

Civil Aviation Authority Surveillance Policy

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Document Change History

This Change History log contains a record of changes made to this document:

Release Date	Version	Section / Nature of Change
8 Dec 2006	Original	Initial publication on Cirrus2007
16 June 2009	6.0	<ul style="list-style-type: none"> • Para 2: Change of document owner • Para 6.1: Removal of CAA organisation chart • Para 10.4: Addition of reference to s.21 of the Act regarding detention of aircraft • Addition of 10.5 Support and Advice Made (10.5 to 10.8 renumbered accordingly) • Para 11.2: Inclusion of reference to the Enforcement Policy • Appendix A, bullet point 11 removed • Correction of known minor errors and omissions
5 Sep 2011	7.0	<p>Reissue –The Surveillance Policy has had extensive changes, including editorial and structural changes.</p> <p>Key changes are:</p> <ul style="list-style-type: none"> • recognition of 'higher-level' policy documents resulting in deletion of sections related to the life-cycle approach that were not specifically related to surveillance, regulatory tools, and the detention of aircraft • addition of policy on: <ul style="list-style-type: none"> ○ sample size ○ collection and retention of evidence ○ surveillance findings ○ root cause analysis • Para 9.2.5 – reworded to clarify intent of the Certification Policy for a 2 year recertification compliance inspection for new entrants.
19 Nov 2012	8.0	<ul style="list-style-type: none"> • Para 2: Change of policy owner from COO to DCA • Para 3.3: Inclusion of a reference to the Regulatory Operating Model • Para 9.1: Introduction of operational risk management • Para 9.2.1: Addition of Participant Risk Profile to table • Para 9.1, 9.2.1, 9.3: Update the title of the Intelligence, Safety & Risk Analysis Unit • Para 9.3.1: Delete reference to "to the document holder concerned"

		<ul style="list-style-type: none">• Para 2, 9.4.1, 9.4.5: Remove Cirrus (intranet) hyperlinks• Para 9.4.2: Correct reference to section 15 to section 14• Para 9.4.3: Correct 'category 3' to 'value 3'• Para 9.4.5: Change 'report' to 'records'• Appendix A.1: Delete 'Transitional Air Operator Certificate'; Add Adventure Aviation Certificate• Appendix A.6: Update the title of the Policy and Regulatory Strategy Unit
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Civil Aviation Authority Surveillance Policy

1. Purpose and scope

The contents of this document represent the policy of the Civil Aviation Authority (CAA) with respect to the surveillance requirements embodied in the Civil Aviation Act 1990 as amended. The policy is designed to provide the foundation for the day-to-day operation of the CAA's safety monitoring function.

2. Authority

The Director of Civil Aviation is the owner of this document and is responsible for its regular review and maintenance. The Director is responsible for ensuring that this document follows and meets the Responsibility, Application, Accountability, Monitoring, Approval/Amendments and Availability criteria described in the Development and Control of CAA Policies and Procedures.

3. References

3.1 The Civil Aviation Act

The Civil Aviation Act 1990 (the Act) establishes the scope of CAA's responsibility for the conduct of surveillance.

The Act prescribes the functions and duties of the Director and the Authority to conduct surveillance and also contains all the powers necessary to enable them to do so.

The following references to the Civil Aviation Act contain most of the legislation that is applicable to this document and that is relevant to CAA's surveillance function.

- Section 15 *Director may require or carry out safety and security inspections and monitoring*
- Section 24 *General power of entry*
- Section 44A *Failure to comply with inspection or monitoring request*
- Section 49 *Communicating false information or failing to disclose information relevant to granting or holding of aviation document*
- Section 50 *Obstruction of persons duly authorised by Director*
- Section 50A *Failure or refusal to produce or surrender documents*
- Section 56 *Communicating false information affecting safety*
- Section 72B *Functions of Authority*
- Section 72I *Director of Civil Aviation*

3.2 The Civil Aviation Rules

The Act gives the Minister of Transport and, in some limited circumstances, the Director the power to make Civil Aviation Rules (the Rules). These Rules set the standards and requirements for participants in the civil aviation system including the requirement to hold an aviation document.

3.3 Other applicable Acts and references

There are other statutes and legal principles that affect either what information may be gathered in the course of CAA surveillance or how it may be considered and used. These include the following:

- The Crimes Act 1961, Part 9A *Interception or disclosure of private communications*
- The Privacy Act 1993 *Application of Information Privacy Principles (IPP)*

- Natural Justice Provisions *Exercise of power reasonably and fairly*

Other applicable internal CAA policies include:

- The Regulation of Aviation Safety in New Zealand: Statement of Philosophy
- CAA Safety Policy
- CAA Regulatory Operating Model
- CAA Use of Regulatory Tools policy
- CAA Certification Policy – Organisations
- CAA Code of Conduct for Field Operations
- The Collection and Use of Safety Information
- Policy and Guidelines for the Conduct of Unobserved Surveillance
- Records Management Policy

4. Records

All CAA surveillance decisions need to be properly documented and saved into the DMS for future reference. The documentation should be sufficiently detailed that a person not familiar with the task can understand how any surveillance decision was reached (see section 9.4.5 *Retention of evidence*). As a minimum, this documentation should include:

- The decision e.g. compliance vs. non-compliance
- The relevant factors on which the decision was based
- The rationale or reasoning used to arrive at the decision (including criteria, Act/Rule references, organisation's exposition)
- Key evidence on which the decision was based

5. Definitions

Surveillance – Surveillance for the purposes of this document is the term used to cover the functions of monitoring aviation document holders by the CAA to assess compliance and risk. This includes monitoring for adherence to safety and security standards, and the carrying out of safety and security inspections and monitoring as prescribed by the Civil Aviation Act. The scope of this document is defined accordingly.

Voluntary compliance – Voluntary compliance for the purposes of this document is the term used to cover the action taken by an aviation document holder to correct a safety or security deficiency identified by a finding without the need for the application by the CAA of other regulatory tools e.g. imposition of limitations or conditions.

Note: **Voluntarily comply** has a similar meaning.

6. Purpose and function of CAA surveillance

As noted in the CAA's Safety Policy:

"Surveillance is the CAA's primary tool for actioning its responsibility to ensure that participants in the aviation industry perform to appropriate standards. The intensity of surveillance activity in any particular instance will be determined by the safety performance of the client. The Aviation Safety Management System (ASMS) is the focus point for identifying safety performance."

The life-cycle approach to regulating civil aviation, outlined in the CAA's Safety Policy, recognises a number of intervention points at the entry, continued operation, and exit phases of the life-cycle. Under the 'Continued Operation' phase, the Safety Policy notes that the CAA will provide appropriate surveillance and corrective action support to the participants. In this regard the CAA does, at intervals, monitor participants' adherence to standards. Any corrective actions necessary to bring performance up to the required standard are identified.

The purpose of the CAA's surveillance activities is to check that participants (document holders) who have entered the civil aviation system continue to operate safely, in accordance with relevant prescribed safety standards and practices, and in compliance with the conditions attached to their aviation documents.

Surveillance provides essential information on the safety risk and state of compliance of organisations and individual participants, identifying any corrective actions or other interventions needed to manage risk and bring performance up to the level required by legislation – before these risks or non-compliances cause an accident or incident.

Information from surveillance activities is recorded so that an accurate risk profile and compliance history of each participant and sector is built up. Without this information, a vital safety loop is lost and the CAA and participants are deprived of the opportunity to respond appropriately to safety risks. Surveillance also provides information that the CAA needs to carry out its other safety functions. The surveillance method used is chosen by the CAA to suit the circumstances. However, the primary aim in all cases is to bring in accurate and complete information about the level of risk and compliance, to record this information, and to initiate action on the basis of this information where action is necessary to promote acceptable safety outcomes.

7. CAA approach to surveillance

7.1 Responsibility for safety

Organisations, individuals and products are allowed to enter the civil aviation system through the process of entry control and issue and amendment of an aviation document. For organisations, their documented policy and procedures contained in their manual(s) or exposition are the principal means of showing that the management and control systems required under the rules are in place. Once entered, the responsibility for ensuring compliance with the standards rests with the participant, who must continue to operate in accordance with the documented procedures and any conditions attached to the certificate.

The CAA's operational groups are responsible for the functions of entry and exit control, and surveillance. They are responsible for ensuring compliance with the Civil Aviation Rules and organisations' expositions through monitoring and surveillance. They do this by adopting:

- Risk assessment systems
- Sampling programmes for monitoring the performance (management systems and safety record) of individual holders
- Compliance monitoring by assessment of management systems where possible
- Inspection where there is no formalised management system or as part of an investigation
- Review of available safety data

CAA surveillance is not intended to, nor can it, substitute for a participant's responsibility for the self-checking of their own compliance with legislative requirements, and their continued safe operation in accordance with relevant prescribed safety standards and practices and the conditions attached to their aviation documents.

7.2 Safety philosophy

The CAA's safety philosophy¹ is based, in part, on the premise that an acceptable level of safety is maintained only if participants voluntarily comply with the applicable standards, and know and apply their own documented procedures. The standards are designed to be minimum standards. Anything less than full compliance is considered unacceptable and requires correction by the participant.

7.3 Safety Management Systems

The CAA supports and encourages the implementation of safety management systems (in addition to internal quality assurance where required by the rules) as it believes these systems provide a framework to achieve good risk management and enhance safety performance.

CAA surveillance is not undertaken in lieu of the internal quality assurance or safety management carried out by the certificate holder. The functioning and effectiveness of document holders' quality assurance and safety management systems are in turn part of the activities subject to evaluation by the CAA in its surveillance of holders.

7.4 Surveillance approach

In approaching its surveillance task the CAA expects the following from industry participants:

- Safe operations and practices
- Where applicable, knowledge and understanding of their own system of manuals and their management systems, and effective application of both
- Voluntary compliance with regulatory requirements
- Prompt and effective action to address deficiencies

The CAA will make consistent and appropriate decisions, and provide the opportunity for participants to put things right (where it is appropriate for the Director to exercise that discretion) based on:

- An informed assessment of safety risk
- A risk-based assessment of compliance levels
- Information and advice aimed at ensuring full compliance

The amount of surveillance activity (audit frequency, scope, sample size etc) is determined by the assessed risk level and safety performance of document holders both collectively and individually. As such, CAA surveillance will not detect all deficiencies that may be present but allows an assessment to be made of the level of compliance achieved by the aviation document holder on the basis of the number of systems sampled, the extent of that sampling, and the results obtained.

8. Surveillance methods

The CAA surveillance process must cover a range of participants from individual document holders to organisations, aircraft and components as well as aerodromes and airspace in respect of which approvals are granted. Within these broad categories are different levels of involvement that are reflected in the rules applicable to that activity. For example, an air operator may be engaged in scenic (A to A) flying for which a Part 119/135 certificate is issued, or international air transport operations with large aircraft for which a Part 119/121 certificate is required.

¹ CAA's Statement of Philosophy

The different organisational requirements prescribed by the rules are significant when considering the conduct of surveillance. The scope of surveillance will be based on the nature or complexity of the operation, the associated risk, and the applicable rule requirements. The surveillance method used to monitor this is selected from the audit “toolbox” (refer Appendix A) having regard to the required management systems reflected in the manual.

8.1 Systems based audit

The audit or systems based approach is based on an examination of the documented systems or exposition the certificated organisation has produced to gain entry to the civil aviation system and with which the organisation shall comply. The rules place emphasis on the exposition including the management, quality and safety management systems that show how the organisation will stay in compliance.

The audit shall be conducted through the use of auditing methods that focus on the performance and effectiveness of systems and processes to deliver outcomes as defined by the participant's manuals: rule compliance, safety levels, planned results, performance targets etc (these auditing methods are to be based on the principles of ISO 19011 or AS9101). During the audit the focus is on checking what is being done against what the organisation says it will do as set out in the exposition. The procedures set out in the organisation's exposition will be a combination of those required to maintain compliance with regulatory (minimum) standards and those arising from company (additional) standards. When a deviation from procedures is noted during the course of an audit a finding notice is to be raised to record the deficiency and ensure appropriate corrective action is taken.

In all cases the focus is on what is actually happening versus the procedures that the organisation has documented to show how it carries out its activities. It is the function of entry control within each operational group to ensure the organisation's documented procedures provide a mechanism for compliance with the applicable rules. Inevitably, findings will go direct to the rule or standard, but the priority is to check actual behaviour and not to repeat the entry process. It is necessary to employ sampling to a greater or lesser extent to obtain this picture of conformity with procedures and therefore overall compliance. In developing checklists for the conduct of audits, the systems based approach to audit will be maintained where practicable to promote this response in participants.

8.2 Inspection based approach

For organisations that are not required to produce an exposition, or for whom no operating certificate may be required, the systems based approach cannot be used. Hence an inspection-based approach is employed which focuses on the operator's safety practices supported by the records required to be maintained. Anomalies in these will alert staff performing inspections to problems that may exist in how the operation is being conducted, and certainly whether it is being conducted in compliance with the rules.

8.3 Unobserved surveillance

There are instances where aviation document holders appear to meet the requirements for compliance with their own documented procedures and/or applicable Civil Aviation Rules when CAA field staff are present, but who revert to non-compliant behaviour when the CAA surveillance presence is not present. When the CAA becomes aware of such behaviour, unobserved surveillance may be necessary.

Unobserved surveillance means surveillance or monitoring of a document holder's operational compliance behaviour without the knowledge of the document holder. The purpose of unobserved surveillance is to gain knowledge of the compliance behaviour of a certificate holder when the Director has grounds to believe that the certificate holder will significantly alter their compliance behaviour pattern if they have forewarning of it. Refer to the Policy and Guidelines for the Conduct of Unobserved Surveillance for details about when and how such surveillance is conducted.

8.4 The surveillance “Toolbox”

The range of surveillance tools (refer Appendix A) required and the methodology employed varies with the category of organisation, its activities and characteristics of the safety risk the organisation poses. The tools used may also vary over time and according to the particular circumstances. The aim of any chosen method is to yield the most complete and accurate information of the organisation's state of compliance with the ultimate aim of minimising the safety risk posed by its operations.

9. Surveillance process

In carrying out the surveillance function the CAA's operational groups have the following broad responsibilities:

- Developing and adjusting the surveillance programme according to risk
- Selecting and applying the appropriate surveillance tools
- Scheduling surveillance activities, assigning staff and resources
- Maintaining records of surveillance activities
- Entering findings and other relevant data in the CAA database
- Following up on the implementation and closure of corrective actions
- Selecting and applying (or recommending) appropriate regulatory action where necessary to ensure compliance with the rules
- Reporting on the performance and results of CAA surveillance

Actions resulting from information obtained during surveillance activities will include corrective and/or preventive actions by participants, follow-up on the implementation of such actions by CAA staff, and other regulatory action as appropriate.

The operational groups are a source of information and advice to the Director on the activities, risk and compliance state of participants in the civil aviation system and the changing environment in which they work.

In support of this, staff assigned to surveillance tasks perform the following:

- Carry out risk evaluations, audits, and inspections on participants in the civil aviation system, identifying and recording risk factors and any safety findings, causal factors and associated corrective actions
- Establish and agree the due date for corrective actions that need to be taken by holders of aviation documents and approvals in order to achieve compliance
- Follow up corrective actions and their implementation by participants within the agreed time scale
- Enter and maintain risk evaluations, audit findings and other information from surveillance activities in the CAA database
- Raise safety concerns arising from surveillance activities and initiate other action by CAA where action is necessary in the interests of safety and compliance with the rules

Staff performing surveillance tasks are responsible for assessing the state of compliance of industry participants (including changes in the circumstances of individual operators that might adversely affect compliance and safety) and for reporting this objectively.

9.1 Risk assessment and proportional surveillance response

The CAA assesses the risk associated with an aviation activity in terms of the probability of failure and the consequences of failure. Two types of risk assessment are used:

- A tactical or operational risk assessment focussed on an aviation document holder and carried out prior to any planned surveillance activity to ensure that the activity covers those aspects of the document holder's operation that are at risk (if any) in depth, and
- A strategic risk assessment that may be used for the adjustment of overall surveillance priorities and methods e.g. a sector risk profile

The operational risk management process assesses risk by looking at ten dimensions of a Participant Risk Profile.

1. Governance Arrangements
2. Organisational Profile
3. Business & Operating Environment
4. Task Profile
5. Technical Profile
6. People Profile
7. Management Systems
8. Incident & Safety Profile
9. Change & Growth
10. Culture



Based on an operational risk assessment using these 10 dimensions, and a review of CAA database information, previous audit reports, other sources (e.g. Safety Investigation Unit and Intelligence, Safety & Risk Analysis Unit analysis of accidents, incidents, reported defects) and the Client Risk Profile information, the CAA develops a Participant Risk Profile. This risk profile is used to inform the CAA's overall surveillance programme and the scope of individual audits.

Note: The operational risk assessment includes a review of the: client risk profile (an outline of the system used to determine the client risk profile is provided on the CAA website <http://www.caa.govt.nz/surveillance/the-risk-indicators>).

The operational groups adjust the priority for surveillance of an individual certificate holder by responding to the certificate holder's areas of assessed risk. Surveillance responses to indications of poor (or declining) performance or increased risk may include one or more of the following:

- Additional hours spent on each module (increased depth or increased sampling)
- Use of other surveillance or other regulatory tools as appropriate
- Additional scheduled audit visits and inspections (increased frequency)

Other surveillance tools include special purpose audits, inspections and spot checks. The use of these tools in additional and more targeted surveillance will be effective in cases where voluntary compliance is still considered to be the main compliance tool.

In the event that the Director has grounds to believe that the holder of an aviation document is non-compliant, and is concealing such behaviour, the Director may authorise the use of surveillance without giving the document holder prior notice.

Some information concerning individual participants (and the associated risk assessment) will require an urgent response in the public interest. The operational groups shall respond in a timely manner and this includes the following:

- Maintaining audit resources for which tactical responses are a priority
- Adjusting monthly schedules to recognise changing priorities
- Utilising appropriately skilled CAA staff from other units

One example of when such action may be required is when the risk profiling system generates an alert due to a pre-set threshold being exceeded. In such cases, the relevant manager within an operational group will determine the cause of the change in risk rating and, following the guidance in the Use of Regulatory Tools policy determine what, if any, CAA intervention is required to mitigate the risk.

9.2 Audit programming and scheduling

9.2.1 Surveillance priorities

Due to the likely consequences of an air transport incident and the potentially higher risk, surveillance associated with air transport operations and related service providers is likely to be accorded a relatively high priority over surveillance associated with other forms of activity. Surveillance programmes will adopt the strategies and safety projects, as appropriate, emerging from the CAA Business Plan containing the Strategic and Annual Plans. These have identified Safety Outcome Targets for groups of operators classified according to definitions adopted by the CAA.

Longer term shifts in the surveillance programme focus or direction will come from information provided to the operational groups from all CAA and industry sources, in particular the CAA Business Plan and the six-monthly Safety Reports as appropriate. This information, and the trends exhibited, is used by the operational groups to adjust audit programmes, to redirect or re-focus them from time to time, and to ensure that resources are being targeted in areas where the greatest safety risks lie.

The information sources affecting CAA surveillance priorities are:

Source	Produced By	Frequency
CAA Business Plan (includes the Strategic and Annual Plan)	The Executive	Annually
Sector Risk Profiles	External consultants	As required
Participant Risk Profile	Operating Units	Ongoing
Client Risk Profiles	Intelligence, Safety & Risk Analysis Unit [data entered by the operational groups]	Ongoing (as and when "triggered")
CAA Safety Report	Intelligence, Safety & Risk Analysis Unit	Six monthly
Information from all sources including surveillance, forums, seminars, liaison with industry organisations	CAA operational and support groups and units	On going

Source	Produced By	Frequency
Investigation findings	Safety Investigation Unit Enforcement Unit	As appropriate following incidents/accidents

9.2.2 Scheduling practices

The operational groups produce a schedule of programmed audits and inspections, assigning staff with the appropriate skills via the Work Request and Audit Management systems. The use of specialist staff from other CAA units or from outside the CAA is negotiated as required.

For smaller organisations audits are scheduled so that all the modules relating to a particular organisation are carried at the one visit. For an air operator this would typically involve flight operations and maintenance modules for example. Audit visits are scheduled and conducted having regards to:

- The desired result of an accurate picture of the state of compliance
- Maximum scheduling efficiency
- Minimum practicable disruption to operators

Where it is necessary to split modules for any reason, resulting in more than one visit to the operator, the reasons for doing so will be weighed against the above criteria.

Programmed audits or inspections, which have not been completed on time, are scheduled on a priority basis for completion in the next scheduling period. Requests for deferrals of audits are considered according to the policy in section 9.3.2 *Audit Deferrals*.

The CAA surveillance programmes will include customised audit programmes for the larger organisations, including all Part 119/121 and Part 119/125 air operators.

In selecting the modules customised for that operator, account is taken of that organisation's past safety performance (from data held in the CAA safety database) and the capability of its internal quality assurance function and/or safety management system.

Responsibility for establishing individual programmes rests with the appropriate operational group which will obtain safety performance data from the Safety Information Group as required. Programmes are normally developed for the business year (July to June).

9.2.3 Audit modules

The scheduling system is based on the audit modules identified for each certificate holder and activation of these by their due dates within the operational group's surveillance programmes. Audit modules define a discrete unit of auditing that can be scheduled at one visit.

9.2.4 Audit/inspection scope

The scope of programmed (routine) audits or inspections is determined by the certificates and activities being audited and the associated risk assessment. There may be a sub-category around the broad discipline involved e.g. maintenance, flight operations or training, within that activity. This is reflected in the module packaging and title. For some organisations e.g. Part 141 training organisations and Part 148 manufacturers, the scope of the audit in each case is defined by a single module and the associated risk assessment.

9.2.5 Audit/inspection depth and frequency

The regulatory principles of proportionality and targeting suggest that the same level of audit and inspection should not be applied to all participants in the civil aviation system. The type, depth and frequency of CAA audit and inspection is primarily driven by two factors:

- International commitments (the International Civil Aviation Organisation Document 9734-AN/959 *Safety Oversight Manual*, Part A, paragraph 3.8.6, states that no certificated organisation should be visited less frequently than once per year), and
- The risk of the civil aviation system participant and/or sector.

Both factors are taken into consideration when determining the nature of the surveillance that will be carried out with respect to an individual participant or a sector. The weighting given to the ICAO guidance varies according to the nature of a participant's involvement in the civil aviation system. The CAA considers that in the case of certificated organisations that are only involved in domestic operations and which have maintained a very low risk ranking then it may extend the periodicity of audit/inspections visits beyond the once-per-year recommendation made by ICAO.

When considering a change in the amount of surveillance undertaken in a particular case, consideration is also given to varying the depth of the audit by either increasing or decreasing the extent of sampling undertaken within the module or modules that define the scope of the audit or inspection (see also section 9.2.4 *Audit/inspection scope*). In some cases, however, no meaningful benefit (in terms of efficient resource utilisation) can be gained from reducing the depth of the audit or inspection and in those circumstances, the periodicity may be extended beyond annually.

Within these guidelines the actual auditing or inspection frequency can be varied based on the risk of an organisation with a consideration of the risk profile over a period of time and the consequent level of confidence the CAA has in the organisation's activities.

Note: A compliance inspection will be conducted for new entrants approximately two years from the date of initial certification in accordance with the Certification Policy. For clarity, and as noted in the Certification Policy, it is important to note that this process is different from on-going surveillance and monitoring. Surveillance involves checking that the organisation's activities are conducted in accordance with their exposition and are safe and effective, while certification involves checking that the organisation's exposition, management, and facilities are in compliance with the Rules.

Within the guidelines expressed above, the determination of the depth and frequency of the surveillance applied to an individual document holder includes a risk assessment of the document holder. Previous risk assessments are also reviewed in an effort to determine whether any trend exists or the level of risk is consistent. An adverse trend is cause for concern and may indicate a need to increase the level of surveillance or take other action irrespective of whether the current rating is a cause for concern in its own right.

9.3 Preparation and planning

Operational staff carrying out audits are responsible for gathering and making use of all information held by the CAA that is relevant to the recent performance of the participant. This includes information from the CAA database, paper files, information and reports produced from time to time by the Intelligence, Safety & Risk Analysis Unit, and discussions with relevant staff.

As part of audit preparation and planning, the CAA's operational group staff will conduct a risk assessment aimed at identifying the areas within the client's activities that are considered to be of highest risk. This risk assessment will consider, where applicable, the following:

- Areas of specific safety concern identified in the CAA's Strategic Plan
- Specific operational group or unit safety initiatives
- Sector trends
- Client risk score
- Individual risk items
- 'Open' and/or 'recheck' actions

- Occurrences, ARCs etc
- Previous audit reports, correspondence etc
- Information from CAA's Safety Investigation and/or Intelligence, Safety & Risk Analysis units
- General public; media reports etc
- Type of operation

The scope of the audit and the associated audit preparation and planning will reflect the risk assessment and give priority to the areas of highest risk.

9.3.1 Notification of audits

Except as identified below, notification of an audit or inspection shall be given in every case in writing. In the case of programmed audits and inspections the Director will give reasonable prior notification consistent with the normal scheduling cycle (normally 4 – 8 weeks).

In the case of special purpose audits written notification will be provided in the week preceding the visit and not later than 48 hours prior to the visit.

For spot checks and other non-programmed inspections where prior notification is not appropriate, notification is given at the commencement of the visit. The notification will clearly set out the purpose of the visit and the areas to be sampled.

For unobserved surveillance no notification of the surveillance activity is given.

The standard letter produced for notification of audits will contain information including the scope of the audit or inspection, the names of the staff to perform the audit (where possible), the reason for the audit (special purpose audits only), the applicable documents, and the proposed date for the audit.

9.3.2 Audit Deferrals

Applications for deferral of an audit by a certificate holder will not normally be agreed unless there are exceptional circumstances.

9.4 Conducting an audit

9.4.1 Site visits

All operational group staff and other persons conducting CAA surveillance activities must hold delegations and warrants of authority as appropriate for the exercise of the powers and functions under Sections 15 and 24 of the Act. At the commencement of each visit, staff performing audits are to provide, or offer to provide, evidence of their statutory authority for carrying out their duties in the form of a valid warrant or instrument of delegation.

CAA staff operating in the field will conduct themselves in accordance with the Code of Conduct for Field Operations.

In the course of their surveillance activities CAA staff performing audits will communicate directly with the document holder or senior persons within the participant organisation responsible for the activities subject to audit. During site visits staff performing audits will disclose findings as they are identified and afford the document holder the opportunity to discuss or clarify the information that led to the finding being made. The audit team leader will identify and summarise all the findings at the exit meeting held with the document holder and the relevant senior persons at the conclusion of the site visit. The findings are then made part of the audit or inspection report that is later prepared and a copy sent to the document holder.

9.4.2 Entry meeting

Specific mention will be made during the entry or other meeting of the CAA's policy regarding disclosure of information (refer section 14 for more information). In particular, the following should be noted:

- Information obtained from surveillance will be provided to the party concerned unless there are grounds for withholding such information under the Official Information Act 1982 or the Privacy Act 1993.
- Findings and causal factors identified during surveillance will be discussed with the participant at the time where that is possible.
- The contents of surveillance reports e.g. audit reports, are not disclosed to third or other parties unless the CAA is required to do so under the Official Information Act or other authority.

9.4.3 Sample size

It is not always possible or necessary for a CAA audit team to conduct a 100% inspection of an organisation's activities especially if this involves the review of a large number of items or a large volume of documentation. Time available to the audit team is generally the limiting factor and so the general concept of examining a representative sample of an organisation's operations, processes, procedures and documents etc. is necessary in order to collect a representative sample of the population. The results from this sample would then enable a reliable conclusion about the overall level of compliance possible.

The CAA has adopted non-random judgement sampling as its sampling method. Judgment sampling selection is based on the auditor's sound and reasoned judgment. Three basic issues determine which items are selected:

- Value of items. The sample should consider the value of the items selected for review in terms of their contribution to determining compliance with the CAA's safety and security outcomes. For example, in setting the audit scope, selection of 'value 3' rules will focus the audit on items considered to be of greater significance to the safety and security outcomes. The audit sample should also target critical systems e.g. safety management systems, quality assurance, training etc.
- Relative risk. The sample should consider the relative risk of particular items. For example, it may be more appropriate to target an audit sample on training/competency records for pilots with less than 12 months experience in the airline.
- Representativeness. Besides value and risk considerations, the auditor should be satisfied that the sample is representative of the area(s) being audited i.e. the sample provides breadth and coverage over all types of items included in the scope of the audit.

9.4.4 Collection of evidence

Sufficient information needs to be collected during an audit to ensure appropriate decisions are made. Some of this information needs to be retained by the CAA on file as evidence of the surveillance work that has been carried out.

Audit documentation (electronic or paper) is the principal record of the auditing process applied, evidence obtained, and conclusions reached. In relation to the CAA's surveillance activity, evidence can be defined as 'documented data or information discovered during an audit that is analyzed by

the auditor and is used to determine compliance with applicable standards². As such, the evidence should be sufficient and appropriate:

- Sufficiency is a measure of the quantity of evidence used to support the findings and conclusions related to the audit objectives. In assessing the sufficiency of evidence, auditors should determine whether enough evidence has been obtained to persuade a knowledgeable person that the findings or assessment of compliance are reasonable.
- Appropriateness is the measure of the quality of evidence that encompasses its relevance, validity, and reliability in providing support for findings and conclusions related to the audit objectives. In assessing the overall appropriateness of evidence, auditors should assess whether the evidence is relevant, valid, and reliable.

In assessing evidence, auditors should evaluate whether the evidence taken as a whole is sufficient and appropriate for addressing the audit objectives and supporting findings and conclusions of compliance or non-compliance. Audit objectives may vary, as may the level of work necessary to assess the sufficiency and appropriateness of evidence to address the objectives. For example, in establishing the appropriateness of evidence, auditors may test its reliability by obtaining supporting evidence, using statistical testing, or obtaining corroborating evidence. The concepts of audit risk and significance assist auditors with evaluating the audit evidence.

Professional judgment assists auditors in determining the sufficiency and appropriateness of evidence taken as a whole. Interpreting, summarising, or analysing evidence is typically used in the process of determining the sufficiency and appropriateness of evidence and in reporting the results of the audit work.

9.4.5 Retention of evidence

The CAA's Records Management Policy provides a framework and assigns responsibility for ensuring that full and accurate records of business activities are created and maintained – and to ensure the integrity of the institutional memory of CAA business. Of note in regards to surveillance, the policy states that:

- Each unit Manager is responsible for ensuring that the recordkeeping practices in their unit meet best practice guidelines and will stand up to external scrutiny; and
- All staff are responsible for creating full and accurate records of business activities, transactions, and decisions carried out during the course of daily business activity.

The CAA expects auditors to utilise best judgement when making a decision on what should be retained on file. The following guidance is provided to assist in this process:

- There should be clear evidence on the process used to arrive at a particular decision e.g. the decision on whether a participant is compliant or non-compliant with the rules. If the process is unlikely to replicate the evidence at a later date, copies of the actual evidence should be retained.
- The reason for the audit or inspection could determine the amount of evidence to be retained. For example, a Special Purpose Audit looking at a particular aspect of an operation may necessitate detailed records to be retained by the CAA to support any action resulting from the Special Purpose Audit. In contrast, a routine Part 129 ramp inspection of a foreign aircraft/operator would, in most probability, only require a reference in the audit

² United States, Department of Transportation. Office of the Secretary and Federal Aviation Administration, code-share safety program guidelines.
http://www.faa.gov/air_traffic/international_aviation/media/code_share_guidelines.pdf

records to the checking of the pilots' licences rather than the retention of a copy of their licences.

- The decision itself and its potential risk will guide the amount and quality of evidence retained. For high risk issues, it is most probable that the evidence will be retained if it could not be reliably produced through other processes at a later date.
- Stronger evidence may allow less evidence to be used and therefore retained.

9.4.6 Findings, causes and actions

When a document holder's performance falls below the required standard a finding will be raised. A decision will then be made (initially by the audit team leader) on whether to allow the participant to voluntarily regain the required level of performance and compliance with the standard. Voluntary or mutually agreed return to compliance is preferred. The CAA will identify areas of non-compliance via findings from its audits and inspections and, where appropriate, return to an acceptable level of performance is managed via corrective actions and follow-up.

CAA surveillance will direct participants' attention to the causes of any finding, and the systems and processes that are involved in the corrective actions. Corrective actions are only effective when these address the causes of the finding and the operation of systems that were found to be deficient. In this systems-based approach to safety the immediate non-compliance is corrected, as well as any system deficiency or error that contributed to the non-compliance.

To make the most of the safety information produced by the surveillance process, in particular where findings are raised, it is essential that the process and methodology that link findings, causes and corrective actions be conducted thoroughly and systematically.

9.4.7 Surveillance findings

Findings are a key element of the audit process. Well defined, they:

- Identify objectively and unequivocally non-compliances, deviations, or matters that need to be addressed towards ensuring on-going compliance and improved safety
- Are the focal point that initiates the process of determining causes and implementing corrective actions, leading to a return to a state of compliance and subsequently improved safety
- Are a source of intelligence on the health of individual aviation participants and the aviation system as a whole

In the broader context of safety risk management, a safety or security finding is defined as:

The act of identifying and documenting a material aviation risk that has not been properly managed.

A finding is raised to record non-compliance with civil aviation legislation, a condition attached to an aviation document, or the provisions of any document forming, in whole or in part, the agreed standards or conditions on which the issue and continuance of an aviation document depends. The finding will identify the particular legislative standard that is breached or the relevant system or procedure that is involved. In all cases surveillance findings will identify the causal factor or factors (see section 9.4.9 *Root cause analysis*) that gave rise to the finding, in order that corrective actions are properly directed. Findings are not normally made against the Civil Aviation Act however, in cases where a number of findings identify a common causal factor, one or more provisions of the Act may be relevant.

The finding statement shall be precise, factually accurate, complete and clearly bounded.

Findings are further identified according to their severity by one of the following categories, as currently defined and adopted by CAA:

Critical: An occurrence, deficiency, non-compliance or unmanaged risk that caused, or on its own had the potential to cause, loss of life or limb.

Major: An occurrence, deficiency, non-compliance or unmanaged risk involving a major system that caused, or had the potential to cause, significant problems to the function or effectiveness of that system.

Minor: An isolated occurrence, deficiency, non-compliance or unmanaged risk not indicative of a significant system problem.

Additional considerations will be given to cumulative circumstances such as:

- A number of minor findings against one requirement e.g. similar non-compliances associated to different sites or departments/functions/processes within a single site can represent a total breakdown of the system and thus be considered a major finding.
- Recurrence of the same or a similar non-compliance found during consecutive audits shall be considered as a failure of the corrective action process (includes poor causal analysis) and shall result in a major finding being issued.

The category of a finding's severity and the associated risk are the main determinants in specifying the periods allowed for rectification by the participant.

9.4.8 Aviation related concerns

A perceived deficiency, not forming a non-compliance, which in the opinion of the person making the observation could affect safety, is to be treated as an Aviation Related Concern (ARC) and entered into the CAA Aviation Safety Management System (such a concern is not classified as a surveillance finding).

9.4.9 Root cause analysis

It is the responsibility of the certificated aviation participant to determine the cause(s) of any non-compliance and to implement corrective actions after findings have been raised. Clearly, the organisation being audited is best placed to develop a causal analysis as it better understands the environment it operates in, its own operations, methods and personnel, and the events that may have led to the problem. In some cases, in particular where risks to safety are highest and causes and actions require complex analysis and lengthy implementation, a joint CAA-participant approach may be required.

The CAA is responsible for ensuring that the causal factors as determined by the participant are accurate and that the associated actions implemented by the participant are effective.

The root cause analysis is the tool or method designed to help participants and auditors describe what happened during a particular non-compliance/deviation/incident, then determine how it happened and understand why it happened.

A full root cause analysis as used in the more complex situations contains three key components that need to be applied to ensure an effective analysis, namely:

- A method of describing and schematically representing the non-compliance/deviation/incident sequence and its contributing conditions.
- A method of identifying the critical events, conditions, and unsafe acts in the sequence. This is where different root cause analysis techniques come into play (Ishikawa, 5-whys, etc) with varying degrees of complexity.
- Based on the identification of the critical events, conditions, and unsafe acts, a method for systematically investigating the management and organisational factors that allowed the unsafe acts to occur i.e. a method to uncover the root cause.

In many cases, the issue that has resulted in the finding may be a 'one-off' event with a low consequence or impact and therefore a detailed root cause analysis may not have a significant safety benefit. In this case, it may be more beneficial and practical to simply 'code' the issue accordingly in the CAA business systems (based on the ICAO coding³ outlined in Advisory Circular AC12-2). The extent to which root cause analysis methods are used and the level of analytical effort spent should be commensurate with the significance of the issue or non-compliance. When determining what tool or methodology is appropriate and whether the participant has been thorough in its analysis, the CAA will rely on the knowledge, experience, and judgement of the auditor.

Risk management methodology should be used to focus on areas known to have a greater affect on aviation safety. This should additionally be weighed against the ability of the aviation participant to carry out an effective analysis in the more serious and complex situations. It is likely that the majority of findings (minor) will require minimal root cause analysis with increasing depth of analysis and increased involvement of the CAA as the severity and/or number of findings and the complexity of the causal factors increases.

Ultimately, the participant will need to satisfy the CAA that the root cause has been correctly identified and, in the more complex situations, that the root cause analysis has been appropriately and thoroughly conducted.

9.4.10 Corrective actions

Additionally, after findings have been raised and root causes determined the CAA will agree with the participant on corrective actions and/or a corrective action plan. It is the participant who has the resources and authority to implement corrective actions.

The fundamental goal of the findings-causes-actions process is to shift from fixing the effects of non-compliances to eliminating, changing, or controlling the causes of problems, hence implementing corrective action and in the context of safety risk management, preventive action.

9.4.11 Exit meeting

Finding notices do not have to be entered into the CAA's business system prior to the exit meeting. However, findings and the associated causes and actions identified during the audit must be notified at the exit meeting.

New findings should not be introduced after the exit meeting except in cases where a post-audit review of the evidence indicates a significant safety failing.

9.5 Reporting and follow-up

The product of the surveillance process is information relating to safety performance. The results of surveillance are utilised by the CAA (as the primary customer of the surveillance process), and in a report sent to the document holder.

The areas tested and the findings of programmed audits and inspections, including special purpose audits and inspections, are presented in a report created primarily for use by the CAA.

9.5.1 Responsibility for follow-up

Unit Coordinators are responsible for initiating following up corrective actions taken by organisations against the findings that were raised during audits. Individual staff that performed an audit are responsible for determining that the corrective action addresses the cause(s) identified that resulted in the finding. The status of findings and corrective actions is tracked via the CAA database and should be reviewed within the operational groups.

³ ICAO accident and incident reporting manual, document number 9156-AN/900.

The results of an audit may trigger either during or immediately following an audit, an assessment of the organisation and recommendations for further action. Assessments are carried out on a case-by-case basis, having regard to factors including the number and nature of findings, the effectiveness of existing controls and the risk associated in continued operations by the holder.

Assessments are initiated by the person assigned as team leader for the particular audit, and carried out in consultation with the relevant Manager of the unit or section within the operational group. Further action recommended following an assessment might include document suspension, or imposition of conditions in the interests of safety, and to enforce the Act and rules. Such cases always involve the exercise of judgement and careful use of the Civil Aviation Act requirements and the CAA policies and procedures.

9.5.2 Standards for follow-up

Follow-up action is determined by the severity of the finding(s) identified during surveillance and the period specified for implementation of corrective actions.

The CAA aims to ensure that any required corrective action and associated verification is completed within three months of the audit visit, unless more urgent action is required. *Verification* is defined as the confirmation by examination and/or provision of objective evidence that any specified action has indeed been taken.

Further follow-up action may be required to validate the confirmation by examination and/or provision of objective evidence that the implemented actions have achieved the desired result i.e. their effectiveness in preventing the non-compliance from recurring.

The follow-up action (verification and validation) may be completed upon the closure of findings in the CAA database or during subsequent monitoring of the participant's operations and systems. The CAA's aim is to see that corrective actions are institutionalised i.e. they become part of the participant's business-as-usual practices.

10. Discretion

In specifying a period of time (due date) for the completion of corrective actions related to a surveillance finding, CAA staff performing inspections and audits are exercising a discretion envisaged by the Act. The Director has discretion with respect to his power under the Civil Aviation Act to take action in the public interest to enforce compliance in the case of a breach of regulatory requirements. Such action might include legal enforcement (prosecution), or other action as appropriate. This policy sets out the criteria for the exercise of this discretion with respect to the surveillance activity.

In exercising discretion, staff performing surveillance tasks have the ability, where appropriate, to "stay" further action of this sort while voluntary compliance takes place. It is important to note that the issue of a finding notice with associated corrective/preventive action(s) specifying a period of time for completion does not preclude additional action being taken with respect to the deficiency identified if this is considered justified in the particular circumstances.

Voluntary compliance by participants is a primary means of maintaining compliance in the civil aviation system. This important principle is the basis of the surveillance finding and corrective action process, and underpins the CAA Surveillance Policy.

In allowing a period for rectification of a safety finding the "fact" or existence of a safety finding is not altered. The particular non-compliance remains and is not diminished in any way. The operator is in non-compliance for as long as operations continue while the deficiency is not rectified. The discretion simply reflects the reality that in certain circumstances, dependent on the severity of the finding, it may be appropriate for a period of time to be provided for the participant to return to compliance.

In applying this discretion staff performing safety monitoring and inspections will exercise their judgement, within the guidelines offered, as to the appropriate period to allow in any particular

case (see section 9.4.7 *Surveillance findings*). This includes specifying immediate rectification if the severity of the finding and the circumstances warrant it.

11. Foreign obligations and contracts

11.1 General

The CAA will undertake as far as possible particular or general surveillance activities in New Zealand or overseas when requested to do so by PASO or foreign regulatory authorities. The CAA will share information to the maximum extent possible, consistent with its obligations under New Zealand law, with foreign authorities when this relates to the safety performance of participants certificated by both states.

For the purposes of facilitating this information exchange, the CAA will inform the relevant foreign authority prior to conducting surveillance in other states of holders of New Zealand aviation documents.

11.2 Foreign aircraft operating in New Zealand

CAA surveillance can include checks of foreign registered aircraft operating for hire and reward in New Zealand. Such aircraft operate in New Zealand at the discretion of the Director or under the approval of an Australian AOC with ANZA privileges. Responsibility for continuing airworthiness remains with the state of registration and CAA surveillance will seek to detect and report to the relevant authority cases where airworthiness requirements are not being complied with. CAA may conduct operational oversight of foreign-registered aircraft conducting hire or reward operations within New Zealand where this is provided for in an agreement with the foreign state concerned. CAA surveillance will be directed and adjusted according to the nature of the operations conducted here and the certification status of the aircraft.

US-registered aircraft being operated by a non-US air carrier or person outside of the US “for compensation or hire” must be approved for this purpose under Federal Aviation Regulations (FAR) 129. The US definition of hire or reward applies to any commercial operations conducted by US-registered aircraft in New Zealand, and this definition is relevant when determining whether a FAR Part 129 operations specification should cover the aircraft.

Under an arrangement with the FAA the CAA, as part of its surveillance activities, may inspect any US-registered aircraft operating in New Zealand that it suspects is being operated for hire or reward. The CAA reports its findings direct to the FAA San Francisco Flight Standards Office.

12. Qualification and authorisation of CAA surveillance personnel

12.1 Training and qualification

CAA personnel must be trained and qualified in order to effectively carry out their safety oversight role. With regards to surveillance, training will address the competencies (application of applicable skills, knowledge and attributes) that are required for effective monitoring. These requirements and competencies are based on the following best practice standards:

- ICAO Safety Oversight Manual Doc 9734
- ISO 19011 Guidelines for quality and/or environmental management systems auditing
- AS9104/3 Requirements for aerospace auditor competency and training courses

CAA personnel will also be required to demonstrate that they have met the required level of competency for each surveillance task before they are deemed “qualified”.

12.2 Authorisation scheme

It is essential that only those personnel that are properly qualified for a surveillance task are assigned to that duty. The process for the training, assessment, authorisation and documentation thereof is referred to as an “authorisation scheme”.

Managers of operational units are to maintain a “skills matrix” for their Unit which captures all the competency requirements for the Unit and identifies the number of Unit personnel required to have each competency based on work demands and succession principles. By conducting a gap analysis, Managers will be able to develop a training plan for their Unit in order to achieve the desired number of personnel with those competencies.

Managers will also maintain a formal record for each staff member of their:

- Training and experience
- Qualifications and competencies
- Assessment and authorisations (including supporting documentation for the assessment and/or a training certificate)
- Warrant of authority and instrument of delegation

Managers are only to authorise or assign persons to a surveillance task if they have been assessed as having the necessary qualifications/competencies and hold the appropriate warrants and delegations. The only exception will be personnel undergoing on-the-job training (OJT) and paired with a suitably qualified CAA employee.

13. Performance and activity reporting

The Performance Agreement with the Minister, negotiated every year, contains the performance targets and measures for the Output Class, “Monitoring and Corrective Action Identification”. Under this agreement the CAA is required to report the performance of this output each quarter.

14. Information disclosure

The CAA will provide information obtained from surveillance to the party concerned unless there are grounds for withholding such information under the Official Information Act 1982 or the Privacy Act 1993.

Findings and causal factors identified during surveillance will be discussed with the participant at the time where that is possible.

The contents of surveillance reports e.g. audit reports, are not disclosed to third or other parties unless the CAA is required to do so under the Official Information Act or other authority.

The CAA will make available its policy on surveillance by publishing the contents of this document, including notification of revisions as these are incorporated.

Where additional information about the party concerned (such as a complaint from a member of the public) is considered in taking or proposing action with respect to matters raised during surveillance, this information will also be provided to that party unless there are grounds for withholding such information under the Official Information Act 1982 or the Privacy Act 1993.

15. Information and advice

Staff performing surveillance tasks may also provide information and advice to participants. The information and advice role is always directed at risk management and achieving or maintaining compliance with regulatory standards. It is not consultancy. The line between the two is a fine one, and staff performing surveillance must refrain from giving any advice that could be interpreted as usurping the operator’s internal decision-making processes or responsibilities.

Examples of the sort of information and advice that is properly given by CAA field staff performing surveillance tasks in this role are as follows:

- CAA interpretations of rules and standards (but never informal opinions on the interpretation of a rule)

- Information or guidance on the CAA risk evaluation methodology
- Information or guidance on root cause analysis methodologies; Information or guidance on acceptable means of compliance with a rule (but never advice on which means of compliance to select)
- Information or guidance on CAA processes (but never committing the CAA to what the outcome might be)
- General information on CAA activities, including other information sources e.g. the CAA website, and access to them

Appendix A – Tools” to be used for specific document types

“Tool”	When used	Objective	Remarks
Routine Audit	Annually (baseline), or as adjusted following evaluation of risk profile results, either for category of participant or individual participant. An audit program consisting of a number of audit modules may be customised for some organisations.	Establishes the level of compliance with current legislation and conformity with documented procedures. Identifies any non-compliances and initiates corrective actions.	Audit checklists should be constructed to concentrate oversight on areas of highest risk.
Inspection	For programmed surveillance of participants where the systems based approach of a routine audit is not appropriate, e.g. Organisations not required to hold an exposition. Inspection of products e.g. Aircraft and components and inspection of documents and records e.g. Licences and logbooks. In other cases as required.	Establishes the level of compliance with current legislation and adherence to conditions of aviation document. Identifies any non-compliances and initiates corrective actions.	Inspection checklists should be constructed to concentrate oversight on areas of highest risk.
Special Purpose Audit or Inspection	When deemed necessary as a result of an occurrence, information received, risk profile score or other safety concern that justifies an audit or inspection prior to the next due routine audit. May, but does not necessarily have to, have a narrower audit focus than a routine audit.	To ascertain the cause of a poor safety performance, high risk score, or to identify and rectify a particular problem within an organisation.	Spot checks and special purpose audits and inspections provide useful tools for refining and focusing regulatory oversight to concentrate on areas of risk. Spot checks can be undertaken at any time or can be programmed to focus on a particular type of operation, system or component. Inspections and spot checks may involve visits at night and weekends, within the definition of “reasonable time” as required by the
Spot Check	Planned as part of a programme of spot checks.	To sample the end product on an unannounced basis, to establish or verify the	

"Tool"	When used	Objective	Remarks
	Planned on an individual basis.	ongoing level of compliance in specific areas.	Act.
Unobserved Surveillance	When the Director has grounds to believe that a document holder will significantly alter their compliance behaviour pattern if warned of impending surveillance.	To ascertain the compliance behaviour of a document holder.	
Meetings & Interviews	When it is necessary to gain information, or modify client behaviour and change attitudes to compliance. When feedback to a participant on compliance performance is required. When it is necessary to review performance with a particular activity e.g. EDTO.	To raise the level of compliance through the exchange of information, perhaps at a high level in order to initiate corrective action not achieved through other tools. To test knowledge and understanding of requirements.	
Monitoring	Desktop sampling of data, approvals, and output on a planned basis.	To monitor the output of individuals exercising delegated functions and powers.	

For each aviation document type, the appropriate "tools" to be used and when they should be used are shown in the following tables:

A.1 Organisational document holders

Document type	Legislative requirement	Assigned Tool	When Used
Regulated Air Cargo Agent	Part 109	Routine audit	Annually where international operations are involved or as indicated by risk assessment.
Adventure Aviation Certificate	Part 115	Special purpose audit	
Air Operator Certificate	Part 119/ Part 121 Part 125 Part 135		
Aerodrome Operator Certificate	Part 139	Unobserved Surveillance	
Aviation Security Service Organisation Certificate	Part 140		
Training Organisation Certificate	Part 141	s.15 inspection	
Maintenance Organisation Certificate	Part 145		
Aircraft Design Organisation Certificate	Part 146		

Document type	Legislative requirement	Assigned Tool	When Used
Aircraft Manufacturing Organisation Certificate	Part 148	s.15A investigation	
Aviation Recreation Organisation Certificate	Part 149		
Aeronautical Telecommunication Service Organisation Certificate	Part 171		
Air Traffic Service Organisation Certificate	Part 172		
Instrument Flight Procedure Service Organisation	Part 173		
Aviation Meteorological Service Organisation Certificate	Part 174		
Aeronautical Information Services Organisation Certificate	Part 175		
Foreign Air Operator Certificate	Part 129	Routine audit and inspection Special purpose inspection Unobserved Surveillance	As indicted by risk assessment
Agricultural Aircraft Operator Certificate	Part 137	Inspection Special purpose inspection Unobserved surveillance	As indicted by risk assessment

A.2 Transitional certificates/approvals

Document type	Legislative requirement	Assigned Tool	When Used
Supply Organisation Certificate	Part 19F	Inspection Special purpose inspection	As indicted by risk assessment

A.3 Individual document holders

Document type	Legislative requirement	Assigned Tool	When Used
Air traffic service personnel	Part 65	Inspection	Sampling basis
Aircraft maintenance personnel	Part 66 Part 43		
Holders of pilot licences and certificates, operating privately	Part 61 Part 67 Part 91 Part 103 Part 104	Unobserved Surveillance	As required

A.4 Individuals or organisations holding delegations or authorisations from the Director

Document type	Legislative requirement	Assigned Tool	When Used
Delegation holders within an organisation	Parts 19 & 21	Monitoring	Progressive sampling
Authorisation holders	Part 66 Part 67		

A.5 Participants or organisations not holding an aviation document or a delegation/authorisation and not part of a certificated organisation

Activity type	Legislative requirement	Assigned Tool	When Used
Parachuting	Part 105	Spot Check	Spot Check Programme
		Unobserved Surveillance	As required

Products

Product type	Legislative requirement	Assigned Tool	When Used
New Zealand Registered Aircraft	Parts 21, 26, 39, and 47	Spot check	Spot Check programme
		Unobserved Surveillance	As required
Foreign registered aircraft operating in New Zealand	Part 91	Inspection	Spot Check Programme As required

A.6 Foreign obligations and contracts

CAA has an agreement with PASO for the provision of regulatory services for a number of South Pacific countries. The form and content of this agreement and advice is arranged by the CAA Policy and Regulatory Strategy Unit of the Policy and System Interventions Group in consultation with the appropriate operational Group. The services required are provided by arrangement with the appropriate operational Group.

A.7 Aerodromes - Non-certificated

Responsible Entity	Applicable Standard	Assigned Tool	When Used
Aerodrome operator	NZAIP	Inspection	As appropriate based on risk assessment