

16 February 2026

Design Delegation Holder Advice
Address: Electronic Correspondence

Dear Design Delegation Holder,

Response to DDH Questions Raised at 2025 DDH Seminar

This letter provides Design Delegation Holders (DDHs) with responses to several questions raised at the 2025 DDH Seminar.

This advice is not intended to replace, alter or supersede any existing legislation, rules, or published guidance material. Please note that this advice is valid at the timing of writing, and may be subject to future amendment (as notified).

QUESTION – MDCAs and ELOS Findings

Can a Design Delegation Holder be authorised to approve a major modification if that modification requires the Director to make an “equivalent level of safety” (ELOS) finding?

Please clarify the process of using/approving an Equivalent Level of Safety and the classification implications for modifications. In the case of an otherwise minor modification, I understand the mod is classified as major if an Equivalent Level of Safety Finding is required as only CAA can issue an ELOS finding. Does this always mean the mod will be classified as an STC?

RESPONSE

The CAA does not currently have a process which would allow authorisation of a DDH to approve a design change (iaw CAR Part 21.505) where an airworthiness requirement has not been complied with, and the Director is required to determine if compensating factors provide an acceptable level of safety (as per CAR Part 21.505(d)(3)).

- the act of determining if compensating factors provide an acceptable level of safety (as per CAR Part 21.505(d)(3)) is sometimes referred to as accepting or approving an “Equivalent Level of Safety” (ELOS).
- each Instrument of Delegation states that a DDH does not have the power contained in Civil Aviation Rule 21.505(d)(3) to accept a level of safety provided by factors that compensate for airworthiness requirements that are not complied with.

- the current MDCA process was designed to enable delegation of approval and full “Finding of Compliance” (FoC) for routine, non-complex design changes.
- the current MDCA process does not include the submission of technical data required for the assessment of compensating factors or level of safety.
- the CAA does not currently have an internal process to issue an ELOS finding outside of the STC Issue Paper process.
- the CAA advises that participants apply for the approval of an STC for any design change which requires the Director to issue an ELOS finding.
- DDHs should also seek advice from the CAA if a design change has the potential to affect the applicability or validity of any existing ELOS finding.

QUESTION – Acceptable Technical Data

Is an email or letter from an OEM considered acceptable technical data under CAR Part 21 Appendix D(a)(10)?

RESPONSE

The intent of CAR Part 21 Appendix D(a)(10) is to cover technical data, provided by the manufacturer of a type-accepted product, that has been approved in accordance with an approval process which has been prescribed and accepted by the State of Design’s National Airworthiness Authority (NAA).

CAA AC43-9 (pg 8) provides guidance that OEM data needs to be approved by an appropriate person. In this context, the appropriate person is someone who has been authorised, and is acting in accordance with, such an approval process.

A person considering an email or letter issued by an OEM would need to ensure that a relevant approval process had been followed.

QUESTION – Acceptable Technical Data

Is data provided by the manufacturer or supplier of a component (installed on a product) considered acceptable technical data under CAR Part 21 Appendix D(a)(10)?

Can you please confirm our interpretation of Rule Part 21 Appendix D(10) regarding non-OEM approvals? It is our interpretation that a design change approved by a non-OEM organisation (eg EASA 21J DOA or FAA DER approval) is NOT ATD and therefore must be approved by a 146 Design Organisation (or some other means under Part 21 Appendix D) before it can be considered ATD.

RESPONSE

The intent of CAR Part 21 Appendix D(a)(10) is to cover technical data, provided by the manufacturer of a type-accepted product, that has been approved as part of that product's type design configuration.

There should be a direct reference to the component-level data in the product manufacturers approved data set, or some other evidence that data has been approved for incorporation by the product manufacturer (in accordance with appropriate approval process, as above), to be considered acceptable technical data under CAR Part 21 Appendix D(a)(10).

QUESTION – Acceptable Technical Data

Under the US-NZ bilateral agreement, is repair design data approved by an FAA DER considered Acceptable Technical Data?

RESPONSE

Section 4.2.6.2 of the Implementation Procedures For Airworthiness (under the US-NZ Bilateral Aviation Safety Agreement) recognises that the FAA approves repair design data in accordance with applicable FAA orders (which include the use of an FAA Form 8110-3).

Under Section 4.2.6.1 such data must still be “approved or accepted, as appropriate, by the certificating authority in a manner that is acceptable to the validating authority”.

Design data approved by an FAA DER (via an FAA Form 8110-3) is not listed in CAR Part 21 Appendix D, and is therefore not automatically classified as Acceptable Technical Data.

QUESTION – CAA Form Ones

Please explain in detail why Part 148 organisations can only manufacture to CAANZ approved data (and not Acceptable Technical Data)?

RESPONSE

In accordance with CAR Part 148.57(b): An applicant for the grant of a manufacturing organisation certificate must, for each item to be manufactured that is not a product,—

- (1) hold, or have applied for, a design approval for the item; or
- (2) have an arrangement acceptable to the Director, with the holder of, or applicant for, a design approval for the item.

CAA AC00-5 (Section 2) also includes guidance that a “New” Form One can only be issued for items conformed to design data that has been approved in writing by the Director of CAANZ.

The requirement for CAANZ design approval ensures that the State of Manufacture is the same as the State of Design, thereby ensuring alignment and coordination of regulatory oversight (relevant to continued airworthiness, and mitigation of risks associated with manufacture of unapproved/bogus parts).

ICAO guidance on this requirement is found in Part V-5-1 of the ICAO Airworthiness Manual (Doc 9760).

A CAA Form One cannot be issued for items which conform to acceptable technical data (since this term includes data where NZ is not the State of Design). Technical data accepted from another authority (under 21.503) is for use in maintenance activities on NZ State of Registry aircraft, not for the manufacture of modification parts.

Where a 148 organisation wishes to issue a CAA Form One for parts from a different State of Design, a specific agreement would need to be in place between CAA and the relevant NAA to ensure alignment and coordination of regulatory oversight as above.

QUESTION – Continuing Professional Development/Training

Can CAA assist with coordinating or organising CPD training for 146 organisations and personnel?

RESPONSE

CAA has organised CPD courses and events in the past (e.g. F&DT course, flight test workshops, composites workshop, 1309 course). CAA would be happy to support this activity in the future when a clear need has been identified, and a level of commitment exists on industry attendance/engagement.

Please contact the Product Certification team as/when specific opportunities are identified.

QUESTION – Legal Liability

What is the legal liability assumed by DDHs? Does the CAA indemnify or provide insurance coverage for DDHs?

- *Feeling that CAA position changes every year*
- *Unclear if liability has changed with new CA Act*
- *Not clear if/what support CAA would offer if case was raised against a DDH*
- *Question about SOC vs FOC liability*
- *Request that position be clearly explained and communicated to all in a formal letter*

RESPONSE

CAA is reviewing information previously promulgated to DDHs and has commenced a process to issue updated, written advice to DDHs regarding legal indemnity and insurance.

In the interim; CAA's position is that the 2023 Act does not materially alter the position outlined in advice presented to DDHs at the 2021 DDH Seminar (reference: [presentation](#), slide 13).

The CAA will notify DDHs as soon as updated advice is available.

DDHs should seek further advice from the CAA if the application of this advice is uncertain or clarification is required in a particular instance.

CAA also wishes to advise our intention to update the CAA website to include general advice previously promulgated to DDHs via email/letter, to ensure there is a central repository for such advice in the future.

Yours sincerely,



Chris Thomson
Acting Manager, Product Certification
Aviation Safety Oversight Group