

**55th CONFERENCE OF
DIRECTORS GENERAL OF CIVIL AVIATION
ASIA AND PACIFIC REGIONS**

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AGENDA ITEM 1: THEME TOPIC

**THE PACIFIC AVIATION SAFETY OFFICE:
PROGRESS AND CHALLENGES OF AVIATION IN
THE PACIFIC**

Presented by Papua New Guinea on behalf of the PASO Member States:

Cook Islands, Kiribati, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga,
Tuvalu, Vanuatu, and PASO Associate members: Australia, Fiji, New Zealand

SUMMARY

This discussion paper updates the Conference on the Pacific Aviation Safety Office's current activities and strategic priorities. The paper requests States to consider ways in which they can support and assist PASO to ensure civil aviation in the Pacific region thrives and that Pacific States do not get left behind in complying with their ICAO obligations.

Effective safety and security regulatory oversight of air transport in the Pacific region has been and remains a challenge. The specialised nature of aviation places a high burden on small countries with limited resources. Nine of PASO's Members have 10 or less employees comprising of their entire Civil Aviation Authority, as a result States struggle to maintain day to day oversight activities, let alone their broader ICAO compliance activities.

However, these challenges can be overcome. But PASO and its Members will need support from more mature regulators, through the form of technical assistance, before improvements can be made.

THE PACIFIC AVIATION SAFETY OFFICE: PROGRESS AND CHALLENGES OF AVIATION IN THE PACIFIC

1. INTRODUCTION

1.1 ICAO This discussion paper is submitted by the Pacific Aviation Safety Office (PASO) and presented by Papua New Guinea on behalf of all current PASO Member States: the Cook Islands, Kiribati, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu, and PASO Associate Members: Australia, Fiji, and New Zealand.

1.2 The purpose of the paper is to:

- 1.2.1 Provide an overview of what PASO is, what it does, and where it is heading, as a Regional Safety and Security Oversight Organisation operating in the Pacific;
- 1.2.2 Outline some of the key challenges for PASO Member States;
- 1.2.3 Provide the Conference with an update on PASO's current activities and projects; and
- 1.2.4 Request that States consider how they might support and assist PASO and its Members.

1.3 PASO was established by the formation of the Pacific Island Civil Aviation Safety and Security Treaty (PICASST) in 2004 and was created to provide its Members with effective safety and security regulatory aviation oversight of air transport in the Pacific region.

1.4 Nine of the Ten PASO Member regulatory bodies have 10 staff or less, including the Director. Due to the highly technical requirements that aviation professionals require, National Aviation Authorities (NAAs) often struggle to find appropriately trained personnel, in what is usually a very small job market, resulting from a very small population base (seven of PASO's ten members have a collective total population of less than 500,000 people).

1.5 PASO has recently improved, and is now in a better positioned to deliver on its potential. A reform project funded by the World Bank has played a key role in strengthening PASO to enable it to deliver on its functions and promise. The Government of New Zealand is also providing much needed assistance which has been instrumental in PASO increasing its capability and capacity.

1.6 PASO's core role is to deliver technical audits and inspections to its members through a consultancy model known as the Pool of Inspectors. However for various reasons there are still challenges that exist to deliver audit and inspection activity.

1.7 Importantly, most PASO Members do not have standalone regulatory authorities; most are structured as part of a ministry of transport or equivalent type government department. This means that NAAs often (1) struggle to fill vacancies in a timely manner, (2) have to compete with other government departments for funding, and (3) find it challenging to make independent regulatory decisions due to the close connections associated with living in small communities.

1.8 Despite these challenges NAA personnel do have a good general knowledge of aviation safety, have undertaken a significant amount of training courses, and are passionate about what they do. However, most individuals employed by the NAAs have not had the opportunity to work in a mature regulatory system that provides individuals with the scale of aviation activity required to obtain the necessary regulatory experience that most NAA around the world enjoy.

1.9 Most observers would acknowledge that PASO is strengthening and stabilising but further technical assistance is needed. PASO would welcome States to consider how they could support PASO activities, such as through provision of resource or sharing of capability and expertise.

2. KEY CHALLENGES IN THE PACIFIC

2.1 Most Pacific countries do not have the resources or sufficient capacity and capability to sustain a robust and effective civil aviation sector which meets agreed international safety and security standards and recommended practices that are set by ICAO.

2.2 Advances in aviation standards and technologies are occurring at a rate whereby Pacific countries who do not 'keep up' will fall further behind. Application of ICAO Annexes and Standards & Recommended Practices (SARP), with a low level of resources, creates further pressure on a small Pacific Island regulator to achieve all necessary requirements.

2.3 These challenges are reflected in low ICAO Universal Safety Oversight Audit Programme (USOAP) and ICAO Universal Security Audit Programme (USAP) scores. Only one of the ten PASO Member States has a USOAP score above the ICAO target of 60%. Most PASO Members are in the 20 – 40% score range, with the lowest score being 0%.

2.4 PASO Member States face challenges in accessing and retaining qualified and expert personnel and professional regulators. Personnel that receive investment in training are often lost from the region in pursuit of higher remuneration and greater opportunities. NAAs also compete with private sector operators in very small pools of available personnel.

2.5 Pacific Islands States are, by in large, mostly developing nations. This presents real financial challenges when there is a need to access expertise from a highly skilled individual, especially when they need to travel from outside the region.

2.6 Internet speeds and reliability can also present a significant barrier on when undertaking the simplest of activities.

3. THE PACIFIC AVIATION SAFETY OFFICE

3.1 PASO is governed by a Council of Directors (with an elected Chair) comprising of representatives from Member and Associate Member States. It has a technical, finance, and a reform project steering committee to support its work.

3.2 PASO is based in Vanuatu and is supported by the Government of Vanuatu through a Hosting Agreement, which includes a funding component. PASO is also funded from subscriptions fee from members and associate members, receives donor funding, and operates a fee for service model (where the Pool of Inspectors are engaged) to provide services to members.

3.3 PASO is managed by a General Manager. It is a small office and comprises of eight (8) staff in total, with 50% being expatriates.

3.4 PASO's primary function is its Audit and Inspection program. This is aligned to PASO's core purpose to provide technical assistance and support to States in the conduct of their aviation safety and security regulatory tasks, in respect all ICAO Annexes except 9, 12 and 13. PASO Inspectors provide the technical expertise required to carry out audit activities on behalf of a State and provide a report of findings to the NAA.

3.5 PASO operates as a level 2 Regional Safety and Security Oversight Organisation and is in its first year of delivering the 2018-2022 Strategic Plan. The plan has three key strategic areas: (1) Service Delivery Excellence, (2) Organisational Strengthening, and (3) Respected Partnerships. Further information on PASO can be accessed through our website at www.paso.aero.

3.6 As a result of some early significant challenges a World Bank funded reform project commenced in 2013. Initially for a 5 year period, this has been recently extended to 2021 at a total cost of US \$6.65 million. The reform project has covered many critical elements aimed at ensuring PASO is

successful and sustainable. The current priorities focus on specific aviation projects and include the Pacific Inspector Development Program, Strengthening Civil Aviation Authorities, and the Remotely Piloted Aircraft System collaborative approach.

4. PASO AUDIT AND INSPECTION PROGRAMME

4.1 PASO delivers audits and inspections through agreed State Work Plans each year, which total approximately 400 days of work. To deliver this work PASO has approximately 15 qualified individuals on its list of Pool of Inspectors and has relationships with other organisations to manage any skill shortages. PASO has a range of relationships that it can access technical resources from, including a number of regional NAAs, comprising of the Civil Aviation Authority of New Zealand, the Civil Aviation Safety Authority of Australia, the Civil Aviation Authority of Fiji, and the Civil Aviation Safety Authority of Papua New Guinea.

4.2 Most Members have adopted the New Zealand Civil Aviation Rules, or at least a very similar version. However, most Members (regulators and industry) are not equipped to regulate in a risk based context which presents further challenges to undertake regulatory oversight.

4.3 The best solution is to support Member States and PASO by providing technical assistance to address some of the challenges that have been outlined in this paper. The technical assistance could be provided in many forms but the most successful approach would be to partner with PASO and work collaboratively across the region. Specific areas of support could be through the supply of qualified personnel on the pool of inspectors, sharing of information, best practices, manuals, or assisting Members with specific needs targeted to their unique operating environment.

5. PASO'S TRAINING AND DEVELOPMENT PROGRAMS

5.1 PASO does not have enough Inspectors with Pacific Island ethnicity or heritage and equally States need training and development to improve their skills and knowledge to make good regulatory decisions. To improve on this position PASO has developed two programs to: (1) The Pacific Inspector Development Program (PIDP) and (2) The NAA Strengthening Program.

5.2 The PIDP is a key flagship program under the Reform project and is targeted at developing Pacific Island nationals with high potential to become a part of the PASO Pool of Inspectors. The program has been progressing since June 2018; two candidates from Member States that have been accepted into the PIDP and one has already commenced training.

5.3 The NAA Strengthening Program is about lifting the knowledge and ability of all regulatory aviation employees to create an environment where good regulatory aviation decisions can be made. The program is targeted at Pacific regulatory candidates that are employed by the NAA but may not meet the criteria for the PIDP program and would otherwise benefit from training and professional development.

5.4 With PASO also now focusing on training and development, PASO would like to work with likeminded training providers to target a coordinated training program for Member NAAs, to ensure sensible investment decisions can be made.

6. USOAP ACTIVITY

6.1 PASO has partnered with the Civil Aviation Authority of New Zealand to deliver the New Zealand funded 'Enhancing Pacific Aviation Regulatory Standards' project. This project responds to aviation safety and security oversight, governance and rule-making within State regulatory environments being below acceptable international levels. The project is targeted at lifting Universal Safety Oversight Audit Programme (USOAP) and Universal Security Audit Programme (USAP) State scores.

6.2 The project involves PASO engaged consultants undertaking gap analysis in PASO Member States, using the eight critical elements as the base for that analysis. The purpose of the gap analysis is to identify areas where corrective action is required. Once complete the gap analysis is used to inform development of an implementation plan to address issues identified.

7. REMOTED PILOTED AIRCRAFT SYSTEM (REGIONAL COLLABORATION)

7.1 The PASO Council recognised that there are opportunities and benefits to the region working collaboratively on RPAS-related matters. There is natural focus on harmonization of legislation and standards, but a concurrent priority around capability and capacity building. Accordingly, an RPAS Working Group has been established to deliver better understanding and consider cooperative initiatives that will assist Member States to navigate regulatory challenges associated with RPAS. A separate information paper has been submitted to the Conference.

8. ACTION BY THE CONFERENCE

8.1 The Conference is invited to:

- a) note the contents of this paper,
- b) note the strengthening of the Pacific Aviation Safety Office,
- c) note the extreme and unique challenges that PASO Members have to manage in order to meet their regulatory aviation safety and security oversight requirements;
- d) note to provide technical assistance to PASO; and
- e) note to collaborate with PASO to enable coordinated training programs to be delivered.

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