CIVIL AVIATION AUTHORITY
OF NEW ZEALAND

2014–2018

Statement of Intent

New Zealand Government

Contact details

Civil Aviation Authority of New Zealand (The CAA)
Level 15, 55 Featherston Street
P O Box 3555, Wellington, New Zealand.

T +64 4 560 9400
F +64 4 560 2024
E info@caa.govt.nz

www.caa.govt.nz

Aviation Security Service (AVSEC)
Level 15, 55 Featherston Street
P O Box 2165, Wellington, New Zealand.

T +64 4 495 2430
F +64 4 495 2432
E reception@avsec.govt.nz

www.avsec.govt.nz

Note
Further copies of this document can be downloaded in colour from:
www.caa.govt.nz and www.avsec.govt.nz

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Contents

Safe flight for social connections and economic benefits

Why the Work of the New Zealand Civil Aviation Authority is Important

4,882

Aircraft were registered to operate in New Zealand's airspace as at March 2014

We enabled

$6.5 Billion

of exports to be flown efficiently from New Zealand airports in 2013 representing **13%** of our **Total Value of Exported Goods**

We contribute to the New Zealand Aviation Industry which is estimated to be valued at

$15 Billion

by 2015[1]

As at the end of February 2014

99%

of **International Visitors** arrive in New Zealand by air each year

We screen on average

7.3 Million

items of carry-on and hold baggage for dangerous or prohibited goods each year

Since 2009 we have conducted an average of

648

Safety and Regulatory Investigations each year to learn lessons that will help prevent further incidents

There were approximately

60,993

International Flights into or out of New Zealand in 2013, carrying

2.8 Million

International Visitors

We process approximately

10 Million

Passengers through our domestic and international security screening points each year

We carry out around

612

Audits and Inspections each year to ensure safety and security standards are maintained

We ensure

10.1 Million

Passengers travelled safely on over 300,000 **Domestic Flights** within New Zealand in 2013

137 Seconds

is the average passenger wait time at international departure screening points while the average passenger wait time at domestic departure screening points is only

57 Seconds

On average

834

Aviation Accidents or Incidents are reported to the Authority each year that we engage on

Approximately **10,330 Pilots** are licensed to operate in New Zealand's civil aviation system each year

1 Source: New Horizons: A Report on New Zealand's Aviation Industry. Knotridge Limited, on behalf of New Zealand Trade and Enterprise. Published June 15, 2010, Executive Summary, p.6)

Chairman's foreword

This year marks a Century since the first successful commercial flight, which took place in the USA. Since then the global aviation industry has gained a well-deserved reputation for safety and effective regulation.

So what does the second Century of Aviation mean for New Zealand? For the Authority it presents economic opportunities and regulatory challenges.

Globally, passenger numbers will increase as new technologies enable operators to offer more competitive ticket prices. Locally, growth in rapidly expanding Asian economies will mean more visitors to New Zealand from Asia.

Our change programme has helped us to meet the challenges of a growing local and international aviation industry whilst improving the quality of our regulatory framework and maintaining our reputation for safety and security.

Looking to the future

A vibrant and growing aviation sector brings significant opportunities for operators and associated businesses. An important part of this country's transport infrastructure, it can also help facilitate wider economic growth.

We can assist the industry to reach its economic potential, while maintaining the highest possible safety standards, by reducing regulatory impacts on participants.

We are doing this by putting in place clear requirements for entering and operating in the civil aviation system, and working with participants to keep pace with advances in aviation technology and security services.

Our work with Air New Zealand to introduce the new Boeing 787-9 to its fleet is a good example.

World-class safety management

One aviation incident leading to a loss of life or property is one too many. The Authority aspires to a target of nil.

To help us work towards this ambitious target, we're establishing an international best practice, risk-based safety management framework and building on our safety management capability. We're also helping industry to improve its capability – our focus on adventure aviation certification is a world-first.

World-class safety and security management means meeting international obligations and maintaining trading partner compatibility. This will enhance our global reputation for safety and security and bring opportunities for economic activity and social interaction.

Building relationships – achieving results

We're playing our part to meet the Government's expectation for improved performance across the public sector.

Continued improvement in our operational systems and processes, and strengthened stakeholder relationships will mean we become a more influential regulator and security service that uses industry experience and expertise to identify solutions.

Balanced funding model

A financial model to sustainably fund the Authority will give confidence to domestic and international stakeholders.

To achieve this we have committed to an ongoing, triennial business review cycle, which where appropriate, involves liaising and consulting on changes to fees, levies and charges so participants know why we're making the changes.

We have already reduced passenger airline security charges by 20% over two years after reviewing Avsec's funding.

Leadership in action

A reorganised management structure will help the Authority to perform more effectively.

The recently created Authority Leadership Team (ALT) has a mandate to focus on Authority governance, and sits above Executive Leadership Teams in both the aviation safety and regulatory function and Aviation Security Service (Avsec), which manage their respective functions.

We're supporting our people to transform the Authority into a more proactive and intelligence-led organisation that takes a risk-based approach to regulatory intervention.

Leadership forums are encouraging our managers to clearly articulate the Authority's role and mandate both with their teams and during their interactions with industry.

A programme of workshops across the Authority is helping our people to enhance their capabilities and to future-proof the organisation.

Beyond the horizon

The Authority continues to support the Ministry of Transport in reviewing the Civil Aviation Act, which is more than 20 years old and needs to better recognise the recent significant changes which have occurred in aviation.

By supporting this reform the Authority is helping ensure the Act does not constrain what is a dynamic and fast growing sector that delivers a growing contribution to our economy.

Over the last year significant progress has been made in transforming the Authority into a world-leading regulatory body that reflects the increasingly important role that aviation is playing in this country's social and economic development.

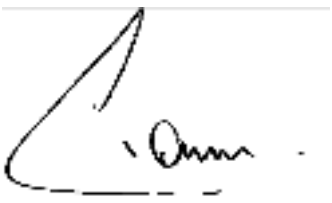
We remain focused on achieving ever higher standards of performance which will position us to meet the challenges of the second Century of aviation and help New Zealanders make the most of the economic opportunities it will bring.

Nigel Gould
Chairman

Board Statement

The Authority certifies that the information contained in this Statement of Intent reflects the operations and strategic direction of the Civil Aviation Authority for the period 1 July 2014 to 30 June 2018.

Signed on: 19 May 2014



Nigel Gould
Chairman of the Authority

Peter Griffiths
Deputy Chairman

Section 1
Nature and scope of the Authority

Organisation structure

The Civil Aviation Authority of New Zealand was established in 1992 as a crown entity under the Civil Aviation Act 1990.

We are responsible to the Minister of Transport and governed by 'the Authority' (a five member board appointed by the Minister) to represent the public interest in civil aviation (refer section 72A of the Act).

We comprise two divisions:

The aviation safety and regulatory function (the regulatory agency) under the Director of Civil Aviation

The Aviation Security Service, under the General Manager of Aviation Security.

In this document, we have generally used 'the Authority' and 'we' to refer to the organisation as a whole. We specify when the work is specific to the regulatory function or the Aviation Security Service.

The aviation safety and regulatory function employs approximately 237 full-time equivalent staff (FTEs). Most are technical experts responsible for certifying and monitoring aviation participants[2]. Staff are mainly based in Wellington, with teams in Auckland and Christchurch.

The Aviation Security Service employs approximately 734 full-time equivalent staff (FTEs). Most are front-line service delivery staff based in airports around the country.

Our Core Functions

Our primary objective is set in the Civil Aviation Act 1990. We carry out 'safety, security and other functions in a way that contributes to the aim of achieving an integrated, safe, responsive and sustainable transport system' (Civil Aviation Act 1990 s72AA). We do this through the following five core functions:

1 Policy and regulatory strategy

We work to ensure that New Zealand's civil aviation system:

- is robust and responsive to the continually changing aviation community
- is respected internationally
- provides an appropriate level of safety and security for the New Zealand public.

Civil aviation in New Zealand has minimum safety and security standards that must be met by participants. Standards are developed in consultation with the aviation community and the Ministry of Transport. The standards are detailed in the Civil Aviation Rules, which are made by the Minister of Transport.

2 A 'participant' is an individual or organisation that holds an aviation document.

Our regulatory toolkit for interventions includes: promoting education and safety; certifying aviation participants; monitoring and investigating; taking administrative action; and taking law enforcement action. We use these interventions to achieve the desired safety and security outcomes.

Regular contact with international civil aviation regulators helps us keep up to date with changes in aviation technology, and international safety standards.

2 Outreach

We support civil aviation participants with aviation safety publications, courses, seminars and advice. Our safety education is focused on the greatest safety concerns. Our aim is to influence attitudes, change behaviour and encourage aviation participants to operate well above safety minimums.

We educate and inform the general public on safety and security issues, such as the 'Flysmart'[3] public awareness campaign.

3 Certification and licensing

We use certification and licensing to control entry and exit to the New Zealand civil aviation system.

To operate within the civil aviation system, an individual or organisation must be granted an aviation document.

These include: a pilot licence, operating certificate, aircraft registration, engineer licence, air traffic control licence, or aerodrome certificate.

Applicants must demonstrate that they meet the minimum standards set out in the Civil Aviation Rules.

When aviation participants operate outside the Rules or standards, a range of interventions apply.

4 Surveillance and investigation

We monitor compliance with safety and security standards, investigate and analyse accidents and incidents, and carry out corrective action and enforcement.

Our monitoring role includes inspecting and auditing participants in the civil aviation system. We assess the level of risk that each operator poses to aviation safety. We use this level of risk to decide the degree of surveillance and monitoring attention we give the operator.

Our inspections and audits are supported by a risk-based approach. Our goal is to make sure that participants maintain an appropriate level of skill and knowledge to carry out their aviation activity safely.

Aircraft have regular airworthiness checks. Those used in commercial aviation have additional maintenance requirements tailored to the aircraft and the type of operation. New aircraft must have strict safety assessments before flying.

We also administer the provisions of the Health and Safety in Employment Act 1992 for aircraft in operation. We provide information and guidance, conduct workplace inspections, audit health and safety management systems and investigate workplace accidents and concerns.

5 Security service delivery

The Aviation Security Service is jointly responsible with the New Zealand Police for security at security-designated airports and air navigation facilities.

All departing international passengers are screened for prohibited items and dangerous goods. All departing domestic passengers on aircraft with 90+ seats are screened.

We screen airport workers, provide access control to restricted areas and undertake perimeter patrols, to ensure prompt interception of persons unlawfully in security areas. This includes protecting places and equipment used to aid air navigation.

We contribute to New Zealand's national approach to counter-terrorism capability by participating in cross-agency planning and evaluation activities.

We provide a maritime security response. We work in conjunction with other government agencies on high-profile events that could be targets for terrorism.

We can provide other security services at the request of the New Zealand Police or as required by Government.

3 'Flysmart' aims to educate people traveling overseas about limits on the amount of liquids, aerosols and gels that can be carried in carry-on baggage on all outbound international flights

Sustainable funding for Civil Aviation

The Authority has three primary sources of revenue:

Passenger levies and charges – for civil aviation services and security screening.

Aviation participant fees and charges – for licensing, certification, surveillance and monitoring.

Funding from the Crown – for policy advice, rules and standards development and the administration of the Health and Safety in Employment Act for aircraft in operation.

As required by the Civil Aviation Act, we provide separate financial reports for safety and regulatory operations and security operations.

Funding: Aviation Safety and Regulatory Function

In August 2012, Cabinet approved a new funding framework from 1 November 2012 which is designed to ensure we have sufficient revenue to sustainably fund our operations, and continue to improve our safety and regulatory functions.

The new rates follow cost recovery principles; that is, those that benefit from the aviation safety and regulatory functions should meet the related costs.

Previously, the funding framework had not been substantively reviewed for over 15 years.
The new framework provides for a funding review every three years. The next review will be completed in 2015 and will focus on holding or reducing costs where possible and a 'substantive' review of 'who pays'.

Funding: Aviation Security Services

In setting passengers security charges, we seek full cost-recovery to fund the Aviation Security Service's normal operations. In December 2013 Cabinet approved a new level of passenger service charges for domestic and international passengers effective from 1 April 2014. The new charges will provide a more sustainable funding base for Avsec for the next three years at which time the triennial funding review will have commenced. A new charge was introduced for issuing Temporary Airport Identity Cards which are currently not charged for.

Our role as a risk-based regulator

The civil aviation 'life-cycle' approach

The Civil Aviation Act sets out a 'life-cycle' approach to regulating civil aviation within a closed system.

The life-cycle approach (see Figure 1 on the following page) has three stages: entry, operation or participation, and exit. Once participants have entered the regulated system they must take responsibility to ensure their operations meet these minimum standards.

The life-cycle approach is explained more fully in a publication available on our website: Civil Aviation in New Zealand.

We operate to a consistently applied Regulatory Operating Model, which is founded in the Civil Aviation Act. This model outlines the principles that underpin our regulatory approach. It applies to all activities in the civil aviation system (see figure 2 on the following page).

A risk-based approach to regulation means we consider factors such as attitudes and behaviours, skills, business systems and resources. We base our assessment on information we gather from audits, investigations and incidents reporting. Identifying and managing risk is a key part of the Aviation Security Service which operates a risk management framework based on ISO principles. A key factor we must consider therefore when we allocate our regulatory resource, is the consequence of a safety failure.

Aviation security risk

Identifying and managing risk is a key part of the Aviation Security Service activity. The Aviation Security Service risk management framework takes into account changes in the external business environment that may impact on the Aviation Security Service.

Working with stakeholders

We give confidence to the public and other transport users that minimum standards of civil aviation safety and security are being met. We work closely with a range of stakeholders, including:

- the Ministry of Transport, for policy development; the Ministry is responsible for leading development of strategic transport policy, and monitoring the performance of the sector's Crown Entities

Fig 1 The New Zealand Aviation Life-cycle Approach

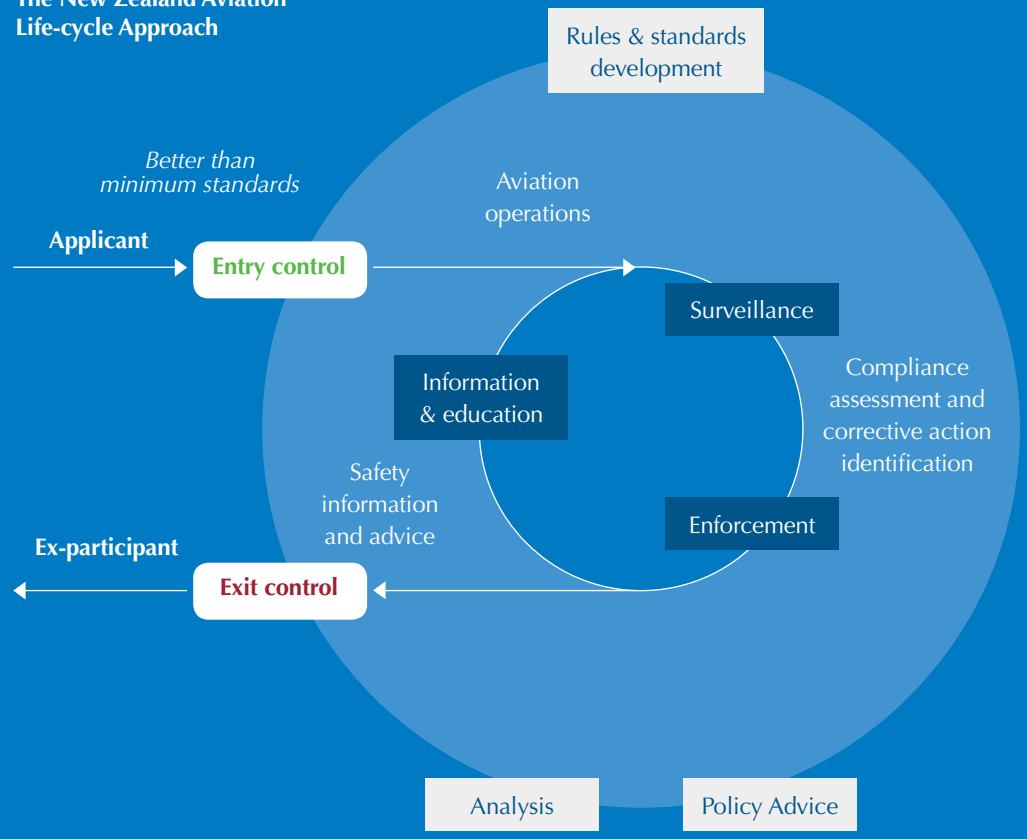
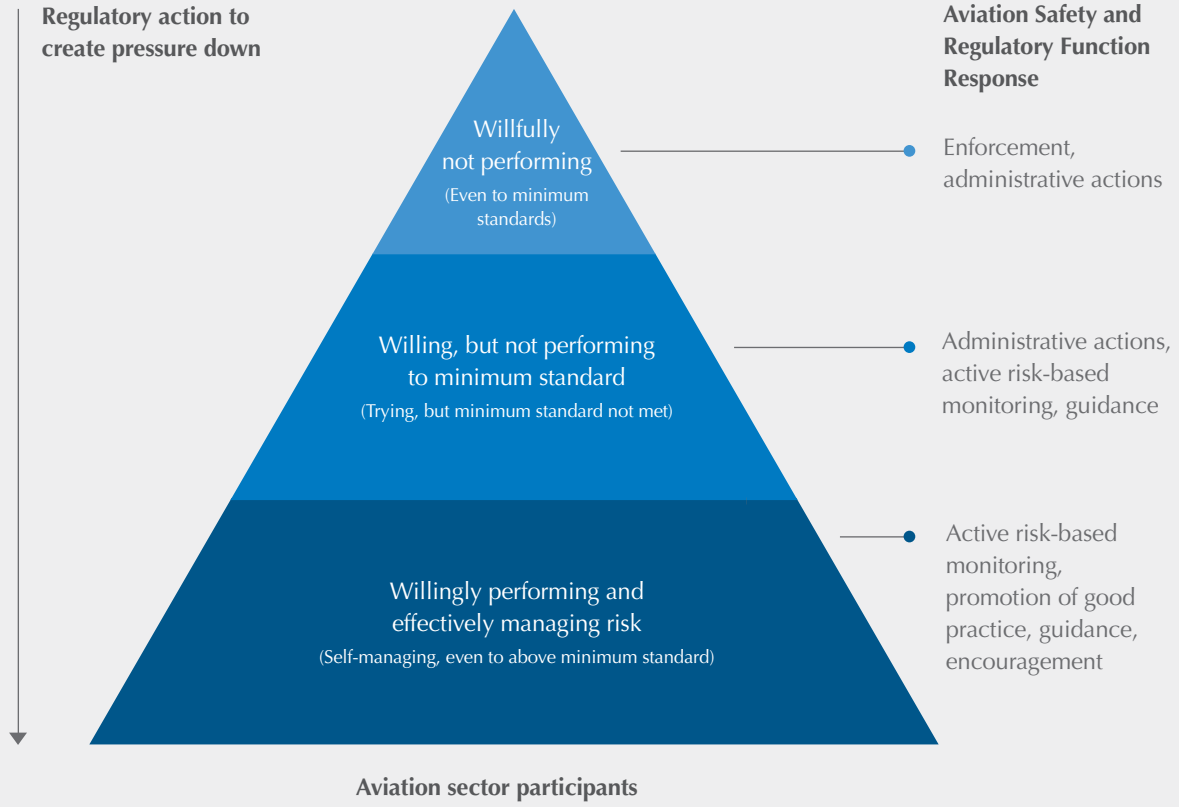


Fig 2 The Civil Aviation Authority regulatory pyramid



- other transport agencies in the public sector, for delivery of shared services
- other government agencies, such as the New Zealand Police, the Transport Accident Investigation Commission (TAIC) and Maritime New Zealand, for delivery of safety and security functions
- ICAO and other international regulatory and non-regulatory organisations
- aviation industry groups, with whom we regularly engage and consult on aviation issues and risks, and to share best practice
- approved service delivery providers who have been granted a Director's delegation to carry out our certification and licensing activities
- participants or aviation document holders who operate within the civil aviation system.

We have undertaken to develop and produce a stakeholder engagement strategy. This strategy will include the stakeholders listed above, and will describe how we wish to work with stakeholders and what aspects of the business we expect to progress through the contact. Stakeholder engagement is sufficiently important to our outcomes that we have made it a Strategic Priority. (See Section 2: Our Strategic Direction under Focus Area Three.)

Transport Sector Shared Services

The Authority along with Maritime New Zealand, the Ministry of Transport and the New Zealand Transport Agency have established a joint programme to consider opportunities for collaboration across the transport sector. The Transport Sector Collaboration and Capability Strategy sets out six goals for the sector:

- Increase agility and responsiveness
- Improve organisational and sector knowledge
- Enable our people to be effective
- Work more effectively with customers and stakeholders
- Improve efficiency and deliver maximum value for money
- Build capability across the transport sector.

This work will bring a wide range of benefits to all agencies, their staff and customers. The initial phase of the programme has resulted in a number of successes. These have included infrastructure collaborations, expertise and resource sharing and greater informal networks across the agencies with a culture of collaboration emerging. This provides a solid foundation for future collaborative initiatives that will build capability across the transport sector.

Our strategic direction

The Government's overall objective for transport is:

'An effective, efficient, safe, secure, accessible and resilient transport system that supports the growth of our country's economy, in order to deliver greater prosperity, security and opportunities for all New Zealanders'.[4]

Our core functions and outputs are linked to the government's overall objective for transport and other broader transport sector outcomes through three key areas of focus:

4 National Infrastructure Plan transport plan, 2011 (http://www.infrastructure.govt.nz/plan/)

Section 2
Our Strategic Direction

The New Zealand Transport Sector

The government's overall goal is to 'grow the New Zealand economy to deliver greater prosperity, security and opportunities for all New Zealanders'.

Transport enables economic activity not only by moving people and goods around the country, but also by connecting us as a trading nation to our overseas markets. Our geographic isolation makes the need for an efficient transport system even greater.

New Zealand's air transport network is critical to business and the wider economy. Air connections between cities and markets boost productivity and provide key infrastructure.

The government's objective for transport is to have an 'effective, efficient, safe, secure, accessible and resilient transport system'.

Minister's expectations

The Minister of Transport's four key priorities are: 'better quality regulation, investment in infrastructure, a safer transport system, and opening markets'.

The transport system also needs to continue to drive for better public services (including value for money and shared services) and to ensure sector resilience. These are further defined as:

- **Better quality regulation** – A high-performing transport system needs effective transport regulation.
- **Investment in infrastructure** – Efficient transport infrastructure is central to economic growth. Investments need to be carefully evaluated and prioritised, as transport infrastructure is costly and is likely to be in place for many years.
- **Safer transport system** – New Zealanders travel significant distances by air, sea, rail, and road. Transport activity grows as the economy grows, and all sectors rely on transport to move products and provide services. As transport activity increases, so does the risk of accidents and incidents.
- **Opening markets** – Creating competitive and open markets for transport operators and users will drive down costs and create new opportunities for economic activity and social interaction.
- **Better public services** – The shared services programme is intended to ensure Crown entities collectively deliver both value for money and the desired outcomes for the sector.
- **Resilience** – Unforeseen events affecting the transport sector can and do arise.

Connecting New Zealand

In August 2011 the government released Connecting New Zealand, a guiding document that summarises the government's broad policy direction for the transport sector over the next decade.

To achieve its objective for transport, the government is focusing on three key focus areas: economic growth and productivity, value for money and road safety.

Connecting New Zealand highlighted five key government actions for aviation over the next decade:

1. Negotiate air services agreements to provide more access to key trade and tourist markets.
2. Improve safety regulation in key areas, including adventure and agricultural aviation.
3. Develop and promulgate a national airspace policy, and an airspace and air navigation plan.
4. Drive greater performance and value for money from the aviation safety and regulatory function and the Aviation Security Service.
5. Review any market barriers to trade.

The Aviation Environment

The aviation environment is increasing in complexity and scope. Cost pressures are increasing across the industry. The reduction in technical failures will place more emphasis on human factors to reduce harms. The move towards risk-based safety management will see improved safety and efficiency and a more flexible approach to regulatory compliance.

Safety

New Zealand has a good record when it comes to the safety of air transport. The safety performance of large airlines (accounting for 96% of travel on New Zealand aircraft) is on a par with our international counterparts. The overall safety trend in the general aviation sector shows declining numbers of fatalities and lower accident rates (refer appendix 1). However, participation rates are increasing and there are some commercial parts of the sector where safety outcomes need to improve. A strong focus on safety performance is needed as the aviation system adapts to an increasingly complex environment driven by:

- the emergence of new technologies;
- the continuation and evolution of the threat of unlawful interference with civil aviation; and
- an increasing diversity in the range of aviation activity and a corresponding increase in aircraft capability.

Economic

The Authority aims to achieve its purpose while supporting the sector's economic contribution to New Zealand. As a Crown Entity we have an absolute focus on effectiveness coupled with an on-going drive to improve efficiency.

Sustainability

To adequately meet the expectations of the industry and Government, the Authority will maintain a sustainable funding model with regular reviews to ensure fees, charges and levies are appropriate, transparent and well-communicated.

Security

The Authority regulates aviation security in New Zealand and provides security services. It screens and searches passengers and baggage for prohibited and potentially dangerous items and contributes to overall security at airports. It is critical that international and domestic security standards continue to be met so risks to our people, freight and our international reputation can be minimised. Partnering with airlines and airports will ensure cost effective and integrated services, offering the best safety service to the traveling public and commercial organisations.

How the authority contributes to the government goals

The Government has a growing expectation under 'Better Public Services' that the transport sector is aligned to meet Government goals and outcomes. The Ministry of Transport has responsibility for aligning the contribution of transport agencies to outcomes through the different strategic frameworks. We are committed to making our contribution, and have aligned our strategic framework with the Ministry of Transport long-term outcomes (refer figure 3 on page 13), which include 'efficient, effective, resilient and safe'.

By discharging our statutory obligations, we contribute to the Ministry's long-term outcome 'Safe – Reduces the harms from Transport'. We also contribute to the other three Ministry outcomes, but with a lower impact.

Overview

Our core functions and outputs are linked to the government's overall goal for transport and other broader transport sector outcomes through our three key areas of focus:

These key areas of focus summarise our priorities for 2014–2018, as we work towards achieving our longer-term impacts and overall outcome.

Overall outcome

Our overall outcome for the civil aviation system, as a key part of New Zealand's transport network is:

'Safe flight' is demonstrated through:

- low and reducing numbers of accidents
- reducing social cost of accidents (death, injury and property loss valuation)
- no airside or in-flight security incidents that compromise safety.

Impacts of our work

Our work has long-term impacts affecting the civil aviation system. These impacts contribute towards our overall outcome – 'safe flight'. Safe flight has two aspects:

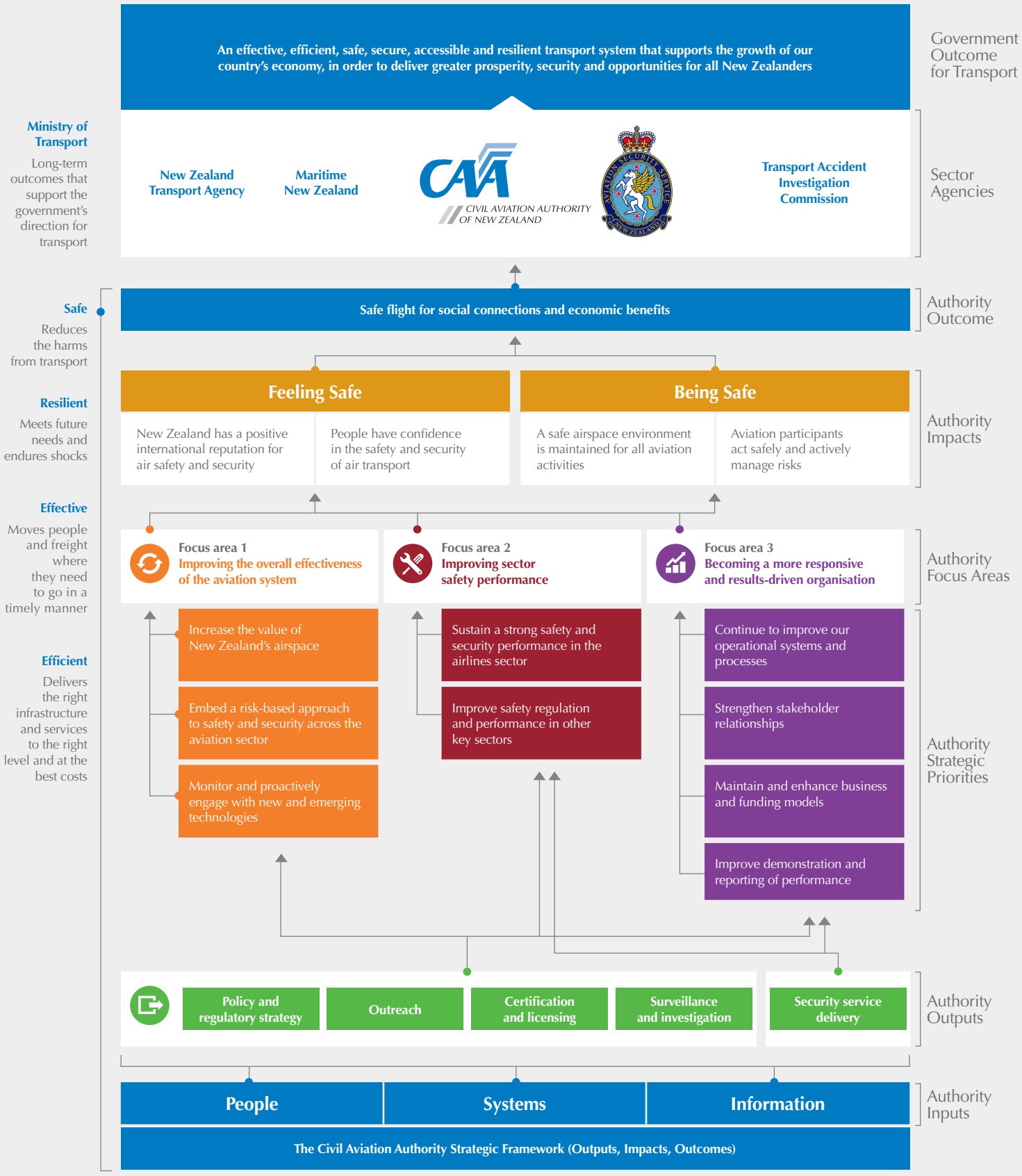
'Being Safe' means that air passengers arrive at their destinations safely and securely. Our desired long-term impacts are that:

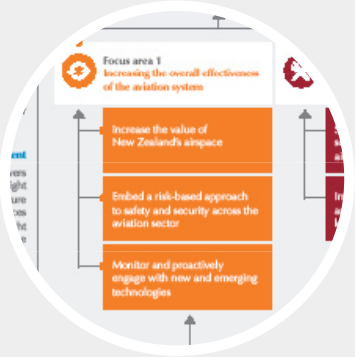
- aviation participants act safely and actively manage risks
- a safe airspace environment is maintained for all aviation activities;

However, the benefits for the country from a safe and secure civil aviation system will only be fully realised if aviation participants experience **'Feeling Safe'**. Our desired long-term impacts are that:

- New Zealand has a positive international reputation for air safety and security
- people have confidence in the safety and security of air transport. Our focus areas and strategic priorities

Fig 3 The Civil Aviation Authority contribution to the Transport sector outcome.





Focus Area 1:
Improving the overall effectiveness of the aviation system

New Zealand's economic and social development depends on the integrity and connectivity of its aviation system. One of our key roles is enabling efficient use of the airspace without compromising safety.

We do this by developing clear requirements for entering and operating within the New Zealand civil aviation system; and ensuring that safety is addressed system-wide.

As a regulator, we need to keep up-to-date on technological developments in aviation and the international safe usage standards. We also need to keep abreast of new technologies for security services so that we can provide assurance for international security arrangements.

Our strategic priorities for improving the overall effectiveness of the aviation system over the next four years are:

Strategic priority:
Increase the value of New Zealand's airspace

Aim (Impact)	New Zealand has a positive international reputation for air safety and security and a safe airspace environment is maintained for all aviation activities.
Why this is important	The airspace over New Zealand is an asset we want to maximise value from. We must stay up to date with technology growth and any implications on our airspace. Safe and efficient airspace use is vital to the New Zealand economy to enable transport of people and goods.. The rules and standards for the aviation system provide the framework for entering and operating within New Zealand's airspace. This framework needs to be flexible enough to innovate and respond to changes in technology and international standards for safety and security. The framework aligns with internationally accepted risk-based approaches to regulation in the aviation sector where appropriate.
Our challenge	• The use of airspace by aircraft of varying capability representing both old and new technologies; • major technology transitions affecting airspace management and airspace users both nationally and globally; and • potential conflict between protecting air transport operations while facilitating recreational use of airspace.
Our response	We will: • maintain and build international relationships and connections to harmonise regulatory standards (where appropriate) and develop multilateral and bilateral arrangements where beneficial; • work with industry, and communicate our position on environmental issues and technology transitions so participants can plan and adapt without undue constraint on innovation; and • work with the Ministry of Transport to ensure the regulatory framework is fit for purpose.

Strategic priority:
Increase the value of New Zealand's airspace

Key programme of work	• Support the Ministry of Transport to develop airspace and navigation rules for 2015/16 following Cabinet approval (refer to the 2015–16 Statement of Performance Expectations for this activity). • Implement the Airspace and Air Navigation Plan.
How will we measure our success?	No deterioration of New Zealand's ratings through: • maintenance of our international accreditation[5]; • no ICAO alerts raised through their continuous monitoring regime; • continuing to achieve high standards in Civil Aviation Authority security audits and additional airline requirements; and • maintenance of and extension to our bilateral agreements and service contracts. • increased air traffic without a correlating increase in accidents or major and critical incidents.

Strategic priority:
Embed a risk-based approach to safety and security across the aviation sector

Aim (Impact)	Aviation participants act safely and actively manage risk.
Why this is important	We have a focus on implementing a risk-based approach to our regulatory activities. This includes strengthening risk management capability (in industry and the Authority). A risk-based approach is consistent with international best practice and our obligation to meet ICAO standards. An SMS as outlined by ICAO is a specific form of risk-management methodology applicable to the aviation industry. Industry-implemented SMS programmes will improve safety and security across the New Zealand aviation system by enabling proactive identification and management of risks. A Rule change is required to embed the risk-based approach in the regulatory framework – it is currently voluntary. Incorporating SMS requirements into Civil Aviation Rules will address a significant gap in New Zealand's State Safety Programme.
Our challenge	• Identify risks and make decisions evidenced and informed by applying the risk methodology; • use our resources where they will have the most impact on the safety of aviation participants, and the greatest societal and economic benefit; and • provide sufficient aviation security to deter and detect threats, while not imposing unnecessary burdens on participants and the travelling public.

5 In the ICAO's 2005–2010 Safety Audit Cycle, New Zealand's overall safety rating was the same as Australia's and higher than the OECD average. Refer appendix 3 for detail.

Strategic priority:
Embed a risk-based approach to safety and security across the aviation sector

Our response	We will: • build our capability to identify and manage risk and recruit for learning agility and system-thinking as well as technical know-how; and • develop and maintain risk profiles for specific aviation sectors; and • incorporate the concept of risk management in our policy development and operational systems, including: improving the reporting culture; making greater use of risk analysis in prioritising regulatory interventions; providing more flexibility in the regulatory system to allow for case-by-case risk assessment; and using a risk assessment approach during surveillance and auditing.
Key programme of work	Support the Ministry of Transport to develop rule amendments to implement Safety Management Systems across all aviation sectors. This contributes to completing the New Zealand State Safety Programme.
How will we measure our success?	• A 5–10% improvement by 2018 in risk profiles of aviation participants since 2008[6]; and • A 5–10% reduction by 2018 in major and critical occurrences since 2007.

6 Refer appendix 2: Distribution of risk profiles for aviation document holders and the table of major and critical reports of aviation related concerns over the same period.

Strategic priority:
Monitor and proactively engage with new and emerging technologies

Aim (Impact)	A safe airspace environment is maintained for all aviation activities.
Why this is important	The aviation sector is changing rapidly. We must have the capability and be pro-active to meet technological, economic and environmental change. We must be able to certificate new aircraft technologies, configurations, and equipment, as well as be able to oversee necessary airspace and air navigation changes. Anticipating requirements, such as rule changes, will reduce risk and remove barriers to innovation. Keeping up-to-date with technological advances will maintain New Zealand's international standing.
Our challenge	• Internal and external processes that allow for rule development to keep pace with the speed of change; • responding to safety issues arising from new and older technologies (particularly in general aviation) sharing the same airspace; • ensuring we have the appropriate technical capability and capacity; and • maintaining security technology which can manage current and future requirements.
Our response	We will: • support the implementation of the National Airspace and Air Navigation Plan; • develop policy (and rules) for remotely piloted aircraft systems (RPAS); • retain and up-skill staff to keep pace with technology advances; • monitor emerging technologies in aircraft, infrastructure, electronics/avionics and security; and • participate and influence ICAO deliberations on the impacts and approach to managing the introduction of new technology.
Key programme of work	Plan and prepare for identified new technologies entering the New Zealand aviation system (refer to the 2014–15 Statement of Performance Expectations for information on the Remotely Piloted Aircraft Systems (RPAS)).
How will we measure our success?	• Staff capability is developed to enable certification of new and emerging technology within existing rules as appropriate and as required. • All issue assessments associated with new and emerging technologies are completed in a timely manner. .

Focus Area 2

Improving sector safety performance

Knowing that it's safe to fly in New Zealand keeps the country in business with the rest of the world and keeps tourists coming here.

The Authority monitors the performance of the entire civil aviation system under three main categories: public air transport; other commercial operations; and recreation aviation.

Using safety analysis data (accident and incident rates, see appendix 1), we can develop sector risk profiles. We can use these profiles to further segment the three categories, so that we can better identify specific safety risks and offer more targeted and proactive responses.

Currently, we make the commercial adventure aviation sector a particular area of focus for improving sector safety performance.

Over the last year, we've increased three-fold the number of people on the ground carrying out checks on adventure aviation organisations. Certification created specifically for the adventure aviation sector is a world first, and is attracting significant international interest.

Our strategic priorities to improve sector safety performance over the next four years are:

Strategic priority:
Sustain a strong safety and security performance in the airlines sector

Aim (Impact)	People have confidence in the safety and security of air transport.
Why this is important	Any accident in the airlines sector and public transport operations has the potential for multiple loss of life and a consequent reduction in confidence in New Zealand aviation. The scale of such an impact is why we emphasise the safety and security performance of the airlines sector.
Our challenge	• Rapidly changing demands for airspace such as remotely piloted aircraft systems interacting with controlled airspace; • emergent and changing threats to aviation security; • an increasing intolerance of safety failure; • pilots and other technical experts having the right levels of experience and training (including Human Factors and Health and Safety); and • a growing worldwide demand for skilled aviation personnel creating increased mobility and potential changes in key staff within the industry and within the Authority.
Our response	We will: • ensure our regulatory processes enable timely and expert certification, auditing and risk assessment; • keep up to date with new technology and advances in Human Factors; • ensure we maintain solid relationships with the airline sector to understand the pressures and impact of changes on safety; • work with industry and other entities to develop the required skills and build capability overall; and • maintain a high level of effectiveness of aviation security services while increasing our efficiency.
Key programme of work	• Work with airline operators to ensure systems, training, technology, safety and security data and processes pinpoint and address all safety risks, and • establish continuous improvement aviation security service practices and operations.

Strategic priority:
Sustain a strong safety and security performance in the airlines sector

How will we measure our success?	People have confidence in the safety and security of air transport in New Zealand airspace as shown by an improvement over the June 2011 survey results: • June 2011 survey results: - 72% of residents travellers felt extremely or very safe and secure - 86% of overseas travellers felt extremely or very safe and secure - 44% of 27 key stakeholders were satisfied with the safety and security performance of the New Zealand civil aviation system

Strategic priority:
Improve safety regulation and performance in other key sectors

Aim (Impact)	A safe airspace environment is maintained for all aviation activities.
Why this is important	New Zealand has a large and diverse general aviation sector. General aviation supports significant parts of the economy, including for example, agri-business and adventure tourism. We are particularly focused on improving sector safety performance in the commercial adventure aviation sector. The rule (Part 115) about certification of the adventure aviation sector is a world first, and is attracting significant international interest. The numbers of fatalities and serious accidents across the general (commercial and recreational) aviation sector is reducing. However, accident rates in some sub-sectors are not trending down as rapidly as desired and the performance in other sub-sectors has stalled or is showing signs of reversal. It's important to arrest this decline in performance because of both the potential risk to public transport operations sharing the same airspace, and the human and financial benefits of fewer accidents. The reputational impact of accidents, particularly in the tourism sector, is also a factor.
Our challenge	• To further reduce the number of fatalities and serious accidents; • to reduce the acceptance of risk in some sectors (this can be a barrier to shifting perceptions and improving safety culture and practices); • participants are geographically dispersed, with a variety of operations, making conventional regulation less effective in delivering improved safety outcomes; and • public expectation for 'safe thrills' and the demand created for new commercial adventure activities.
Our response	We will: • target poor performing areas based on risk profiles across the aviation sector; • engage industry to ensure attention focuses on addressing risks to the public; • require, encourage, and assist operators to develop SMS that provide a systematic approach to risk management; and • assess these SMS, and oversee their development, implementation and overall results.

Strategic priority:
Improve safety regulation and performance in other key sectors

Key programme of work	Develop sector risk profiles across the general aviation sector and support participants in implementing SMS.
How will we measure our success?	• A 10% improvement between 2008 and 2018 in the risk profiles of Part 115 adventure aviation operators and Part 137 agricultural aircraft operators; and[7] • A 10% reduction in the accident rate between 2011 and 2018 in Part 115 and Part 137 operators.

7 Refer appendix 2: Distribution of risk profiles for aviation document holders.

Focus Area 3

Becoming a more responsive and results-driven organisation.

The government puts a high priority on improving performance and productivity across the public sector. To achieve this, we will focus on lifting our performance and ensuring our regulatory framework is fit-for-purpose (and supports delivery of the results we want).

By keeping up to date and proactively engaging in, and influencing, relevant domestic and international issues, we will be able to determine the most appropriate response for New Zealand's aviation environment. Our strategic priorities to become a more responsive and results-driven organisation over the next four years are:

Strategic priority:
Continue to improve our operational systems and processes

Aim	Systems and processes comply with government standards and enable efficient and effective delivery of the Authority's outcome.
Why this is important	The rapid changes occurring in civil aviation activity, the technologies used and how risks and threats to security are managed mean we need to be a nimble, adaptive and resilient organisation. Our information systems are core to our operations as a regulator. Our current software is not future proof, and works in isolation, with limited ability to translate safety and risk data analysis into useful information. Work is currently underway to understand the functional requirements of a new fully integrated system.
Our challenge	• Speed to market of new technologies impacting aviation and the consequent impact on organisational systems ability to respond; and • technical advances require ever more specialised responses and capability development.
Our response	We will: • build on our existing focus on effectiveness with a real emphasis on efficiency; • ensure the Authority has the right skills and planning in place to enable knowledge transfer, succession planning, and resource allocation; • maintain the capability to identify, use and deploy new technology; • ensure our core business systems and security technologies meet changing demands; • maintain an appropriate level of investment in our core technologies as part of a sustainable funding model; and • have an integrated approach to organisational quality, assurance and risk ensuring that we maintain consistent and aligned internal processes and practice.
Key programme of work	Develop a business case to determine whether to replace the Aviation Safety Management System and introduce the Electronic Document Records Management System software. Implement if justified.
How will we measure our success?	• The Aviation Safety Management System replacement business case identifies significant benefits that will be measured as part of the replacement programme.

Strategic priority:
Strengthen stakeholder relationships.

Aim	To be respected in our role in the aviation sector through more effective and accepted regulation and leadership in the delivery of security services.
Why this is important	To become a more influential regulator we need to have meaningful and effective engagement with stakeholders. Engagement allows us to build and sustain their confidence in the organisation's capability. Through effective engagement, we will gain a better understanding of how users perceive the safety and security of the aviation system. This helps us to understand and assess where the issues, risks, threats and examples of best practice lie, and enables us to draw on the expertise within the industry to identify the most appropriate response.
Our challenge	• Addressing stakeholder expectations, given changing attitudes to 'traditional' regulation, and how we exercise our authority; • leveraging the work we do in non-regulatory airport security, Maritime security services, and Police operations, and making good use of the influence participants can have on each other to improve safety; • monitoring the sector to ensure that we are able to clearly anticipate and understand the impact of changes; and • our relationships with stakeholders allow us to understand the travelling public's needs and concerns, influence industry leaders, and draw on expertise to identify solutions.
Our response	We will: • engage effectively with stakeholders to have the right conversation at the right time, to communicate Authority responses, and how the Authority demonstrates results and value; • provide on-going leadership in identifying the scope and nature of regulation needed for a safe airspace environment for all types of operator; and • ensure international connections are maintained to benefit New Zealand's interests.
Key programme of work	Implement the organisational stakeholder engagement strategy (inclusive of the international engagement strategy) and review as required.
How will we measure our success?	• The Authority is proactively sought out by key stakeholders to engage on aviation safety and security issues and influence outcomes • 100% of our delegated responsibilities nationally and internationally are met.

Strategic priority:
Maintain and enhance business and funding models

Aim	To be sustainable in the delivery of our regulatory functions and security services.
Why this is important	Funding for our operational services is based on cost-recovery principles, where those that benefit from our services should meet the related costs. This 'user pays' approach is demand driven, and dependent on the number of passengers and growth across the aviation sector (and associated regulatory services). Large variances between actual and forecast demand significantly affect revenue – positively or negatively – which in turn has the potential to put pressure on cash reserves. The Authority participates in a programme led by the Ministry of Transport to consider where common services can be delivered more efficiently and cost effectively by enhancing shared capability and collaboration across the Transport sector.

Strategic priority:
Maintain and enhance business and funding models

Our challenge	• Focus on activities that give New Zealand the best possible safety and security outcomes; and • appropriately and sustainably fund the organisation to ensure safety outcomes can be met and value for money delivered.
Our response	We will: • maintain a sustainable funding model with regular reviews to ensure fees, charges and levies are appropriate and any changes are well communicated and expected; and • consult industry to ensure that our funding arrangements are understood and reflect a fair, balanced, transparent and sustainable approach.
Key programme of work	• Implement actions from the Avsec business review approved in December 2013 • Complete the aviation safety and regulatory function triennial funding review for 2015 • Identify opportunities to contribute to shared services across the Transport Sector
How will we measure our success?	• Implementation of the aviation safety and regulatory function triennial funding review in 2015 provides a sustainable funding base for regulatory activity and informs the next review in 2018 • Management of the Avsec reserves within approved balances

Strategic priority:
Improve demonstration and reporting of performance

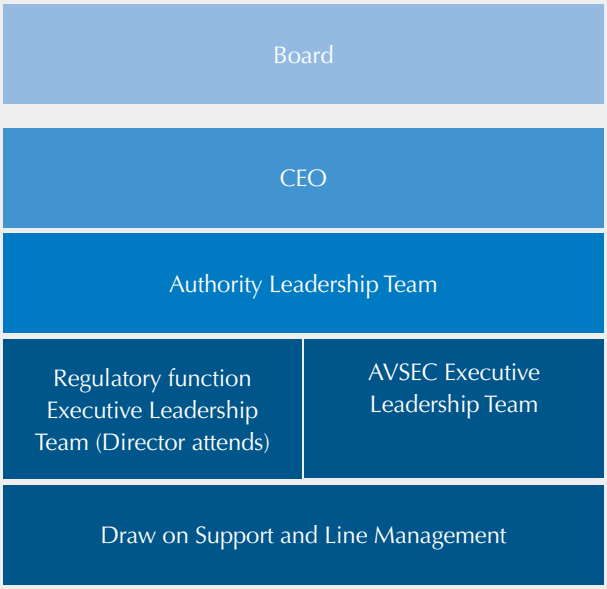
Aim	The Authority has the confidence of our stakeholders that our reports accurately reflect safety and security outcomes.
Why this is important	Demonstrating and reporting performance shows the impact of our work in regulation and in security and how we keep pace with change in our environment. This provides assurance to our stakeholders that our focus is relevant, achievable and sustainable.
Our challenge	• Demonstrating through our reporting that our work is contributing to safety and security outcomes by sustaining the excellent safety record in New Zealand aviation; and • demonstrating how we keep pace with changes in our environment.
Our response	We will: • engage with industry and communicate our performance story and ensure that what we do can clearly demonstrate value for money; • develop performance frameworks and indicators that: - support New Zealand's positive reputation for air-safety and security; - gives the travelling public and stakeholders confidence in the safety and security of air transport in New Zealand; and - highlights the positive contribution that confidence in aviation safety and security makes to New Zealand.
Key programme of work	• Develop performance reporting and performance measurement that demonstrates the Authority's effectiveness and clearly describes the performance story. • Implement the State Sector reforms following the amendments to the Crown Entities Act 2004 and the Public Finance Act.
How will we measure our success?	The Authority meets all statutory reporting obligations with no breaches of legislation recorded.

Section 3

Organisational Health and Capability Governance and leadership

The governance and leadership model of the Authority has been developed to deliver on its overarching outcome described under "our strategic direction". The Authority Leadership Team provides strategic leadership and is comprised of the Chief Executive and all General Managers across the organisation. Under the Authority Leadership Team are two distinct executive leadership teams for the Authority: the aviation safety and regulatory function and the Aviation Security Service (Avsec). The relationship between the layers of governance and leadership are represented in figure 4.

Fig 4 The Civil Aviation Authority Leadership model



Capability

The requirements on aviation regulatory staff are increasingly complex. The organisation needs to be intelligence-led and proactive, and must model the risk-based approach to regulatory intervention. To manage this and grow the Authority's skill base we are:

- developing a resourcing model to understand and provide a resilient and sustainable approach to ensuring staff have the right skill sets
- introducing an employee value proposition at entry to the Authority so expectations are supported
- providing support to all managers with facilitated learning modules through the Learning Management Framework
- ensuring the electronic rostering system allocates security service staff cost effectively as employment costs are approximately 80 per cent of total expenditure.

We need to implement the safety management system model and the risk-based approach to regulatory intervention. This will lead to more targeted and proactive interventions and enhance our risk identification and management systems.

Ongoing Improvement

Regular Leadership Forums across the Authority comprising all managers discuss all activity and encourage responsibility and ownership.

Health and safety

We are fully committed to meeting our responsibilities for the health, safety and well-being of all staff. Initiatives to improve the Authority's Health and Safety culture are being implemented.

Organisational health and capability measures

We monitor:

- indicators of our human resources capability and staff engagement;
- measures of our financial position;
- the quality and efficiency of our core regulatory and security processes; and
- staff turnover and vacancy rates.

A scorecard is regularly provided to the Board and we include a qualitative indicator of resourcing risk for key skills groups, looking at current capacity and future readiness.

We undertake regular staff surveys. The surveys measure the behavioural and cultural views across the organisation. In response, management teams establish actions and report progress.

A health and safety specialist is working with the organisation's health and safety committees to identify and improve health and safety culture and practices across the organisation. We have established baselines for measurement.

Equal employment opportunities

We are committed to the principles and practice of equal opportunity, and we reflect these in good employer programmes. The organisation will continue to foster a diverse workplace and an inclusive culture.

Vacancies are internally and externally advertised and appointments are made based on merit. All staff are valued, treated equitably and with respect, whatever their gender, ethnicity, social background, sexual orientation or disability.

Physical assets

The core information technology systems used for our regulatory processes rely upon a legacy environment. We intend to develop modern information technology architecture based on business needs. This requires significant investment during the period of this Statement of Intent and beyond.

The proposed capital expenditure for the Authority's regulatory functions for 2014/18 includes provision for updating core aviation safety information systems, the electronic document and record management system, and online medical certification systems.

The priority is to replace the core safety information system (and associated legacy systems) that are the business tools that enable the delivery of safety and regulatory services. This has commenced, with the selection of a solution and implementation extending through 2014/15 and outyears.

We expect to replace cabin, portable x-ray and cargo screening equipment over the Statement of Intent period. The new generation procured equipment will meet international standards.

The Authority will continue to engage with individual airport companies that are planning or implementing infrastructural changes, including reconfiguring security screening positions and their location in relation to customs services. Potential redesigns could result in capital expenditure requirements for buildings and facilities.

The proposed capital expenditure for both the aviation safety and regulatory service and the security service also includes normal cyclical replacement of existing assets, in line with its capital asset replacement programme.

We will continue to examine the infrastructure of our regulatory and security operations for commonalities that could have potential to reduce costs and to explore opportunities across the wider transport sector.

Consultation and reporting to the Minister

As a Crown Agency, our agenda and direction is set by the Government. We consult, brief, and report to the Minister of Transport regularly. Our communications with the Minister of Transport are relevant, timely, and produce collaborative and innovative solutions.

The Board Chair and the Director of Civil Aviation provide the Minister with regular reports covering:

- progress against the Statement of Intent
- risks and issues that may affect performance and organisational capability (including relationship management)
- financial management
- other matters as agreed with the Minister.

Every year, the Authority reports to the Minister of Transport, and all other stakeholders against the Statement of Intent.

Section 4
Quality, Assurance and Risk

Quality

Our Quality Management is based on the ISO 9001:2008 standard and links to the Risk and Assurance Management policies through processes, structures, reporting and data capture. A three year plan to enhance the quality management system has been established.

Assurance

Our Assurance Management is based on an integrated Quality Assurance and Risk framework. Assurance plans are developed on four considerations: compliance and audit (retrospective), quality and operations management (contemporary issues assurance), strategic and corporate risk (forward view), and, emerging issues (dynamic issues).

Risk

Our Risk Management is based on the AS/NZS ISO31000:2009 Risk Management Standard. We (the Board and Authority Leadership Team) regularly assess strategic and corporate risks using the categories of financial, political, stakeholder engagement and operational. Risks are managed to ensure that residual risk is as low as reasonably practical and reported quarterly to you. The Authority high level risks and management of these risks are included in the table below:

High level risks	Managed by
Regulatory failure An accident involving high-capacity New Zealand registered air transport aircraft causes death, injury and property losses, and results in major disruption to aviation and public loss of confidence of the safety and security in New Zealand.	• Established quality, assurance and risk processes to ensure the effectiveness of the Authority's regulatory operating model.
Changes in security threats Act of terrorism or unlawful interference leads to an incident with high impact/profile.	• Rigorous quality standards in aviation security operations (including Regulated Air Cargo Agents (RACAs)). • Intelligence gathering, monitoring and planning in collaboration with other security agencies and aviation organisations. • Contingency plans for various scenarios.

High level risks	Managed by
Revenue and expenditure pressures Financial constraints limit the organisation's ability to function (contributed to by change in Government policy, large airline failure, global unrest, natural disaster).	• Monitoring and responding to short term revenue fluctuations. • Maintaining financial reserves. • Forecasting passenger volumes. • Regular Authority Audit, Finance, and Risk Committee oversight, and monitoring of all expenditure and budget planning by the organisation. • Regular funding reviews.
Reduced capability and capacity Required technical and professional expertise is not available to the Authority, leading to safety risks and regulatory failure.	• Annual reviews of remuneration and rewards. • Workloads and demand prioritised. • Provision of appropriate training. • Resourcing strategies developed. • Enhanced leadership programme.
Reduced economic development The Authority regulatory system is perceived as a barrier to the Government's economic development.	• Regular engagement with Ministry of Foreign Affairs and Trade and New Zealand Trade and Enterprise to reduce regulatory barriers, advise on the regulatory system. • Regulatory decisions are to a standard that develops confidence in New Zealand by overseas regulators.
Speed and extent of technology change Insufficient capability, systems, processes to operate at the required level leads to unsafe practices, impact on participants, stakeholder confidence loss.	• Collaboration with industry to stay aware of and plan for aviation developments. • Regular interaction with ICAO and overseas regulators. • Appropriate organisation training.
Major Civil Defence event in Wellington An inability to access Authority systems, offices, and records leads to an inability to respond to issues, loss of stakeholder confidence, budget pressures.	• Business continuity and IT disaster recovery plans are developed, in place, and regularly reviewed. • Financial reserves are maintained. • Civil defence and emergency management systems are in place.

Section 5
Measurement

To understand the contribution we are making as New Zealand's civil aviation regulatory and aviation security service organisation we intend to monitor three levels of performance:

System Level Performance:

To monitor the extent that New Zealand's civil aviation system is safe through our impacts.

Strategic Performance:

To understand the impact of our activities and their contribution to improvements in safety and security through our key programmes and Statements of Service Performance.

Operational Performance:

To understand and continuously improve the quality of the Authority's core activities and the services we deliver through the cost of outputs, organisational health and capability and our quality, assurance and risk programmes.

We will report on these in the following way:

Description	Document	Measures	Reporting	Reporting
Outcomes	SOI	-	Minister of Transport	Annually
Impacts	SOI	Safety Statistics Survey Information	Minister of Transport	Quarterly
Key Programmes	SOI & SPE	Project Plan Implementation	Minister of Transport	Quarterly
Statements of Service Performance	SPE	Quality Quantity Timeliness	Minister of Transport	Quarterly
Cost Of Outputs	SPE	Financial ($)	Minister of Finance	Quarterly
Organisational Health and Capability	SOI	Indicators of our human resources capability and staff engagement	Board	Quarterly
Quality, Assurance and Risk	SOI	Reporting against the Risk Framework	Minister of Finance Board	Quarterly

Section 6
Appendices

Appendix 1: Goal = Low and Reducing Numbers and Costs of Air Accidents

Measures	Rate of aircraft accidents per 100,000 flight hours				Social cost per seat hour ($)			
Aviation Safety Target Groups	3 year Trend line	For the 3 years ended 30 Jun 2013	Interim 2014/18 Targets	For the 3 years ended 31 Mar 2014	3 year Trend line	For the 3 years ended 30 Jun 2013	Interim 2014/18 Targets	For the 3 years ended 31 Mar 2014
Public air transport								
1. Airline operations – large aeroplanes	▼	0.51	0.32	0.28	▼	0.00	0.00	0.00
2. Airline operations – medium aeroplanes	▼	2.25	1.11	1.06	▼	0.00	0.02	0.00
3. Airline operations – small aeroplanes	▼	3.61	5.18	2.57	▲	2.53	2.34	5.15
4. Airline operations – helicopters	▲	3.94	5.16	5.19	▲	15.25	6.50	33.70
5. Sport aviation transport operations	Data under development				Data under development			
Other Commercial operations								
6. Other Commercial operations – aeroplanes	▼	3.74	4.72	3.21	▼	54.15	6.50	1.36
7. Other commercial operations – helicopters	▼	10.54	7.16	9.18	▼	103.03	6.50	77.73
8. Agricultural operations – aeroplanes	▲	11.65	19.28	15.14	▼	38.61	14.00	38.67
9. Agricultural operations – helicopters	▼	8.91	10.32	7.97	▲	23.70	8.56	38.70
10. Agricultural operations – sport aircraft	Data under development				Data under development			
Non-commercial operations								
Private operations – aeroplanes	▲	21.92	26.05	33.02	▲	54.29	10.00	55.00
Private operations – helicopters	▬	37.49	33.02	38.33	▼	141.25	10.00	113.83
Private operations – sport aircraft	▼	73.64	Data not available	65.25	▼	93.23	20.00	90.64

Goal = No Security Incidents That Compromise Safety				
	2006–2011 Total	2012/13 Actuals	Targets 2013–2016	Actuals at 31 Mar 2013
In-flight security incidents involving offences against the Aviation Crimes Act 1972 for aircraft which have been screened by the Aviation Security Service.	Nil	Nil	Nil	1
Airside security incidents involving offences against the Aviation Crimes Act 1972 at security designated aerodromes where the Aviation Security Service operates.	Nil	Nil	Nil	Nil
Airside incidents involving the introduction of dangerous goods into aircraft screened by the Aviation Security Service.	Nil	Nil	Nil	2

Notes

* Flight hour and seat hour data for the last two quarters are estimates. The figures are derived from previous operating statistics in each safety target group category. Figures are subject to change as operator activity statistics are returned.
* Accident and Social Cost rates for the sport transport operations category are not currently available owing to the very recent reorganisation of this category in the form of the new Part 115 rules. Information about hours being flown in this sector is currently too scarce for reasonable estimates to be made.
* During this reporting period there was a serious accident off the coast of Kawhia involving two fatalities. In accordance with ICAO guidelines this accident has not been included in the New Zealand accident figures, due to the aircraft involved being registered in the United States.

Appendix 2: Average Distribution of Risk Profiles for Aviation Document Holders (Assessed Participants)

Activity Type	As at 30 June 2008	2009	2010	2011	2012	2013	As at 31 Mar 2014	Reduction in risk score from 2008 to 2014
Australia AOC with Australia and New Zealand Aviation Mutual Recognition Agreement Privileges	-	4.3	2.6	2.6	2.6	2.6	2.6	✓
Australia AOC with Australia and New Zealand Aviation Mutual Recognition Agreement Part 108 Security	-	6.7	5.6	6.5	6.9	5.1	5.4	✓
Part 108 Security Programme	8.5	8.2	11.6	9.3	9.6	10.4	9.7	✓
Part 109 Regulated Air Cargo Agent	-	12.3	13.1	10.5	11.0	10.1	10.7	✓
Part 115 Adventure Aviation Operator	-	-	-	-	39.8	20.7	14.5	✓
Part 121 Air Operator Large Aeroplanes	9.7	12.2	11.8	11.8	8.7	8.4	8.3	✓
Part 125 Air Operator Medium Aeroplanes	15.9	15.8	17.6	16.1	14.5	13.5	13.4	✓
Part 129 Foreign Air Transport Operator	11.7	10.2	8.1	10.5	8.4	8.5	6.0	✓
Part 135 Air Operator Helicopters and Small Aeroplanes	19.1	17.1	17.1	16.4	16.1	14.4	13.4	✓
Part 137 Agricultural Aircraft Operator	21.8	17.7	16.3	16.1	15.9	14.3	13.2	✓
Part 139 Aerodrome Operator	5.7	5.1	5.9	6.5	5.7	5.5	5.4	✓
Part 140 Aviation Security Service Organisation	7.3	5.2	5.1	4.6	5.0	4.9	6.6	
Part 141 Aviation Training Organisation	11.6	11.0	10.3	10.8	10.2	7.7	7.2	✓
Part 145 Maintenance Organisation	11.5	10.7	10.4	12.1	11.0	8.3	8.5	✓
Part 146 Aircraft Design Organisation	10.3	8.0	11.2	12.6	9.9	8.6	8.3	✓
Part 148 Aircraft Manufacturing Organisation	13.1	8.7	10.9	11.3	9.7	8.1	11.2	
Part 149 Aviation Recreation Organisation	-	20.1	10.2	15.9	10.8	8.0	13.1	✓
Part 171 Telecom Service Organisation	6.2	5.4	5.0	11.6	15.3	6.4	6.4	✓

Appendix 2: Average Distribution of Risk Profiles for Aviation Document Holders (Assessed Participants)

Activity Type	As at 30 June 2008	2009	2010	2011	2012	2013	As at 31 Mar 2014	Reduction in risk score from 2008 to 2014
Part 172 Air Traffic Service Organisation	7.8	8.0	9.6	17.1	24.0	15.0	16.6	
Part 173 Instrument Flight Procedure	-	4.3	7.2	9.1	14.2	9.8	8.6	
Part 174 Meteorological Service Organisation	16.5	7.3	11.1	11.4	11.2	7.6	4.0	✓
Part 175 Aeronautical Info Service Organisation	15.9	6.3	9.5	15.1	17.5	11.2	11.0	✓
Part 19F Supply Organisation	13.1	13.2	11.1	10.4	9.2	7.8	10.4	
Part 92 Dangerous Goods Pack Approval Holder	-	2.6	8.3	13.7	9.0	6.1	5.7	✓

Appendix 3: International Credibility

International Civil Aviation Organization – Universal Safety Organisation Audit Programme
(Safety audit cycle 2005 to 2010 – New Zealand rating 2006)

Critical Elements (Elements 2–8 are principally attributable to the work of the Civil Aviation Authority)	1 Primary aviation legislation	2 Specific operating regulations	3 State civil aviation system & safety oversight function	4 Technical personnel qualification and training	5 Technical guidance, tools and provision of safety-critical information	6 Licensing, certification, authorization & approval obligations	7 Surveillance obligations	8 Resolution of safety concerns	Overall Rating
NZ rating (2006)	8	8	8	8	8	9	9	9	8.38
Australia rating	10	7	9	5	9	9	9	9	8.38
OECD average	9	8	7	6	8	9	8	8	7.88
Global average	7	6	6	4	6	7	6	5	5.88

Note

Results of the International Civil Aviation Organization Security Audit Programme cannot be publicly disclosed for international security and diplomatic reasons.

CIVIL AVIATION AUTHORITY
OF NEW ZEALAND

Civil Aviation Authority of New Zealand.
Asteron Centre, 55 Featherston Street, PO Box 3555,
Wellington, 6011 New Zealand.