Risk-Based IOSA

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The Business Model

A profound business model change will lead to long-term sustainability

Customer Expectations

Challenge

Affordable and value-add audits
User friendly access to current information

Solution

Audit process tailored to airline
Improved user interfaces

AO Accreditation Model

Challenge

Financial autonomy and sustainability
Auditor standardization and performance
Ability to innovate

Solution

Phase out AOs and insource production of audits
Recruit and train IOSA Auditors on freelance basis

Organization

Challenge

Production capacity
Digital Maturity

Solution

Transform and scale up IOSA organization
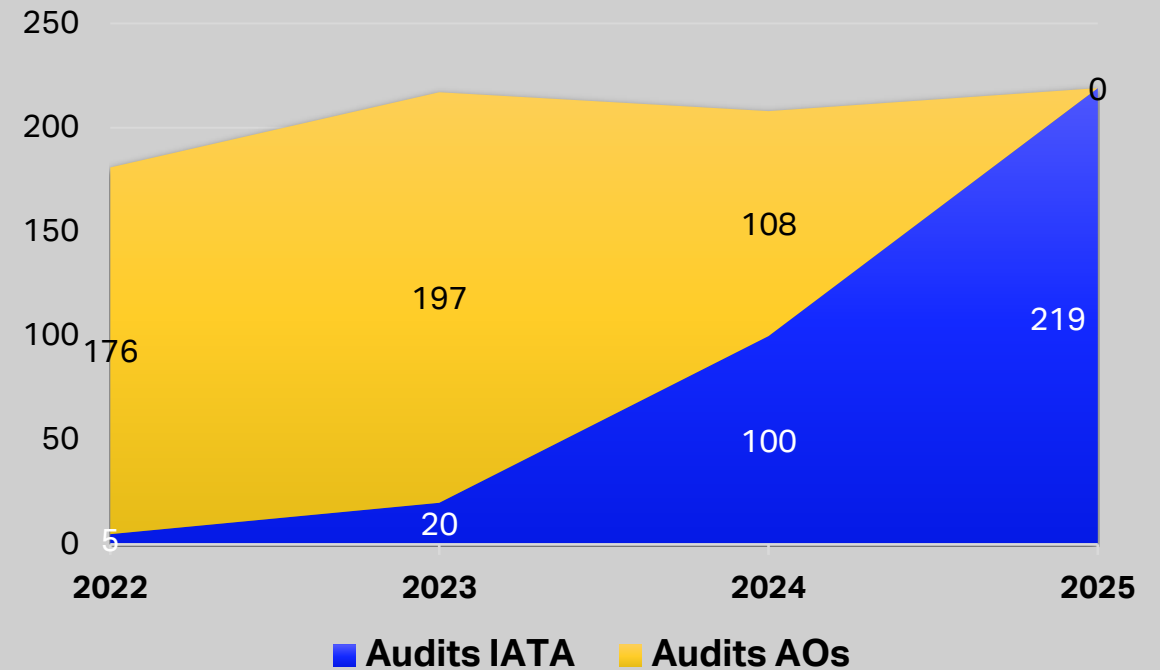Develop IT infrastructure

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Transition Plan

Transition Plan supports timely scaling up and mitigation of risks

- 2022 trial audits will be performed to test audit methods and audit management process

- AOs will remain until end of 2024 to perform conventional IOSA audits

- 2025 onwards fully insourced model supporting over 200 IOSA audits per year

Projected Transition

Chart data — Audits IATA (blue) and Audits AOs (yellow):
- 2022: Audits IATA 5, Audits AOs 176
- 2023: Audits IATA 20, Audits AOs 197
- 2024: Audits IATA 100, Audits AOs 108
- 2025: Audits IATA 219, Audits AOs 0

Legend: ■ Audits IATA   ■ Audits AOs

3 June 2022

Risk-based IOSA

Risk-based approach will contribute to reduce accidents rates

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Today

Tomorrow

- Standard audit checklist for all operators in all audits
- Compliance-driven auditing
- Static IOSA reports and forms
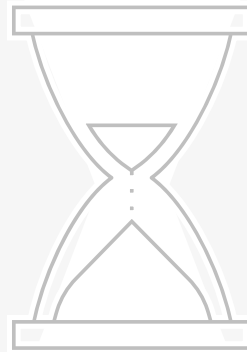
- Tailored audit scope focusing on pertinent safety risks ✓
- Maturity assessment for SMS and safety relevant programs ✓
- Digital reporting, risk engine ✓
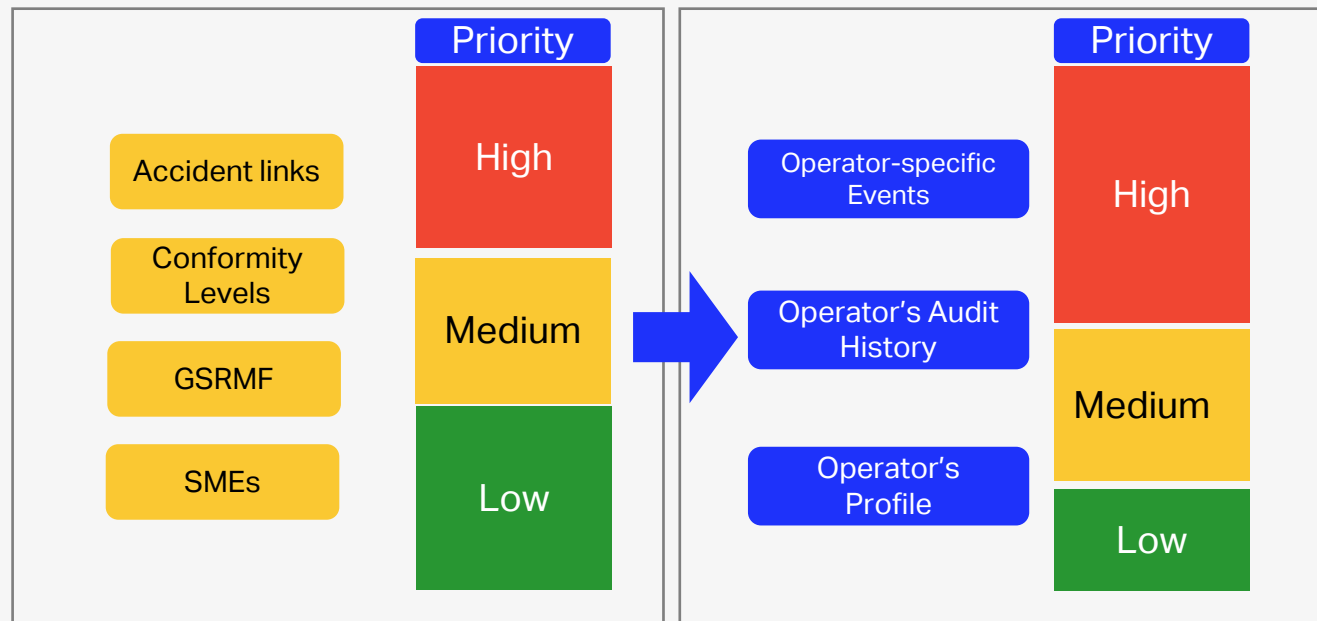
Contribute to consecutive reduction in accident rates

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Risk-based Audit Scoping

Audit scope will be reduced to critical standards, freeing up valuable auditing time

Industry Standards prioritization

Operator Audit Scoping

Accident links

Conformity Levels

GSRMF

SMEs

Priority

High

Medium

Low

Operator-specific Events

Operator's Audit History

Operator's Profile

Priority

High

Medium

Low

✓ Tailored audit scope for each Operator

✓ Frees up time to increase depth of auditing of high priority requirements

✓ Allows for maturity assessment of critical systems and programs

Risk-based Audit Scoping

Away from the one-size fits all approach

Audit Scoping ➜	IOSA	Risk-Based IOSA
• Worldwide runway excursion rate has been increasing.	• All ISARPs are audited regardless of their universal criticality.	• ISARPs prioritized in regular intervals. In this example, ISARPs related to runway excursions are identified as high priority and audited in-depth.
• Operator has been demonstrating conformity with a non-critical ISARP for several consecutive audits.	• All ISARPs are audited regardless of their criticality for the operator.	• Audit scope tailored to Operator's operating profile and audit history. • ISARPs with low criticality may be audited at lower frequency to allow focus on high-criticality ISARPs.

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Maturity Assessment

A deeper evaluation of relevant safety systems and programs

Maturity Stage Cycle

- Leading
- Mature
- Established
- Basic
- Low
- Change
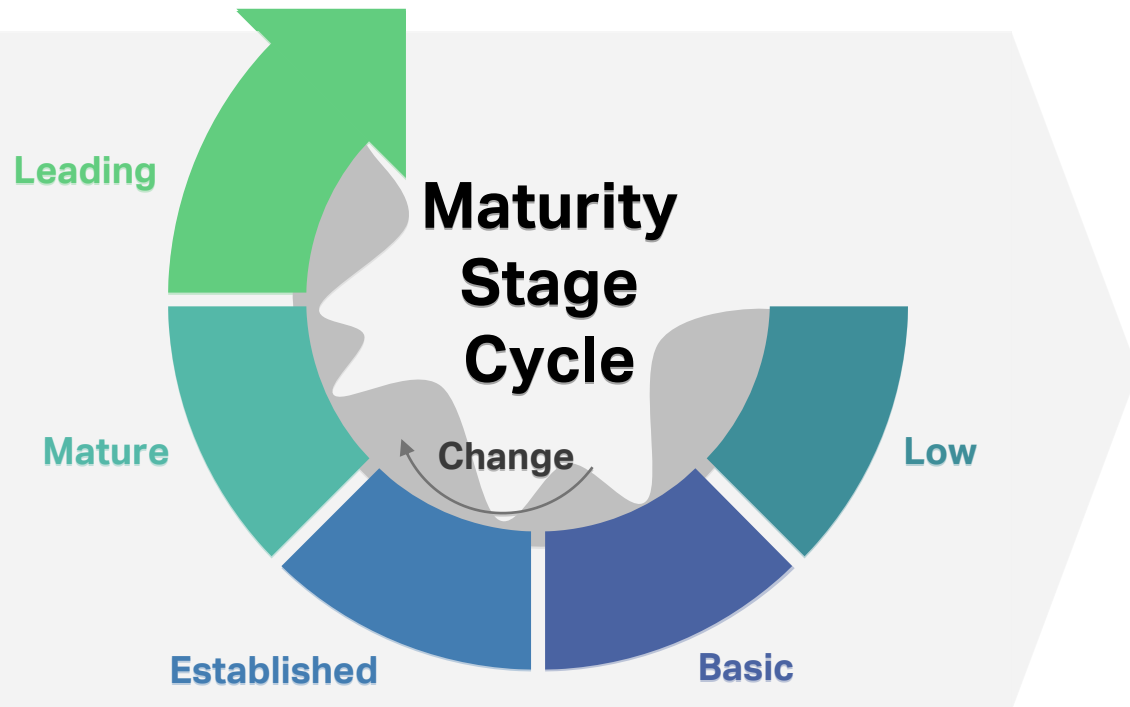
✓ Assessment beyond conformity through maturity levels

✓ Deeper assessment of SMS and operational activities

✓ Recommendations for operators

Maturity Assessment of following areas

SMS

Management & Control

Safety Assurance & Monitoring

Safety Risk Management

SMS Training & Communication

Operating Safety Maturity

Crew Training

Flight Data Analysis

Operation Control

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Maturity Assessment

Example

Maturity Assessment ➡	IOSA	Risk-Based IOSA
FLT 2.2.14 The Operator shall ensure flight crew members complete training and, when applicable, an evaluation in crew resource management (CRM), including Threat and Error Management, using facilitators that have been trained in human performance and human factors principles.	**Assessment Method (on each ISARP)** Conformity ☑ Nonconformity ☐	**Assessment Method (on selected ISARPs and Programs)** Basic **2.7** Mature ☐ ☐ ☑ ☐ ☐ Low Established Leading

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Benefits of Risk-based IOSA

Tailored and reduced Audit scope focusing efforts where needed the most

Improved audit methods through maturity evaluation

Improved management and standardization of Auditors

Safety insights captured to deliver safety improvements and reduction of global accident rates
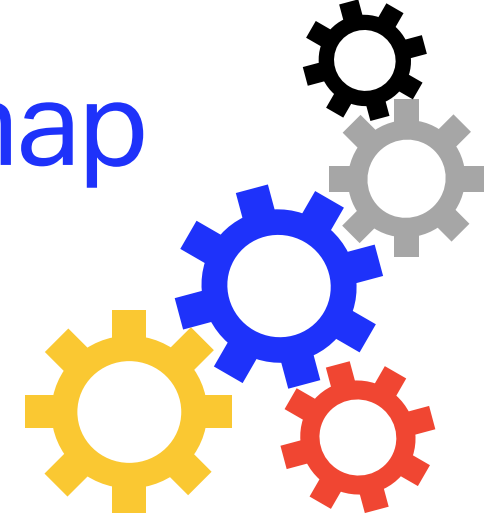
New insights through improved audit report

Long term sustainability of IOSA program through direct management of insourced products

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Risk-based Approach – Project Roadmap

Comprehensive project approach to ensure successful delivery

Q1 2022

- Project plan and organization
- Transition & communication plan
- Validation of concept (internal/external)
- Finalize operator questionnaire with IOC

Q2 2022

- Develop business requirements and taxonomy
- Adjust Program's legal and insurance frameworks
- Conduct RFPs
- Draft test standards manual

Q3 2022

- Design beta-test audits and train auditors
- Onboard airlines for test
- Onboard IT vendors

Q4 2022

- Launch 3-5 beta-test audits
- Develop required IT infrastructure
- Develop Program SOPs

2023

- Refine and validate concept through feedback from beta-test audits
- Roll out Risk Based Audits to 20 operators

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Thank you