



Development and Application of Risk- Based and Cost- Effective Aviation Safety Regulations

Unique Identifier	CASA -02- 0057
Owner	Director of Aviation Safety
Responsible Area	National Operations and Standards, Aviation Group
Effective Date	July 2019
Review Date	July 2020
Version	3.0
Intended Audience	External

Directive

This Directive reaffirms CASA’s commitment to ensure that regulatory changes are justified on the basis of safety risk and do not impose unnecessary costs or unnecessarily hinder participation in aviation and its capacity for growth.

It also extends the principles underlying this commitment to the application and administration of the regulations by CASA, to the fullest practicable extent consistent with the interests of safety.

Guiding Principles

Development of Aviation Safety Regulations

- Aviation safety regulations must be shown to be necessary. They are to be developed with a view to addressing known or likely safety risks, including those identified through CASA Sector Risk Profiles (SRPs), that cannot be addressed effectively by non-regulatory means alone

Development and Application of Risk- Based and Cost- Effective Aviation Safety Regulations

- Consistent with CASA's obligations under the Civil Aviation Act and other Commonwealth laws and Government policies, every proposed regulation must be assessed against the contribution it will make to aviation safety, having particular regard to the safety of passengers and other persons affected or likely to be affected by the activity involved. If a regulation can be justified on safety-risk grounds, it must be made in a form that provides for the most efficient allocation of industry and CASA resources. Regulations must not impose unnecessary costs or unnecessarily hinder levels of participation in aviation and its capacity for growth.
- Aviation safety regulations should be aligned with the standards and practices of the International Civil Aviation Organization (ICAO), its State Safety Programs and leading aviation countries, unless differences are necessary to address particular features peculiar to the Australian aviation environment and those differences can be justified on safety-risk grounds. Recognising that international standards and practices vary, CASA will align its regulations with those that effectively address identified safety risks in the most cost-effective manner.
- Where it is appropriate to do so, aviation safety regulations are to be drafted to specify intended safety outcomes. Where known or likely safety risks cannot be addressed effectively utilising an outcome-based approach (in whole or in part), more prescriptive requirements will be specified.
- In developing aviation safety regulations, CASA must consult appropriately with industry in an open and transparent manner ensuring that all communication is clear, timely and effective.
- Subject to the applicable drafting requirements, CASA will strive to ensure aviation safety regulations are drafted as clearly and concisely as possible.
- Where practicable, aviation safety regulations should be developed within a three-tier framework, comprising the Civil Aviation Act, the Civil Aviation Safety Regulations and Manuals of Standards.

Supportive advisory and guidance materials, including other acceptable means of compliance with regulatory requirements, will be promulgated and disseminated in conjunction with new and amended regulations, having regard to the time when compliance with new or amended regulations will be required.

Development and Application of Risk- Based and Cost- Effective Aviation Safety Regulations

Application of Aviation Safety Regulations

- In accordance with the Civil Aviation Act, the safety of air navigation is the most important consideration for CASA in performing its functions and exercising its powers.
- CASA's fundamental role is to conduct aviation safety regulation in and for Australia, and to encourage the aviation community to achieve high levels of safety. This will be supported by industry safety education programs and initiatives.
- CASA's regulatory philosophy sets out the principles that underpin the way CASA should perform its functions, exercise its powers and engage with the aviation community. The key principles contained in the regulatory philosophy provide a guide to what it means in practice when it comes to application of regulations.
- CASA will demonstrate proportionality and discretion in regulatory decision-making when seeking optimal safety outcomes in the exercise of its regulatory powers.
- When exercising discretionary powers to achieve a specified safety-related outcome, CASA will employ a cost-effective, least intrusive and least disruptive means consistent with the achievement of that outcome.
- What it does mean is that CASA:
 - will base decisions on sound risk analysis
 - will seek to harmonise its regulatory approach with other major aviation countries unless there is a strong safety argument which would justify a unique approach
 - will respond to issues and regulatory policies in a timely way
 - will consider in a timely fashion proposals from the aviation community that demonstrate alternative ways of meeting regulatory requirements or another, more cost-effective and/or otherwise less onerous way without compromising safety
 - will assess the willingness, accountability and ability to implement the alternative approach to compliance in a timely fashion
 - will assess whether or not the adoption and implementation of such an alternative approach would involve unreasonable additional oversight for CASA
 - will assess whether or not another party would be adversely or unfairly affected by the adoption of that alternative approach, including consideration of any potential commercial-in-confidence matters.

Consultation and communication with the aviation community and between other commonwealth agencies will be an integral part of development, application and administration of regulations. In developing and applying aviation safety regulations, CASA will ensure that it consults with industry in an open and transparent manner ensuring that all communication is clear, timely and effective. The extent of any consultation may be structured by the urgency and necessity with which safety related changes are required to be introduced.

Development and Application of Risk- Based and Cost- Effective Aviation Safety Regulations

Shane Carmody

Director of Aviation Safety

Executive Manager

Date: July 2019