

Minutes of the 28th Joint Meeting of the Civil Aviation Authority and Aviation Community Advisory Group

Date:	Tuesday 17 th March 2015
Venue:	Level 15, Asteron Centre, 55 Featherston Street, Wellington
Invited:	<u>ACAG:</u> Mike Groome, Garry Goodman, Dave Reynolds, Qwilton Biel, Jonathan Shorer, John Cook, Ian Andrews, Paul Drake, Gerald Grocott <u>CAA:</u> John Kay, Mark von Motschelnitz, Kelly Telfer <u>Ministry of Transport:</u> Glen-Marie Burns, Helen Robertson, Emma MacDonald

1. Welcome

The meeting opened at 1.00pm

2. Apologies

Lisa Sheppard, Errol Burtenshaw, Mike Haines, Rob Torenvlied

3. Minutes from Previous meeting

The Minutes from the 13 November 2014 meeting were agreed as a true and accurate representation of the meeting.

Actions arising from 13 November 2014:

- Ø **Action Item (1):** ACAG to send across their priorities and Lisa to feedback with any discrepancies between the issue assessment panel priority list and ACAG priority list.
*No feedback received by Kelly, updated issue list sent with agenda
ACAG assessed the issues in the morning meeting, and will send their thoughts to Kelly after the meeting.*
- Ø **Action Item (2):** Kelly to resend the issue action list in a different format to Mike (for forwarding to ACAG members). ACAG to forward any questions to CAA regarding the spreadsheets.
Kelly resent the list to Mike on 14 November 2014
- Ø **Action Item (3):** CAA to promote the election on the website with a link to Mike's email for further information
Kelly promoted the election on the website and notification list. Website has been updated with new member list
- Ø **Action Item (4):** John to speak with Graeme regarding attending the election (11th December)
John Kay, Stephen Hunt and Brigid Borlase from CAA attended the election
- Ø **Action Item (5):** Kelly to re-listen to the discussion for 3.1, 3.8 and 3.11 and finalise minutes. Kelly will go back to MoT and finalise the sentence regarding fuel levies.
October 2014 – Triennial Funding Review minutes have been finalised
- Ø **Action Item (6):** John to discuss the NSS issue with Graeme and feedback
Stephen Hunt and Brigid addressed concerns at the ACAG election
- Ø **Action Item (7):** Kelly to work with Mike on the 2015 calendar dates
Currently only March 2014 confirmed

4. Cabinet Decisions & Policy Project Update

a) Risk Based Regulation (SMS) rule development - (Paul Elton)

The rule had previously been drafted to align with ICAO but the implementation would have been too difficult for small operators. CAA are looking to reduce bureaucratic burden, and therefore made the rule to performance based and scalable for small and large operations.

The NPRM is due to MoT next week with industry consultation expected in early April. The consultation period will be around 6 weeks. Gary would like the industry to group together and provide collective feedback on the NPRM. He believes there is too much pressure on the industry to give good feedback within the small timeframe for consultation. Considering the whole lifespan of a rule project, the consultation period is very small. Gary would prefer 8 weeks as the standard consultation period.

John agreed that it's a difficult balance between time available for industry to feedback and the time available for CAA to work within Ministry timeframes. John is hoping to make the engagement process as wide as possible but CAA has no flexibility in the timeframes.

Paul highlighted to ACAG that there will be several rules out for consultation at once and CAA is seeking detailed informative feedback for all of the rules.

b) Part 139 rule development update - (Chris Ford)

There have been 2 formal NPRMs since the beginning of this legacy project. CAA originally proposed 2 levels of certification for aerodromes, as well as a proposal for minimum standards for uncertificated aerodromes.

The updated rule is not a blanket rule but risk-based instead and will not include the level 2, 3 or minimum standard requirements. The rule will allow the Director to require an aeronautical study if justified on a case-by-case basis (such as if a safety risk has been identified or significant change at the aerodrome). After this process, the Director can then require the aerodrome to be certificated. CAA will be selective on the requirements for each qualifying aerodromes on a case-by-case basis.

The final rule package has been provided to Ministry, and it should at the Minister by the end of the month. Any final decisions are subject to MoT and the Minister's approval.

Garry congratulated Chris on the new improved approach to this project. This is the first rule project that the policy has shifted after the NPRM has been released.

Smaller aerodromes and aerodromes used solely for agricultural operations will not need to provide movement data. The recommend transition period will be approx. 3 years for already certificated aerodromes. The surveillance process will be the same as at present. No formalised audit process. If an aerodrome is certificated as a qualifying aerodrome then audits will be required.

Any future rules will ideally be performance based and used together with the AC which can be easily amended to keep the rule current.

c) New Southern Sky (ADS-B and PBN policy and rule development) – (Steve Smyth and Brigid Borlase)

The programme is a whole of aviation system modernisation . Currently in Stage 1 (2014-2015) focussing on surveillance and navigation. There are 30 separate projects

under NSS. The Safety Group (CAA, Airways and MoT) are looking to understand any holes in the current system and ensure they aren't carried into the next system.

Key deliverables for this year;

1) Sole means GNSS

Updating Part 19 subpart D to include PBN and ADS-B. Considering whether GNSS sole means is appropriate for New Zealand. The paper has been approved by the Executive Leadership Team and it is now with the safety group. Only Australia has GNSS as sole means of navigation. Rule finalisation is expected in the first quarter of 2016.

2) ADS-B as new means of surveillance for Airways

Considering a performance based rule for ADS-B, with guidance in the AC.

3) Performance based navigation.

Airways looking to roll out required navigation performance procedures with Airways. Working through synchronize issues and considering contingency navigation aids.

The 250 responses to the licensed aircraft maintenance engineer survey are currently being analysed.

Steve, MoT and Ian are attending a workshop about satellite based augmentation system in Canberra. Ian is very impressed of the open mindness of MoT and CAA in considering SBAS.

There is increased communication and awareness of NSS across the industry. Website is being updated and will be launched on Friday. www.nss.govt.nz

d) RPA's Rule proposals and plan for integration project - (Jonathan Barron)

NPRM consultation ran 4th December – 31st January with 86 submissions. CAA are currently working on summary of submissions.

4 themes within the comments;

- Consent - Hazard minimisation to gain consent from people and property.
- Difficulty of including non-traditional aviation users. Robust outreach and integration campaign, including the Airshare website.
- Collision risk between manned and unmanned aircraft.
- Categorisation (recreational vs commercial split)

Only minor changes to the rule since the consultation. The rule will go to the Minister by the end of March and launched July / August. Final draft rule and provisions will be distributed to the working group.

Jonathan asked for feedback from ACAG for ideas on how to reach out to non-aviation participants. CAA have been speaking with Maritime to learn lessons from their experience with boaties. The offence provisions will be matched with CAA provisions. There are complications between the aviation rules and privacy rules.

Bryce is organising the integration strategy. Jon Shorer said that the flyers haven't been seen, but JK says the ghost shoppers were given flyers when they purchased an RPAS.

As Part 102 each operation will be unique and considered at a case by case basis. Likely to follow US and EU certification standards of Part 102. Regarding the people

requirements, no reason why the standards would be different for RPAS participants as with other aviation participants. Beyond VLOS will only be allowed if a robust safety case is presented in Part 102.

CAA are attempting to make the rule not highly prescriptive, flexible, long for the future. However there is concern that the rule is too lax and create safety issues.

e) Emergency Location of Aircraft (Bryce Wigodsky)

The project consulted industry last year and received 64 submissions. The summary of submissions were published in December.

The 3 main issues from submissions:

- performance and reliability of ELT (current required technology)
- concern of reliance on one technology
- cost of installation and maintenance of any technology fitted

The project working group are drafting a policy document proposing a more performance based criteria to allow new technologies to be accepted.. Currently only ELT meet the specific criteria.

The policy document will be viewed by the external working group in the next few weeks. The final policy document is expected to be finished around the middle of the year.

f) Engineer Licencing Review Part 66 – (Bryce Wigodsky)

The policy is being developed using the feedback and analysing the various options available for each of the 24 issues raised regarding Part 66. The final draft proposals to the project working group are due by end of the week.

Key issues being considered:

- Potential for a level of medical certification for maintenance engineers. There is mixed feedback but considering very basic requirements.
- Recurrence of training
- Possibility to create an avionics 2 category of license. This would be an amalgamation of current electronics, instruments and radio ratings into a single license for the integrated aircraft. Planning to maintain separate electrical, instrument and radio ratings for the GA sector. There will be creation of avionics inspection and authorisation category which would be limited to avionics work.

Most countries have 75% threshold for passing which is higher than NZ, but have different structure to their testing compared to NZ. Considering the production of a knowledge deficiency report to allow international comparison.

Currently reviewing draft final proposals before going to Executive Leadership Team. Likely to be AC changes as well as rule changes. Any rule changes over to MoT by next March.

JC asked CAA for a list of current licenses but struggled to get a complete list of avionics license supplier. Concern that CAA doesn't seem to have a robust way of tracking the current licenses. Bryce explained there wasn't much feedback regarding lifetime licenses but more about recurrence of training.

g) Project plan small- medium operation Air Transport pilot competency – (Jonathan Barron)

Due to resourcing restrictions this project hasn't been progressed since the last ACAG meeting. Restart on this once Part 139 and RPAS are at the Ministry.

h) Acceptance of Overseas Medicals – (Chris Ford)

Graeme initialised this project to see if regulatory burden can be reduced for pilots. However considering the legal issues, this project may require an Act change. The Ministry consulted on this as part of Act consultation.

The benefits include lower costs for pilots so long as there is no safety impact. The difficulties including having confidence in the robustness of other state's medical policies. A process would need to be developed on how the Director would raise an issue with a pilot on a foreign medical.

5. Funding of Equipment to fly in the NSS environment

Costly exercise for all parties to meet any requirements from the NSS programme. John confirmed the current expectation is that the regulatory implementation costs will be absorbed by CAA through existing systems.

The CAA aren't fully aware yet of the sector implementation costs . At some point in the NSS programme CAA need to assess what is reasonable and unreasonable for the industry. The costs for operators will be firmed up during the next stages, but timing is very difficult to know.

CAA need to finalise the rule programme structure over the next 3-5 years with the Ministry. Current rule programmes are organised year on year, not mid-long term. The MOT is looking hard at the resourcing required for rules programmes across the whole transport sector.

Mike raised the issue of the end-user ending up with the costs of NSS implementation, even if CAA need to incorporate the costs themselves. Up until 2018, only major change is that CAA may need to increase significantly the avionics capability in our aeronautical services. Beyond 2018 not sure on the cost implementation or the political environment.

Qwilton raised that wide area multi-lat is more expensive than anticipated by Airways, which means they may need to keep SSR as the contingency strategy. Therefore ADS-B may not pass the cost-benefit analysis.

Ian is concerned about the disconnect between CAA, MoT and Airways. Airways was driving multi-lat yet CAA believe ADS-B will come in 2020. Qwilton believes the contingency surveillance strategy seems to be driving this whole project.

Equipage depends largely on the decisions the NSS working group are going to make. John is keen to work at a slower pace and make the correct decisions. CAA can provide a recommendation, but the Ministry will be the deciders on how the entities will work together to provide the surveillance required. Airways will need to follow its obligation on government infrastructure resilience, hence the focus on contingency.

6. Brief update on the Funding Review

The fuel levy has been discounted by the Ministry. Helen will confirm if the fuel levy has been consulted by ACAG, as Ian hasn't been seen any documentation .

CAA has a cost recovery framework with significant changes from the current framework. The key change is that surveillance will be met from levies instead of hourly charges. The medical fee will be reduced by about 30%. The current categorisation of the medical as a private good is unreasonable. New analysis classifies the fee as a public good.

The new framework introduces up to 8 new safety levies applicable to the commercial GA sector. These will affect the Part 115 operators per parachute drop and per hour flown. The agricultural sector per tonne dropped (liquid or solid). The Part 135 operators will be charged per hour flown. The freight operators per flight/loading.

Existing mandatory statistical reporting can drive this hourly charge, so no requirements for extra reporting. Participation levies will no longer apply to commercial GA operators. Airports will only pay certification costs in the future. The bulk of fixed fees are likely to remain the same. The organisation doesn't need any significant extra funding. However IT has no capital costs, so replacement will be very costly.

CAA will be discussing with IRD about these levies to ensure these levies are treated consistently as tax deductible. Seeking to harmonise the ANZA, domestic levies are likely to reduce and international levies are likely to increase

CAA's Board approved the principal framework in February. Board will consider the numbers at the end of this week. If the board agrees, CAA will provide advice to the Minister. Depending on his approval, consultation is expected at earliest May/June 2015.

Currently \$4million as reserves for emergency. A pricing review is conducted when the reserve limit is reached.

CAA fully aware of the controversiality of this proposal. CAA is happy to release figures to ACAG once the Board has agreed. The draft discussion document is being compiled.

John is seeking to eventually introduce a new framework where safer operators have lower proportional levies than an unsafe operator. The larger operations create less issues for CAA. However it is a very difficult balance to not restrict those who wish to enter the CAA system.

Ian doesn't seem the point of reducing the passenger levy at all. Reducing it by 6 cents doesn't seem relevant when passengers aren't really complaining.

New Action Item (1): Helen to send documentation on Funding review discussions to Mike Groome for distribution

New Action Item (2): Mark to distribute to ACAG the charge \$ per tonne dropped

New Action Item (3): JK to spread the figures to ACAG after indication from Minister on his thoughts

7. Issue Assessment Update

Mike Groome will send ACAG's prioritisation list to Kelly after the meeting.

New Action Item (4): Mike to send ACAG issue prioritisation list to Kelly

8. Ministry of Transport Update

a. Civil Aviation Act Review

33 submissions end of last year covering a broad range of issues. Individual submission and the summary of submissions will be published end of March. Policy recommendations will be made to the Minister of Transport in June 2015

Jon Shorer asked CAA why RPAS individual submissions will not be released. RPAS summary of submissions will be available shortly and all submissions can be available through an OIA request.

b. Consultation on Drug and Alcohol Requirements

The discussion document 'Clear heads' was released on 10 March, outlining the options to reduce drug and alcohol impairment within the transport sector.

There is a current review of the drugged driving regime. Once this review is complete in the road safety area, the options for the aviation, maritime and rail sectors will become clearer.

Each transport sector has a different regime, with Maritime and Rail having their own systems.

Appendix A shows the current options shown in 'Clear heads'

<http://www.transport.govt.nz/ourwork/clear-heads/>

Many organisations have robust in-house regimes, often linked to the Health and Safety Act in the commercial sector. This approach puts the onus on individual organisations who can assess their own risks and appropriate procedures.

Considering the aviation sector, enforcement is difficult particularly within the restricted area of an airport. Currently no testing after an incident unless there's a fatality (and the body goes to the coroner).

The next steps are to report back to Craig Foss by end of June with preferred options; likely further consultation on the preferred options and then potentially legislative change. This will impact of the Civil Aviation Act as well as rule changes. Consultation meetings in Auckland (8th April) and Wellington (26th March & 31st March). Submitters can either submit online via the template or free style. Other states legislation is shown in the discussion document.

Other business

Ian raised the issue of maintenance of instrument flight procedure at airports – whether the procedures need to be completely reviewed every 5 years as its very costly.

New Action Item (5) : Mark investigate the 5 year frequency of instrument flight procedure checks. Mark to feedback information to ACAG about this before the next meeting.

Next Meeting: July 2015

New Action Item (6): Kelly to work with Mike on the 2015 calendar dates

The next meeting date will be decided after the next Board meeting (22nd April 2015). A special funding review meeting may be organised.

The meeting closed at 16.26pm

Appendix A

Commercial operators	Level of scope and regulation required	Option 1	Option 2	Option 3.1	Option 3.2	Option 4.1	Option 4.2
		Status quo	Drug and alcohol management plan (DAP)	DAP with mandatory post-occurrence testing	DAP with mandatory third party post-occurrence testing	Post-occurrence testing for enforcement	Post-occurrence testing for enforcement
						Alcohol only	

Recreational	Level of scope and regulation required	Option A				Option B.1	Option B.2
		Status quo					Post-occurrence testing
						Alcohol only	

All						Option 5	
							Post-occurrence testing for all involved in incident