation in accordance with the provisions of this Act and the orders, rules, directives, regulations, and requirements prescribed thereunder, the Director shall issue an AOC to such person.

Approved Training Organisations and Approved Maintenance Organisations

* 1. EXAMINATION AND RATING. The Director shall be authorised to provide for the examination and rating of:
		1. ATOs providing instruction in the operation of aircraft or in the maintenance, overhaul, modification, repair, or inspection of aircraft and/or aeronautical products, as to the adequacy of the course of instruction, the suitability and airworthiness of the equipment, and the competency of the instructors; and
		2. AMOs or shops for the maintenance, overhaul, modification, repair, or inspection of aircraft and/or aeronautical products, as to the adequacy and suitability of the equipment, facilities, and materials for, and the methods of, repair and overhaul and the competency of those engaged in the work or in giving any instruction therein.
	2. AUTHORITY TO CERTIFICATE. The Director is hereby authorised to issue certificates for such ATOs and AMOs.

Type Certificates

* 1. The Director shall be empowered to accept type certificates for aircraft or aeronautical products and to specify in regulations the acceptance of such certificates from the States of Design.

Form of Applications

* 1. Applications for licences and certificates issued under the authority of this Act shall be in such form, shall contain such information, and shall be filed and served in such manner as the Director may prescribe and shall be under oath or affirmation whenever the Director so requires.

Air Navigation Facility Safety Standards

* 1. MINIMUM SAFETY STANDARDS. The Director shall have the power to prescribe and revise, as necessary, minimum safety standards for the operation of air navigation facilities located in [STATE].
	2. CERTIFICATION OF AERODROMES.
		1. The Director is empowered to issue aerodrome certificates to, and to establish minimum safety standards for the operation of, aerodromes that serve any scheduled or unscheduled passenger operations of air operator or foreign air operator aircraft.
		2. Any person desiring to operate an aerodrome that is described in this paragraph and that is required by the Director, by rule or regulation, to be certificated may file with the Director an application for an aerodrome certificate. If the Director finds, after investigation, that such person is properly and adequately equipped and able to conduct a safe operation in accordance with the provisions of this Act and the orders, rules, directives, regulations, and requirements prescribed thereunder, the Director shall issue an aerodrome certificate to such person. Each aerodrome certificate shall prescribe such terms, conditions, and limitations as are reasonably necessary to assure safety in commercial air transport. Unless the Director determines that it would be contrary to the public interest, such terms, conditions, and limitations shall include but not be limited to terms, conditions, and limitations relating to:
			1. The operation and maintenance of adequate safety equipment, including firefighting and rescue equipment capable of rapid access to any portion of the aerodrome used for landing, take-off, or surface manoeuvring of aircraft; and
			2. The condition and maintenance of primary and secondary runways, as the Director determines to be necessary.

Duty of Operators and Airmen

* 1. DUTY OF OPERATORS. It shall be the duty of each operator to make, or to cause to be made, such maintenance, overhaul, modification, repair, and inspection of all equipment used in civil aviation and to ensure that the operations conducted are in accordance with the provisions of this Act and the orders, rules, directives, regulations, and requirements issued under this Act by the Director.
	2. DUTY OF AIR OPERATORS. It shall be the duty of each air operator to ensure that the maintenance, overhaul, modification, repair, and inspection of aircraft and the operations of that air operator are conducted in the public interest and in accordance with the provisions of this Act and the orders, rules, directives, regulations, and requirements issued under this Act by the Director.
	3. DUTY OF AIRMEN. It shall be the duty of each holder of an airman certificate to observe and comply with the terms, conditions, and limitations of that certificate, with the provisions of this Act, and with the orders, rules, directives, regulations, and requirements issued under this Act by the Director.
	4. DUTY OF PERSONS GENERALLY. It shall be the duty of any person performing duties in civil aviation to observe and comply with the provisions of this Act and the orders, rules, directives, regulations, and requirements issued under this Act relating to their tasks.
	5. DANGEROUS GOODS. It shall be the duty of any person who offers or accepts shipments, cargo, or baggage for commercial air transport, whether originating on or arriving in international flights to or from [STATE] or for flights within [STATE], to offer or accept such shipments, cargo, or baggage in accordance with the provisions of ICAO Annex 18 and the Technical Instructions.

Authority to Inspect

* 1. AUTHORITY TO INSPECT EQUIPMENT. The Director shall have the power and duty to:
		1. Make such inspections of aircraft, aircraft engines, propellers, and appliances used by any operator of civil aircraft as may be necessary to determine that the operator is maintaining these in safe condition for the operation in which they are used; and
		2. Advise each operator in the inspection and maintenance of these items.
	2. UNSAFE AIRCRAFT AND AERONAUTICAL PRODUCTS. When the Director finds that any aircraft or aeronautical product, used or intended to be used by any operator in civil aviation, is not in a condition for safe operation, the Director shall so notify the operator. Such aircraft or aeronautical products then shall not be used in civil aviation, or in such manner as to endanger civil aviation, unless and until found by the Director to be in a condition for safe operation.

Amendment, Modification, Suspension, and Revocation of Licences and Certificates

* 1. REINSPECTION AND REEXAMINATION. The Director may, from time to time, for any reason, reinspect or reexamine any civil aircraft or aeronautical product, air operator, school, ATO, AMO, or airman holding a licence or certificate issued under Sections 602 through 606 of this Act.
	2. ACTIONS OF THE DIRECTOR. If, as a result of any such reinspection or reexamination, or as a result of any other investigation made by the Director, the Director determines that safety in civil aviation or commercial air transport and the public interest requires it, the Director may issue an order amending, modifying, suspending, or revoking, in whole or in part, any certificate of airworthiness, airman licence or certificate, AOC, aerodrome operating certificate, ATO certificate, or AMO certificate issued under this Act.
	3. NOTICE TO CERTIFICATE HOLDERS AND OPPORTUNITY TO ANSWER. Prior to amending, modifying, suspending, or revoking any of the foregoing licences or certificates, the Director shall advise the holder thereof as to any charges or reasons relied upon by the Director for the proposed action and, except in cases of emergency, shall provide the holder of such a certificate an opportunity to answer any charges and to be heard as to why such licence or certificate should not be amended, modified, suspended, or revoked.
	4. APPEALS. Any person whose licence or certificate is affected by such an order of the Director under this section may appeal the Director’s order to [INSERT LEGAL ENTITY] and the Director shall be made a party to such proceedings.
	5. EFFECTIVENESS OF ORDERS PENDING APPEAL. The filing of an appeal with the [INSERT LEGAL ENTITY] shall stay the effectiveness of the Director’s order unless the Director advises the appropriate court that an emergency exists and safety in civil aviation requires the immediate effectiveness of the order, in which event the court may order that the Director’s order shall remain effective pending judicial review.

Prohibitions

* 1. It shall be unlawful for any person to:
		1. Operate in civil aviation any civil aircraft for which there is not currently in effect a certificate of airworthiness, or in violation of the terms, conditions, or limitations of any such certificate;
		2. Serve in any capacity as an airman in connection with any civil aircraft or aeronautical product used or intended for use in civil aviation without an airman licence or certificate authorising that person to serve in such capacity; or in violation of any term, condition, or limitation of such licence or certificate; or in violation of any order, rule, directive, regulation, or requirement issued under this Act;
		3. Employ for service in connection with any civil aircraft used in civil aviation an airman who does not have an airman licence or certificate authorising that person to serve in the capacity for which the person is employed;
		4. Operate as an air operator without an AOC or in violation of the terms of any such licence or certificate;
		5. Operate aircraft in civil aviation in violation of any order, rule, directive, regulation, requirement, licence, or certificate issued under this Act by the Director; and
		6. While holding a certificate issued to an ATO or an AMO as provided in this Act, violate any term, condition, or limitation thereof or violate any order, rule, directive, regulation, or requirement made under this Act relating to the holder of such certificate.
	2. EXEMPTION. On terms the Director prescribes as being in the public interest, the Director may exempt a foreign-registered aircraft and airmen serving on the aircraft from paragraph 612(a) of this section. However, an exemption from observing air traffic regulations may not be granted.

[THIS PAGE INTENTIONALLY LEFT BLANK]

## PENALTIES

Civil Penalties

* 1. GENERAL PENALTY. Any person, other than a person conducting an operation in commercial air transport, who violates any provision of this Act or any order, rule, directive, regulation, or requirement issued thereunder shall be subject to a civil penalty not exceeding [LOCAL CURRENCY] for each such violation. If any such violation is a continuing one, each day of such violation shall constitute a separate offence.
	2. PENALTIES APPLICABLE TO COMMERCIAL AIR TRANSPORT. Any person conducting an operation in commercial air transport who violates any provision of this Act or any order, rule, directive, regulation, or requirement issued thereunder shall be subject to a civil penalty not exceeding [LOCAL CURRENCY] for each such violation. If any such violation is a continuing one, each day of such violation shall constitute a separate offence.
	3. PENALTY CONSIDERATIONS. The Director shall have the power to assess and compromise any civil penalty. In determining the amount of such penalty, the Director shall take into account the nature, circumstances, extent, and gravity of the violation committed and, with respect to the person found to have committed such violation, the degree of culpability, the history of prior offences, the ability to pay, the effect on the ability to continue to do business, and such other matters as justice may require. The Director shall promulgate regulations governing the assessment and application of civil penalties and shall provide guidance concerning the amounts of penalties applicable to certain violations of this Act or any orders, rules, directives, regulations, or requirements enacted hereunder.
	4. INFLATION ADJUSTMENT TO CIVIL PENALTIES. The Director shall adjust the amount of monetary civil penalties for inflation at least every 4 years. Prior to adjusting the civil penalties for inflation, the Director shall submit the proposed increase to the [EXECUTIVE OR LEGISLATURE OF STATE] for approval. Once approved by the [EXECUTIVE OR LEGISLATURE OF STATE], the Director shall publish the adjusted monetary civil penalties to the public. Thirty (30) days after the Director first publishes the adjusted monetary civil penalties, the modified civil penalties may be imposed for all violations committed after the date of publication.
	5. AIRCRAFT SUBJECT TO LIENS. In case a civil aircraft is involved in such violation and the violation is by the owner or operator of the aircraft, such aircraft shall be subject to a lien for the penalty.
	6. DANGEROUS GOODS. Any person who, with actual knowledge of the facts of the occurrence, or who can be imputed to have such knowledge as a reasonable person exercising reasonable care in the circumstances, offers or accepts dangerous goods for commercial air transport in violation of ICAO Annex 18 or the Technical Instructions has violated the duty imposed by Section 609(e) of this Act and shall be subject to a civil penalty not exceeding [LOCAL CURRENCY] for each part of the Technical Instructions that is violated.

Criminal Penalties

* 1. LICENCE AND CERTIFICATE VIOLATIONS. Any person who knowingly and wilfully forges, counterfeits, alters, or falsely makes any licence or certificate authorised to be issued under this Act, or knowingly uses or attempts to use any such fraudulent licence or certificate, and any person who knowingly and wilfully displays or causes to be displayed on any aircraft any marks that are false or misleading as to the nationality or registration of the aircraft, shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_\_ years, or both.
	2. INTERFERENCE WITH AIR NAVIGATION. Any person shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_\_ years, or both, who:
		1. With intent to interfere with air navigation within [STATE], exhibits within [STATE] any light, signal, or communication at such place or in such manner that it is likely to be mistaken for a true light or signal established pursuant to this Act, or for a true light or signal in connection with an aerodrome or other air navigation facility, or, after due warning by the Director, continues to maintain any such misleading light or signal; or
		2. Knowingly removes, extinguishes, or interferes with the operation of any such true light or signal.
	3. REPORTING AND RECORD KEEPING VIOLATIONS. Any air operator, or any officer, agent, employee, or representative thereof, who knowingly and wilfully fails or refuses to make a report to the Director as required by this Act; or fails or refuses to keep or preserve accounts, records, and memoranda in the form and manner prescribed by or approved by the Director; or mutilates or alters any such report, account, record, or memorandum; or files a false report, account, record, or memorandum; shall be guilty of a misdemeanour and shall upon conviction be liable for each offence to a fine of not less than [LOCAL CURRENCY] and not exceeding [LOCAL CURRENCY].
	4. REFUSAL TO TESTIFY OR PRODUCE RECORDS. Any person who shall neglect or refuse to attend and testify, or to answer any lawful inquiry, or to produce books, papers, or documents, if in that person’s power to do so, in obedience to a subpoena or lawful requirement of the Director, shall be guilty of a misdemeanour and shall upon conviction be liable to a fine not less than [LOCAL CURRENCY] and not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding 1 year, or both.
	5. AIRCRAFT PIRACY.
		1. Any person who commits or attempts to commit aircraft piracy, as herein defined, shall be punished:
			1. With imprisonment; or
			2. If the death of another person results from the commission or attempted commission of the offence, with imprisonment for life.
		2. An attempt to commit aircraft piracy shall be within the special aircraft jurisdiction of [STATE] even though the aircraft is not in flight at the time of such attempt, if the aircraft would have been within the special jurisdiction of [STATE] had the offence of aircraft piracy been completed.
	6. INTERFERENCE WITH CREW MEMBERS.
		1. Any person who, while aboard an aircraft within the special aircraft jurisdiction of [STATE], interferes with the performance of a flight or cabin crew member’s duties or lessens the ability of such flight or cabin crew member to perform their duties shall be guilty of an offence and shall upon conviction be liable for a fine not exceeding [LOCAL CURRENCY].
		2. Any person who interferes with the performance of a crew member’s duties by assaulting, intimidating, or threatening any flight or cabin crew member of such aircraft shall be guilty of an offence and shall upon conviction be liable to a term of imprisonment not exceeding \_\_\_ years.
		3. Any person who, in the commission of any such act referred to in this section, uses a deadly or dangerous weapon shall be liable to a term of imprisonment for any term of years or for life.
	7. GENERAL CRIMINAL PENALTY. Any person who, while on board an aircraft within the special aircraft jurisdiction of [STATE], commits an act which, if committed in [STATE], would be a violation of the laws of [STATE], shall be punished as provided herein.
	8. WEAPON AND EXPLOSIVE VIOLATIONS.
		1. Any person who, while on board, or while attempting to board, any aircraft in or intended for operation in commercial air transport, has on or about their person or their property a concealed deadly or dangerous weapon which is or would be accessible to such person in flight, or any person who has on or about their person, or who has placed, has attempted to place, or has attempted to have placed aboard such aircraft any bomb or similar explosive or incendiary device, shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_ years, or both.
		2. Any person who wilfully and without regard for the safety of human life, or with reckless disregard for the safety of human life, shall commit an act prohibited by paragraph 702(h)(1) of this section shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_ years, or both.
		3. This paragraph shall not apply to law enforcement officers of [STATE], who are authorised or required within their official capacities to carry arms, or to persons who may be authorised by the Director to carry deadly or dangerous weapons in commercial air transport, nor shall this paragraph apply to persons transporting weapons contained in baggage that is not accessible to passengers in flight if the presence of such weapons has been declared to the air operator.
	9. INTERFERENCE WITH AIRCRAFT OPERATIONS. Any person who wilfully and with reckless disregard for the safety of human life interferes or attempts to interfere with the safe operation of any aircraft in, or intended for operation in, the special aircraft jurisdiction of [STATE] shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_ years, or both.
	10. FALSE INFORMATION.
		1. Any person who imparts or conveys, or causes to be imparted or conveyed, false information, knowing the information to be false, concerning an attempt or an alleged attempt being made or to be made to do an act that would be a crime prohibited by paragraphs 702(e) through (i) of this section, shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_ years, or both.
		2. Any person who wilfully and maliciously, or with reckless disregard for the safety of human life, imparts or conveys, or causes to be imparted or conveyed, false information, knowing the information to be false, concerning an attempt or an alleged attempt being made or to be made to do any act that would be a crime prohibited by paragraphs 702(e) through (i) of this section, shall be guilty of an offence and shall upon conviction be liable to a fine not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_\_ years, or both.
	11. REMOVAL OF PARTS OF AIRCRAFT INVOLVED IN ACCIDENTS. Any person who knowingly and without authority removes, conceals, or withholds any part of a civil aircraft involved in an accident, or any property which was aboard such aircraft at the time of the accident, shall be guilty of an offence and shall upon conviction be liable to a fine of not less than [LOCAL CURRENCY] and not exceeding [LOCAL CURRENCY], or to a term of imprisonment not exceeding \_\_\_ years, or both.
	12. DANGEROUS GOODS. Any person who wilfully, with knowledge of the provisions of this Act, delivers or causes to be delivered to an air operator for commercial air transport, or recklessly causes the transportation in commercial air transport of, shipment, cargo, baggage, or other property, in violation of the provisions of ICAO Annex 18 or the Technical Instructions, shall be guilty of an offence and shall upon conviction be liable to a fine of [LOCAL CURRENCY], or imprisoned for a period not exceeding \_\_\_ years, or both.

## PROCEDURE

Conduct of Proceedings

* 1. CONDUCTING PROCEEDINGS. The Director shall, subject to the provisions of this Act, conduct proceedings in such manner as will be conducive to the proper dispatch of business and to the ends of justice.
	2. CONFLICTS OF INTEREST. No employee of the Authority shall participate in any hearing or proceeding in which the Director has a monetary interest.
	3. APPEARANCE. Any person may appear before the Director or the Director’s designee and be heard in person or by an attorney.
	4. RECORDING AND PUBLIC ACCESS. Any official act of the Director shall be entered of record, and the proceedings thereof shall be open to the public upon request of any interested party, unless the Director determines that withholding from public disclosure is necessary on grounds of national interest.

Complaints to and Investigations by the Director

* 1. FILING OF COMPLAINTS. Any person may file with the Director a complaint in writing with respect to anything done or omitted to be done by any person in contravention of any provision of this Act, or of any requirement established pursuant thereto. If the person complained against does not satisfy the complaint and there appears any reasonable ground for investigating the complaint, it shall be the duty of the Director to investigate the matters set forth in the complaint. Whenever the Director is of the opinion that any complaint does not state facts that warrant an investigation or action, such complaint may be dismissed without hearing.
	2. INVESTIGATIONS. The Director is hereby empowered to institute an investigation at any time, on the Director’s initiative, in any case and as to any matter or thing within the Director’s jurisdiction by any provision of this Act, concerning which a complaint is authorised to be made to or before the Director, or concerning which any question may arise under any of the provisions of this Act, or relating to the enforcement of any of the provisions of this Act. The Director shall have the same power to proceed with any investigation instituted on the Director’s own motion as though it had been made by complaint.
	3. ORDERS TO COMPEL COMPLIANCE. If the Director finds, after notice and hearing, in any investigation instituted upon complaint or upon the Director’s initiative, with respect to matters within the Director’s jurisdiction, that any person has failed to comply with any provision of this Act or any requirement established pursuant thereto, the Director shall, consistent with the provisions of this Act, issue an appropriate order to compel such person to comply therewith.

Evidence

* 1. GENERAL. The Director may hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in [STATE].
	2. SUBPOENAS. For the purposes of this Act, the Director shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under investigation.
	3. COMPLIANCE WITH SUBPOENAS. The attendance of witnesses and the production of books, papers, and documents may be required from any place in [STATE], at any designated place of hearing. In case of disobedience to a subpoena, the Director, or any party to a proceeding before the Director, may invoke the aid of the [JUDICIAL AUTHORITY] in requiring the attendance and testimony of witnesses and the production of such books, papers, and documents under the provisions of this section.
	4. DEPOSITIONS.
		1. The Director may order testimony to be taken by deposition in any proceeding or investigation pending before the Director, at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the Director and having power to administer oaths. Reasonable notice shall first be given in writing by the party or the party’s attorney proposing to take such deposition to the opposite party or the party’s attorney of record, which notice shall state the name of the witness and the time and place of the taking of the deposition. Any person may be compelled to appear and be deposed, and to produce books, papers, or documents, in the same manner as witnesses may be compelled to appear and testify and produce like documentary evidence before the Director, as herein before provided.
		2. Any person being deposed as herein provided shall be cautioned and shall be required to swear or to affirm, if requested, to testify to the whole truth, and shall be carefully examined. The testimony shall be reduced to writing by the person taking the deposition, or under deponent’s direction, and shall, after it has been reduced to writing, be subscribed by the deponent. All depositions shall be promptly filed with the Director.
		3. If a witness whose testimony may be desired to be taken by deposition is in a foreign country, the deposition may be taken, provided the laws of the foreign country so permit, by any person commissioned by the Director or agreed upon by the parties by stipulation in a writing to be filed with the Director, or may be taken under letters issued by a court of competent jurisdiction at the request of the Director.

Designation of Agent for Service

* 1. DESIGNATING AGENTS. It shall be the duty of every air operator in [STATE] and any foreign air operator with operations in [STATE] to designate in writing an agent in [STATE] upon which service of all notices and process and all orders, rules, directives, regulations, and requirements of the Director may be made for and on behalf of the air operator or foreign air operator, and to file such designation with the Director. Such designation may be changed by subsequent filing.
	2. SERVICE UPON AGENTS.
		1. Service of all notices and process and all orders, rules, directives, regulations, and requirements of the Director may be made upon any air operator or foreign air operator by service upon its designated agent at their office in [STATE] or place of residence in [STATE] with the same effect as personal service upon such air operator or foreign air operator.
		2. If a designated agent is in default or is absent, service of any notice or other process in any proceedings before the Director, or of any order, rule, directive, regulation, or requirement of the Director, may be made by posting such notice, process, order, rule, directive, regulation, or requirement in the Office of the Director.
	3. SERVICE GENERALLY. Service of notices, processes, orders, rules, directives, regulations, and requirements upon any person may be made by personal service or upon an agent designated in writing for this purpose, or by registered or certified mail addressed to such person or agent. Whenever service is made by registered or certified mail, the date of mailing shall be considered as the date when service is made.

Venue

* 1. The trial of any offence under this Act shall be in the [INSERT LEGAL ENTITY].

Judicial Review of Orders

* 1. AVAILABILITY OF JUDICIAL REVIEW. Any order issued by the Director shall be subject to review by [JUDICIAL AUTHORITY] upon petition filed within \_\_\_ days after the entry of such order, by any person disclosing a substantial interest in such order. A petition may be filed beyond \_\_\_ days after the entry of an order of the Director only with the permission of the [JUDICIAL AUTHORITY] upon a showing of reasonable grounds for failure to file the petition within time.
	2. JUDICIAL PROCEDURES. A copy of the petition shall, upon filing, be forthwith transmitted to the Director by the Clerk of [JUDICIAL AUTHORITY] and the Director shall thereupon file with the [JUDICIAL AUTHORITY] the record, if any, upon which the order complained of was entered.
	3. AUTHORITY. Upon transmittal of the petition to the Director, the [JUDICIAL AUTHORITY] shall have exclusive jurisdiction to affirm, modify, or set aside the order complained of, in whole or in part, and, if need be, to order further proceedings by the Director. Upon good cause shown and after reasonable notice to the Director, interlocutory relief may be granted by stay of the order or a stay of such mandatory or other relief as may be appropriate by the [JUDICIAL AUTHORITY].
	4. SCOPE OF REVIEW. The findings of facts by the Director, if supported by substantial evidence, shall be conclusive. No objection to an order of the Director shall be considered by the [JUDICIAL AUTHORITY] unless such objection shall have been urged before the Director or if it was not so urged, unless there were reasonable grounds for failure to do so.

Judicial Enforcement

* 1. JURISDICTION OF [JUDICIAL AUTHORITY]. The [JUDICIAL AUTHORITY] shall have jurisdiction to enforce obedience to any provision of this Act, or any order, rule, directive, regulation, or requirement issued thereunder, or any term, condition, or limitation of any licence or certificate issued under this Act.
	2. CIVIL ACTIONS TO ENFORCE THIS PART.
		1. Where any person violates any provision of this Act, or any order, rule, directive, regulation, or requirement issued thereunder, or any term, condition, or limitation of any licence or certificate issued under this Act, the Director may apply to the [JUDICIAL AUTHORITY] for the enforcement of such provision of this Act, or of such order, rule, directive, regulation, requirement, term, condition, or limitation.
		2. Upon the request of the Director, the Attorney General of [STATE] may institute an enforcement action in the [JUDICIAL AUTHORITY] and prosecute all necessary proceedings for the enforcement of the provisions of this Act or any order, rule, directive, regulation, or requirement issued thereunder, or any term, condition, or limitation of any licence or certificate issued under this Act, and for the punishment of all violations defined in the Act.
	3. PARTICIPATION OF DIRECTOR. Upon request of the Attorney General, the Director shall have the right to participate in any proceeding in court under the provisions of this Act.

Procedure for Civil Penalties

* 1. CIVIL PENALTY ACTIONS. Any civil penalty imposed or assessed under this Act may be collected by proceedings against the person subject to the penalty and, in the case of an aircraft subject to a lien for the penalty, by proceedings against the aircraft.
	2. SEIZURE OF AIRCRAFT. Any aircraft subject to a lien for a civil penalty may be seized by and placed in the custody of the Director. A report of the seizure and the basis therefore shall be promptly transmitted to the Attorney General. The Attorney General shall promptly institute judicial proceedings for the enforcement of a lien against an aircraft seized by the Director or shall notify the Director of his failure to so act. The aircraft shall be released from the custody of the Director upon:
		1. Payment of the penalty or the amount agreed upon in compromise;
		2. Seizure in pursuance of judicial proceedings for enforcement of the lien;
		3. Notice by the Attorney General of failure to institute such proceedings; or
		4. Deposit of a bond in such amount as the Director may prescribe, conditioned upon payment of the penalty or the amount agreed upon in compromise.

Explanatory Note Concerning
Air Operator Economic Regulation

*The economic regulation of air operators is normally entrusted to a governmental authority different from the CAA. The economic regulation of civil aviation can be in conflict with the attainment of civil aviation safety within the territory of a country, in that economic considerations might tempt the regulatory authority to accept a lesser level of safety in air operations than that required by the Act. Combining economic regulation and safety regulation and enforcement within the same governmental organisation presents the potential for continuing tension between economic opportunity and civil aviation safety. Therefore, although the economic regulations are presented as Chapter IX of this Act, the separation of the economic regulatory function from the civil aviation safety regulatory function into two distinct governmental entities is recommended.*

*Please note that the economic regulations presented in Chapter IX address authorities and responsibilities exercised by a Minister empowered to regulate the economic aspects of civil aviation by issuing certificates of public convenience and necessity to [STATE] air operators for commercial air transport, and to issue permits to foreign air operators to conduct commercial air transport within [STATE].*

[THIS PAGE INTENTIONALLY LEFT BLANK]

## AIR OPERATOR ECONOMIC REGULATION

Certificate of Public Convenience and Necessity

* 1. CERTIFICATE REQUIRED. No person or organisation shall engage in any commercial air transport unless there is in force a certificate issued by the Minister empowered to authorise the person or organisation to engage in such transportation.
	2. APPLICATION FOR CERTIFICATE. Application for a certificate shall be made in writing to the Minister and shall be in such form and shall contain such information as the Minister shall by regulation require.
	3. TERMS AND CONDITIONS OF CERTIFICATE.
		1. Each certificate issued under this section shall specify the terminal points and intermediate points, if any, between which the air operator is authorised to engage in commercial air transport and the service to be rendered. There shall be attached to the statement of the privileges granted by the certificate, or any amendment thereto, such reasonable terms, conditions, and limitations as the public interest may require.
		2. Any certificate issued under this section to engage in commercial air transport on a scheduled or charter basis shall designate the terminal and intermediate points only insofar as the Minister shall deem practicable, and otherwise shall designate only the general route or routes to be followed.
	4. AUTHORITY TO AMEND, MODIFY, SUSPEND, OR REVOKE.
		1. The Minister may amend, modify, suspend, or revoke any such certificate, in whole or in part, for failure to comply with any provision of this Act or any order, rule, directive, regulation, or requirement issued hereunder or any term, condition, or limitation of such certificate.
		2. Any interested person may file with the Minister a protest or memorandum in support of or in opposition to the amendment, modification, suspension, or revocation of a certificate issued pursuant to paragraph 901(a) of this section.
	5. TRANSFER OF CERTIFICATE. No certificate may be transferred unless such transfer is approved by the Minister as being consistent with the public interest.
	6. LIABILITY INSURANCE. The Minister may issue a certificate to the applicant for such certificate only if the applicant complies with orders, rules, directives, regulations, and requirements of the Minister governing the filing of an insurance policy or self-insurance plan approved by the Minister. The policy or plan shall be sufficient to pay, not more than the amount of the insurance, for bodily injury to, or for the death of, an individual or for loss of, or damage to, property of others, resulting from the operation or maintenance of the aircraft or aeronautical products under the certificate. A certificate does not remain in effect unless the air operator complies with this section.
	7. CONTINUING REQUIREMENT. The requirement that each applicant for a certificate or any other authority under this title shall be found to be fit, willing, and able to perform properly the transportation covered by its application and to conform to the provisions of this Act and the orders, rules, directives, regulations, and requirements of the Minister under this Act, shall be a continuing requirement applicable to each such air operator with respect to the transportation authorised by the Minister. The Minister may by order modify, suspend, or revoke such certificate or other authority, in whole or in part, for failure of such air operator to comply with the continuing requirement that the air operator be so fit, willing, and able.

Permits to Foreign Air Operators

* 1. PERMIT REQUIRED. No foreign air operator shall engage in commercial air transport within [STATE] unless there is in force a permit issued by the Minister empowered to authorise a foreign air operator to engage in such transportation.
	2. ISSUANCE OF PERMIT. The Minister is empowered to issue such a permit if the Minister finds:
		1. That the applicant is fit, willing, and able to properly perform international commercial air transport and to conform to the provisions of this Act and the orders, rules, directives, regulations, and requirements of the Director made pursuant to this Act; and
		2. Either that the applicant is qualified and has been designated by its government to perform international commercial air transport under the terms of an agreement with [STATE], or that such transportation will be in the public interest.
	3. APPLICATION FOR PERMIT. Application for a permit shall be made in writing to the Minister and shall be in such form and shall contain such information as the Minister shall require.
	4. AUTHORITY TO AMEND, MODIFY, SUSPEND, OR REVOKE.
		1. The Minister may amend, modify, suspend, or revoke any such permit, in whole or in part, for failure to comply with any provision of this title or any order, rule, directive, regulation, or requirement issued hereunder or any term, condition, or limitation of such permit.
		2. Any interested person may file with the Minister a protest or memorandum in support of or in opposition to the amendment, modification, suspension, or revocation of a permit issued pursuant to paragraph 902(a) of this section.
	5. LIABILITY INSURANCE. The Minister may issue a permit to the applicant for such permit only if the applicant complies with orders, rules, directives, regulations, or requirements of the Minister governing the filing of an insurance policy or self-insurance plan approved by the Minister. Any policy or plan shall be sufficient to pay, not more than the amount of the insurance, for bodily injury to, or for the death of, an individual or for loss of, or damage to, property of others, resulting from the operation or maintenance of the aircraft or aeronautical products under the permit. A permit does not remain in effect unless the foreign air operator complies with this section.