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ADVISORY CIRCULAR
AC 131-03 v2.0

Transitioning to Part 131 of CASR and MOS - A guide for commercial balloon operators

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Advisory circulars are intended to provide advice and guidance to illustrate a means, but not necessarily the only means, of complying with the Regulations, or to explain certain regulatory requirements by providing informative, interpretative and explanatory material.

Advisory circulars should always be read in conjunction with the relevant regulations.

Audience

This advisory circular (AC) applies to:

- commercial operators of aircraft regulated by Part 131 of the *Civil Aviation Safety Regulations 1998* (CASR).

Purpose

This AC provides guidance for balloon AOC holders on complying with the new Part 91 and Part 131 regulations which commenced on 2 December 2021 and the Part 131 Manual of Standards (MOS) that commences on 12 November 2024.

The information in this AC is applicable to existing balloon AOC holders and new applicants.

For further information

For further information, contact CASA's Operations Standards (telephone 131 757).

Status

This version of the AC is approved by the Branch Manager, Flight Standards.

Note: Changes made in the current version are not annotated. The document should be read in full.

Table 1. Status

Version	Date	Details
v2.0	November 2024	Revision providing guidance for balloon transport operators on the commencement of the Part 131 MOS on 12 November 2024 when relevant old legislation will be repealed.
v1.1	December 2021	Amendments due to changes in legislative framework. The making of the Part 131 MOS has been deferred and the existing framework of Civil Aviation Orders has been modified accordingly.
v1.0	September 2021	Initial AC.

Unless specified otherwise, all subregulations, regulations, Divisions, Subparts and Parts referenced in this AC are references to the *Civil Aviation Safety Regulations 1998* (CASR).

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Acknowledgement of Country

The Civil Aviation Safety Authority (CASA) respectfully acknowledges the Traditional Custodians of the lands on which our offices are located and their continuing connection to land, water and community, and pays respect to Elders past, present and emerging.

Artwork: James Baban.

1 Reference material

1.1 Acronyms

The acronyms and abbreviations used in this AC are listed in the table below.

Table 2. Acronyms

Acronym	Description
AC	advisory circular
AMC	acceptable means of compliance
AOC	air operators certificate
ASAO	approved self-administering aviation organisation
CAR	<i>Civil Aviation Regulations 1988</i>
CASA	Civil Aviation Safety Authority
CAO	Civil Aviation Order
CASR	<i>Civil Aviation Safety Regulations 1998</i>
FOR	flight operations regulations
GM	guidance material
MOS	Manual of Standards

1.2 Definitions

Terms that have specific meaning within this AC are defined in the table below. Where definitions from the civil aviation legislation have been reproduced for ease of reference, these are identified by 'grey shading'. Should there be a discrepancy between a definition given in this AC and the civil aviation legislation, the definition in the legislation prevails.

Table 3. Definitions

Term	Definition
airship	means a powered, lighter-than-air aircraft.
balloon	means an unpowered, lighter-than-air aircraft.
balloon flying training	means any training given during flight time in a balloon for the purpose of increasing a person's skill in flying the balloon. Note: Practically this encompasses both commercial balloon pilot licence training conducted as a prescribed purpose under paragraph 206 (a) of CAR in accordance with Part 5 of CAR, and training conducted as a Part 131 recreational activity relating to the private pilot balloon permit granted by CASA under CAO 95.54.
balloon transport AOC	an AOC that authorises the operation of a Part 131 aircraft for a balloon transport operation.

Term	Definition
balloon transport operation	An operation is a balloon transport operation if the operation is: <ol style="list-style-type: none"> a. a passenger transport operation conducted using a Part 131 aircraft that is a registered aircraft or a foreign registered aircraft; and b. conducted for hire or reward; and c. undertaken wholly within Australia; and d. not undertaken as part of a flight into or out of Australian territory.
balloon transport operator	a person who holds a balloon transport AOC.
commercial balloon flying training	balloon flying training for a balloon flight crew licence or balloon flight crew rating conducted in accordance with Part 5 of CAR for hire or reward.
free balloon	<ol style="list-style-type: none"> a. in Part 101—means a balloon that is not tethered; and b. otherwise—means a balloon that is intended for flight without being permanently tethered.
gas balloon	means a balloon that sustains flight with lighter-than-air gas.
hot air airship	means a power driven lighter-than-air aircraft where the engine does not create any portion of lift.
manned free balloon	means a free balloon that: <ol style="list-style-type: none"> a. is equipped to carry one or more persons; and b. is equipped with controls that enable the altitude of the balloon to be controlled.
Part 131 aircraft	A Part 131 aircraft is any of the following: <ol style="list-style-type: none"> a. a manned free balloon; b. a hot air airship.
Part 131 recreational activity	<ol style="list-style-type: none"> 1. A Part 131 recreational activity means operating a Part 131 aircraft other than for one of the following: <ol style="list-style-type: none"> a. a balloon transport operation; b. a specialised balloon operation. c. balloon flying training (within the meaning of subregulation 5.01(1) of CAR) for the grant of a balloon flight crew licence (within the meaning of that subregulation) or a balloon flight crew rating (within the meaning of that subregulation). 2. A Part 131 recreational activity does not include operating a Part 131 aircraft in any circumstances prescribed by the Part 131 Manual of Standards for the purposes of this definition. <p>Note: At the publication date of v2.0 of this document, the Part 131 Manual of standards did not prescribe any activities for the purpose of this definition.</p>
passenger transport operation	An operation of an aircraft that involves the carriage of passengers, whether or not cargo is also carried on the aircraft, but does not include the following: <ol style="list-style-type: none"> a. an operation of an aircraft with a special certificate of airworthiness; b. a cost-sharing flight; c. a medical transport operation. d. if the registered operator of an aircraft is an individual—an operation of the aircraft:

Term	Definition
	<ul style="list-style-type: none"> i that involves the carriage of that individual; and ii does not also involve the carriage of other passengers; or <p>e. if the registered operator of an aircraft is an individual—an operation of the aircraft:</p> <ul style="list-style-type: none"> i that involves the carriage of that individual; and ii involves the carriage of other passengers; and <p>f. for which no payment or reward is made or given in relation to the carriage of the other passengers or cargo.</p>

specialised balloon operation	<p>An operation is a specialised balloon operation if the operation:</p> <ul style="list-style-type: none"> a. is conducted using a Part 131 aircraft; and b. is not a balloon transport operation; and c. involves one or more of the following: <ul style="list-style-type: none"> i specialised instruments, indicators, items of equipment or systems that affect the flight characteristics of the aircraft and that are fitted to, or carried on, the aircraft; ii carrying a load (other than a hang glider) outside the aircraft; iii operating the aircraft for advertising, or making a film or television production, solely or predominantly for hire or reward; iv a flight into or out of Australian territory; v an activity prescribed by the Part 131 Manual of Standards for the purposes of this subparagraph.
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Note: At the publication date of v2.0 of this document, the Part 131 Manual of Standards did not prescribe any activities for the purpose of this definition.

1.3 References

Legislation

Legislation is available on the Federal Register of Legislation website <https://www.legislation.gov.au/>

Table 4. Legislation references

Document	Title
CAO 40.2.2	Balloon grade of night V.F.R. rating
CAO 40.7	Aircraft endorsements (balloons) and flight instructor (balloons) ratings
CAO 82.0	Civil Aviation Order 82.0 Amendment Instrument 2014
CAO 82.7	Civil Aviation Order 82.7 – Air Operators’ Certificates authorising commercial balloon licence or rating training in balloons
CAO 95.54	Civil Aviation Order 95.54 (Part 131 Recreational Activity and Specialised Balloon Operations) Instrument 2024
CASA EX62/24	CASR Part 131 – Exemptions and Directions Instrument 2024
Part 131 of CASR	Balloons and hot air airships
Part 131 MOS	Part 131 (Balloons and Hot Air Airships) Manual of Standards 2024

Document	Title
CATS	<i>Civil Aviation Legislation Amendment (Flight Operations—Consequential Amendments and Transitional Provisions) Regulations 2021</i>

Advisory material

CASA's advisory materials are available at <https://www.casa.gov.au/publications-and-resources/guidance-materials>

Table 5. Advisory material references

Document	Title
AC 1-01	Understanding the legislative framework
AC 1-02	Guide to the preparation of expositions and operations manuals Note: Annex B of this AC is specifically focused on Part 131 exposition content.
AC 131-01	Manned free balloons - Continuing airworthiness
AC 131-02	Manned free balloons - Operations
AC 131-04	Management of change for balloon transport AOC holders
Part 131 AMC/GM	Acceptable means of compliance and guidance material Part 131 of CASR - Balloons and hot air airships
Part 131 Guide	Part 131 Guide for balloons and hot air airships
Part 131 Sample Exposition	CASR Part 131 Balloon Transport Exposition (Sample)
Part 131 Sample Exposition Guide	Guide to CASR Part 131 Balloon Transport (Sample) Exposition

1.4 Forms

CASA's forms are available at <http://www.casa.gov.au/forms>

Table 6. Forms

Form number	Title
	Air Operator's Certificate (balloon operations) / Associated Approvals
	Part 131 Approvals - other than AOC holder

2 Introduction

2.1 New flight operations regulations

- 2.1.1 CASA's regulatory reform program has been gradually replacing *Civil Aviation Regulations 1988 (CAR)* and Civil Aviation Orders (CAOs) with *Civil Aviation Safety Regulations 1998 (CASR)* and associated Manuals of Standards (MOS).
- 2.1.2 On 2 December 2021, most of the flight operations and operational certification rules from the CAR and CAO were replaced with new CASR and MOS.
- 2.1.3 The new flight operations regulations (FOR) consist of Parts 91, 103, 105, 119, 121, 131, 133, 135 and 138 of the *Civil Aviation Safety Regulations 1998* and their associated MOS (collectively the "Flight Operations Regulations") and, except for the Part 103, 105 and 131 MOS's, commenced on 2 December 2021.
- 2.1.4 The Part 103 MOS is still under development at the time of publishing v2.0 of this AC, the Part 105 MOS commenced on 2 December 2023 and the Part 131 MOS commences on 12 November 2024.
- 2.1.5 From 12 November 2024, the CAR 259/260 instrument issued to balloon AOC holders will no longer be in force. The operational conditions for flight set out in the instrument have been incorporated into the Part 131 MOS.
- 2.1.6 From 12 November 2024, the exemption and direction instrument CASA EX62/24 will apply to Part 131 aircraft, pilots and operators. CASA will use this instrument as a centralised repository for exemptions altering the effect of new regulations applicable to Part 131 and also for directions imposing requirements that fill unintended gaps in the new rules. This centralised instrument will continue until regulation changes can be made. Any regulation changes will be properly consulted with the Part 131 sector, as will exemptions and directions that impose burdens on the sector.

2.2 Key information for readers

- 2.2.1 This AC was originally written to provide guidance for commercial balloon operators to implement the flight operations regulations (FOR) that commenced on 2 December 2021.
- 2.2.2 This major revision of the AC (v2.0) contains updates regarding operator responsibilities and processes to successfully transition to compliance with the rules contained in the Part 131 MOS which commences on 12 November 2024.
- 2.2.3 In this AC, any reference to Part 131 includes reference to its associated MOS.
- 2.2.4 This AC is primarily for operators that currently hold an AOC. However, much of the information is useful for a new AOC applicant. New applicants should complete the form Application [Air Operator's Certificate \(balloon operations\) / Associated Approvals](#).

3 Description of new rules and activity names

3.1 New terms for different activities

- 3.1.1 Part 131 introduced new terms to replace charter and aerial work for balloon operations. A balloon operation is either a *balloon transport operation*, a *specialised balloon operation*, a *commercial balloon flying training activity*, or a *Part 131 recreational activity* as outlined in Table 1.
- 3.1.2 These new terms were needed to ensure any new rules would not be confused with old rules and to ensure that the term 'aerial work' is not used because in the new FOR this solely refers to operations under Part 138 of CASR.

Table 1 Types of balloon operations

Old term	New term
balloon charter	balloon transport operation
aerial work, other than balloon flying training	specialised balloon operation
commercial aerial work that is balloon flying training	commercial balloon flying training
private operation	Part 131 recreational activity

- 3.1.3 For operators who held an AOC on 1 December 2021, their AOC authorisations were automatically transitioned to the new Part 131 descriptions, as outlined in the following paragraphs.
- 3.1.4 For operators who held an AOC permitting them to conduct charter operations on 1 December 2021, then from 2 December 2021 these operators were authorised to conduct the new balloon transport operations¹.
- 3.1.5 A *specialised balloon operation* may be either a commercial or a non-commercial operation and requires CASA approval under regulation 131.035. The conditions of the approval may vary depending on the nature of the operation.
- 3.1.6 For operators that held an AOC permitting them to conduct aerial work operations other than commercial balloon flying training on 1 December 2021, then from 2 December 2021 these operators were deemed to hold the required regulation 131.035 approval².
- 3.1.7 Balloon flying training for a balloon commercial flight crew licence or rating, conducted for hire or reward, remains a prescribed activity under regulation 206 of CAR that requires the operator to hold an AOC. Balloon flying training operations not conducted for hire or reward are a Part 131 recreational activity administered by CASA. For further information see Civil Aviation Order (CAO) 95.54 Part 131 Recreational Activity and Specialised Balloon Operations.
- 3.1.8 For operators that held an AOC permitting them to conduct what were legally known as 'commercial balloon flying training aerial work operations' on 1 December 2021, then from

¹ See item 3 of the table and other associated conditions within transitional regulation 202.413 of CASR.

² See item 6 of the table and other associated conditions within transitional regulation 202.413 of CASR.

2 December 2021 these operators were deemed to hold the AOC required under the new paragraph 206(a) of CAR.

3.2 What rules apply to Part 131 operators

- 3.2.1 In general, Part 91 prescribes the general operating and flight rules that apply to all aircraft. The other Flight Operations Parts then apply specific rules according to the type of operations being conducted. In many cases, Part 91 rules are turned off for some aircraft, and equivalent rules are included in the relevant Part. Refer to the Part 131 Guide, and the Part 91 and Part 131 AMC/GM documents for further explanation. Subregulation 91.030(3) of CASR lists the rules that are legally turned off (which is different to rules which may not practically apply) for Part 131.
- 3.2.2 Part 131 and the 131 MOS apply to all operators of Part 131 aircraft. However, some sections of the regulations and MOS are only applicable to operators who hold an AOC to conduct balloon transport operations or commercial specialised balloon operations.
- 3.2.3 CAO 95.54 (Part 131 Recreational Activity and Specialised Balloon Operations) Instrument 2024 is applicable to private and non-commercial specialised balloon operations.
- 3.2.4 Civil Aviation Order (CAO) 82.0 Amendment Instrument 2014 and Civil Aviation Order (CAO) 82.7 Air Operators' Certificates authorising commercial balloon licence or rating training in balloons, apply to operators conducting commercial balloon flying training.

3.3 Balloon flight crew licensing, flying training and continuing airworthiness

- 3.3.1 The current iteration of Part 131 does not include the rules for balloon flight crew licensing, the conduct of commercial balloon flying training or balloon continuing airworthiness and maintenance.
- 3.3.2 Development and consultation activities regarding these rules will begin in 2025, starting with rules relating to balloon pilot licensing and training for these licenses. CASA expects this development and consultation activities to continue for several years.
- 3.3.3 Until this development and consultation process has concluded, the rules regulating commercial balloon pilot licensing (under Part 5 of CAR), commercial balloon flying training, and balloon continuing airworthiness (under Part 4 of CAR and the Schedules of CAR) remain largely unchanged. CAOs 82.0 and 82.7, which set out the requirements for commercial balloon flying training, have been amended accordingly. CAO 82.1 was significantly amended on 2 December 2021 and no longer applies to Part 131 aircraft.
- 3.3.4 This means that persons conducting commercial balloon flying training will be required to comply with the operational requirements of Part 91, Part 131 and its MOS, and the requirements of CAOs 40.2.2, 40.7, 82.0 and 82.7.

4 What will happen to my existing AOC with the introduction of the Part 131 MOS?

4.1 AOC renewal

4.1.1 At the time of writing v2.0 of this AC, balloon AOCs are being extended for six-month periods.

4.1.2 When the Part 131 MOS commences, providing an operator has provided CASA with an updated exposition (which might be named an operations manual by the operator - see AC 1-02 for guidance on names of operator documents), and it has been assessed, CASA will be renewing balloon AOCs for a normal 5-year period.

4.2 Automatic transition to Part 131

4.2.1 Except for the circumstances mentioned below, operators and pilots do not need to apply to CASA for any approvals or authorisations as part of the transition to operating under the Part 131 MOS.

4.2.2 The exceptions are:

- A balloon transport AOC holder that determines a change to their exposition procedures associated with complying with the Part 131 MOS is a significant change.
- A commercial balloon flying training AOC holder determines a change to their operations manual procedures requires CASA's pre-approval.
- A specialised balloon operation approval holder determines they cannot comply with the Part 131 MOS and the existing conditions of their specialised balloon operation approval and therefore applies to CASA to have their specialised balloon operations approval amended.

4.2.3 The steps AOC holders must take to transition to the Part 131 MOS are outlined in section 5 of this AC.

5 What do I have to do?

5.1 Overview of next steps

- 5.1.1 From 12 November 2024 you must be operating in accordance with the new Part 131 MOS requirements, in addition to the applicable rules in Parts 91 and 131 of CASR. This means your existing documents will need to be updated.
- 5.1.2 For an operator that conducts **BOTH** balloon transport operations and commercial balloon flying operations, you will need to be able to identify for CASA which parts of your document suite apply to your balloon transport operations, commercial balloon flying operations, or both operations.

5.2 Management of change procedures (balloon transport)

- 5.2.1 For balloon transport operators, Part 131 specifies which changes to your exposition require CASA's pre-approval (called significant changes and defined in 131.030) and, by inference, all other changes do not require pre-approval (called non-significant changes).
- 5.2.2 As a balloon transport operator, you must incorporate written change management procedures into your exposition.
- 5.2.3 CASA has also developed guidance to assist in developing management of change processes. Refer to [AC 131-04 Management of change for balloon transport AOC holders](#).
- 5.2.4 You apply for CASA's approval of a significant change using the [Air Operator's Certificate \(balloon operations\) / Associated Approvals](#) form.
- 5.2.5 You notify CASA of non-significant changes, in accordance with your change management procedures, using the [Notification, Non-significant changes - CASR Parts 119, 131 and 138](#) form. You can also notify non-significant changes via the [myCASA portal](#).

5.3 Expositions (balloon transport)

- 5.3.1 From 12 November 2024 you must be operating in accordance with an exposition that reflects the applicable rules in Part 91, Part 131 and the Part 131 MOS. This means your existing documents will need to be updated.
- 5.3.2 Part 131 introduced, for balloon transport operators, the term exposition to replace the previous CAR 215 term of operations manual. An exposition is a document, or suite of documents, that specifies the scope of the operations and activities conducted by the operator and how the operator complies with the civil aviation legislation. It is at the discretion of the operator whether they have a single exposition document divided into chapters or sections or a suite of documents/manuals that collectively comprise the exposition. See AC 1-02 for more information.
- 5.3.3 CASA has published a [Part 131 sample exposition](#) and accompanying [guide](#) for use by operators. An operator can take the sample exposition and populate the headings with their own procedures and practices to produce an exposition that is an acceptable means of complying with the Part 131 requirements. There is no obligation to use the sample exposition and an operator may choose to make amendments to their own operations manual suite of documents.
- 5.3.4 By 11 November 2024, balloon AOC holders must have submitted to CASA a copy of their updated exposition.
- 5.3.5 Balloon transport operators can choose whether to create a full and complete exposition now or to supplement their existing suite of manuals with attachments or annexures to address gaps

between those manuals and the requirements of Part 91, Part 131 and the 131 MOS . For example, a covering document that identifies which manuals collectively comprise the exposition, an annexure containing management of change procedures, and a mechanism to map existing legislation references to references in the new Parts.

- 5.3.6 CASA has provided a self-assessment checklist that can be used to conduct a gap analysis that will facilitate required updates to documents and can be submitted to CASA with the new documents.
- 5.3.7 CASA is not formally required to assess changes to an operator's exposition unless the operator has determined that one of their changes is a significant change and has therefore applied for a significant change approval. Therefore, CASA may not assess operator exposition changes that are identified as non-significant changes before 12 November 2024 but may instead review operator exposition content during the normal CASA surveillance and audit program.

5.4 Operations manuals and training manuals (balloon flying training)

- 5.4.1 From 12 November 2024 you must be operating in accordance with an operations manual that reflects the applicable rules in Part 91, Part 131 and the Part 131 MOS. This means your existing documents will need to be updated.
- 5.4.2 CAO 82.7, in relation to commercial balloon flying training operators, still uses the CAR 215 term operations manual. In accordance with AC 1-02, operators can choose what to call their operational document suite, such as continuing to use the term operations manual or use the new term exposition.
- 5.4.3 Commercial balloon flying training operators that also conduct balloon transport operations can choose whether to update their flying training operations manual now (with required changes integrated) or to supplement their existing operations manual with attachments or annexures to address gaps between that manual and the requirements of Parts 91 and 131. For example, an annexure that maps existing legislation references to references in the new Parts and new CAR/CAO.
- 5.4.4 The CP(B)L syllabus of training and the exam questions will be updated to reflect the new rules. Operators should update their training manual in accordance with these changes.
- 5.4.5 For reference CASA has developed mapping documents to show the relationship between existing CAR and CAOs, and Parts 91, 131 and associated MOS (see section 6 of this AC).
- 5.4.6 By 11 November 2024, balloon commercial flying training AOC holders must have submitted to CASA a copy of their updated operations manual.
- 5.4.7 CASA is not formally required to assess changes to an operator's operations manual. Therefore, CASA may instead review operator operations manual content during the normal CASA surveillance and audit program.

6 Guidance

6.1 Assistance in developing operations manuals/expositions

- 6.1.1 [AC 1-02 - Guide to the development of expositions and operations manuals](#) provides the foundation for developing expositions or operations manuals.
- 6.1.2 [CASA's self-assessment checklist](#) provides guidance for ensuring an updated or new operations manual/exposition complies with the balloon transport requirements.
- 6.1.3 The [Part 131 sample exposition](#) is designed specifically for balloon transport operators. The [accompanying sample exposition guide](#) provides the regulatory references and ensures all rules are captured for compliance in the exposition. The sample exposition contains sample text for operators to consider. There is no obligation to use the sample text and operators are encouraged to insert their own procedures and processes.

6.2 Mapping documents

- 6.2.1 CASA has published mapping documents that identify the old legislation references (CAR and CAO) and map them to the new ones (new CAR /CAO and new CASR / MOS). The [mapping documents](#) are available from the CASA website.

6.3 Acceptable means of compliance and guidance material documents

- 6.3.1 An Acceptable Means of Compliance and Guidance Material document (AMC/GM [document](#))³ is a single document with indexing that relates to a specific regulatory provision. It is intended to assist in improving the understanding of the regulations whilst developing an exposition or operations manual. It further provides signposts when further information is available.
- 6.3.2 Entries in AMC/GM documents are generally short and succinct and aim to explain and amplify a regulation. Sometimes, the topic might be discussed in an AC and the AMC/GM entry will provide a reference. These documents should always be read in conjunction with any referenced regulations.

6.4 Part 131 Guide for balloons and hot air airships

- 6.4.1 The [Guide for balloons and hot air airships](#) is a plain English version of the rules and sets out the regulatory requirements in a concise, easy to read and practical format.

³ <https://www.casa.gov.au/rules-and-regulations/current-rules/acceptable-means-compliance-and-guidance-material>