



# RAAC-17

Governance of CAA

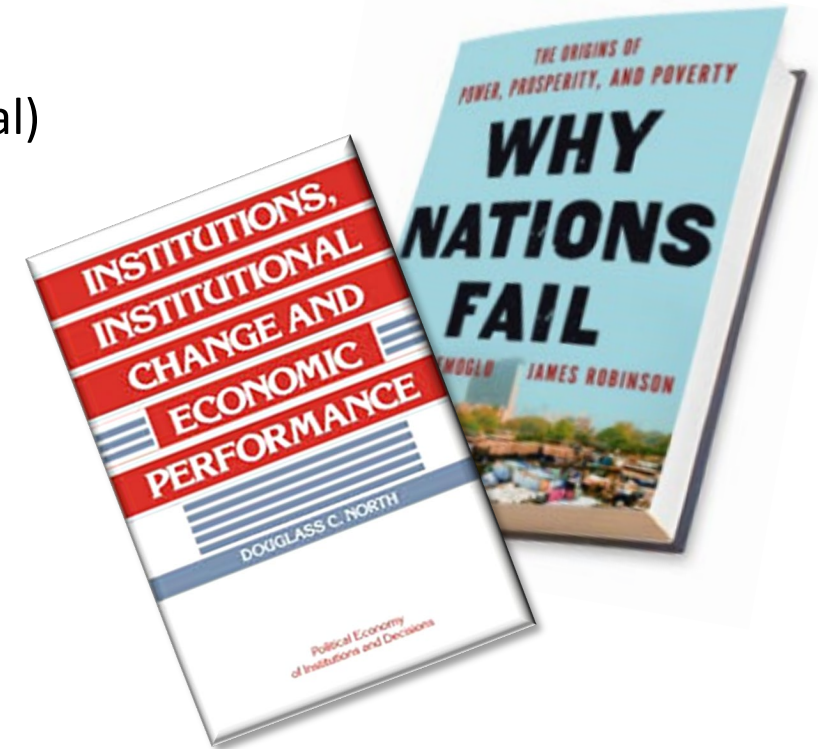
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*Good governance is a building block for the performance of regulators, including civil aviation authorities.*

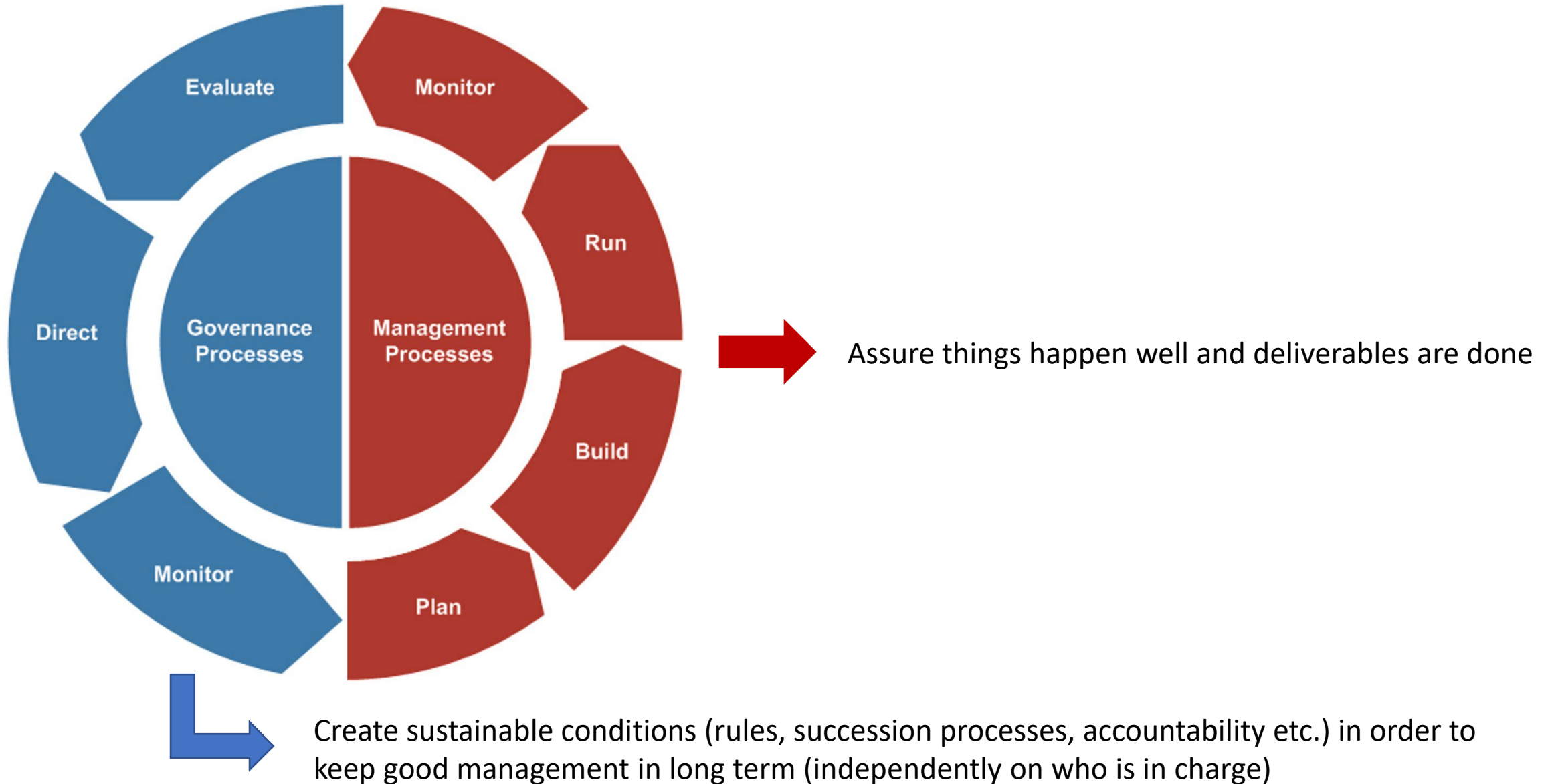
*OECD*

# WHAT MAKES DIFFERENT COUNTRIES ACCOMPLISH SUCH DIFFERENT DEVELOPMENT INDICATORS?

- Institutions are the rules of the game in a society (formal and informal)
  - Reduce uncertainty
  - Enhance mechanisms for coordinated action
  - Define the incentive structure of a society
  - Determine transaction and production costs
    - Information acquisition
    - Enforcement of rules
- Solid economic institutions encourage faster growth, innovation and a more efficient resource allocation.
- Institutional quality deeply impacts private-sector expectations, having great influence in their investment decision processes, particularly on capital-intensive projects – higher sums of money and long-term project development.











# Management X Governance



Some of these issues are out of our control. But which ones can we implement into the CAAs in order to let a heritage for the future in SAM Region?



- Evidence-based decision making 
  - Technical independence and operational autonomy 
  - Financial autonomy 
  - Leadership rules:
    - Recruitment and selection of top-leadership
    - Fixed mandates
    - Post-employment restrictions
  - Transparency and accountability 
    - Relationship with Executive and Legislative Powers 
    - Stakeholders consultations procedures 
    - Responding comments 
  - Performance assessments and reporting them to society and main stakeholders 
- Doing it, we can create conditions to get the others from Legislative and Executive Powers (included through ICAO, OECD and industry pressures)

# Brazilian Civil Aviation System

## Formulation of Public Policy Aviation and Ports



## Civil Aviation Authority (except ANS and AIG)



## Ministry of Defense



## Brazilian Air Force (FAB)



## ANS Authority



## Investigation of Aeronautical Accidents Authority



# Governance ANAC-Brazil



**Institutional Strengthening Program:** Continuous improvement of organizational structure and processes, allowing institutional changes, modernization and strengthening corporate governance.



- Institutional development and maturation:
  - Multiannual Strategic Planning
  - Guidelines to regulatory affairs
  - Corporate and Integrity Risk Management
- Priority Projects – Top Management Commitment
- Process management: all the routines have been mapped and manualized
- Annual Action Plans (submitted to Ministry and Senate)
  - International Action Plan, Annual Capacitation Plan, Regulatory Agenda, IT Strategic Plan etc.
  - Director-President must account to Senate at least once a year





PROGRAMA DE  
**FORTALECIMIENTO  
INSTITUCIONAL**

**(Institutional  
Strengthening Program)**



- Board of Directors (5 members appointed by President of Republic, and the inquired by Senate), with a mandate up to 5 years. Collegiate decisions, by majority
  - Before, each director was responsible for one or more departments (AGA, PEL, OPS, AIR, economic regulation, international affairs, and administrative ones); after institutional strengthening program, directors work as a board
  - Departments are no more subordinated to a specific director, but to the board.
- Departments' leadership and staff have been strengthened to assume the capacity to conduct technical and administrative matters
  - Managers and Leaders Development Program
- Coordination Committees (administrative and technical) were created to guarantee integration among Departments
- Periodic Management Meetings among board and heads of departments: more than 70 meetings have been happened since 2011



PROGRAMA DE  
**FORTALECIMIENTO  
INSTITUCIONAL**

(Institutional  
Strengthening Program)



- Transparency and accountability in decision-making process:
  - Departments make technical studies and analysis of regulatory matters submitted them to the Board's appreciation. The matters are randomly distributed among directors (reporters)
  - Within the technical studies, Regulatory Impact Analysis (RIA) is required
  - Regulatory process: RIA (with social discussion), public hearing, and board appreciation
  - In the beginning of each year, ANAC issues the calendar of Board Meetings (usually 2 by 2 weeks)
    - Board Meetings are live transmitted in ANAC's YouTube channel
    - The sessions of random distribution of regulatory matters to reporters are also live transmitted
    - Deliberations are publicized in ANAC's site
    - Documents of regulatory matters are public and 100% electronic





**ANAC** AGÊNCIA NACIONAL  
DE AVIAÇÃO CIVIL

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