



WORKING PAPER

ASSEMBLY — 40TH SESSION

EXECUTIVE COMMITTEE

Agenda Item 13: Audit Programmes – Continuous Monitoring Approach

**PROPOSAL BY THE PERUVIAN STATE FOR A POST-USOAP
SAFETY OVERSIGHT AUDIT REVIEW**

(Presented by Peru, and sponsored by the following ICAO SAM States and
LACAC Member States)²

EXECUTIVE SUMMARY

This working paper covers the experience gained by the Peruvian State in its various activities under ICAO's Universal Safety Oversight Audit Programme (USOAP), in particular the August 2018 ICAO coordinated validation mission (ICVM).

Peru recognizes the importance of the USOAP process and related assistance to States signatories of the Chicago Convention, and some process improvements are proposed in this working paper in order to bring audit interpretation closer to the real-life situation of the State and provide guidance more directly, clearly and concisely on action that must be taken to secure the withdrawal of audit observations.

Action: The Assembly is invited to:

- a) recognize the importance of USOAP – CMA over and above the actual audit, in particular during the post-audit phase, as it must result in safety improvements in States;
- b) request ICAO to propose a mechanism for assessing the efficiency of USOAP audits in meeting the primary objective of raising safety levels;
- c) request ICAO to propose a mechanism for identifying safety improvements made by States owing to USOAP audits; and
- d) request ICAO to notify States of the implementation of said mechanism and report on the results of the review conducted.

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| <i>Strategic Objectives:</i> | This working paper relates to Safety Strategic Objective. |
| <i>Financial implications:</i> | The mechanism is expected to be implemented with USOAP – CMA resources, on the understanding that evaluation results will raise efficiency in the audit and in the use of allocated resources. |

¹ Spanish version provided by Peru.

² Belize, Bolivia, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Nicaragua, Panama, Paraguay, Uruguay and Venezuela

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| <i>References:</i> | <p>Annex 19 – <i>Safety Management</i>. website: https://www.icao.int/safety/cmaforum/Pages/default.aspx Resolution A32-11 – <i>Establishment of an ICAO universal safety oversight audit programme (USOAP)</i>. Resolution A37-5 – <i>The Universal Safety Oversight Audit Programme (USOAP) continuous monitoring approach</i>. A38-WP/50 – <i>Universal Safety Oversight Audit Programme Continuous Monitoring Approach (USOAP – CMA)</i>. A39-WP/213 – <i>Universal Safety Oversight Audit Programme Continuous Monitoring Approach (USOAP – CMA) – Proposal for a post-implementation review</i>. A39-WP/285 – <i>Evaluation of the effectiveness of USOAP – CMA</i>.</p> |
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1. INTRODUCTION

1.1 On the basis of experience gained from the various USOAP audits conducted in the Peruvian State, opportunities for improvement in the audit process proper have been identified.

1.2 Furthermore, it has been noted that the audit procedure designed for continuous improvement does not comprise any post-audit mechanism that uses metrics and indicators to identify improvements achieved by States as a result of past audits and proper guidance by ICAO to ensure that an appropriate corrective action plan is formulated and implemented.

2. BACKGROUND

2.1 Pursuant to Assembly Resolution A32-11, the USOAP was launched in January 1999 in order to conduct regular, mandatory, systematic and harmonized audits of matters addressed in Annexes 1 — *Personnel Licensing*, 6 — *Operation of Aircraft* and 8 — *Airworthiness of Aircraft* to the Chicago Convention.

2.2 With regard to Peru, ICAO conducted a safety oversight audit at the Directorate General of Civil Aviation in Peru from 9 to 13 August 1999. ICAO subsequently conducted the follow-up to the safety oversight audit at the Directorate General of Civil Aviation in Peru from 10 to 11 September 2001.

2.3 At its 35th Session in 2004, the ICAO Assembly adopted Assembly Resolution A35-6, expanding USOAP to cover, as from 2005, the safety provisions contained in all annexes to the Chicago Convention relating to safety under the Comprehensive Systems Approach (CSA) framework.

2.4 ICAO conducted a safety oversight audit of Peru's civil aviation system from 15 to 24 May 2007 and found that effective implementation (EI) was 68.69per cent.

2.5 At its 37th Session in 2010, the Assembly adopted Resolution A37-5, formally instituting the transition from the USOAP to the Continuous Monitoring Approach (CMA).

2.6 Under the latter approach, ICAO conducted a USOAP – CMA audit of Peru's civil aviation system from 13 to 23 October 2014, which yielded an EI finding of 74.81per cent and did not find any significant safety concerns (SSC).

2.7 Lastly, ICAO conducted an ICAO coordinated validation mission (ICVM) from 7 to 14 August 2018, which found that effective implementation (EI) was 89.57 per cent.

3. ANALYSIS

3.1 As a result of the above-mentioned USOAP audits of the Peruvian State, opportunities for improvement have been identified:

- (a) improvement in auditors' objectivity. It is understood that auditing also depends on the auditor in charge. Subjectivity based on opinions and previous experience, which should be minimized as much as possible, has been observed in audits received. For that reason, the questionnaire of protocol questions (PQs) contains guidance and standard-setting references, but they are not always respected by auditors and may not even relate to the PQ. It is considered important, therefore, that Headquarters institute a mechanism to reassure States that relevant uniform USOAP audit criteria are in place for auditors in charge of audits;
- (b) improvement in auditors' observations. It is understood that there have been various cases in which auditors' observations have not been sufficiently clear to enable the State to draw up an appropriate action plan. In some cases, they have not been understood by the subsequent auditor either, and the State has faced uncertainty in handling an unclear observation and inability to draw up an action plan to resolve a matter that would contribute to enhanced safety;
- (c) improvement in the USOAP – CMA OLF portal. The following limitations have been found consistently when using OLF during various audits:
 - 1) new evidence uploaded in the self-assessment module cannot be saved, requiring additional time or repeated access, searches and deletions in order to solve the problem;
 - 2) after OLF maintenance, changes have been found to information on evidence entered in PQs, which is not appropriate;
 - 3) at the closing meeting of the last audit conducted on Peru, it was stated that questions together with comments had been uploaded on OLF; they were not posted on the portal for more than one month and, in some cases, the auditor's comments had been changed after being published officially by ICAO;
 - 4) it would be very useful to States if the OLF platform could be more user friendly and did not generate delays while in use; and
 - 5) similarly, it would be very important to the system if Headquarters would forward any OLF update or amendment to States sufficiently in advance; and
- (d) improvement in the references on the regulatory standards governing the audit. Protocol questions have not always kept pace with updates to ICAO annexes and documents and, in many cases, retain references that are no longer in force or, failing that, too open to identify precisely which regulatory safety requirement is to be

audited to enhance safety. Furthermore, many questions that, apart from the USOAP framework, do not require mandatory implementation by States remain over the years in documents, often calling for implementation by providers; they must be removed from the framework of the Annexes and be made mandatory for providers.

3.2 It is proposed, out of awareness that audit subjectivity can also be shown by the audited State, that USOAP devise a mechanism to ensure that States, appropriately guided as to the correct action plan and its implementation, will accomplish the goal of making the necessary improvements that will lead in practice to improved safety operations in the State.

3.3 As no known systemic review is conducted of the USOAP – CMA itself, it is proposed that the mechanism be devised to perform a series of reviews after States have been audited.

3.4 This mechanism must mainly yield metrics and indicators as its results, so that it can be ascertained whether the solution found to audit observations has raised the State's safety levels. It must include statistics on each PQ and assess the importance of the PQ to the safety system within the USOAP framework.

4. CONCLUSION

4.1 Peru recognizes the importance of the USOAP and considers that the programme would be strengthened by introducing a post-audit mechanism for self-evaluation based on metrics and indicators in order to analyse the contribution of the audit to the enhancement of safety in the audited State

4.2 The USOAP questionnaire should be revised in its entirety to ensure that protocol questions contain clear, direct and updated standard-setting references that enable the auditor and the State to identify the audit requirement.

4.3 The USOAP should generate a mechanism to ensure that States heed audit observations by drawing up and implementing an appropriate action plan.

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