



Republic of the Philippines
Department of Transportation and Communications
CIVIL AVIATION AUTHORITY OF THE PHILIPPINES
Office of the Director General

MEMORANDUM CIRCULAR NO. 19-14
Series of 2014

TO : ALL Air Traffic Services SMS and
Air Traffic Service Units/Facilities SMS

SUBJECT : Regulation of Air Traffic Service SMS and
Air Traffic Service Units/Facilities SMS

I. References:

- a. PCAR-ANS Part1, Safety Oversight
- b. PCAR-ANS Part 11, Air Traffic Service
- c. PCAR-ANS Part 10B
- d. Annex 11 – Air Traffic Service
- e. Annex 19 – SMS and SSP
- f. ICAO Doc 9859 - SMS

II. Regulation of Air Traffic Service SMS and ATS Units/Facilities SMS

1.1 Air Navigation Services Memorandum Circular

Reference should be made to the current issue of the Memorandum Circular on ATM Safety Management System.

1.2 Introduction

1.2.1 International standards and regulations are in force which ICAO Contracting States are required to implement. ICAO Annex 11 - Air Traffic Services requires the CAAP to implement a programme that ensures that a Safety Management System (SMS) is used at all ATS units.

1.2.2 Since promulgation of the PCAR-ANS in 2009, it became a legal requirement, under RA 9497, for Air Navigation Service Providers (ANSPs) providing air traffic control or flight information services to operate a Safety Management System. The CAAP Regulations also apply in this regard to CNS providers operating navigational aids such as VOR, NDB, ILS, etc.

1.3 Requirements

An ATM Service Provider Applicant for an Approval, or an existing ATM Service Provider, shall demonstrate that all safety issues within the provision of an Air Traffic Management (ATM) service have been addressed, and are being addressed, in a satisfactory manner.

1.4 Process and Regulatory Methods for Demonstrating Safety Adequacy

1.4.1 General

"Committed to have a Safe and Secure Sky"

1.4.1.1 Regulation of civil air traffic services (ATS) and technical elements of associated services is achieved through the grant of Approval to equipment and systems, licensing and certification of personnel, and through auditing and inspecting the subsequent systems and service provision.

1.4.1.2 The term 'approval' is used generically in the following descriptions to mean any relevant form of regulatory approval, certification or grant of a license.

1.4.1.3 For current ATS service providers in existence prior to implementation of the provisions of this set of regulations, regulation of civil air traffic services (ATS) and technical elements of associated services is achieved through auditing and inspecting the subsequent systems and service provision, including equipment and systems, licensing and certification of personnel.

1.5 Approval of a Safety Management System

1.5.1 Normally, before an ATS Provider is regulated under a Safety Management System (SMS) regime, the supporting documentation must be accepted by the appropriate CAAP Regulatory body.

1.5.2 Following submission, the SMS descriptive and supporting documentation will be reviewed and the Service Provider advised whether it is acceptable or not. Any areas that are deficient will be identified. The time taken to review the document will depend upon its complexity. If the documentation is not acceptable, the Service Provider should make amendments to address the identified deficiencies and resubmit as necessary.

1.5.3 An acceptable Safety Management System should address all the principles described in Annex 19 and Doc 9859 SMM, and should document the strategies by which the stated objectives are to be achieved.

1.5.4 In association with the implementation of an SMS it is necessary to carry out an analysis of the safety significance of existing systems and to demonstrate that they satisfy the current safety requirements of both the CAAP (regulatory) and those set out in the unit's SMS. This is usually presented in the form of safety assurance documentation.

1.5.5 When the CAAP regulatory representative is satisfied that the SMS and safety assurance documentation provide acceptable assurance that the ATM facility is and will continue to be operated safely, the ATM Service Provider will be granted approval to operate in accordance with its SMS. The approval process is now subsumed into the certification process required under CAAP regulations.

1.6 Safety Management System Regulatory Method

1.6.1 The primary point of contact between an ATC Service Provider and the CAAP regulatory authority is the AANSOO (Aerodromes and Air Navigation Safety Oversight Office). The AANSOO ATM Inspectorate Division (ATMID) Chief will be the focal point for all correspondence with the ATCU (ATC Unit) in respect of regulatory matters (e.g. the issue of approvals, maintenance of approvals, safety cases/arguments, safety management issues and auditing arrangements).

1.6.2 The AANSOO ATMID ATS Inspectorate staff, supported by other ATM Inspectorate sections (AIS Inspectorate Section, SAR Inspectorate Section, MET Inspectorate Section) as appropriate, are responsible for gaining assurance that all appropriate regulatory requirements are being implemented by ATCUs and that the resulting ATS is safe. This will normally be achieved through audits of the ATCU and of the overall provision of air traffic control services, and of any changes to those services or supporting facilities.

1.6.3 The AANSOO ATMID ATS Inspectorate staff are responsible for regulating issues associated with ATS personnel licensing, the audit of ATCUs and the associated SMS and, in co-ordination with other appropriate sections of ATM Inspectorate Division, responding to issues of immediate safety concern.

1.6.4 Organizational audits are normally conducted over a two-year cycle, such that all requirements are checked over a two-year period. The AANSOO may, however, implement additional audits, inspections, checks, surveys, surveillance, and examinations as considered necessary to address areas of regulatory concern. These activities will include audits/inspections of individual projects and changes to the unit, and the sampling, normally on an annual basis, of the ATCU competence system/process. The scope of the audit and its outcome will be influenced by a variety of factors including the robustness of the SMS demonstrated at previous audits, the complexity of the ATCU under consideration and the extent or significance of any changes that are taking place.

1.7 Regulatory Processes

1.7.1 The mechanism for the regulation of ATC units at aerodromes, En-Route and Terminal Control Centers, at the present, is through the safety audit, inspection and surveillance programme. Consequently, the mechanism for the regulation of ATC units at aerodromes, En-Route and Terminal Control Centers will be the granting of Air Traffic Service Provision Approval in conjunction with the safety audit, inspection and surveillance programme.

1.7.2 All ATC units should develop and implement their SMS before or upon promulgation of the requirements of this document. Each ATC unit should ensure that its SMS is sufficiently developed and that its implementation will result in a service that continues to be safe for use by aircraft. In this respect, one year after the promulgation of the regulations in this document, each ATC unit should submit the SMS and any associated documentation to the CAAP (regulatory) for assessment.

1.7.3 If the SMS is assessed as satisfactory it will be deemed to be 'accepted' and the unit will be authorized to continue to operate, or for a new ATS Provider Applicant, to operate, in accordance with the procedures and processes in its SMS. After a suitable period of SMS operation, during which time the unit will be gathering evidence of the application of the SMS and recording the results of applying the relevant processes, the CAAP (regulatory) will conduct a baseline (or initial) SMS audit. The initial/baseline audit may involve an assessment of the SMS on a line-by-line basis.

1.7.4 If the baseline audit finds that the SMS meets the relevant requirements and that the application of the SMS is resulting in the provision of an ATC service that is safe, the ATC unit's ATS Provision approval or current operational status, as appropriate, will be amended to require the unit to operate in accordance with its SMS. If the SMS implementation is

considered not to be appropriate with respect to one or more of the key criteria, additional guidance will be provided.

1.7.5 Subsequent SMS audits will be conducted by the CAAP (regulatory) on a routine basis over a two-year cycle, annual (periodic) SMS inspections, and in some cases, unscheduled inspection or surveillance in response to safety-related changes that take place at the unit.

1.7.6 SMS regulatory audits will consider the operational, engineering and management aspects of the unit. SMS Audits will focus on the safety assurance documentation and processes associated with steady state operation of the unit, and on any changes to the operation or associated equipment. An SMS audit report will be written by the AANSOO ATMID (ATM Inspectorate Division) auditor/s and will be forwarded to the management of the unit concerned. The ATC unit management will be invited to respond to the findings of the report. Follow-up action will be agreed as necessary between the auditor and the unit.

1.8 Documentation Required by AANSOO ATMID

1.8.1 Documentation describing the unit SMS should be made available to AANSOO ATMID by the ATS Service Provider within a reasonable period of the request being made. Copies of certain documents will be required to be lodged (and maintained by the submission of any amendments) with ATMID. Other documents may not be required to be lodged in full with ATMID but notification of their issue or amendment may be required, and submission of the full document made on request.

1.8.2 The following list gives an indication to ATM Service Providers of the documentation that may be requested by AANSOO ATMID. It should be noted that this list is not definitive or exhaustive and that not all units will utilize all of the documents listed. Specific requirements will be determined by the unit SMS and the documentation that is generated by the management processes and will be agreed with the AANSOO ATMID.

- the unit SMS and main office/corporate SMS if appropriate
- the unit safety argument/case

NOTE: ATC units may develop a unit safety argument/case in advance of being requested to do so by the CAAP (regulatory) if it forms part of their SMS arrangements.

- the unit Manual of Operations of Air Traffic Services
- the unit CNS engineering procedures
- Safety Assurance documentation to include:
 - information about safety-related changes to the unit
 - documentation relating to changes to ATS procedures (supplementary information, temporary operational instructions, etc.)
 - Safety Assessments and Hazard Analyses associated with changes to the operation
 - internal safety investigation reports associated with MORs, or carried out as a result of safety related events that are not required to be reported and/or have not been reported under the MOR scheme, but have been reported through an internal reporting process
 - minutes of meetings at which safety-related matters are discussed (e.g. ATC technical or engineering committees, or Safety Management Working Groups, if such groups are established)
 - internal safety audit reports, reviews, surveys or reports, together with records of actions taken to address resulting recommendations reports of internal audits of the SMS for compliance or effectiveness.

1.8.3 The provision of this documentation will enable the AANSOO ATMID to maintain the assurance required that the ATS Provider has a robust and effective SMS. It should be noted that the documentation required by the AANSOO is likely to be produced as part of the unit's own safety management processes or other regulatory reporting requirements.

1.8.4 The AANSOO ATMID will establish local arrangements with individual units to determine the specific documents required and the method of submission.

1.9 Change Notification Requirements

1.9.1 The CAAP (regulatory) needs to be notified of planned safety-related changes at ATCUs. These include planned changes to ATC and engineering procedures, equipment, the SMS and associated documentation and unit organization. Changes to nominated post holders and/or their safety responsibilities and accountabilities within the SMS must also be advised, as far as practicable, ahead of the change.

1.9.2 When notified of a safety-related change, AANSOO ATMID will take one of four courses of action as described below:

- a) simply acknowledge receipt of the information; in this case the unit may implement the change without further reference to AANSOO ATMID.
- b) elect to audit the change without requiring further authorization to implement it; in this case the unit may implement the change without further reference to AANSOO ATMID although additional information may be requested in order to complete the audit.
- c) elect to audit the change and require that it is not implemented until the audit is satisfactorily completed. This option may be exercised if the change is substantial or of particular sensitivity.
- d) direct that the change not be implemented. This option is only likely to be exercised if the proposed change contravenes legislation or the Philippines' international obligations.

1.9.3 Planned changes should, therefore, be notified to AANSOO ATMID as soon as practicable in the change life cycle. This is to ensure, as far as possible, that if a change is selected for audit, the results from the audit are fed back to the unit management (ATCU) at an appropriate point in the life cycle of the change.

1.9.4 For changes associated with ATC procedures, the associated safety assurance documentation should be submitted to AANSOO ATMID as early as possible but at least 30 days prior to the planned introduction date for the change. The ATM Service Provider remains responsible for the completion of any necessary safety assessment and for the mitigation of any hazards, and for ensuring the safe implementation of any changes.

NOTE: It is recognized that, in order to ensure the continued safety of the ATC service, certain changes, particularly those associated with ATC procedures, normally documented in supplementary instructions and temporary operational instructions, may have to be introduced at short notice and preclude the submission of documentation to ATMID 30 days in advance of their implementation. In such circumstances, the relevant documentation should be submitted to AANSOO ATMID as soon as practicable.

1.9.5 Changes to the operation of the unit that require an amendment to the SMS or safety assurance documentation must be notified to AANSOO ATMID at least 30 days before the change is scheduled to be implemented.

1.9.6 The exact detail and processes to be used for notification of changes to AANSOO ATMID by ATCUs will be agreed following consultation and discussion between the unit management and the AANSOO.

1.10 Audit Philosophy

1.10.1 The purpose of a regulatory SMS audit is to assess the robustness and effectiveness of the SMS in providing a service that is safe for use by aircraft. This is achieved by ensuring that the operational and management processes and procedures deliver a service that is safe. It also permits assurance to be gained that any safety-related change is exposed to a structured hazard/risk assessment process in order to ensure that the change can be implemented while maintaining the service that is being provided at an acceptable level of safety.

1.10.2 A regulatory SMS audit takes a sample of the unit's operation. From the audit results, assurance is gained as to the likely safety of the entire ATS provided by the unit. Additional confidence that the sampled elements of the unit reflect the overall safety performance of the unit is gained over a number of consecutive audits of different areas of activity.

1.10.3 The audit will assess whether the ATCU SMS addresses relevant safety issues in order to discharge the safety accountabilities of the Service Provider. The SMS is the principal vehicle by which the Service Provider demonstrates its competence, as an organization, to provide a service that is safe for use by aircraft.

1.10.4 Following completion of the SMS audit, the ATC unit management will be provided with a report detailing the findings. The unit management will be invited to respond to the findings in the report.

1.10.5 Completion of agreed follow-up actions are overseen by the AANSOO ATMID. Regular or ad-hoc meetings will be arranged between the ATCU management and the AANSOO ATMID to discuss audit findings, general follow-up actions and specific issues such as safety assurance and Safety Management System developments.

1.11 SMS Regulation/Requirement Clause

1.11.1 Effective June 24, 2014, Air Traffic Service (ATS) Providers, and the safety-related services of other Air Traffic Management Service Providers (AIS, MET, SAR) and CNS Service Providers, shall have in place a safety management system (SMS) acceptable to the CAAP and which addresses four high-level safety objectives as follows:

- a) identifies safety hazards;
- b) ensures the implementation of the remedial action necessary to maintain agreed safety performance;
- c) provides for continuous monitoring and regular assessment of safety performance; and
- d) aims at a continuous improvement of the overall performance of the safety management system.

1.11.2 The framework for this SMS shall, as minimum, include the following components and elements:

a. **Safety policy and objectives**

- a.1 Management commitment and responsibility
- a.2 Safety accountabilities
- a.3 Appointment of key safety personnel
- a.4 Coordination of emergency response planning
- a.5 SMS documentation

b. **Safety risk management**

- b.1 Hazard identification
- b.2 Safety risk assessment and mitigation

c. **Safety assurance**

- c.1 Safety performance monitoring and measurement
- c.2 The management of change
- c.3 Continuous improvement of the SMS

d. **Safety promotion**

- d.1 Training and education
- d.2 Safety communication.

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III. Effectivity

This Memorandum Circular shall take effect immediately.


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Director General