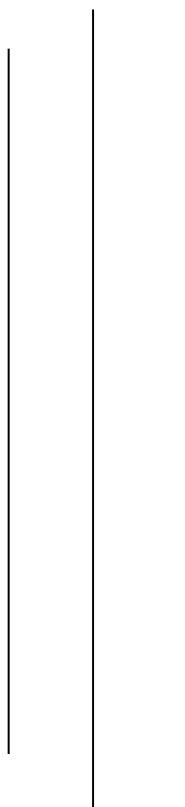




**Procedure Manual
for
Air Transport Functions-2026**



**AIR TRANSPORT DEPARTMENT
AVIATION SAFETY AND SECURITY REGULATION DIRECTORATE
CIVIL AVIATION AUTHORITY OF NEPAL**

May, 2026

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Procedure Manual for Air Transport Function

Pursuant to Rule 82 of Civil Aviation Regulation, 2058, this Procedure Manual for Air Transport Functions has been prepared for the use and guidance of Air Transport Department of Aviation Safety and Security Regulation Directorate while performing the day-to-day duties related to issuance and monitoring of flight permits. It aims to establish provisions related to the overall aspects of air transport functions for the purpose of providing guidance to Air Transport Department of Civil Aviation Authority of Nepal in discharging their roles and responsibilities in accordance to the ICAO guidelines on the economic aspects of international air transport regulation as distinguished from the technical aspects thereof such as those involving navigation, safety and security. Nevertheless, these other areas of regulation are not totally separable from economic regulation and can affect such matters as pricing, airline licensing, General Sales Agency, Flight Clearing Agency and some aspects of passenger facilitation including fair competition and consumer protection. As all the aspects of air transport functions and its regulation is the obligation of CAAN as the regulator of aviation activities of Nepal, the Manual envisages CAAN as the economic regulator, together with being the regulator of aviation safety and security. Therefore, the functions of the Department as mentioned in this Manual shall be discharged by qualified Air Transport Inspectors shouldered with the responsibility of regulating the economic aspect of Air Transport in Nepal. This Manual for Air Transport Functions is issued and will be maintained through periodic reviews and revisions under the authority of the Director General, Civil Aviation Authority of Nepal.

A handwritten signature in black ink, reading 'Deo Chandra Lal Karn', is positioned above the printed name and title.

Deo Chandra Lal Karn
Acting Director General
May 2026



Chapter 1: GENERAL

Definitions

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.

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.

Air Operator Certificate (AOC) – A certificate authorizing an operator to carry out specified commercial air transport operations.

Air Transport Operation – The movement of passengers and cargo by aircraft such as airplanes and helicopters, including commercial, military, non-commercial and general aviation operations.

Certificate of Airworthiness (C of A) – A formal document of airworthiness certificate issued by the Regulatory authority of any country to certify that an aircraft is airworthy.

Civil Aviation Operation— The aircraft operation for commercial and general aviation operation (private flights) excluding the field of Military operation.

Commercial Air Transport Operation – An aircraft operation involving the transport of passengers, cargo or mail for remuneration or hire.

Demonstration flight – A flight performed:

- (1) With the purpose of demonstrating an aircraft's handling, performance of demonstrating,
- (2) With the purpose of demonstrating an aircraft's flying characteristics or the operational procedures to the competent authority, for verification of compliance with the operational requirements of any aerodrome,
- (3) At the request of the operator to verify compliance of the aircraft with the contractual specifications of the lessee/lessor or buyer at the end of lease or upon transfer of ownership
- (4) For the purpose of route proving flight; operational evaluation flight.



Ferry Flight – A ferry flight could be performed for the following purposes:

- (a) The aircraft is moved to and from a maintenance base. The aircraft may be operated under the **permit-to-fly** condition.
- (b) The aircraft moved from one location to another, e.g., from the manufacture, refurbishment location, previous owner, lessor/lessee, long-term storage to the operator's base.

Flight Permit Number (FPN) – A unique alphanumeric number issued by CAAN for a flight/number of flights with the privilege of land/take-off and overfly across Nepali airspace.

General Aviation Operation – An aircraft operation other than a commercial air transport operation or an aerial work operation operated by owner of an aircraft.

International Airport – An aerodrome intended to be used for the arrival /departure and surface movement of aircraft and, including immigration, customs and public health services.

Maintenance Check Flight /Functional Check Flight (MCF/FCF) – A flight of an aircraft with an airworthiness certificate or permit to fly which is carried out for the purpose of checking the functioning of one or more systems and parts after maintenance as per aircraft maintenance manual (AMM), if the functioning cannot be established during the ground check.

Non-commercial Air Transport Operations – The operations which are not covered by the definition of commercial operations or by that of specialized operation on a irregular basis, are identified as non- commercial operations. Such operations are performed with aircraft having a certificate of airworthiness or a permit to fly and being already listed on an AOC or on a declaration. They are grouped by the purpose of the flight such as Demonstration flight, Test flights, Proving flight, Relief flight, Maintenance Check Flight (MCF), Ferry flights, Training flights, Humanitarian flights, Positioning flights, and Private flights.

Non-scheduled Air Services – Flights operating without a regular or published schedule for the carriage of passenger or cargo, not according to a schedule or plan. Non-Scheduled air service comprises of commercial and non-commercial flights such as; extra (additional) flight, chartered flight, air taxi flight, private flight, VIP flight, UN flight, State flight (police, customs, agriculture, military flight etc.).

Operator – The person, organization or enterprise engaged in or offering to engage in an aircraft operation.



Permit-to-Fly – It is a permit generally issued by the competent authority of state of registry when a certificate of airworthiness is temporary invalid, or when a certificate of airworthiness cannot be granted, but the aircraft is nevertheless capable of performing a safe flight.

Positioning Flight – Flights changing the location of the aircraft including:

- a. The aircraft and its aircrew are positioned to an aerodrome from which a further commercial air transport (CAT) operation will be performed,
- b. The aircraft is moved from its current location to a secure location for various reasons (e.g., to remove it from a hazardous area).

Relief Flight - Relief flights mean flights operated for humanitarian purposes which carry relief personnel and supplies and, for the purpose of carrying load of in-flight aircraft in need of repair or maintenance.

Scheduled Air Services – Flights for traveling passengers and/or mail, freight according to a published time table in a specific time and days of the week between two specified aerodromes.

Sling Flight – A flight including the sling (external suspension by cargo hook) load operation of rotor-wing (helicopter).

Safety management system (SMS) - A systematic approach to managing safety, including the necessary organizational structures, accountability, responsibilities, policies and procedures.

State safety programme (SSP) -An integrated set of laws, regulations, policies, objectives, processes, procedures and activities aimed at managing safety, at the State level.

Special Purpose Flight – The flight which is operated for the accomplishment of special purposes of regulatory authority, airline & aerodrome operator, government entity and other international government and/or non-governmental agencies exclusive of schedule module.

Test Flight - A flight operated for the purpose of observation of performance characteristics of aerodrome, airspace, aircraft and parts thereof.

Training flight – A flight performed for instructional purpose for the operator's own flight crew's training and checking i.e., a flight performed by the operator with the purpose of training, checking and/or familiarizing flight crew member with the operator's procedures linked to the aircraft being operated. Such as Pilot Proficiency Check (PPC) and other check flights.



Purpose of the Manual

The purpose of this manual is to establish standardized procedures, guidelines, and regulatory requirements for the effective administration and oversight of air transport operations. Other purposes are as follows:

- (a) To shape up a legal framework within which CAAN will carry out various tasks related to the smooth operation of air transportation in Nepal in congruence with National legislation.
- (b) To promote standardization and uniformity in application of programme, procedures and practices.
- (c) To encourage and promote the establishment of reasonable programmes for enhancing and improving safety to benefit the aviation community.

Applicability

The provisions contained in this manual are applicable to air transport functions. For completeness, the roles and responsibilities documented in this manual should be reflected in procedure manuals of the respective regulatory departments.

Authority for publication and amendment of the manual

This manual is developed, published and distributed in pursuant to Civil Aviation Regulations, 2002.

The Authority is responsible for the issuance and control of amendments to this manual. All copies of the manual are numbered and issued in accordance with the distribution list. Individual holders are responsible for insertion of all amendments. Minor changes (e.g. telephone number, typographical errors) can be accommodated by hand amendment with prior notification to the Authority. All such changes will be incorporated accordingly.

All users of this manual are encouraged to submit recommendations for proposed revisions, additions or omissions to the Authority for consideration and inclusion in the amendments as appropriate.

This manual shall be reviewed annually and revised as necessary.

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Chapter-2

Introduction

2.1 Statutory Provision

Civil Aviation Authority of Nepal (CAAN) is the Aeronautical Authority of Nepal. Rule 82 of Civil Aviation Regulation, 2058 (2002) authorizes the CAAN to promulgate requirements, directives and manuals to implement the provisions of SARPs to the Annexes. CAAN is the regulatory body to regulate the air transportation in Nepal.

2.2 Objective

The objective of this manual is to shape up a legal framework within which CAAN will carry out various tasks related to the smooth operation of air transportation in Nepal in congruence with National legislation.

2.3 Air Transportation Department

All flights into, from or over the territory of Nepal and landings in Nepalese territory shall be carried out in accordance with the national regulations. Matters related to the permission of such flights are dealt with by the Air Transport Department. This department under the Civil Aviation Safety and Security Regulations Directorate is responsible for regulation of air transport services to/from/within Nepal and for the enforcement of regulatory envisions of CAAN. The department is headed by the Chief of the department and the department has following major functional units in order to discharge the duties and responsibilities.

- a) ICAO, International Affairs Division
- b) Flight Permission Section
- c) Technical Information Unit (Library)

2.4 Hierarchy

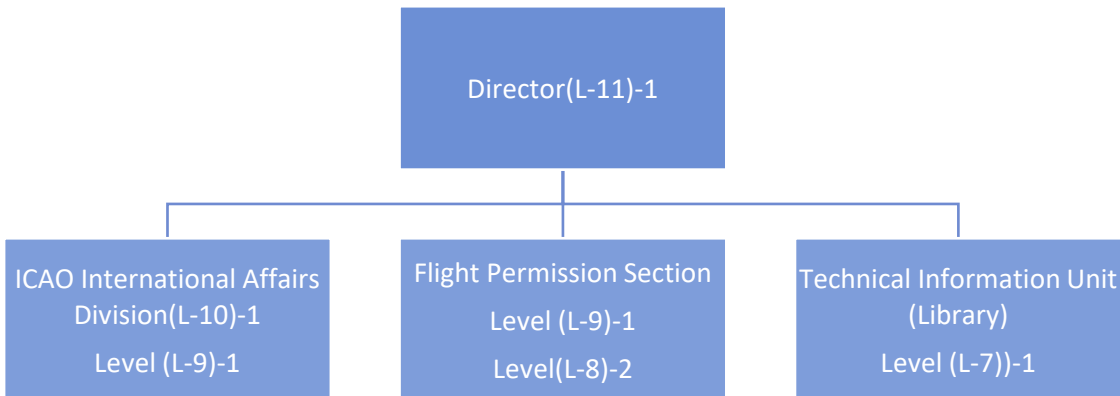
The hierarchy of the department following in the descending order. The process of decision making follows the same order when the official memo is processed from desk officer to the official for decision making.

1. Director (Chief of Department)
2. Deputy Director (Chief of Division)



3. Manager (Chief of Section)
4. Deputy Manager
5. Senior Officer

Organization Structure of ATD



(The organizational structure of Civil Aviation Safety and Security Regulations Directorate is given in Appendix A)

2.5 Immediate Supervisor

The immediate supervisor of Chief of Air Transport Department is Deputy Director General, Aviation Safety and Security Directorate, CAA Nepal.

2.6 Functions

The major functional areas of the Air Transportation Department are related to:

- Approval of Summer and Winter Schedule of scheduled domestic airlines.
- Approval of Summer and Winter Schedule of scheduled domestic airlines involved in international flights.
- Approval of Summer and Winter Schedule of scheduled international airlines.
- Approval of amendment/revision of domestic and international flight schedules of airlines for their domestic and international operations.



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- Issuance of flight permission to foreign registered aircraft including VIPs/tourist chartered flights which are overflying/landing/technical landing to/across Nepal.
- Issuance of flight permission to all domestic non-scheduled, chartered, diplomatic, experimental, rescue, survey and other emergency flights.
- Issuance of flight permission to all international non-scheduled, chartered, diplomatic, experimental, rescue, survey and other emergency flights.
- Approval of amendment/revision of all domestic and international non-scheduled, chartered, diplomatic, experimental, rescue, survey and other emergency flights.
- Monitoring of operations of scheduled domestic airlines with respect to schedule adherence and slot utilization.
- Monitoring of international operations of Nepalese carriers with respect to utilization of traffic rights.
- Monitoring of operations of international airlines with respect to schedule adherence and slot utilization.
- Issuance of flight permission to operators of aviation sports including para-gliders, hang-gliders, ultra-lights, hot-air-balloons, for operating in the prescribed area within the territory of Nepal.
- Providing recommendation regarding issuance and renewal of visas for the foreign employees of the Airline operators.
- Analysis of passenger traffic data of various scheduled domestic and international airlines on monthly basis in respect of passenger growth and market share.
- Assistance to various committees with regard to air transportation issues and passenger traffic forecasting.
- Examination of Air Transport Manual of various scheduled/non-scheduled/private operators. Observations are communicated to the operators to bring the contents of the manual in line with the Civil Aviation Requirements.
- Carrying out, in coordination with other concerned departments, divisions, units, and entities, a detailed study and evaluation of the business plans of airline operators during the initial purchase or addition of aircraft fleet.



- Formulating recommendations, in coordination with other concerned departments, divisions, units, and entities, regarding the commencement of initial flights of foreign and domestic operators from a particular airport, based on station visits and detailed technical and operational studies.
- Coordinating with all scheduled airlines with regard to passenger grievances.
- Monitoring airfare of scheduled domestic airlines for their domestic operations with respect to fare determined by the Government of Nepal.
- Monitoring the operations of General Sales Agents (GSAs) and Flight Clearing Agency which are approved by CAAN for international flight operations.
- Acting as a focal point for ICAO matters by maintaining close coordination with the Director General and the Deputy Director General (DDG) of ASSRD.
- Managing and coordinating ICAO State Letters on behalf of CAAN, including inter- and intra-departmental coordination to respond to ICAO on matters related to SARPs amendment and adoption.
- Initiating necessary actions regarding new Air Services Agreements and amendments to existing ASAs on behalf of the State Aeronautical Authority.
- Managing Technical Library at CAAN Head Office.
- Carrying out any other activities assigned by DGCA Nepal or DDG ASSRD CAA Nepal.

All flights operated under the approvals and flight permissions issued by the Air Transport Department (ATD) shall be conducted in accordance with the Standard Operating Procedure (SOP) for Flight Permission, 2026.

Other functions related to rule making, coordinating for SARPs adoptions and issues related to ICAO and other international affairs shall be conducted in accordance with the Procedures Manual For ICAO, International Affairs Functions- 2022.

Other functions of Technical Information unit (Library) shall be conducted in accordance with Library operating Procedure.



CHAPTER 3

Analysis of Passenger Traffic Data

- The traffic data from various airlines and airports are collected and compiled on monthly basis to assess the passenger growth, OTP, status of passenger grievance redressal, flight cancellation, flight delays, denied boarding, compensation/facilitation provided to passengers. The same is also referred to infer the variation in market share of individual airlines and to estimate the load factor.
- This assessment is done in order to compare the variation in traffic growth on periodic basis.
- Airlines and airports are required to furnish all traffic movement and other data to ATD in accordance to the format as prescribed in Appendix B of this manual periodically based on mutual coordination.
- The data are then analyzed, compiled and compared to draw the conclusion. The monthly report highlighting passenger growth, market share and load factor along with on time performance (OTP), Scheduled compliance status, passenger grievance redressal status etc. is prepared to monitor the performance of each airline and airport. The record of performance thus measured shall be maintained at ATD and retained for a period as mentioned in chapter 7.



CHAPTER 4

Techno-Economic Regulation of Air Transport

- Development of economic policies and strategies with respect to air transport;
- Formulation of specific rules and regulations to implement basic aviation law and to further national policy goals and objectives;
- Issuance (or denial or withholding) of foreign air carrier licenses and permits;
- Coordination of air transport policy and regulation with other governmental entities such as those responsible for trade and commerce, tourism, financial controls, taxation, national development, etc.
- Conduct of bilateral and multilateral international relations with respect to air transport;
- Undertakes economic study for the selection of suitable fixed wing aircraft and helicopter based on operational requirements, route structure, passenger demand, and airport characteristics.
- Review of long-term fleet planning, operational sustainability, and future expansion requirements of the airline operator.



CHAPTER 5

OTHER FUNCTIONS

5.1 General

Besides granting various types of permission, Air Transport Department performs other functions as mentioned in 2.6 of this Manual. These functions form the basis of air transport regulation in Nepal.

5.2 Recommendation related to Air fare

Based on the recommendation of CAAN, the GoN fixes the fares specifying the upper and lower limits in a particular sector allowing the airlines to exercise the leverage to adopt price remaining within the specified limits. In this regard, ATD serves as the focal point for the recommendation related to domestic air fare to be charged by the airline operating companies. Basically, such recommendation is made based on factors such as aerial distance, operating cost, sector to be operated, type of aircraft etc. For this purpose, a committee formed by the representatives of, including but not limited to, ATD, Finance Department, Legal Section, Stakeholders, especially the airline operators, is formed. All documentation related to this function shall be maintained at ATD. Experts, as necessary, shall be invited to contribute their opinion and expertise to the committee.

5.3 Recommendation related to visa

Issuance and renewal of visas for the foreign employees of the Airline operators in accordance to the Immigration and Labor Laws. However, being the focal point of all commercial aspects of air transportation, ATD shall make necessary recommendation regarding issuance and renewal of visas for the foreign employees of the Airline operators.

5.4 Study of feasibility reports/business plan

ATD shall, in coordination with other concerned departments/divisions/units/entities, carry out the study of business plan of Airline Operators during initial purchase or addition of fleet. This study shall form an integral part of the five phased AOC procedures in accordance to the AOCR, CAAN. For this purpose, with the Director of ATD as the chairperson, a committee shall be formed including, but not limited to, representatives from Finance Department, Corporate Directorate, and Flight Safety Standards Department. Experts, as necessary, shall be invited to contribute their opinion and expertise to the committee.



5.5 Registration and renewal of international and domestic GSA

The function related to registration and renewal of international and domestic GSA shall be discharged by Air Transport Department in accordance to “Procedure regarding permission and regulation of General Sales Agent, 2020.”

5.6 Registration and renewal of flight clearing agency

The function related to registration and renewal of flight clearing agency, that deal as the agency of international chartered flights to Nepal, shall be discharged by Air Transport Department in accordance to “Procedure regarding permission and regulation of Flight Clearing Agency”2025 issued by CAAN.

5.7 Issuance of Foreign Operating Permit

The issuance of a Foreign Operating Permit (FOP) is carried out by the Civil Aviation Authority of Nepal (CAAN) to authorize foreign air operators to conduct scheduled or non-scheduled international flight operations to, from, or over the territory of Nepal in accordance with applicable national regulations, bilateral or multilateral Air Services Agreements, and relevant standards of the International Civil Aviation Organization. The permit is issued upon satisfactory evaluation of operational, technical, safety, security, and regulatory requirements, including submission of the prescribed documents and approvals from the concerned authorities.

5.8 Passenger Grievance

Enquiries with respect to public grievances related to airlines and their service to the passengers are dealt by the flight permission section of Air Transport Department. Any query from CAAN with regards to public grievances need to be responded with proper justification along with evidence by the airlines. All documents related to such grievances shall be maintained by Air Transport Department for a period as mentioned in Chapter 7, clause 7.2 of this manual.

5.9 ICAO Focal point

ICAO International Affairs Division of ATD acts as a focal point for ICAO for managing and coordinating ICAO state letters including necessary inter and intra-departmental coordination to respond to ICAO on matters relating to the amendment and adoption of SARPs and other states letters. The division initiates necessary actions regarding new Air Services Agreements and amendments to existing ASAs on behalf of the State Aeronautical Authority.

Chapter 6

Regulation of Air Transport in Nepal

6.1 General

Regulation of Air Transport in Nepal includes performance evaluation of each airlines and airports in terms of various areas such as aviation law and regulation related to air transport, airline business strategies, airline passengers, airline scheduling and disruption management, airport airlines relationships, air cargo and logistics, airlines information communication, human resource management and industrial relations, air transport marketing, air transport in remote regions, air transport during contingencies and the like.

The flight permission issuance procedure is based on several rules and requirements that need to be followed by the airlines seeking such permission. During each of the phases of this procedure, CAAN needs to be assured of all rules being followed, adequacy of financial and human resources, completion of all necessary co-ordinations, fulfillment of all technical obligations and necessary actions being taken for ensuring the convenience and welfare of general public. For this purpose, several inspections and checks shall be carried out by qualified technical manpower (Air Transport Inspectors) of this department. Along with issuance of flight permission, the performance of airlines shall be monitored based on adherence to approved schedule, slot utilization, deviation from procedure, adherence to approved operating base, submission of application and other necessary documents on time, timely sharing of data and information, participation in meetings, scheduled-chartered ratio, handling of passenger related grievances, compliance of requirements, circulars, fulfillment of conditions as stated in the permission and arrears regarding payables to CAAN, etc.

For meeting the obligations as stated above, CAAN Air Transport Inspectors shall perform the following activities that are included under their inspectorate duties and responsibilities.

6.1.1 In case of international flights intending to commence commercial scheduled flights to/from Nepal, station visit and inspection shall be carried out by the designated air transport inspectors in accordance with the checklist as included in APPENDIX C. If in case, an inspection cannot be completed prior to the commencement of scheduled flights, CAAN shall issue provisional flight permission until the time of completion of inspection, provided that rest of all requirements are priorly met in accordance to this manual.

6.1.2 Before conducting any flight off-route (other than the sector being operated previously) by any domestic operator/airlines, CAAN Air Transport Inspectors shall participate in the flight inspection team for that sector before authorizing commercial operation in that sector.



6.1.3 Before issuing License, Certificate and authorization such as RAOC, following the request for the same from MoCTCA, to any recreational air operators, CAAN shall perform on-site visit/ field visit of their operational base with a team comprising of technical representatives from Air Transport Department, Flight Safety Standards Department and Air Traffic Management Department in accordance with the checklist as included in Appendix C.

6.2 Air Transport (AT) Inspector

6.2.1 Air Transport (AT) Inspector Eligibility

Credentials shall be issued to qualified personnel who are assigned the duties of Air Transport Department and meet the following criteria.

- Air Transport inspectors shall be technical personnel with minimum seven years' experience in air traffic services and should possess a sound knowledge of the national legislation, SARPs of Annexes, and all relevant documents and manuals published by ICAO.
- Experience in the field of air transport management, airport management and knowledge of latest state safety program & safety management systems.
- The minimum training that must be completed prior to issuance of an Air Transport Inspectors credential includes all of the following courses offered by any institution recognized by the Authority
 - Air Transport Management Course
 - Aviation Audit/Inspector Course
 - Safety Management System (SMS) Course or State Safety Programme (SSP) Course.
 - Human Factor in Aviation Training
 - Flight permission Officer course
 - At least ten minimum participations in the following on - site inspections / field visits as Observer of air transport (airlines / recreational agencies/ GSA facilities/ station visits).



- After completing all above course and at least four months of on-the-job training to include administrative procedures and prevailing provisions of ASA/MoU, ATS personnel will be qualified for Air Transport Inspector Credentials.
- However, the ATS personnel working under the Air Transport Department during the time of approval of this manual shall be automatically regarded as Air Transport Inspector & will be certified & entrusted with inspectors' credentials

AT Inspector shall have refresher/recurrent training on Safety management course, Aviation Audit/inspector course, Air Transport management course and Flight Permission Officer Course in every 2 years.

6.2.2 Inspector Credential, Validity, Currency and Surrender

1. CAAN Inspector Identification (Inspector Credential), that identifies the Inspector as an “Authorized Person” shall be issued by Director General of CAAN for the purpose to perform the duties and exercise the powers;
2. An Inspector must display his/her credential on an outer garment to be permitted entry into airport secured areas, and while working in these areas;
3. Holders of credentials are responsible for ensuring the safe, efficient, secure & legal operation of air transport.
4. Misuse or improper possession of the credential can subject the offender to disciplinary actions.
5. The validity of the credential will be two years of issuance of such credential;
6. If the credential is lost, stolen, or damaged, the Inspector should report the to the Chief of Air Transport Department immediately;
7. To maintain the currency, the inspector must attend at least two Inspection/Field visit of airlines service providers for renewal of Credentials
8. The credential shall be surrendered to the holder's supervisor who shall forward the card to the Director, Air Transport Department for proper disposition. The credentials shall be surrendered under any of the following conditions:
 - a) Termination of employment,
 - b) Reassignment to a position which does not require an Air Transport Inspector credential,



- c) Issuance of a revised credential
 - d) Upon demand by the issuing authority
9. The format of credential of inspector is as follows:

Front side of credential

	CIVIL AVIATION AUTHORITY OF NEPAL	Date of Expiry
<h2 style="margin: 0;">Air Transport Inspector</h2>		
Name: Post: Dept./Div./Sec. Card No.:	PHOTO	
..... Signature of Holder	 Director General

Back side of credential

The holder is authorized to have unrestricted and unlimited access to aerodrome and aircraft facilities. services. equipment, records and documentation for the purpose of testing, inspection, verification, investigation, enforcement and regulatory function as authorized by Civil Aviation Regulation 2002, Rule 84.

If found, please handover to
CIVIL AVIATION AUTHORITY OF NEPAL
Aviation Safety and Security Regulation Directorate
Sinamangal, Kathmandu.
Tel.: 01-571800/5718030



6.2.3 Requirements regarding OJT (on the job trainee)

- a. After achieving qualifications mentioned in 6.3.1, having familiarization of office, demonstrating sufficient knowledge on required air transport safety related documents and participating in an actual audit/inspection as an observer candidate may be appointed as OJT for AT inspector under the supervision of one of the working AT inspectors.
- b. The candidate shall participate in at least ten minimum participations in the following on-site inspections / field visits as Observer of air transport (airlines / recreational agencies/ GSA facilities/ station visits).
- c. The candidate shall have consolidated knowledge on audit/inspection planning including coordination with auditee, writing meeting minutes, writing audit/inspection agenda, understanding and implementing inspection checklist, preparing audit/inspection reports etc.
- d. When the supervisor finds the candidate is capable for performing air transport regulatory functions independently; he/she shall go through an assessment (oral or/and written) and if the result is found satisfactory, the supervisor may recommend to the Director General for granting full authorization to the OJT candidate.
- e. After approval of the authorization from DGCA, OJT shall be entitled to exercise the full authorization of AT inspector.

OJT recommendation form is included in Appendix F

6.2.4 Duties and Responsibilities of Air Transport (AT) Inspector

As an AT inspector your duties and responsibilities shall be as follows:

1. Monitoring and inspecting airline flight schedules at different airports in accordance with prescribed checklists, procedures, and regulatory manuals.
2. Conduct regular and random inspections of approved domestic and international flight schedules based on airline operations and airport activities.
3. Monitor and assess On-Time Performance (OTP) of airlines to ensure operational efficiency and schedule reliability.
4. Verify schedule adherence with respect to flight delays, cancellations, and approved operational timings.



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5. Monitor airline operations concerning approved routes, traffic rights, and load capacities.
6. Review, monitor, and address operational complaints, non-conformances, and service irregularities related to air transport operations.
7. Inspect air transport operations of airlines and other aviation service providers, including drones, paragliders, air balloons, and similar civil aviation activities, to ensure compliance with applicable regulations, procedures, and operational standards.
8. Oversee and monitor the effectiveness of air transport-related practices, operational procedures, and regulatory compliance of airlines and associated service providers.
9. Enter and inspect lands, buildings, offices, and operational facilities associated with service providers, including airlines, General Sales Agents (GSAs), local agents, and other related entities, whenever necessary for regulatory inspection purposes.
10. Record operations, procedures, inspections, or approved schedule exemptions in written, photographic, video, or other electronic forms for official and regulatory purposes.
11. Access restricted areas of airports, as necessary, for carrying out inspections, monitoring, observations, and regulatory oversight functions.
12. Inspect airfares to ensure compliance with approved fare structures, regulatory provisions, and government directives.
13. Take enforcement actions according to the Aviation Enforcement Policy and Procedure Manual, CAAN;
14. Perform any other duties and responsibilities assigned by Director General of CAAN.



Chapter-7

Air Transport Documentation

7.1 General

The Air Transport documentation shall be maintained at Air Transport Department. It shall maintain the records of all ASAs and International Flight Permissions thereto and all other Flight Permissions as mentioned in SOP, Permission-2026 International and Domestic GSA Approvals and Renewals, Local Agent Approvals and Renewals, Flight Schedules, Flight Monitoring Reports, Performance Reports, Checklists related to permissions of recreational aviation, Inspection Reports, flight related data, public grievances and related documents, etc.

7.2 Data Storage and Retention

In the context of air transport documentation, documents shall be categorized as:

1. Documents related to Flight Permission and schedules
2. Documents related to registration and renewal of Agencies (viz. International and Domestic Sales Agencies and Local Agencies)
3. Reports and checklists, including but not limited to Inspection and field visit reports, feasibility study reports, etc.
4. Data related to flight operations, compliance and performance
5. Others, including documents related to public grievances and their proceedings,

Air Transport Department plays a vital role as the focal of regulation of air transport matters in the civil aviation sector of Nepal. ATD maintains all the documentations as mentioned above and adopts measures for their retention and protection. In this regard, the documents included under category 1 and 5 above shall be retained for 5 years, those under category 2 and 4 shall be retained for a period of 10 years, those under category 3 shall be retained permanently.



Chapter-8

Inspection Process

8.1 Inspection Phases

The inspection process consists of the following three distinct phases:

- (a) pre- inspection;
- (b) physical inspection and;
- (b) Post- inspection

(a) **Pre –Inspection:** Planning and preparation phase of the inspection is called pre- inspection. It is meant for the purpose of ensuring that the objectives of the inspection are achieved effectively and efficiently. This phase includes the planning of resources such as human and financial together with time needed for the completion of the inspection. Normally, the time schedule and the resources required depend on the scope of the proposed inspection and shall be determined by the Air Transport Department.

(b) **Physical Inspection:** Physical inspection shall be carried out on the date notified to the inspector. The inspection shall be systematic and objective and all inspection findings shall be recorded on prescribed standardized form/checklist with reference made to the relevant Rules, Regulations, Standards, Recommended Practices and/or guidance materials for which the finding was made. Entry Meeting the inspection shall commence with entry meeting. The purpose of this meeting is to provide an opportunity for all attendees to understand the inspection process, scope and clarify any problems or conditions that may arise. Entry meeting minute format is attached in Appendix G. The inspection team shall test and observe whether the items in the respective checklist are being complied with and desired outcome is being produced. Evidence may be gathered through:

- Interviews with employees and managers
- Review of Flight records documentation;
- Discussions with top management; and
- Visits to different units, organization and facilities.
- Closing meeting

Debriefing shall usually be done during the closing meeting held after carrying out physical inspection. The accountable executive, Departmental heads and other responsible personnel shall be present during the debriefing. During the closing meeting, the inspection team shall brief on



observations made during the inspection and possible findings and recommendations of the team. Closing meeting minute format is attached in Appendix H

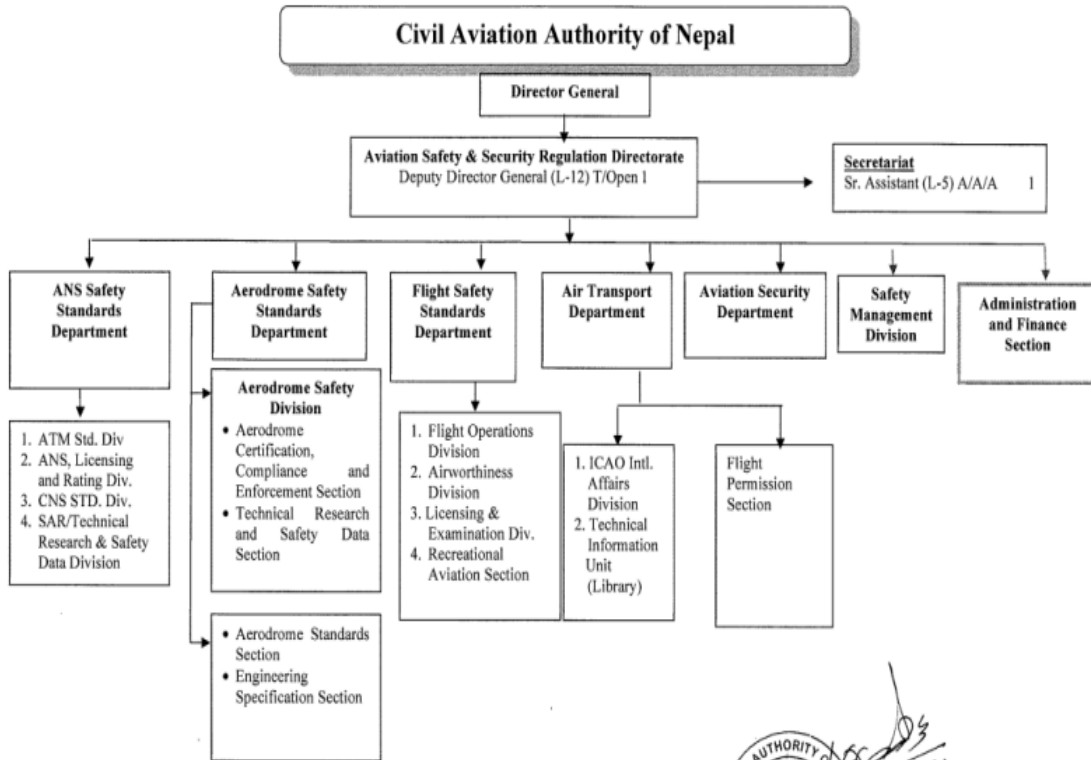
C) **Post-Inspection:** Post-inspection activities include completion of administrative details and production of the inspection report. Final report shall be sent to the concerned operators. Service provider shall submit corrective action plan within 30 days upon receipt of such report.



Appendix - A

Organizational Structure Of ASSRD

Organization Structure of ASSRD



ASSR Directorate

Activate Win
Go to Settings to



Appendix - B (2)

Rotor wings (Helicopter)

FLIGHT MOVEMENT DATA

Name of operators:

MONTH:

YEAR:

S. N.	Date of flight	Permission number & purpose of flight	Approved Flight sector	Flights conducted sector	Reason of flights cancellation

Passenger details shall be maintained by the concerned operators and furnished to the Air Transport Department (ATD) as and when required.



Appendix - C

Onsite Airport/Station /Airlines Inspection Checklist

1. General Information

Name of Airport/Airlines: _____

Date of Inspection/Visit: _____

Time of Inspection: _____

Name of Inspecting Officer(s): _____

Airline/Operator Concerned: _____

Purpose of Visit/Inspection: _____

2. Flight Permission Verification

Verification of approved flight schedule: _____

Verification of flight permissions issued by ATD: _____

Compliance with approved scheduled and sectors: _____

Verification of aircraft type and registration: _____

3. On-Time Performance (OTP) Monitoring

Departure OTP:

Arrival OTP:

Delay records and reasons:

Flight cancellation records:

Passenger handling during delays/cancellations:

4. Passenger and Terminal Operations

Passenger facilitation arrangements:

Check-in counter operations:



Boarding process and gate management:

Baggage handling procedures:

Complain handling mechanism:

Display of approved airfares and schedules:

5. Documentation and Records

Flight movement records:

Delay/cancellation reports:

Passenger complaint records:

6. Findings and Observations:

7. Recommendations:

Inspector's Signature: _____

Date: _____

APPENDIX-D



Civil Aviation Authority of Nepal (CAAN)

Air Transport Department

**Checklist for General Sales Agent (GSA) for
Inspection**

1. Name of Organization (GSA):
2. GSA Certificate Number by CAAN (for Renewal):
3. Permanent Account Number (PAN):
4. Location of Office
 - a) Permanent Address:
Province: District:
Municipality/Rural Municipality: Ward No.:
 - b) Temporary Address:
Province: District:
Municipality/Rural Municipality: Ward No.:
5. Number of Employees as Summited during Renewal/Initial:
6. Documents:
 - a) Agreement between Airlines & GSA:
 - b) Document summited (Renewal/Initial):



10. Flight and Cargo Movement Data:

FY	Ticket Sold		Cargo Transport		Mail Transport		Remarks
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	

11. Document records on grievance Handling and other issued (if any):

12. Recommendations:

ATD Inspector

Name:

Designation:

Signature:

Date:

ATD Inspector

Name:

Designation:

Signature:

Date:

APPENDIX-E



Civil Aviation Authority of Nepal (CAAN)

Air Transport Department

**Checklist for Flight Clearing Agency (FCA) for
Inspection**

1. Name of Organization (FCA):
2. FCA Certificate Number by CAAN (for Renewal):
3. Permanent Account Number (PAN):
4. Location of Office
- c) Permanent Address:
Province: District:
Municipality/Rural Municipality: Ward No.:
- d) Temporary Address:
Province: District:
Municipality/Rural Municipality: Ward No.:
5. Number of Employees as Summited during Renewal/Initial:
6. Documents:
7. Responsible person of FCA (Name, Signature, Designation, Contact Details & Office stamp):
8. Physical Belongings of Company:



Procedure Manual for Air Transport Functions, CAAN

SN	Particular	Available	Not available	If Available No.	Remarks
1.	Building/Rooms				
2.	Logistics				
3.	Generator				
4.	Photocopy				
5.	Telephone				
6.	Computer/Laptop				
7.	Printer/Scanner				
8.	Internet				
9.	Vehicles				
10.	Others				

9. Flight and Cargo Movement Data:

FY	No. of Pax		Cargo Transport		Mail Transport		Remarks
	Foreign	Domestic	Foreign	Domestic	Foreign	Domestic	

10. Recommendations:

ATD Inspector

Name:

Designation:

Signature:

ATD Inspector

Name:

Designation:

Signature:



Date:

Date:

APPENDIX-F

OJT Recommendation Form

S.N	Particulars	Description (to be filled by OJT)	Supervisor/OJTI's remarks (Sat./Unsat.)
01	Required qualifications		
02	Office Familiarization		
03	Knowledge on Air Transport Department related documents		
04	Participation in an inspection as observer		
05	At least ten minimum participations in the following on-site inspections/field visits as Observer of air transport (airlines/recreational agencies/GSA facilities/ station visits).		
06	Consolidated knowledge and performance on audit processes like: a. Inspection planning and report writing b. Understanding and implementing inspection checklist		
07	Assessment's result		

Concluding Remarks of Supervisor/OJTI:

Signature and date
(Supervisor/OJTI)

Signature and Date
(OJT)



APPENDIX-G

Inspection Entry meeting



Meeting Minute - Civil Aviation Authority of Nepal

ATD Entry Meeting

Name of Operator:

Venue:

Date:

Start Time:

End Time:

1. CAA Inspectors

2. Attendees- Operators



APPENDIX-H

Inspection Closing Meeting



Meeting Minute - Civil Aviation Authority of Nepal

ATD Closing Meeting

Name of Operator:

Venue:

Date:

Start Time:

End Time:

1. CAA Inspectors

2. Attendees- Operators