

GAO Highlights

Highlights of [GAO-15-327T](#), a testimony before the Committee on Transportation and Infrastructure, House of Representatives

Why GAO Did This Study

FAA issues certificates for new U.S.-manufactured aviation products, based on federal aviation regulations. GAO and industry stakeholders have questioned the efficiency of FAA's certification process and the consistency of its regulatory interpretations. As required by the 2012 FAA Modernization and Reform Act, FAA chartered two committees—one to improve certification processes and another to address regulatory consistency—that recommended improvements in 2012. FAA also assists U.S. aviation companies seeking approval of their FAA-certificated products in foreign markets. FAA has negotiated BASAs with many FCAAs to provide a framework for the reciprocal approval of aviation products. However, U.S. industry stakeholders have raised concerns that some countries conduct lengthy processes for approving U.S. products.

This testimony focuses on (1) FAA's progress in implementing the certification process and regulatory consistency recommendations and (2) challenges selected U.S. companies face in obtaining foreign approvals. It is based on GAO products issued from 2010 to 2014, updated in January 2015 based on FAA documents, and preliminary observations from GAO's ongoing work on foreign approvals. This ongoing work includes an analysis of FAA data on approval applications submitted January 2012 through November 2014 and interviews of a nongeneralizable sample of 15 U.S. companies seeking foreign approvals, selected on the basis of the number of applications submitted and aviation product types manufactured.

View [GAO-15-327T](#). For more information, contact Gerald L. Dillingham, Ph. D. at (202) 512-2834 or dillinghamg@gao.gov.

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AVIATION SAFETY

Issues Related to Domestic Certification and Foreign Approval of U.S. Aviation Products

What GAO Found

The Federal Aviation Administration (FAA) has made progress in addressing the Certification Process and the Regulatory Consistency committees' recommendations, but challenges remain and could affect successful implementation of the committees' recommendations.

- FAA is implementing its plan for completing 14 initiatives for addressing the 6 *certification process* recommendations. According to a January 2015 FAA update, 10 initiatives have been completed or are on track to be completed, whereas the rest are at risk of not meeting or will not meet planned milestones.
- FAA has developed plans for addressing the six *regulatory consistency* recommendations. In late December 2014, FAA officials indicated that the final plan to implement the recommendations is under agency review and is expected to be published in January 2015. According to a draft version of the plan, FAA closed two recommendations—one as not implemented and one as implemented in 2013—and plans to complete the remaining 4 by July 2016.

While FAA has made some progress, it is too soon for GAO to determine whether FAA's planned actions adequately address the recommendations. However, industry stakeholders continue to indicate concerns regarding FAA's efforts. These concerns include a lack of communication with and involvement of stakeholders as FAA implements the two committees' recommendations.

As part of its ongoing work, representatives of 15 selected U.S. aviation companies GAO interviewed reported facing various challenges in obtaining foreign approvals of their products, including challenges related to foreign civil aviation authorities (FCAA) as well as challenges related to FAA.

- Reported *FCAA-related challenges* related to (1) the length and uncertainty of some FCAA approval processes, (2) the lack of specificity and flexibility in some of FAA's bilateral aviation safety agreements (BASA) negotiated with FCAAs, (3) difficulty with or lack of FCAA communications, and (4) high fees charged by some FCAAs. Although FAA's authority to address some of these challenges related to FCAAs is limited, FAA has been addressing many of them. For example, FAA has created a certification management team with its three major bilateral partners to provide a forum for addressing approval process challenges, among other issues. FAA has also taken action to mitigate the challenges related to some BASAs by holding regular meetings with bilateral partners and adding dispute resolution procedures to some BASAs.
- Reported *FAA-related challenges* primarily involved (1) FAA's process for facilitating approval applications, which sometimes delayed the submission of applications to FCAAs; (2) limited availability of FAA staff for facilitating approval applications; and (3) lack of FAA staff expertise in issues unique to foreign approvals, such as intellectual property concerns and export control laws. FAA has initiatives under way to improve its process that may help resolve some of these challenges raised by U.S. companies. For example, FAA is making its approvals-related data more robust to better evaluate its relationships with bilateral partners. FAA is also addressing its resource limitations by taking actions to improve the efficiency of its process.