



DIRECTORS GENERAL OF CIVIL AVIATION-MIDDLE EAST REGION

First Meeting (DGCA-MID/1)
(Abu Dhabi, UAE, 22-24 March 2011)

Agenda Item 6: Aviation Security Issues

LAYING THE FOUNDATIONS FOR A MORE RISK-BASED ICAO ANNEX 17- *SECURITY*: SECURITY MANAGEMENT SYSTEMS

(Presented by IATA)

SUMMARY

This paper provides the meeting with an update on IATA's work on security management systems.

At the last ICAO Aviation Security Panel (AVSECP/21 held in 2010) IATA was asked to identify elements in the concept of security management system that could be included in future editions of Annex 17. Having compared Annex 17 with the main elements of security management systems, it appears that all the key concepts behind SeMS are already included in various Annex 17 SARPs. However, IATA believes that a "management" provision to coordinate them is still needed in Annex 17 and will lead to continuous improvement in security. This would be aligned with the trend of making Annex 17 increasingly risk-based and global aviation security more responsive to a dynamic threat environment.

IATA proposes a plan of action to the 22nd meeting of the Aviation Security Panel presently being held in Montreal, from 21 to 25 March 2011, that between now and the next Amendment to Annex 17, to start with developing wording for a new Recommended Practice on security management systems, applying to aircraft operators only.

REFERENCES

Annex 17 – *Security*, 8th edition

1. INTRODUCTION

1.1. Security management systems have been the subject of much discussion since they were first raised by IATA at ICAO's 17th meeting of the Aviation Security Panel (AVSECP) in 2006. Since then, the concept has become a security Strategic Objective of the AVSEC Panel; appears as guidance material in the ICAO Security Manual (Doc 8973); and forms part of the ICAO Comprehensive Aviation Security Strategy (ICASS), as S15 "Security Management".

1.2. Over the last five years, and outside the AVSEC Panel's purview, a number of encouraging developments have taken place:

- IATA has mandated implementation of the core elements of security management systems by its member airlines, as a condition of membership to IATA; and
- a number of Contracting States have introduced security management systems in their legislation, while others still are considering it.

1.3. The 21st meeting of the AVSEC Panel last year recommended that IATA identify elements of its security management system concept that could be included in future editions of Annex 17. Based on this work, described below, IATA believes that inclusion of security management systems into the next Amendment to Annex 17 is mature enough, and proposes to make this a part of a bigger reflection on the philosophy and the style of Annex 17.

1.4. The discussion paragraphs in paragraph 2 below will be tabled at the 22nd meeting of the AVSECP which is taking place 21 to 25 March 2011, at the ICAO Headquarters in Montreal.

2. DISCUSSION

2.1. IATA has identified six core elements in an air carrier's security management system¹. These are: Senior Management and Corporate Commitment; Resource Management; Threat Assessment and Risk Management; Management of Emergency & Incidents; Quality Control and Assurance; and Aviation Security Program. These were then broken down into supporting sub-elements.

2.2. The gap analysis of the key elements of security management systems against ICAO Annex 17 is shown in **Appendix A** to this information paper. This demonstrates that each of these key elements is one way or another addressed by an Annex 17 Standard or Recommended Practice. However, taken in isolation, these SARPs only perform one task. A management system such as SeMS has the potential to coordinate all these tasks under one roof, each feeding into the other to lead to continuous improvement. Taking example from the safety field, where Safety Management Systems (SMS) is soon to become an Annex of its own, IATA believes that Annex 17 needs to explicitly acknowledge the contribution of management systems to aviation security.

2.3. This is part of what IATA sees as an increasing call among the aviation security community to make regulations risk-based, responsive to dynamic threats and less complex for industry to interpret and implement. While Amendment 12 went some way towards providing a more solid environment, work must start now on making the next Amendment 13 even more risk-based, secure, flexible and resilient.

¹ Airlines may group or break down these elements and sub-elements in different ways, in accordance with their own security management system structure

2.4. The following objectives could be set for the next Amendment to Annex 17:

- focus on enhanced performance by operators: Security management systems will contribute by integrating security processes and practices into business risk management, auditing and performance measurement, which will lead to a greater ability to anticipate and react to threats – with minimal operational disruptions. In the framework of what is permitted by regulations, operators will develop programs which are effective and continuously improve;
- a shift to more efficient oversight functions: With elements of a security management system in place, documented and measured, regulators will be able to move resources away from time-consuming verification of adherence to processes, to conducting oversight activities; and
- development of novel concepts such as unpredictability: Amendment 12’s new provision 4.1. recommends that “Contracting States promote the use of random and unpredictable security measures.” Such measures will often be implemented by the industry, and it is understandable that Contracting States will want to be confident that they do this to their satisfaction. IATA firmly believes that compliance can be demonstrated through security management systems, as SeMS requires documented processes and regular measurements.

2.5. Several steps are needed to achieve these objectives and ensure that Amendment 13 is equipped to address new threats. IATA respectfully suggests the following plan of action:

- between AVSECP/22 and AVSECP/24, the AVSEC Panel in conjunction with ICAO Secretariat would work on the application of a security management system to other entities than aircraft operators, with appropriate guidance developed for these entities. IATA believes that while each stakeholder individually gleans benefits from implementing such a system, the international aviation community can only attain economies of scale and optimal benefits when implemented by all stakeholder groups;
- between AVSECP/22 and AVSECP/23, a new Recommended Practice, applicable to airlines only, would be developed via the Working Group on Amendment 13, dealing with security management systems. This would be accompanied by a new definition. The provision could be included in Section 3.4 “Quality Control”, as the section addresses objectivity, competency, the achievement of consistent and reliable performance standards, continuous improvement and oversight; and
- in the same timeframe of AVSECP/24, the Panel would investigate and consider introducing more performance-based standards, in Annex 17 and via Annex 17 into national regulation. Such standards would ensure that security measures set the goals which must be met, but leave the options for implementation to the choice of operators, based on their assessment and environment. IATA believes that a truly effective security system, globally or locally, must consist of a performance-based regulatory framework, accompanied by dynamic decision-making by industry operators and by strong oversight by regulators.

2.6 IATA's proposal to AVSECP/22 is to endorse the suggested plan of action in 2.5 above for achieving a more risk-based Annex 17, which includes:

- a) between AVSECP/22 and AVSECP/24, begin work on the application of security management systems to other entities than aircraft operators;
- b) between AVSECP/22 and AVSECP/23, request that the Working Group on Amendment 13 develops wording for a new provision and definition dealing with security management systems and applicable to aircraft operators only; and
- c) between AVSECP/23 and AVSECP/24, investigate and consider introducing more performance-based standards, in Annex 17 and via Annex 17 into national regulation.

3. ACTION BY THE MEETING

3.1 The meeting is invited to note the content of this paper and its **Appendices A and B**.

APPENDIX A

GAP ANALYSIS OF SECURITY MANAGEMENT SYSTEMS CORE ELEMENTS VS. ICAO ANNEX 17 SARPS

Security Management System Core Elements ¹	Supporting elements	Related Annex 17 SARP (8 th Edition)
Senior Management and Corporate Commitment	<ul style="list-style-type: none"> - Head of Security - Security Department Organization 	3.1.2
Resource Management	<ul style="list-style-type: none"> - Staff Selection - Staff Evaluation - Security Training Program - <u>Security Awareness</u> - Management of Service Providers 	3.1.6 3.4.1 3.4.2 <u>Not covered</u> 3.4.3
Threat Assessment & Risk Management	<ul style="list-style-type: none"> - Identification of threats and Risk - Threat Assessment - Risk Assessment 	3.1.3 3.1.3 3.1.3
Management of Emergency & Incidents (Resilience)	<ul style="list-style-type: none"> - Emergency Preparedness & Response - Crisis & Contingency Management Plans - Security Incident Management 	5.2.1 5.2.1 5.3
Quality Control & Quality Assurance	<ul style="list-style-type: none"> - Corrective Action mechanism - <u>External Service Providers</u> 	3.4.4, 3.4.5, 3.4.6 (general) 3.4.8 <u>Not covered</u>
Aviation Security Program	<ul style="list-style-type: none"> - Documented Procedures 	3.1.1, 3.3.1

¹ Based on IATA's security management system for airline operators.

APPENDIX B

FREQUENTLY ASKED QUESTIONS ABOUT SECURITY MANAGEMENT SYSTEMS

- How can regulators maintain their ability to regulate the industry when security management systems are in place?

With a security management system, States will retain national system policy and regulatory oversight control and will be able to regulate and intervene as and when they determine appropriate – what a security management system allows is for the carrier to identify, prioritize and systematically mitigate the areas of highest security risk for its operations, while complying with national regulations but enjoying the flexibility of being subject to performance-based regulations and by selecting the most appropriate and cost-effective risk mitigation strategy, provided they can demonstrate and report the achievement of the expected security result and level of performance¹.

- Will a security management system approach lessen or detract from the need for an effective quality control system?

A security management system approach in Annex 17 will not detract from or lessen the need for an effective quality control system. Rather, a security management system will provide the framework for quality control systems to be aligned and harmonized with wider organisational processes. This will ensure a cohesive and standardized approach to aviation security within and across ICAO Contracting States.

- Will a security management system replace Air Carrier Security Programs?

A security management system will not replace the ACSP, rather it provides a framework to not only support compliance with program requirements but also manages risk which is not addressed in the security program, and drives continual review and improvement.

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¹ AVSECP/20-WP/10