Monitoring - Operational Policy

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1. Purpose

1.1 This operational policy:

- Defines what we mean by monitoring.

- Explains why we undertake monitoring.

- Describes the span of our monitoring activities.

1.2 The policy helps give effect to the New Zealand Aviation State Safety Programme, the National Aviation Security Programme, and our Regulatory Safety and Security Strategy 2022-2027 (Regulatory Strategy).

1.3 To meet our international obligations this policy has been created with the International Civil Aviation Organisations (ICAO) Standards and Recommended Practices in mind.

2. Scope

2.1 The scope of this policy is to define what we mean by monitoring in our operating context, the reasons we undertake monitoring activities, and broadly our approach to how we go about our monitoring activities.

2.2 The Civil Aviation Act 2023 (CA Act 2023) establishes that one of the Director's functions is to monitor adherence, within the civil aviation system, to any regulatory requirements (including our regulatory obligations as a designated agency under the Health and Safety at Work Act (HSWA) and the Hazardous Substances and New Organisms Act (HSNO)). The information gained from this function helps inform our understanding of how well:

- a participant or document holder is performing with respect to their obligations and the privileges granted to them, and

- a sector within the aviation system is performing, and

- the system itself is performing with respect to the safety and security outcomes we are seeking to achieve, and

- our regulatory interventions are achieving their aims and objectives.

2.3 In turn this information informs several different activities within the Authority. Specifically, it helps inform the:

- intelligence developed about the risks and issues in the aviation system,

- actions we might take to ensure document holders are exercising their aviation

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- privileges appropriately,

- actions we may take to address emerging safety and security issues that may exist within the cohort or part of the aviation system; and

- how we might seek to amend the Rules and other policy settings of the aviation system in the future.

2.4   The scope of our monitoring activity and its uses extends beyond ICAO's model of surveillance of aviation document holders (participants). Monitoring is central to how we build our understanding of the performance of individuals and organisations in the system; aeronautical products; cohorts or sectors of the system; and the system itself. In essence, monitoring is the activity we undertake to understand the performance of the system and those within it. And it is this understanding that informs our decision-making both in helping determine priorities and any potential further regulatory action.

3.   Monitoring the system, sectors, organisations, aeronautical products and individuals

3.1   Our monitoring activity operates at different levels: at the system level; a sector level (for example, the agricultural sector); an organisational level (those that provide aviation services); at an aeronautical product level; and at an individual level (including groups of participants or members of the public, and individuals or organisations who have the criminal intent to target aviation).

3.2   At a system level, the outcomes of monitoring activities are to:

- seek assurance of the safety and security performance of the aviation system, and

- identify and understand the cause of present or emerging aviation safety and security risk.

3.3   At a sector level, the outcomes of monitoring activities are to:

- seek assurance of the safety and security performance of individual aviation sectors, and

- identify and understand the cause of present or emerging aviation safety and security risk that are pertinent to an aviation sector.

3.4   At an organisation level, the outcomes of monitoring activities are:

- to seek assurance that aviation document holders fulfil the privileges granted to them in accordance with their responsibilities and requirements,

- that the civil aviation system is safeguarded against acts of unlawful interference, and

- that aviation safety and security risks, both present and emerging, are being promptly identified, understood and mitigated.

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3.5   At an aeronautical product level, the outcomes of monitoring activities are to:

- seek assurance that aviation products remain airworthy, and

- identify and understand the cause of present or emerging aviation safety and security risk relating to aviation products.

3.6   At an individual level, the outcomes of monitoring activities are that:

- aviation document holders fulfil the privileges granted to them in accordance with their responsibilities and requirements,

- those who operate within the system but who do not hold an aviation document comply with the regulatory requirements,

- people using aviation services are doing so safely and securely,

- acts of unlawful interference in aviation are prevented, and

- those with capability and/or intent to exploit security vulnerabilities are promptly identified.

3.7   Organisationally, the information derived from monitoring activity assists the Authority to:

- determine where to best allocate our resources, and

- gain insights about our effectiveness as a regulator.

3.8   The overall outcome we seek from our monitoring activities is that we understand the extent to which the civil aviation system is operating safely and securely, and where there are potential or actual vulnerabilities, and that we are actively addressing these.

3.9   The nature and focus of our various monitoring activities will change over time and will be based on the findings obtained from previous monitoring together with our wider information and intelligence about risks in the civil aviation system.

4.   Our approach

4.1   Monitoring is not a single type of activity. It comprises a spectrum of activities that can be used to help gather information for different reasons and purposes. Broadly, that spectrum can range from bespoke examination of an incident or occurrence, through analysis of information at a system level. Monitoring might be used to target specific performance problems or issues in the system in order to figure out how to fix them through to activities that give assurance the regulatory system is delivering the safety and security outcomes sought. It might also be used to gain assurance that the actions taken to address a specific issue have worked — that is we are getting the results we were seeking from a specific intervention. Monitoring for assurance purposes might utilise sampling systems, or bespoke "deep dives".

4.2   The monitoring categorisation levels listed in 3 help determine the nature of the monitoring

activities which include, in summary:

- Identifying opportunities for aviation regulatory system design changes.

- Receiving and reviewing safety and security information, to identify aviation safety risks, security risks, and vulnerabilities or threats within the aviation system.

- Seeking assurance of continued compliance by holders of aviation documents and medical certificates with the requirements, conditions, restrictions and endorsements of their privileges.

- Seeking assurance that those that don't hold an aviation document are operating safely and securely whilst engaging with the aviation system.

- Meeting our commitments under bilateral and multilateral international agreements and arrangements for mutual regulatory recognition, including monitoring in Australia of any holder of a New Zealand AOC with ANZA privileges.

- Identifying occurrences which must be notified to Transport Accident Investigation Commission (TAIC) or WorkSafe New Zealand.

- Monitoring and evaluating the performance of AvSec.

- Seeking assurance that any person or organisation who carries out regulatory functions on behalf of the Director are doing so appropriately.

- Maintaining and preserving records and documents relating to monitoring activities.

4.3   Our monitoring approach is guided by the Regulatory Strategy. For example, we place the highest importance on monitoring aviation relating to passenger carrying operations, and on addressing issues that may involve significant risk to public safety and security.

4.4   Our monitoring function often works alongside our other regulatory functions. Our monitoring activity may help identify the nature and causes behind aviation risk, but the remedy or mitigation may require changes in the regulatory system; or the provision of information and education; or a targeted engagement process; or in some cases a need to hold entities to account or to restrict their aviation privileges; or a combination of some or all of these actions.

4.5   Our monitoring approach is applied in a way that ensures we consider our broad suite of legislative responsibilities and where appropriate we simultaneously consider the CA Act 2023, HSWA, and HSNO when making our regulatory decisions.

4.6   This monitoring policy should be read alongside the relevant operational procedures for additional details on how monitoring activities should be carried out.

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5. Engagement with participants

5.1 Respective roles and responsibilities are described within legislation. The CA Act 2023 states our objective is to undertake safety, security, and other functions to facilitate the operation of a safe and secure civil aviation system. The CA Act 2023 also reflects that aviation participants have a fundamental responsibility to act and operate safely and securely, and HSWA places the primary duty of care for health and safety at work on the person conducting the business or undertaking.

5.2 Where we can, we work with the domestic and international aviation community to support those legislative responsibilities to strive for a safe and secure aviation system.

5.3 We always demonstrate our organisational values whilst engaging with participants, in order to build trusting relationships and appropriate regulatory outcomes.

5.4 In most circumstances we undertake our monitoring activities by being predictable — participants know what to expect of us with respect to how we conduct monitoring activities. We also provide information to help guide participants on what they need to do when preparing for monitoring activities. In some cases, mainly in a security setting, it may be appropriate to be deliberately unpredictable to test if any vulnerabilities exist, for example by performing covert monitoring.

6. Independence and impartiality

6.1 Sector and public trust and confidence in the integrity of our monitoring function is vital. A critical attribute to maintaining this confidence is maintaining impartiality in our assessment and decision-making processes and being perceived to do so.

6.2 For our employees and contractors, actual, potential and perceived conflicts of interest are identified and managed according to our Conflicts of Interest Policy.

7. Measuring our performance

7.1 The Authority's quality assurance and control processes assess our adherence to this policy to ensure that the principles and the approaches in it, are being adopted.

7.2 The overall effect of our monitoring function is captured in our Statement of Performance Expectations, that stipulates how these activities are measured against performance targets.

7.3 Our performance is also subject to external monitoring and review by organisations such as the Ministry of Transport, Audit New Zealand, and ICAO.

8.   Document Control

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Approver	John Kay, Deputy Chief Executive System Practice and Design
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1.0	1 July 2023	Revision one – New Operational Policy.
2.0	5 April 2025	Updated to reflect the Civil Aviation Act 2023.

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