

# Briefing for the Incoming Minister 2014

**Organisation** Civil Aviation Authority of New Zealand

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This document has been proactively released. Redactions made to the document have been made consistent with provisions of the Official Information Act 1982.

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## Executive Summary

The Civil Aviation Authority is a Crown Entity established under the Civil Aviation Act 1990. The Authority is a Board appointed by the Minister of Transport and currently comprises five members:

- Nigel Gould (Chairman)
- Peter Griffiths (Deputy Chairman)
- John Bartlett
- Grant Lilly
- Jim Boulton

The Authority has two primary functions:

1. Regulatory oversight of the New Zealand civil aviation system
2. The delivery of aviation security services

These services are delivered by two business groups: the CAA for regulatory oversight, and the Aviation Security Service (Avsec) for the delivery of aviation security services.

Over the last four years, the Authority has undertaken and completed a significant organisational change programme. The programme focused on building the Authority's regulatory capability and driving improvements in both organisational efficiency and effectiveness with respect to each of its core functions. Over the last two years there has been significant change in the senior management of the CAA and Avsec, the establishment of a common shared corporate services capability, and significant focus on building capability and capacity within its operational arms. As a consequence, the Authority is now an organisation capable of effectively delivering on its mandate in an increasingly efficient way.

A key focus of the Authority is working in a way that achieves its mission: *safe flight for social connections and economic benefits*. In practice this means finding new ways of working with the civil aviation sector that extend beyond the traditional reliance on rules and compliance to maintain and enhance the safety and security performance of the civil aviation sector.

The Authority has five key projects underway, each of which has the potential to yield significant gains in the civil aviation sector:

1. A Triennial Review of the CAA's funding framework and levies, fees and charges.
2. Implementation of the National Airspace and Air Navigation Plan through the New Southern Sky Programme.
3. The introduction of risk-based regulation for the civil aviation system.
4. Introduction of a new Civil Aviation Rule for remotely piloted aircraft systems (RPAS) such as 'drones' and remote-controlled aircraft.
5. The CAA's Regulatory Craft Programme.

Each of these are critical to the long-term effectiveness of the regulatory arm of the Authority, and to safe and efficient integration of new types and forms of civil aviation activity.

The Authority has a critical concern related to drug and alcohol testing within the New Zealand civil aviation system. Investigations into a number of high-profile fatal aircraft accidents have revealed the presence of drugs in industry participants involved in those accidents. For close to a decade the Authority has advocated for the need for better and more effective controls in relation to drug and alcohol use in aviation. In an effort to compensate for the lack regulatory standards in this area, in 2011 the Authority proposed the matching of its records to Ministry of Justice convictions information to identify pilots and others with convictions for drink-driving and other related crimes. This was intended as a way of targeting those who may pose a higher risk associated with the inappropriate use of drugs and alcohol; however this initiative was successfully challenged in the Courts by the New Zealand Air Line Pilots' Association.

The Authority has contributed to work led by the Ministry of Transport considering the possible introduction of regulatory requirements to manage the risk posed by the misuse of alcohol and drugs by participants in the aviation system. The Authority would welcome a quick resolution of outstanding issues to enable it, and other regulators, to exercise better and more targeted interventions to reduce the negative impacts of drug and alcohol on aviation safety.

The CAA helps to develop and implement new (and amend) Civil Aviation Rules. The number of new Rules able to be introduced each year, or changes made, is falling behind the need derived from international requirements and changing technology. This is of concern to the Authority, as there is the potential for a widening gap between international and domestic expectations and the actual Rule set. The Authority is working with the Ministry to find ways of addressing this issue.

## Purpose

The purpose of this document is to provide an overview of:

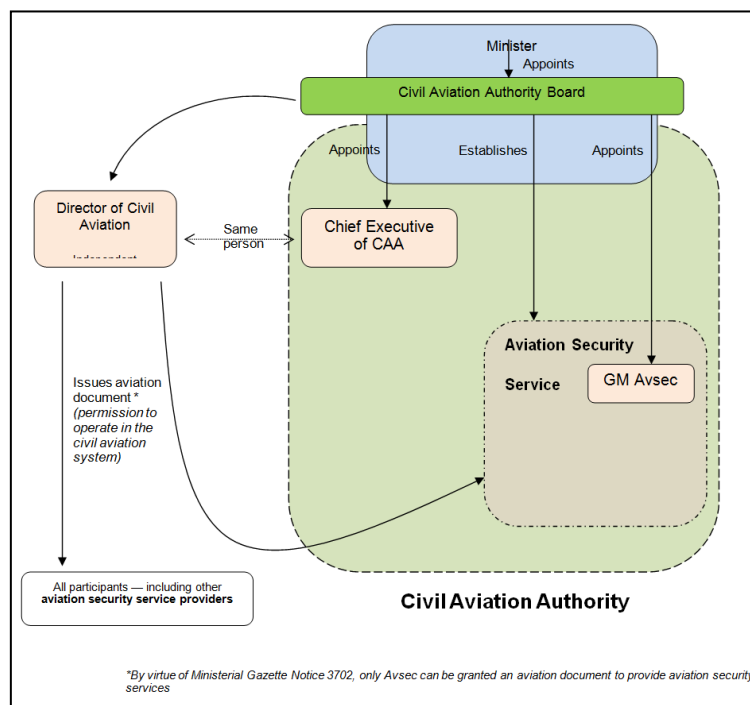
- the Civil Aviation Authority
- the aviation sector
- key projects
- strategic priorities
- regulatory responsibilities
- the organisational structure of the CAA.

## The Civil Aviation Authority

The Authority is a Crown entity which is made up of two arms:

- The first arm is the Civil Aviation Authority (CAA) which exercises the regulatory functions that are the statutory responsibility of the Authority and the Director of Civil Aviation. The Director of Civil Aviation has independent powers under the Civil Aviation Act relating to the discharge of regulatory functions.
- The second arm is the Aviation Security Service (Avsec). Avsec has an operational focus, providing aviation security services at airports and air navigation facilities. The Director approves and regulates Avsec's operations in accordance with Civil Aviation Rules.

The Authority governance structure is summarised in the following diagram:



There are clear separations between the operational management of Avsec and the assurance processes used by the CAA with respect to how well Avsec carries out its activities. There is a direct reporting line from the General Manager Aviation Security

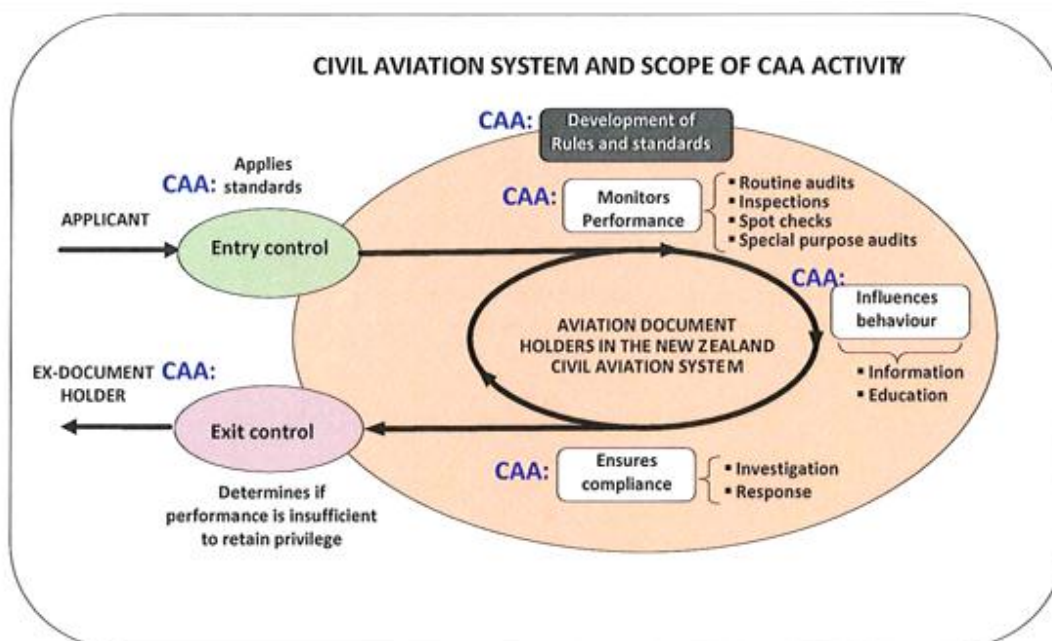
Service to the Board regarding the aviation documents Avsec holds. All other aspects of the General Manager Aviation Security Service's role report via the Chief Executive to the Authority (see Appendix B).

The Authority has a shared services model for the provision of corporate or business support services such as finance, human resources, and information systems. These are formally located within the CAA, and support both arms of the Authority.

### The role of the CAA as the safety and security regulator

The CAA regulates aviation safety and security. The following diagram depicts the CAA's approach to regulation.

**Figure 1: CAA regulatory model**



Organisations or individuals wishing to operate within the civil aviation system must first demonstrate they meet the relevant standards set out in the Civil Aviation Act and in Civil Aviation Rules: this is the entry stage. The processes of evaluating whether an organisation may enter is the certification stage. For an individual, such as a pilot or engineer, the process is referred to as licensing. For both organisations and individuals the CAA issues a document which sets out the nature of the privileges the organisation or individual is allowed to exercise within the civil aviation system.

Following entry, document holders must meet the standards set out in the Civil Aviation Act and the Civil Aviation Rules. The CAA's role includes monitoring compliance. The CAA uses a mixture of auditing and inspection techniques to gain assurance that document holders are conforming to the rules. While the Civil Aviation Rules set the boundaries of the system, the Act also creates the concept of shared responsibility. This is an explicit requirement and recognises that the regulator cannot be everywhere at all times.

If an audit or inspection finds that a document holder is not conforming, the CAA will require the document holder to correct the issue(s). If the non-conformance is serious, the CAA can initiate action to either limit the nature of the activities undertaken (thereby reducing the safety risk) until a satisfactory correction is made or, in the worst case, remove the operator or individual from the civil aviation system.

In addition to those two primary tools, the CAA seeks to influence behaviours through information and education, referred to as outreach programmes. The CAA also has various investigation powers and functions to establish, on the balance of probability, the causes of an incident or accident (a safety investigation); or determine whether evidential thresholds have been met to warrant use of the offence provisions set out in the Civil Aviation Act 1990.

### Regulatory Approach

The CAA has issued a document that describes the way in which it undertakes its regulatory task — the Regulatory Operating Model<sup>1</sup>. The model describes how the CAA uses regulatory tools to encourage the regulated parties (participants and document holders) to meet or exceed the standards set out in Civil Aviation Rules. A critical element to the model is an assessment of individuals' and organisations' behaviours and attitudes. The willingness of an individual to comply with the rules will affect what actions the CAA takes to enforce the rules. However, underlying the model is the need for sufficient corroborated evidence to justify the CAA's actions.

### **The role of the Aviation Security Service (Avsec)**

The Authority has a function to sustain an aviation security service, which it does by operating Avsec. Avsec is a service delivery unit and provides security services at aerodromes and air navigation facilities. This involves the provision of screening points at airports, baggage screening, and other security services at aerodromes, such as bomb detection.

Avsec holds an aviation document, issued by the Director of Civil Aviation, and is the only organisation in New Zealand that holds the requisite certificate for the services it provides. In order to manage potential conflicts of interest, operationally Avsec is managed separately from the CAA and has separate financial accounts.

More specifically, Avsec provides security services at security designated airports. These are airports with either international services or regular domestic services using aircraft with 90 or more passenger seats for which passenger screening is required. Currently there are seven security designated airports in New Zealand: Auckland, Hamilton, Rotorua, Wellington, Christchurch, Queenstown, and Dunedin. Note there is no current service requirements at Hamilton Airport.

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<sup>1</sup> Available here: [http://www.caa.govt.nz/Policy\\_ops/Regulatory\\_Op\\_Model.pdf](http://www.caa.govt.nz/Policy_ops/Regulatory_Op_Model.pdf)

## **The Aviation Sector**

There is a high level of participation in aviation in New Zealand, with approximately one aircraft per thousand people in this country—one of the highest aircraft per capita ratios in the world.

The aviation community can be divided into:

- The airline sector operating large aircraft used on scheduled regular public transport operations both internationally and domestically. There are 128<sup>2</sup> large aircraft registered in New Zealand. A group of 85 medium aircraft, carrying between 10 and 30 people, are also part of the commercial fleet.
- The general aviation sector that includes a total of 4,329 aircraft with a take-off weight under 5700 kg, or less than 10 passenger seats. This group includes smaller freight and passenger carrying services, commercial adventure aviation, helicopter and agricultural operations, and a growing sport and recreational community. The latter group is very active, with 1,942 registered sport aircraft.
- An emerging sector with remotely piloted aircraft systems (RPAS) —‘drones’— and rockets.
- Infrastructure including a network of international and domestic airport operators, an air navigation service provider (Airways New Zealand), and a number of other service providers including MetService and Avsec.

## **Safety Performance**

The overall accident rate in New Zealand in 2013 was 6.1 accidents per 100,000 flying hours. In an average year, the CAA conducts 648 safety and regulatory investigations, and takes action (from review to full investigation), on 834 aviation accidents or incidents.

The CAA investigates a variety of accidents and occurrences in its capacity as the regulatory authority. The Transport Accident Investigation Commission (TAIC) is responsible for the independent investigation of significant aviation accidents and incidents, and makes recommendations to improve safety.

In New Zealand, most accidents occur in the sport and recreation sector of aviation. In the year ending December 2013, 105 out of 115 accidents (91.3 percent) involved sport and recreation aircraft. For the year ending December 2012 the proportion was 96.6 percent. The average for the three years prior was 93.1 percent.

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<sup>2</sup> Figures correct as at December 2013.



## Key Projects

The CAA is involved in six key projects that will require your input during the next three years. The expected timelines are outlined in Appendix D.

### **The CAA Funding Review**

The CAA reviews its fees charges and levies on a three-yearly basis. The last review was approved by government 2011 and came into force in 2012. The fees, charges and levies are set by way of regulation, under the empowering authority of the Act. In essence, the Act provides for the cost of the Authority's regulatory and security services activity to be recovered from those who are considered to benefit from the service delivered.

A 'first principles' approach was adopted for reviewing CAA's funding. This approach was selected to address concerns raised by participants in the civil aviation system that the last review resulted in unfair or unwarranted changes to fees, charges and levies. These concerns were expressed through various means including the media, general complaints and complaints to the Regulations Review Committee.

The review involves two rounds of consultation. The first stage was completed in August 2014 and involved consultation on 'who pays for what'. This considered the economic character of the benefits derived from a specific activity and the public-private split. If the activity is determined to have private good characteristics, the organisation or individual should pay for the full costs of the services rendered. If an activity is determined to have public good characteristics, then less direct cost recovery mechanisms are considered appropriate, such as generalised levies.

The CAA will initiate stage two of the review in early 2015. The second stage will look at how much is charged for each regulatory activity given the feedback from the first round of consultation. The review is scheduled to be completed by the end of June 2015, at which point the CAA will be providing advice to government about any proposed changes to the current cost recovery model and associated charges, fees and levies.

### **New Southern Sky — Implementing the National Airspace and Air Navigation Plan**

The CAA has developed a detailed National Airspace and Air Navigation Plan (the Plan) that was approved by Cabinet in June 2014. The Plan provides a framework for modernising New Zealand's aviation system, focusing on eight key areas: navigation, surveillance, communications, aeronautical information, air traffic management, airspace design, aerodromes and meteorological services. The Plan provides detailed guidance to industry about the introduction of new technologies (and associated standards) with the intention of enabling industry to plan, with reasonable certainty, capital infrastructure investments required from 2014 to 2023. An independent economic analysis of the Plan, carried out by Castalia, indicates a potential \$2 billion benefit to New Zealand over the next 20 years.

The Plan has a time horizon of 2023 and represents a significant body of work. An implementation plan, called New Southern Sky is currently being developed by the CAA. New Southern Sky is led by the CAA, with the Ministry of Transport and Airways New Zealand as strategic partners. Other agencies involved at operational level are the Ministry of Transport and Airways New Zealand, along with MetService, the New Zealand Defence Force, Land Information New Zealand, the Ministry for the Environment, and representatives from the aviation sector, including Air New Zealand, the Airports Association and general aviation.

The New Southern Sky governance group will report to the Authority, and will provide you with quarterly reports on programme implementation and annual reviews against forecast economic and other benefits. These reports will indicate upcoming issues on which we will be seeking decisions from you.

Governance issues will focus on risk identification and management, and assurance that the implementation is progressing as planned. This includes (but is not limited to) ensuring that industry and the wider sector are appropriately engaged, and that the potential benefits of the programme are being identified and realised.

## **Introduction of Risk-Based Regulation**

Since 2008, the CAA has worked on various policy proposals to enable the formal introduction of Safety Management Systems into the New Zealand civil aviation system. Currently, New Zealand is lagging behind the expectations of the International Civil Aviation Organization (ICAO) with respect to the introduction of Safety Management Systems. ICAO has set out the required standards of contracting States in the annexes of the Convention on International Aviation.

### State Safety Programme

The State Safety Programme is a formal framework for the State to manage aviation safety and achieve an acceptable level of safety performance. The programme is intended to both establish the safety levels and systems for the State, and also to guide aviation participants in the development of their own Safety Management System.

A number of activities the CAA has led or been involved in contribute to the programme. For example, the current consideration of a Civil Aviation Rule to require Safety Management Systems, the current review of the Civil Aviation Act 1990 and the CAA's shift to a risk-based regulatory oversight of New Zealand aviation are all components of the programme. A document describing New Zealand's programme is on the CAA website ([http://www.caa.govt.nz/SMS/state\\_safety\\_prog.html](http://www.caa.govt.nz/SMS/state_safety_prog.html)), and this will be continually updated and refined over time.

### Rule Part 100: Safety Management System development

A Safety Management System is a major component of New Zealand's obligations and the State Safety Programme. This system is a formal management framework

for aviation operators to manage their business' day-to-day safety in a structured and proactive way.

The CAA has been encouraging operators to voluntarily adopt a Safety Management System for some time. This has included the publication of an advisory circular and other guidance material, and holding a series of national workshops on Safety Management Systems.

In 2013, the CAA consulted the aviation sector on whether Safety Management Systems should be a requirement in the Civil Aviation Rules for all certificated operators. Consultation revealed a high degree of support for a requirement that all commercial aviation operations in New Zealand be required to have a Safety Management System. [REDACTED]

[Withheld having regard to s9(2)(f)(iv) of the Official Information Act 1982]

### **Remotely Piloted Aircraft Systems (RPAS)**

Traditionally used in military contexts, RPAS are increasingly being used in civil aviation, such as in search and rescue, agricultural-spraying, aerial-mapping, photography, and a wide range of other commercial activities. As such, RPAS embody new technologies giving rise to different types of aviation safety risk; and are being used by individuals and organisations that are not traditionally engaged in the civil aviation system. The intent of the RPAS project is to develop a regulatory response that addresses both issues.

In New Zealand, RPAS operations are currently authorised by the CAA on a case-by-case basis, which has provided sufficient oversight of their activities. However, as the sector continues to grow and RPAS aircraft become more complex, new Civil Aviation Rules are required to ensure maintenance of the high safety standards of the New Zealand aviation system.

The CAA is currently engaged in rule development to update the Civil Aviation Rules governing RPAS and this includes creating a new Rule Part 102 – Remotely Piloted Aircraft Systems. The CAA will be engaging with the traditional aviation industry as well as the new RPAS sector. A notice of proposed rule making is currently being prepared for public consultation. [REDACTED]

[Withheld having regard to s9(2)(f)(iv) of the Official Information Act 1982]

### **Regulatory Craft Programme**

In 2013/14 the CAA started a project to replace its legacy business systems. In January 2014 a decision was taken to expand the scope of the business system replacement project known as the Aviation Safety Management System (ASMS) replacement project and a programme of work commenced titled the Regulatory Craft Programme (RCP).

While the RCP includes a focus on information management systems, it will also bring a continual improvement of operational capability to help the CAA cope with

changing regulatory approaches and systems (for example, the introduction of Safety Management Systems). The regulatory craft programme is a significant part of the CAA strategic focus area of being a more responsive and results driven organisation.

The programme's success will see improved aviation safety and security outcomes, an increase in the public's confidence in air travel, improved productivity for CAA and participants, and a number of other wide reaching benefits.

The changes will enable the CAA to be more focused on results and in particular improve its ability to identify, understand and fix the important problems that impact the aviation system.

The key drivers for the programme are:

1. To improve safety performance by developing the organisation to meet its regulatory business needs.
2. To address the risks associated with retaining legacy information systems to ensure that CAA is able to perform its regulatory role effectively and efficiently.
3. To align with broader government strategies to create a better public service.

The detailed business case will be presented to the Authority in December 2014 for consideration and the Ministry of Transport is being regularly updated on progress.

### **The Civil Aviation Act Review**

The Civil Aviation Act has been in place for just over 20 years, and has had a number of amendments made to it in that time. Accordingly, the Ministry of Transport determined that it was timely for the Act to be reviewed to ensure that it remains fit for purpose.

The CAA has been working closely with the Ministry of Transport on the policy analysis work and review of the Civil Aviation Act. Government approved for release on 1 August a public consultation document on the Review of the Civil Aviation Act 1990 and Airport Authorities Act 1966. Public consultation on the review closes 31 October 2014.

Key elements of the Ministry's proposals for the Civil Aviation Act (the Act) include:

- whether to amalgamate the Act and the Airport Authorities Act or separate the provisions into three separate Acts;
- development of new objectives and purpose statements for the Act;
- whether the Director retains the independent statutory regulatory decision making powers or they move to the Board of the Authority;
- development of a third pathway for medical certification;
- revision of the current offence and penalty provisions;
- clarification that the CAA has discretion to investigate aviation incidents and accidents;
- enhancement of the powers of Aviation Security Officers to screen items such as unattended baggage, vehicles, etc., on the landside of an aerodrome;

- possible changes to elements of the Civil Aviation Rules regime aimed at allowing or enabling quicker changes to existing rules for reasons such as technological change, or international requirements; and
- provisions around recovery of unpaid fees or charges.

## Strategic Priorities

The Authority's work programme is focused on ensuring safe flight for social connections and economic benefits. Detailed information regarding the strategic priorities is provided in the Civil Aviation Authority's Statement of Intent 2014 – 2018.

In order to ensure safe flight for social connections and economic benefits the CAA focuses on three key areas and these are:

- improving the overall effectiveness of the aviation system;
- improving sector safety performance; and
- becoming a more responsive and results driven organisation.

### Improving the Overall Effectiveness of the Aviation System

New Zealand's social and economic development depends on the integrity and connectivity of the aviation system. One of our key roles is enabling efficient use of the airspace without compromising safety. This is done by having clear requirements for aviation participants in line with international standards.

The CAA has a strong focus on regulating the aviation sector through a risk-based approach. There have been a number of internal changes to enable a risk-based approach across all CAA functions.

Our strategic priorities to improve the overall effectiveness of the aviation system are:

- increase the value of New Zealand's airspace;
- embed a risk-based approach to safety across the aviation sector; and
- monitor and proactively engage with new and emerging technologies.

### Improving Sector Safety Performance

The CAA monitors the performance of the civil aviation system and, by using safety analysis data (accident and incident rates), it can develop sector risk profiles. The CAA uses these profiles to better identify specific safety risks and offer more targeted and proactive responses.

Our strategic priorities to improve sector safety performance are:

- sustain a strong safety and security performance in the airlines sector;
- improve safety regulation and performance in other key sectors, including adventure aviation and agribusiness; and
- develop sector risk profiles across the general aviation sector and support participants in implementing Safety Management Systems.

## **Becoming a more Responsive and Results Driven Organisation**

The CAA has recently undertaken a significant change programme to better prepare the organisation for future challenges. The technologies used and risks and threats to security in the aviation sector are changing rapidly. In order to keep up to date the CAA needs to be an adaptive and resilient organisation.

A significant part of the change programme is the Regulatory Craft Programme (RCP). The intent of the RCP is to build on existing capability and to enable the CAA to be more effective, efficient, and risk-focused.

The CAA proactively engages and influences relevant domestic and international issues, so that we are able to determine the most appropriate response for the New Zealand aviation environment.

Our strategic priorities to become a more responsive and results driven organisation are:

- continue to improve our operational systems and processes;
- strengthen our stakeholder relationships;
- maintain a sustainable funding model for regulatory and security operations;  
and
- improve the demonstration and reporting of performance.

## **Appendix A: Regulatory Responsibilities**

### **International Regulatory Framework**

The International Civil Aviation Organization (ICAO) is a United Nations specialised agency that establishes standards and recommended practices for global aviation. A key part of the ICAO's work is the administration of the Convention on International Aviation. The Convention has 19 Annexes. These Annexes set out the standards and recommended practices that contracting States (countries such as New Zealand that have ratified the Convention) are expected to adhere to. New Zealand has an obligation to comply with ICAO's standards and recommended practices (unless it finds it impracticable to do so) and must notify ICAO of any difference between New Zealand rules and the international standards and recommended practices.

The Authority actively participates in a number of the technical standards setting forums that develop international standards, recommended practices and associated guidance material. This engagement is critical, as New Zealand has some unique elements to its civil aviation activity brought about by our geographic isolation and high level of general aviation activity.

New Zealand's approach is to adopt ICAO standards and recommended practices for both the international and domestic aviation sectors as major safety risks could arise if different procedures and standards were to apply.

### **Staff**

The CAA has an established staff complement of 239 full time equivalent employees (approximately 250 people).

Most staff are technical experts responsible for the certification and monitoring of aviation community participants and have generally come from careers in the aviation industry rather than the public sector.

Avsec has a staff of 719 full time equivalent employees (approximately 794 people). The majority are front-line service delivery staff, based in airports around the country, with a small team based in Wellington.

### **Funding**

Approximately 90 percent of the Authority's revenue is from levies, fees and charges. The remaining 10 percent comes from appropriation through Vote:Transport for policy advice, certain international relationships and Ministerial Servicing, and contracts with government agencies for the delivery of specific services, for example the development of Civil Aviation Rules from the Ministry of Transport, and work in the Pacific for the Ministry of Foreign Affairs and Trade.

### **Civil Aviation Act 1990**

The CAA operates under the Civil Aviation Act 1990. This Act is currently under



review and is discussed in the Key Projects. The CAA is working closely with the Ministry of Transport on the policy analysis work regarding reviewing the Act.

### **Civil Aviation Rules**

Civil Aviation Rules are made by the Minister of Transport on the basis of a programme approved by Cabinet. Rules are the means by which enforceable standards are made known for the civil aviation sector. The CAA is responsible for developing the rules for the Minister under a contract with the Secretary for Transport.

The Civil Aviation Act prescribes that rules must be consistent with ICAO standards to the extent that these have been adopted by New Zealand. When making rules the Minister must also take into account a broad range of considerations including the recommended practices of ICAO, the level of risk pertaining to a particular activity and the cost of implementing the proposed measures.

The aviation industry provides input into the rule-making process through various working groups. The CAA liaises with an industry consultative forum, the Aviation Community Advisory Group, on broader issues and priorities in the rule-making programme.

A number of States have adopted the New Zealand rules as the basis of their own regulatory system. These include Samoa, Tonga, the Solomon Islands, Vanuatu, Niue and Mongolia. Signatories to the Pacific Civil Aviation Safety and Security Treaty, which established the Pacific Aviation Safety Office (PASO), have undertaken to bring their civil aviation rules in line with New Zealand's rules.

The CAA also develops Advisory Circulars that support the rules by providing explanatory information and acceptable means of complying with the rules.

### **Pacific Aviation Safety Office (PASO)**

ICAO has raised concerns about the effectiveness of safety oversight in Pacific Island States — concerns that primarily centred on the capacity and capability of small countries to meet increasing complex and demanding international requirements. A key means to addressing these concerns is PASO. PASO is a regional safety oversight organisation that is made up of 12 Pacific Island States. It is designed to provide aviation regulatory advice to those States in order to help those States better discharge their regulatory obligations. New Zealand and Australia are also members of PASO.

The CAA is the New Zealand representative in PASO and provides policy and technical support to encourage safer practices in Pacific aviation systems.

PASO faces a number of challenges and has recently received a significant amount of donor funding from the World Bank. Until PASO gets itself properly established in terms of its management and systems, it is reliant on the CAA to provide a pool of auditors and technical experts to assist with its regulatory oversight of some aviation

safety matters in the Pacific. It is likely to take two or three years for PASO to become independent.

### **International Safety Agreements and Arrangements**

The CAA, in consultation with the Ministry of Transport and the Ministry of Foreign Affairs and Trade, promotes aviation safety agreements and arrangements with other countries. These reduce regulatory compliance costs for New Zealand operators that provide aviation goods or services overseas or on behalf of overseas organisations. The CAA has concluded agreements or arrangements with Australia (Civil Aviation Safety Authority), Canada (Transport Canada), the United States of America (Federal Aviation Administration) and Europe (European Aviation Safety Agency).

In addition, the CAA has agreements or arrangements to provide technical advice and assistance on request with PASO, Tonga, the Cook Islands, Niue, and Samoa. Assistance to the Pacific is seen as an imperative due to the air links within the region and the number of New Zealanders who travel in the area. Avsec works in partnership with the Pacific region authorities and airlines in relation to the provision of aviation security training, equipment and strategic co-ordination.

### **Accident Investigation**

In New Zealand, two organisations are responsible for the investigation of aviation accidents: the Transport Accident Investigation Commission (TAIC) and the CAA.

TAIC is responsible for the independent investigation of significant aviation accidents and incidents, and makes recommendations to improve safety. The CAA investigates a variety of accidents and occurrences in its capacity as the regulatory authority.

The CAA and TAIC have a Memorandum of Understanding to clarify the accident investigation responsibilities of each entity, the sharing of resources when required, and management protocols between the two organisations.

Accidents are sufficiently rare in the aviation sector now that more valuable information can be gained by identifying precursors to accidents. Therefore, the CAA will be focusing its accident investigation capability on identifying these precursors.

[Withheld having regard to s9(2)(g)(i) of the Official Information Act 1982]

### **Interaction with Border Agencies and the New Zealand Police**

Avsec works closely with the New Zealand Police and government border agencies such as Customs, Immigration, and the Ministry of Primary Industries. However, while the government functions occur at the same time, Avsec focuses on departing passengers, whereas most other agencies at the airport are focused on incoming overseas passengers, luggage and freight.

At the international screening point, Avsec staff are usually located adjacent to Customs personnel who are performing the immigration function as well as checking for Police and Customs alerts. Co-operation occurs across a wide range of areas including sharing intelligence and data on passenger numbers, passenger facilitation issues at both formal and informal levels and airport security issues.

Avsec has maintained a support role in the government's Border Sector Governance Group which is focused on the interactions and efficiencies of Customs, Ministry of Primary Industries and Immigration.

Avsec is working with the Ministry of Primary Industries and Customs on issues around airport restarts, passenger facilitation and a Ministry of Primary Industries trial x-ray image transfer (Australia to New Zealand).

### **Health and Safety**

The CAA is responsible for the enforcement of the Health and Safety in Employment Act 1992 and the Hazardous Substances and New Organism Act 1996 on aircraft.

### **Maritime Security**

Where the Director of Maritime Safety believes that the threat level at a particular port justifies additional security measures, Avsec will provide maritime security services such as passenger screening. Avsec's activity is focused on the Port of Auckland during the cruise ship season. Avsec has trained 50 Aviation Security Officers to also work as Maritime Security Officers should the need arise.

Avsec is also working closely with agencies to improve New Zealand's ability to act in the event of a maritime security crisis.



## Appendix C: Key People in the Organisation

Role	Person	Contact Details
Chief Executive and Director of Civil Aviation	Graeme Harris	DDI: 04 560 9404 Mobile: [REDACTED] Email: <a href="mailto:graeme.harris@caa.govt.nz">graeme.harris@caa.govt.nz</a>
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General Manager Policy and System Interventions	John Kay	DDI: 04 560 9447 Mobile: [REDACTED] Email: <a href="mailto:john.kay@caa.govt.nz">john.kay@caa.govt.nz</a>
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[Withheld having regard to s9(2)(a) of the Official Information Act 1982]

Role	Person	Contact Details
Chairman of CAA Board	Nigel Gould	██████████ ██████████ ██████████
Deputy Chairman of CAA Board	Peter Griffiths	██████████ ██████████ ██████████
Board Member	John Bartlett	██████████ ██████████ ██████████
Board Member	Grant Lilly	██████████ ██████████ ██████████
Board Member	James (Jim) Boulton	██████████ ██████████ ██████████

[Withheld having regard to s9(2)(a) of the Official Information Act 1982]

## Appendix D: Timing of Ministerial Work for Key Projects

The following table provides contextual information about some key projects that the Minister will be required to be involved in. The table also provides advice about likely timing of critical issues. The Minister will also be involved in some smaller rule projects.

Issue	Context	Ministerial Input
The CAA Funding Review	<p>Cabinet set an expectation of a triennial review period, with a review being completed and implemented by the beginning of the 2015/16 financial year. The CAA is currently between the first and second rounds of consultation on the triennial funding review.</p> <p>After each stage the CAA will need to provide recommendations to the Minister.</p>	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>
New Southern Sky	<p>New Southern Sky is the programme to implement National Airspace and Air Navigation Plan, approved by Cabinet in June 2014. This is a large body of work that the Minister will be frequently updated on.</p>	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>
The introduction of the Risk-based Regulation and Safety Management Systems	<p>In 2012, the CAA recommended to the Ministry that the existing set of Civil Aviation Rules be amended to require risk management systems in all commercial civil aviation operations. A consultation document was approved by the Minister in early 2013, and consultation with industry took place in the first half of 2013.</p> <p>A rule change proposal has been approved by the Minister for consultation in late 2014.</p>	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>
Regulatory Craft Programme	<p>In 2013/14 the CAA commenced a project to replace its legacy business systems (ASMS). In January 2014 a decision was taken to expand the scope of the ASMS replacement project to enable the CAA to become a more effective and efficient risk-focused aviation regulator</p>	<ul style="list-style-type: none"> <li>• You will be updated regularly on this project.</li> </ul>
Remotely Piloted Aircraft Systems	<p>Remotely piloted aircraft systems (RPAS) is a growing aviation sector. This sector is currently being managed on case-by-case basis.</p> <p>A notice of proposed rule making for a new rule Part 102 is currently being developed to safely integrate RPAS into the aviation sector.</p>	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>
The review of the Civil Aviation Act 1990	<p>The Civil Aviation Act governs safety, security and economic regulation of the civil aviation sector. It has not been reviewed in over 20 years. In that time, a number of additions have been made to the Act, and other elements of the regulatory schema have changed subtly (including institutional arrangements).</p> <p>The Ministry of Transport is leading the review of the Act. While the CAA has worked closely with the Ministry to date on the review.</p>	<ul style="list-style-type: none"> <li>• [Redacted]</li> </ul>

[Withheld having regard to s9(2)(f)(iv) of the Official Information Act 1982]