

Effective 1 November 2023

IOSA Audit Handbook

Edition 13

PROCEDURES AND GUIDANCE
Audit Organizations and Airlines





QUALITY AND SAFETY IN ONE CLICK

**Experience the benefits of SMS & QMS,
all in one solution.**

Developed by IATA for the aviation industry, IMX is a single QMS & SMS platform with an intuitive interface and open database, enabling you to manage, analyze, and share your data. Available in seven languages, the platform provides an user-friendly and cost-effective solution to your risk and audit management.

The IMX helps to establish compliance by using the latest IOSA and ISAGO checklists for self-assessment and to build your safety culture through voluntary reporting and operational risks control.

Find out more and request a free trial:
www.iata.org/imx



DISCLAIMER

The content, data and information (the "Content") contained in this publication ("Publication"), is provided for information purposes only and is made available to you on an "AS IS" and "AS AVAILABLE" basis.

IATA has used reasonable efforts to ensure the Content of this Publication is accurate and reliable. We, however, do not warrant, validate, or express any opinions whatsoever as to the accuracy, genuineness, origin, tracing, suitability, availability or reliability of the sources, completeness, or timeliness of such Content. IATA makes no representations, warranties, or other assurances, express or implied, about the accuracy, sufficiency, relevance, and validity of the Content. IATA's observations are made on a best efforts and non-binding basis, and shall not be deemed to replace, interpret, or amend, in whole or in part, your own assessment and evaluation or independent expert advice. Nothing contained in this Publication constitutes a recommendation, endorsement, opinion, or preference by IATA.

IATA has no obligation or responsibility for updating information previously furnished or for assuring that the most up-to-date Content is furnished. IATA reserves the right to remove, add or change any Content at any time. Links to third-party websites or information directories are offered as a courtesy. IATA expresses no opinion on the content of the websites of third parties and does not accept any responsibility for third-party information. Opinions expressed in advertisements appearing in this publication are the advertiser's opinions and do not necessarily reflect those of IATA. The mention of specific companies or products in advertisements does not imply that they are endorsed or recommended by IATA in preference to others of a similar nature which are not mentioned or advertised.

This Publication is not intended to serve as the sole and exclusive basis for assessment and decision making and is only one of many means of information gathering at your disposal. You are informed to make your own determination and make your own inquiries as you may deem necessary and suitable. You shall independently and without solely relying on the information reported in this Publication, perform your own analysis and evaluation regarding the nature and level of information you may require, based upon such information, analyses, and expert advice as you may deem appropriate and sufficient, and make your own determination and decisions pertaining to the subject matter under consideration.

This Publication is the property of IATA and is protected under copyright. The Content of this Publication is either owned by or reproduced with consent or under license to IATA. This Publication and its Content are made available to you by permission by IATA, and may not be copied, published, shared, disassembled, reassembled, used in whole or in part, or quoted without the prior written consent of IATA. You shall not without the prior written permission of IATA: re-sell or otherwise commercialize, make mass, automated or systematic extractions from, or otherwise transfer to any other person or organization, any part of this Publication and its Content in whole or in part; store any part of this Publication, or any Content, in such a manner that enables such stored Content to be retrieved, manually, mechanically, electronically or systematically by any subscriber, user or third-party; or include it within, or merge it with, or permit such inclusion in or merge with, another archival or searchable system.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IATA DISCLAIMS ANY REPRESENTATION OR WARRANTY (I) AS TO THE CONDITION, QUALITY, PERFORMANCE, SECURITY, NON-INFRINGEMENT, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THIS PUBLICATION AND CONTENT; OR (II) THAT THE ACCESS TO OR USE OF THIS PUBLICATION (INCLUDING ANY AUTOMATED FEEDS OR OTHER DELIVERY MODES) OR ANY CONTENT SUPPLIED OR CONTRIBUTED TO THIS PUBLICATION BY THIRD PARTIES, WILL BE UNINTERRUPTED, ACCURATE, THE MOST UP TO DATE, COMPLETE OR ERROR-FREE. IATA EXCLUDES ALL LIABILITY (TO THE EXTENT PERMITTED BY APPLICABLE LAW) FOR ANY COSTS, LOSSES, CLAIMS, DAMAGES, EXPENSES OR PROCEEDINGS OF WHATEVER NATURE INCURRED OR SUFFERED BY YOU OR ANY OTHER PARTY ARISING DIRECTLY OR INDIRECTLY IN CONNECTION WITH THE USE OF THIS PUBLICATION OR ANY CONTENT CONTAINED OR ACCESSED THEREFROM, OR DUE TO ANY UNAVAILABILITY OF THIS PUBLICATION IN WHOLE OR IN PART.

Record of Revisions

| Edition Number | Issue date | Effective date |
|----------------|------------|----------------|
| 4 | Apr 2011 | May 2011 |
| 5 | Aug 2012 | Sep 2012 |
| 6 | Dec 2014 | Jan 2015 |
| 7 | Nov 2016 | Jan 2017 |
| 8 | Aug 2017 | Sep 2017 |
| 9 | Aug 2018 | Sep 2018 |
| 10 | Aug 2019 | Sep 2019 |
| 11 | Feb 2021 | Mar 2021 |
| 12 | Oct 2022 | Nov 2022 |
| 13 | Oct 2023 | Nov 2023 |

△

Record of Temporary Revisions

| Temporary Revision Number | Issue date | Effective date |
|---------------------------|------------|----------------|
| Nil | | |

△ Revision Highlights

| Reference | Change Comments |
|-----------|--|
| 2. | Reference to the Conformance Report is removed from the Applicability section. |
| 2.1.4 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced procedures for the audit planning related to remote audit activities. |
| 2.2.5 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced additional procedures for the audit team meeting remote audit activities. |
| 2.2.6 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced procedures for the audit preparation related to remote audit activities. |
| 2.3.1 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced additional procedures for the opening meeting related to remote audit activities. |
| 2.3.2 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced additional procedures for the applicability of mandatory observations and audit methods specific related to remote audit activities. |
| 2.6.2 | Alignment with new IPM policy change regarding T-180 renewal window. |
| 2.8.10 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced procedures for recording remote audit activities. |
| 4.2.3 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced additional procedures for conducting remote documentation assessment. |
| 4.2.5 | Consolidated IAH Temporary Appendix Rev 2 into IAH and introduced methodology and best practices that can be applied for remote audit activities related to the assessment of the implementation. |
| All | Several corrections of ISM REferences with regard to the ORG section reorganization. |

TABLE OF CONTENTS

| | | |
|----|--|------|
| 1 | Introduction..... | xi |
| 2 | Applicability | xi |
| 3 | Handbook Description..... | xi |
| 4 | How to Use this Handbook Effectively | xii |
| 5 | Handbook Revision..... | xii |
| 6 | Conflicting Information..... | xiii |
| 7 | Modification Status | xiii |
| 8 | Ongoing Improvement of the IAH and IOSA Program..... | xiii |
| 9 | Standard Terms used in the IAHs | xiii |
| 10 | Distribution | xiii |
| 11 | Authority | xiv |

Section 1 IOSA Program Overview

| | | |
|-----|---|---|
| 1.1 | IOSA Introduction..... | 1 |
| 1.2 | IOSA Documentation System | 2 |
| 1.3 | English Language..... | 2 |
| 1.4 | Audit Software Platforms..... | 2 |
| 1.5 | On-Site Audits Versus Remote Audits | 2 |
| 1.6 | Resolution of Unconventional Audit Situations | 3 |
| 1.7 | Auditor Qualification | 3 |

Section 2 Procedures for Audit Organizations

| | | |
|-------|---|----|
| 2.1 | IOSA Audit Planning | 5 |
| 2.1.1 | Audit Planning | 5 |
| 2.1.2 | Early Renewal Audits..... | 6 |
| 2.1.3 | IOSA Audit Build | 6 |
| 2.1.4 | Audit Planning for Remote Audit Activities..... | 7 |
| 2.2 | IOSA Audit Preparation..... | 9 |
| 2.2.1 | Audit Preparation Procedures..... | 9 |
| 2.2.2 | Auditor Preparation..... | 10 |
| 2.2.3 | AO Review of the Previous IOSA Audit Report..... | 11 |
| 2.2.4 | Pre-Assessment of ISARPs | 11 |
| 2.2.5 | IOSA Audit Team Meeting | 12 |
| 2.2.6 | Audit Preparation for Remote Audit Activities | 13 |
| 2.3 | Meetings and Mandatory Observations..... | 13 |
| 2.3.1 | Opening Meeting | 13 |
| 2.3.2 | Mandatory Observations | 14 |
| 2.3.3 | Closing Meeting..... | 17 |

| | | |
|------------|--|----|
| 2.4 | Operational Profile | 18 |
| 2.4.1 | Prior to the Audit | 18 |
| 2.4.2 | Operational Profile Verification | 18 |
| 2.5 | Categorization of Fleets Operated | 19 |
| 2.5.1 | Validating the Air Operating Certificate (AOC)..... | 19 |
| 2.5.2 | Categorization of all Fleets Operated or Utilized by the Auditee | 20 |
| 2.5.3 | Wet Lease Operations | 22 |
| 2.5.4 | Dry Lease Operations | 23 |
| 2.5.5 | Intentionally Open..... | 23 |
| 2.5.6 | Fleets and/or Aircraft Exemptions..... | 23 |
| 2.5.7 | Procedures for Fleets and/or Aircraft Exemptions | 24 |
| 2.5.8 | Operational Exclusions | 25 |
| 2.5.9 | Fleets and/or Aircraft Out of Scope..... | 25 |
| 2.6 | Auditing the Internal Oversight | 26 |
| 2.6.1 | Background Information | 26 |
| 2.6.2 | ISM Applicability for Assessments | 26 |
| 2.6.3 | Intentionally Left Blank..... | 27 |
| 2.6.4 | Procedures for the On-Site Verification of the Operator's Internal Audit Against the ISARPs | 27 |
| 2.6.5 | The Challenge of Auditing ORG | 29 |
| 2.6.6 | The Challenge of Assessing Implementation..... | 29 |
| 2.6.7 | Outsourced Internal Audit Activities | 30 |
| 2.6.8 | Use of Auditor Actions | 30 |
| 2.6.9 | Assessment of N/A | 30 |
| 2.6.10 | Interlinked and Repeated Provisions | 31 |
| 2.6.11 | Audit Hierarchy when Finalizing Contradictory Assessments..... | 31 |
| 2.7 | Completing the Audit Checklists (AC) [Previously known as Questions and Responses Report (QRR)] | 31 |
| 2.7.1 | Conventions used for the Audit and Report Production Process | 31 |
| 2.7.2 | Fields of the Audit Checklists (AC) | 32 |
| 2.7.3 | Document References (DR) [Previously known as Information Sources (IS)] | 33 |
| 2.7.4 | Airline Groups, Subsidiaries or Affiliates using Common Documentation..... | 34 |
| 2.8 | Completing the Audit | 34 |
| 2.8.1 | Audit Details for New Audits | 34 |
| 2.8.2 | Auditor Selection | 36 |
| 2.8.3 | Trainee Selection | 37 |
| 2.8.4 | Audit Checklist | 39 |
| 2.8.5 | Assessment Details | 39 |
| 2.8.6 | Operational Profile | 40 |
| 2.8.7 | Executive Summary (ES) and Additional Information | 43 |
| 2.8.8 | Audit Result | 51 |
| 2.8.9 | Audit Certifications | 51 |
| 2.8.10 | Recording Remote Audit Activities | 52 |

| | | |
|-------------|--|----|
| 2.9 | Corrective Action Record | 52 |
| 2.9.1 | Corrective Action | 52 |
| 2.9.2 | CAR Evidence Requirements | 52 |
| 2.9.3 | Creating a Corrective Action Record (CAR) | 53 |
| 2.9.4 | Root Cause Analysis | 53 |
| 2.9.5 | Completing the Corrective Action Plan (CAP) | 58 |
| 2.9.6 | Reviewing the Corrective Action Plan (CAP) | 59 |
| 2.9.7 | Completing the Final Action Taken | 59 |
| 2.9.8 | Final Review and Acceptance | 60 |
| 2.9.9 | Intentionally Open..... | 62 |
| 2.9.10 | Completion of CARs for Observations | 62 |
| 2.9.11 | Completion of CARs Raised in Error | 62 |
| 2.9.12 | Closing Open Nonconformities due to a New ISM Revision | 63 |
| 2.9.13 | Summary of Responsibilities for Audit Functions..... | 65 |
| 2.10 | Audit Report Completion | 66 |
| 2.10.1 | Audit Report Quality Control | 66 |
| 2.10.2 | Audit Report Submission | 66 |
| 2.11 | Additional Information | 67 |
| 2.11.1 | Audit Document and Record Retention | 67 |
| 2.11.2 | Audit Software Contingency Plan | 67 |
| 2.11.3 | On-site Audit Contingency Plan..... | 68 |

Section 3 Procedures for Operators

| | | |
|------------|--|----|
| 3.1 | Operator's Responsibilities | 69 |
| 3.1.1 | Supporting the Audit | 69 |
| 3.1.2 | During the Registration Period..... | 69 |
| 3.1.3 | Changes in the Operator's Fleets and Operational Functions | 69 |
| 3.2 | IOSA Audit Preparation | 70 |
| 3.2.1 | Preparation Activities | 70 |
| 3.2.2 | Review Document Reference Requested by AO | 70 |
| 3.3 | Internal Audit Program | 71 |
| 3.3.1 | Quality Assurance Program Requirements | 71 |
| 3.3.2 | IOSA Registration Period..... | 71 |
| 3.3.3 | Alignment of ISARPs with Regulations | 72 |
| 3.3.4 | ISM Applicability for Internal Assessments | 72 |
| 3.3.5 | Actions for a New ISM Revision..... | 72 |
| 3.3.6 | Internal Auditor Qualification and Independence (ORG 3.4.12)..... | 73 |
| 3.3.7 | Training and Qualification Program for Internal Auditors (ORG 3.4.13)..... | 73 |
| 3.3.8 | Record of Internal Auditors | 75 |
| 3.3.9 | Use of External Resources for Internal Audits | 75 |

| | | |
|------------|---|----|
| 3.4 | Effectiveness Methodology | 75 |
| 3.4.1 | General..... | 75 |
| 3.4.2 | Documentation | 76 |
| 3.4.3 | Internal Auditing for Effectiveness | 76 |
| 3.4.4 | Addressing Lack of Effectiveness (Non-Conformity) | 76 |
| 3.5 | IOSA Audit Follow-up | 77 |
| 3.5.1 | Completing the Root Cause(s) | 77 |
| 3.5.2 | Completing the Corrective Action Plan | 77 |
| 3.5.3 | Completing the Final Action Taken | 77 |
| 3.5.4 | Completion of CARs for Observations | 77 |
| 3.5.5 | Completion of CARs Raised in Error | 77 |

Section 4 Audit Methodology and Technique

| | | |
|------------|---|-----|
| 4.1 | Understanding the ISARPs | 79 |
| 4.1.1 | Familiarity with the ISM..... | 79 |
| 4.1.2 | Interpretation of ISARPs | 79 |
| 4.1.3 | Conditional ISARPs | 79 |
| 4.1.4 | ISARPs Applicability | 80 |
| 4.2 | Assessing the ISARPs | 81 |
| 4.2.1 | Linked Assessment of Documentation and Implementation | 81 |
| 4.2.2 | Documented | 81 |
| 4.2.3 | Assessing and Recording Documented..... | 82 |
| 4.2.4 | Implemented..... | 84 |
| 4.2.5 | Assessing and Recording Implemented | 85 |
| 4.2.6 | ISARPs that are Not Applicable | 85 |
| 4.2.7 | Assessment and Recording of Not Applicable | 86 |
| 4.2.8 | Systemic Assessment | 88 |
| 4.2.9 | Parallel Conformity Option (PCO)..... | 89 |
| 4.2.10 | ISARPs with Multiple Selectable Provisions | 90 |
| 4.2.11 | Findings and Observations | 90 |
| 4.2.12 | Methods of Recording Findings and Observations | 91 |
| 4.2.13 | The Use of ISARP Text for Descriptions of Evidence | 93 |
| 4.2.14 | Implemented, Not Documented Assessments..... | 93 |
| 4.2.15 | Repeated ISARPs | 94 |
| 4.2.16 | Interlinked ISARPs | 97 |
| 4.2.17 | Recording Effectiveness..... | 98 |
| 4.2.18 | Notifying the Auditee..... | 100 |
| 4.2.19 | Auditee Influence | 100 |

| | | |
|------------|---|-----|
| 4.3 | Audit Evidence | 100 |
| 4.3.1 | Evidence..... | 100 |
| 4.3.2 | Sampling of Evidence..... | 102 |
| 4.3.3 | Reviewing Documents..... | 103 |
| 4.3.4 | Interviewing Personnel..... | 104 |
| 4.3.5 | Examining Records..... | 105 |
| 4.3.6 | Observing Operations..... | 106 |
| 4.3.7 | Other Sources..... | 106 |
| 4.4 | Auditor Actions | 107 |
| 4.4.1 | Introduction..... | 107 |
| 4.4.2 | Structure & Functionality of Auditor Actions..... | 107 |
| 4.4.3 | Procedures for Auditor Actions..... | 108 |
| 4.4.4 | Intentionally Left Blank..... | 109 |
| 4.4.5 | Operator Options for Auditor Actions..... | 109 |
| 4.5 | Auditing Outsourced Operational Functions | 109 |
| 4.5.1 | Introduction to Outsourced Functions..... | 109 |
| 4.5.2 | Assessment of Outsourced Functions..... | 110 |
| 4.5.3 | Access to External Service Providers..... | 112 |
| 4.5.4 | Assessment of ISAGO Program Audit Reports..... | 112 |
| 4.5.5 | Assessment of DAQCP and IFQP Audit Reports..... | 113 |
| 4.6 | Mandatory Observations | 113 |
| 4.6.1 | Observing Operations..... | 113 |
| 4.6.2 | Mandatory Observation Checklists..... | 114 |
| 4.6.3 | Mandatory Observations for Outsourced Functions..... | 114 |
| 4.6.4 | Mandatory Observations of Affiliated Operators..... | 116 |
| 4.6.5 | Mandatory Observations Not Assessed..... | 116 |
| 4.6.6 | Recording of Mandatory Observations..... | 116 |
| 4.7 | Line Flight and Simulator Observations | 117 |
| 4.7.1 | Applicability and Conditions..... | 117 |
| 4.7.2 | Planning the Observations..... | 117 |
| 4.7.3 | Auditor Preparation..... | 118 |
| 4.7.4 | Conducting Observations..... | 119 |
| 4.7.5 | Line Flight and Simulator Assessments..... | 119 |
| 4.7.6 | Flight Observation..... | 120 |
| 4.7.7 | Safety Threats..... | 120 |
| 4.7.8 | Simulator Observation..... | 120 |
| 4.7.9 | Using the Line Flight and Simulator Observation Checklists..... | 120 |
| 4.7.10 | Logistical and Administrative Considerations..... | 121 |
| 4.8 | Auditing SMS – Audit Methodology and Guidance | 121 |
| 4.8.1 | Essential Principles and Elements of an SMS..... | 121 |
| 4.8.2 | Essential Information for Operators Regarding SMS..... | 122 |
| 4.8.3 | Audit Procedures for the SMS Provisions..... | 122 |

| | | |
|-------------|--|------------|
| 4.8.4 | Intentionally Open..... | 123 |
| 4.8.5 | Audit Procedures for the SMS Training | 123 |
| 4.9 | Auditing of Aircraft Equipment | 124 |
| 4.9.1 | Audit Methodology..... | 124 |
| 4.9.2 | Method of Assessment | 124 |
| 4.9.3 | Completion of Aircraft Systems and Equipment Forms | 125 |
| 4.9.4 | Verifying the Aircraft Systems and Equipment Requirements | 126 |
| 4.9.5 | Aircraft Equipment Terminology | 127 |
| 4.9.6 | Aircraft Type Certification | 127 |
| 4.9.7 | Certificate of Airworthiness | 128 |
| 4.9.8 | Compliance with Airworthiness Directives | 128 |
| 4.10 | Auditing Performance-Based Conformity | 129 |
| 4.10.1 | Performance-Based Compliance/Conformity | 129 |
| 4.10.2 | Audit Methodology for PBC | 130 |
| 4.11 | Auditing Effectiveness..... | 132 |
| 4.11.1 | General..... | 132 |
| 4.11.2 | Ground Rules | 132 |
| 4.11.3 | Single ISARP Assessment | 132 |
| 4.11.4 | Desired Outcome..... | 132 |
| 4.11.5 | Suitability Criteria..... | 133 |
| 4.11.6 | Effectiveness Criteria..... | 133 |
| 4.11.7 | Umbrella ISARP Assessment..... | 133 |
| 4.11.8 | Recording Policy..... | 134 |
| 4.12 | Additional Guidance..... | 134 |
| 4.12.1 | Manuals which Require Regulatory Approval or Acceptance | 134 |
| 4.12.2 | Operational Functions Requiring Regulatory Approval..... | 136 |
| 4.12.3 | Assessing ‘Commercial/Non-Commercial’ ISARPs | 136 |
| 4.12.4 | Assessing Flight Data Analysis..... | 136 |
| 4.12.5 | Auditing Continuing Airworthiness Information, Repairs & Modification (ADs, SBs, MEL, and etc.)..... | 137 |
| 4.12.6 | Auditing Line Maintenance Operations..... | 138 |

Section 5 Program Options

| | | |
|------------|---|------------|
| 5.1 | Parallel Audits of Affiliated Operators | 139 |
| 5.1.1 | Introduction to Affiliated Audits | 139 |
| 5.1.2 | Procedure for Planning/Conducting Affiliated Audits | 139 |
| 5.2 | Suspended Provisions or Specifications | 140 |
| 5.2.1 | Applicability and Conditions for Auditing Suspended or Partially Suspended Provisions | 140 |
| 5.2.2 | Procedures for Suspended or Partially Suspended Provisions..... | 140 |

| | | |
|------------|---|-----|
| 5.3 | Extenuating Circumstances | 141 |
| 5.3.1 | Conditions and Limitation for Extenuating Circumstance | 141 |
| 5.3.2 | Application for Extenuating Circumstance | 142 |
| 5.3.3 | Recording Extenuating Circumstances..... | 142 |
| 5.4 | Interim Corrective Action | 142 |
| 5.4.1 | Process for the use of Interim Corrective Action (ICA)..... | 142 |
| 5.4.2 | Completion of CARs for Interim Corrective Action (ICA)..... | 144 |
| 5.5 | Active Implementation | 145 |
| 5.5.1 | Applicability..... | 145 |
| 5.5.2 | Implementation Action Plan and Requirements..... | 145 |
| 5.5.3 | Prerequisite Conditions | 146 |
| 5.5.4 | Documenting Active Implementation | 147 |
| 5.5.5 | Active Implementation Record and Examples | 147 |
| 5.5.6 | Notification to IATA..... | 149 |
| 5.5.7 | Active Implementation Follow-up..... | 149 |
| 5.6 | Verification Audits | 150 |
| 5.6.1 | Process for Verification Audits..... | 150 |
| 5.6.2 | Conducting a Verification Audit..... | 150 |
| 5.6.3 | Completing the Audit Checklist for a Verification Audit | 151 |
| 5.6.4 | Renewal Audit Alternative..... | 151 |
| 5.6.5 | Audit Re-visit Alternative..... | 152 |
| 5.7 | IOSA Preparation Visit | 152 |
| 5.7.1 | IPV Presentation..... | 152 |



Intentionally Blank

1 Introduction

The IATA Operational Safety Audit (IOSA) is an internationally recognized and accepted evaluation system designed to assess the operational management and control systems of an air transport operators. IOSA is based on industry-proven quality audit principles, and is designed to ensure that each audit is conducted in a standardized manner to achieve consistent results.

IOSA aims to improve safety and reduce air transport operators costs by mitigating the operational risks. IATA will continue to update IOSA standards based on stakeholder input, practical experience and the latest consensus in operational quality management principles.

The IOSA program is governed by the IOSA Program Manual (IPM), the IOSA audits are conducted in accordance with the IOSA Audit Handbook – Procedures and Guidance (IAH P&G).

2 Applicability

This handbook is applicable to Audit Organizations (AOs) and all IOSA eligible operators in support of the IOSA Program. The purpose of this handbook is to provide processes, procedures, methodology and guidance for:

- (a) AOs and associated IOSA auditors in the conduct of IOSA Audits, reference IPM section 8;
- (b) Operators and associated internal auditors, in the conduct of internal IOSA Audits; and
- (c) Operators in the preparation for the IOSA Audit, reference IPM section 6.

△ This handbook covers pre-audit, on-site and follow up audit activities for the AOs and operators, including the production of the IOSA Audit Report by the AOs.

While this handbook provides procedural information of specific IOSA Program options, the source information and program rules are available in the IOSA Program Manual (IPM).

Most of the procedures and guidance in this handbook are specific to the IOSA audit model and are in regular use by the IOSA AOs. However, it is recognized that many operators have established procedures in place for the conduct of internal audit processes. The information in this handbook is therefore not intended to replace procedures currently being used by operators, but is available to the operators' internal auditors who wish to integrate the audit methodology developed for IOSA and currently being used by the AOs.

3 Handbook Description

The IAH P&G is designed to be used as an electronic source of information, accessing information by means of hyperlinks.

The handbook is divided into five sections:

1. **IOSA Program Overview**, which covers general introduction information about the IOSA Program.
2. **Audit Procedures for Audit Organizations**, outlines the procedures used by the IOSA auditor to conduct the pre-audit, on-site and follow up activities, and produce the audit report. Generally this section contains information that may need to be referenced by the IOSA auditors to perform their duties.

3. **Operator Audit Procedures for operators**, outlines the procedures used by operator to prepare for the IOSA audit and conduct the internal audits and follow up activities, and produce the Conformance Report. Information is provided to support or supplement the operator's quality assurance processes and procedures. Generally this section contains information that may need to be referenced by the internal auditor and the operator to perform the duties under their IOSA responsibilities.
4. **Audit Methodology and Technique**, contains guidance material and audit concepts and methodology, which every IOSA and internal auditor should know through auditor training and is not generally required to be quick referenced by the auditor in the conduct of their duties.
5. **Program Options**, outlines how the AOs and operators must utilize the options built into the audit program, where applicable.

4 How to Use this Handbook Effectively

For ease of navigation hyperlinks have been added to take the reader to the other relevant sections of the handbook, including the hyperlinks in the Table of Contents ([TOC](#)), the ([TOC](#)) or [Return to TOC](#) hyperlinks at the bottom of each page.

All IAH P&G sections can be printed and used in hardcopy. When the hardcopy is being used, the document is to be considered as an uncontrolled document.

To provide guidance for the adherence to this handbook, a similar approach to the IOSA Audit Standards And Recommended Practices (ISARPs) is adopted. Throughout the handbook where processes, procedures and requirements are considered to be standard procedural requirements and must be followed they will be stated as a 'shall' or other wording (excluding 'should') in the requirements to state that they must be followed. Where the processes, procedures and requirements are guidance as best practice or recommendations they will be stated with a 'should' statement.

Where there are any variation between the AO and operator approach, it will be stated in the requirements.

Auditors should also review the IOSA Standard Manual (ISM) Introduction, which contains a detailed summary of the IOSA Program applicability, structure, rules, terminology, options, etc. Additionally, auditors should keep up to date with the ISM, IOSA Program Manual (IPM), IOSA Audit Handbook P&G, IOSA Audit Handbook Tables & MOs to ensure they apply the current requirements and program rules to their auditing.

The IOSA documents and forms depicted or referenced in this handbook may have subsequently undergone revision, and thus may not be the current edition/version of the document and/or form in use for Program activities. IOSA documents and forms that are referenced in this handbook are available for download on the IOSA website (<http://www.iata.org/iosa>), unless stated otherwise.

For the acronym 'IAH' stated in this handbook, it refers to the IOSA Audit Handbook – Procedures and Guidance. Should reference be made to another IOSA Audit Handbook, it will be clearly stated such as IAH – Interlinked and Repeated ISARPs.

5 Handbook Revision

Unless otherwise specified, new editions of the IAH usually become effective 30 days after issue and are applicable to audits conducted on or after the effective date. If an amendment is needed urgently to address specific operational conditions, a Temporary Revision (TR) would be issued and the effectivity period may be less than 30 days or immediate.

For the purpose of IOSA, the IAH that was effective at the time of Opening meeting shall be applicable.

New editions are issued in PDF and contain 'Revision Highlights' as a description of changes. The month of publication is displayed in the footer of each page.

6 Conflicting Information

This handbook and other IOSA documentation are not revised and published concurrently, thus creating the possibility of conflicting information in different manuals and/or handbook.

If there are inconsistencies between the IOSA documentation, namely the ISM, IPM and IAHs, IATA should be contacted for clarification and correction.

If there are inconsistencies between the IPM (and related content in the IAHs) and the Audit Agreement, in accordance to IPM 8.2.2, the Audit Agreement shall prevail.

7 Modification Status

All changes in this document are listed in the revision highlights table. For readability, the following symbols identify any changes made within each section:

- | |
|---|
| <ul style="list-style-type: none"><input type="checkbox"/> Addition of a new item.<input type="triangle-up"/> Change to an item.<input type="checkbox"/> Deletion of an item. |
|---|

8 Ongoing Improvement of the IAH and IOSA Program

Users of the IAH are encouraged to communicate to IATA any aspects of the audit process which are unclear, including any unconventional situations or circumstances which are not covered by current IOSA program, procedures and guidance.

IATA is committed to provide all possible support to Audit Organizations and operators in relation to the IOSA Program.

IATA will work with the AOs and/or IOSA Technical Groups, as appropriate, to revise or simplify procedures and guidance wherever possible.

All users are encouraged to provide feedback on the content, usability, or any other aspect of this handbook to the following email address: iosa@iata.org

9 Standard Terms used in the IAHs

All terms and abbreviations in the IOSA Audit Handbooks (IAHs) are described in the IATA Reference Manual for Audit Programs (IRM).

10 Distribution

Electronic distribution only, via public website: www.iata.org/iosa.

11 Authority

The IOSA Program operates under the authority of the IATA Operations Committee (OPC) with reference to the IATA Board of Governors (BoG). This edition of the IAH P&G is approved for use by the program management.

Section 1 IOSA Program Overview

1.1 IOSA Introduction

IATA Operational Safety Audit (IOSA) Program is a global safety audit program, managed and controlled by IATA.

The objective of the audits conducted under the IOSA Program (by both AOs and operators) is to determine an operator's level of conformity with the IATA Standards and Recommended Practices (ISARPs). Through an audit process, an operator is assessed against the ISARPs, as contained in the IOSA Standards Manual (ISM).

(a) IOSA Standards:

1. Contain specifications (e.g. systems, policies, programs, processes, procedures, plans, set of measures, facilities, and other aspect of operations) that an operator must be in conformity in order to maintain IOSA registration.
2. Always contain the word “shall” (e.g., “The Operator shall have a process...”) in order to indicate that conformance is required.
3. If assessed as a Non-conformity, will always result in a Finding, which then must be closed with appropriate corrective action in order to achieve or regain conformity.

(b) IOSA Recommended Practices:

1. Contain specifications (similar to Standards) that are desirable for an operator to be in conformity; however, conformance is not required in order to maintain IOSA registration.
2. Always contain the italicized word “should” (e.g., “The Operator *should* have a process...”) in order to indicate that conformance is desired, but not required.
3. If assessed as a Non-conformity, will always result in an Observation, which may then be optionally closed with appropriate corrective action to achieve or regain conformity.

To determine conformity with any standard or recommended practice, an auditor will gather evidence to assess the degree to which specifications are *documented* and *implemented* by the operator, refer **IAH 4.2.1**.

The primary source for the requirements contained the ISARPs is the safety and security requirements published in the ICAO Annexes (as applicable to operators). Other sources of ISARP requirements come from FAA and EASA regulations, IATA manuals and industry best practices.

Similar to the ICAO Standards and Recommended Practices (SARPs), the ISARPs are a global standard to ensure effective uptake by all IOSA operators without adding an addition burden of conformity. Operators are encouraged to exceed the ISARP requirements or may be required to exceed the ISARPs to meet their State regulatory requirements.

The scope, eligibility and applicability of the audits are described in the ISM.

IOSA Audits are only conducted by Audit Organizations (AOs) that have been accredited by IATA, in accordance with the IOSA Program Manual (IPM).

1.2 IOSA Documentation System

The IOSA document system comprises the following manuals:

- IOSA Standards Manual (ISM);
- IOSA Program Manual (IPM);
- IOSA Audit Handbooks (IAHs); and
- IATA Reference Manual for Audit Programs (IRM), contains abbreviations and definitions used throughout the IOSA documents;
- SFO Quality Assurance Program Manual (QAPM).
- AO and ETO Quality Performance Manual

Supporting documents such as AO, ETO and Operator Alerts, AO, ETO and Operator Bulletins are also used to disseminate related information.

The IOSA manuals and Operator Alerts/Bulletins above are available for download on the IOSA website <http://www.iata.org/iosa>. The AO and ETO Alerts and Bulletins are available on the AO Extranet site.

1.3 English Language

English is the official language of the IOSA Program and the IOSA Documentation System. Merriam-Webster dictionary can be used as a reference when required. (<http://www.merriam-webster.com>)

The IPM requires auditors to ensure the English language version of all documentation is always used as the basis for a final determination of conformity or nonconformity with ISARPs during the conduct of an audit. Versions of the documents that have been translated into another language are subject to misinterpretation; therefore, any translated IOSA document is considered an unofficial reference.

1.4 Audit Software Platforms

In the conduct of IOSA Audits, electronic systems and an audit software tool are used. The term used throughout this handbook to refer to these electronic tools will be *Audit Software*. Please refer to IOSA Documentation site for IOSA Audit Software Auditee Manual.

(<https://www.iata.org/en/programs/safety/audit/iosa/documentation/>)

1.5 On-Site Audits Versus Remote Audits

As stated in IPM 8.2.2, an IOSA audit must be conducted at the operational headquarters or bases of the operator where key operational functions can be assessed and relevant line personnel and management representatives are available, this is also known as the On-Site Audits.

Often, the operator has various locations for its offices such as administrative office, operational office and logistic office. The word “operational headquarters or bases” is defined as the principal location where the majority of operational decisions are made. If the operator has various locations which fulfill this definition, the accessibility of the documentation & records, the ease of implementation verification and the availability of the operator’s personnel for the purpose of assessing ISARPs shall be considered to determine where the audit should be performed.

It is important to highlight that the audit may not be conducted at a remote location. This remote location restriction is not applicable to outsourced functions, such as flight training and maintenance that are physically located outside the operational headquarters or bases of the operator. In such cases, the AOs shall coordinate and plan these audit activities with the operator to ensure an effective and efficient use of auditor-days.

1.6 Resolution of Unconventional Audit Situations

AOs must contact IATA as soon as possible when any unconventional or problematic situation arises which is not covered by published Program rules, or if there is a risk that finding(s) may not be closed within published deadlines, etc. IATA has the working knowledge and experience with previous Program issues and will use all the facilities and resources at its disposal to assist in resolving such issues. However, IATA may not be able to provide such support if decisions have been made independently, without IATA's acknowledgement or approval. Inappropriate decisions or actions by an AO without the acknowledgement and support of IATA could risk the validity of the audit and/or the operator's registration status: this situation must be avoided at all costs.

The following are further examples of situations based on Program experience in, as well as issues identified and included in the **Audit Preparation Tasks**:

- (a) unexpected local or regional limitations on operational functionality, or a lack of approvals/authorities conventionally issued by regulators;
- (b) Air Operator Certificates (AOCs) and/or Operations Specification not available or expired before the audit, containing expired approvals, listing fleets no longer being operated;
- (c) difficulties in confirming which fleets are currently being operated before the audit, particularly when aircraft or fleets were being phased in, or out, of the operator's scope of operations;
- (d) specific commercial arrangements unique to the region and regulatory structure which are not compatible with the IOSA audit structure and could result in findings which cannot be closed.

1.7 Auditor Qualification

IOSA auditors are auditors that are employed by the AO to conduct IOSA Audits for assessment of the ISARPs conformities and the production of the IOSA Audit Report. The IOSA auditors must be qualified and approved by IATA in accordance with the IPM.

Internal auditors are auditors that are engaged by the operator to conduct internal audits against the ISARPs. The internal auditors must be qualified as per the requirements of **ORG 3.4.13** and have appropriate independence from operational functions as specified in **ORG 3.4.12**. In case external auditors are used, who are not staff of the operator, the operator shall ensure such external auditors fulfill these requirements.



Intentionally Blank

Section 2 Procedures for Audit Organizations

2.1 IOSA Audit Planning

2.1.1 Audit Planning

AOs must plan for the IOSA Audits to ensure minimal disruption and errors; to produce the highest quality IOSA Audit Report (IAR). The planning must be performed, as a minimum, in accordance with the **IPM 8.2**.

An audit plan shall be built into the Audit Software by the Audit Organizations. Subsequently, the built audit plan in audit software will be submitted to IATA electronically for review. Once the review is completed, the built audit plan will be approved and ready to be used.

The planning process includes, but is not limited to, the following:

| Additional Planning Items | |
|----------------------------------|--|
| 1 | Establish communication with the Auditee. |
| 2 | Assess, and address, conflict of interest concerns. |
| 3 | Select the Audit Team for the audit. |
| 4 | Plan logistical and administrative requirements for the conduct of the audit, including visas, etc. |
| 5 | Arrange for the resources and on-site facilities. |
| 6 | Develop an audit plan, including the schedule of the audit activities. |
| 7 | Plan to complete all Mandatory Observations within the window defined in IAH 4.6 . (during the period of time 30 calendar days before to 30 calendar days after the closing meeting date, no later than 31 days prior to the expiry date) Note: <i>Allow time to arrange the line flight observations in some countries requiring NAA approval for access to the cockpit.</i> |
| 8 | Request the following documents from the Auditee: (a) completed list of document using the template downloaded from the audit software. The auditee is not required to fill in the 'Audit Record No', 'Dated Reviewed' and 'Question Codes' column in the template; (b) Air Operator Certificate, Operations Specifications, or equivalent documents; (c) IATA pre-audit questionnaire. (d) Completed Aircraft Systems and Equipment form; (e) if Active Implementation was utilized in the previous audit or will be used in upcoming audit, the Active Implementation Record or Implementation Action Plan; (f) any other documentation required for the auditors to prepare for the audit; (g) identify at least one CAR administrator from the operator and obtain the Full name and email address; and (h) check with the operator if document reference review is necessary during the buildup of the audit in audit software. |

| Additional Planning Items | |
|---------------------------|--|
| | <p>Note:</p> <p><i>There are some countries that do not issue an Operations Specification to an operator. See 2.5.1 special handling.</i></p> |
| 9 | <p>Request/confirm the following with IATA:</p> <p>(a) if it is a Renewal Audit or Verification Audit, the previous IOSA Audit Report;</p> <p>(b) AO shall ensure the audit built approval has been received from IATA prior to the on-site audit by verifying the workflow stage changes to “Audit in Progress”.</p> <p>Note:</p> <p><i>An Audit will only be built by IATA if an agreement has been executed.</i></p> |
| 10 | <p>Determine any language difficulties:</p> <p>(a) Confirm the language(s) in use by the operator's internal auditors;</p> <p>(b) Evaluate the need for translators during the audit.</p> |
| 11 | <p>Determine any special circumstances or unconventional situation with the audit, including if the audit may involve affiliated operators, if it is a Verification Audit etc.</p> |

An operator may choose to undertake an IOSA Preparation Visit (IPV) to assist the operator in understanding the IOSA Audit process, refer to [5.7](#).

When there are one or more affiliated operators that share a portion of their operational functions, and when approved by IATA, one or more of the audits may be of reduced auditor-days due to the shared function having to be audited only once, refer to procedures in [5.1](#).

If the audit being planned is a Verification Audit refer to additional information in [5.6](#).

2.1.2 Early Renewal Audits

When a renewal audit is conducted prior to the audit window (150 – 30 calendar days prior to registration expiry), the audit is referred to as an early renewal audit, see [IPM 7.5.4](#) and [7.5.5](#). An early renewal audit is conducted like a conventional audit, however the registration date is changed to 150 calendar days after the on-site closing meeting.

When an Early Renewal Audit is planned to be conducted, the AO must notify IATA as soon as it becomes known that the audit will be an Early Renewal Audit.

2.1.3 IOSA Audit Build

The AO shall build any audit (initial, renewal and verification audits) in the audit software. The audit build shall include the information of the operator, the Audit Organization and the on-site audit team (Lead Auditor, Auditor and Trainee). All the mandatory field in the audit software will be required at the time of build.

Trainee should be listed in appropriate section of the audit built. If the trainee is an existing qualified auditor in another scope for the audit and also adding a new scope as a trainee; he should also be listed as trainee for the new scope.

Once the audit is built in the audit software, the AO shall submit for review. The review and approval of the built audit shall only be performed by IATA. This request for review by IATA shall be submitted at least 14 calendar days prior to the commencement of the on-site audit.

For any changes made on the audit details after the approval from IATA, the user making the changes shall add comments in the audit software and state the reason of the changes.

After the commencement of the on-site audit, if there is any further changes, the audit organization and/or the lead auditor shall record those changes (e.g. change of auditor and change of operator's address, etc.) within the audit software, before the closure of the audit.

Note:

The auditor trainee will not be given any access to the audit software production database. Instead, the training/test database access will be granted for the training purpose.

□ 2.1.4 Audit Planning for Remote Audit Activities

2.1.4.1 General

If an AO is approved by IATA to conduct any remote activities as per IPM 8.2.22, AO shall consider following planning activities as required and if applicable.

AO shall arrange a remote stakeholder meeting (videoconference) for the discussion of the percentage and details of remote activities at least three weeks prior to the Opening Meeting. AO representatives, Lead Auditor and the Operator representatives shall attend to the remote stakeholder meeting.

Remote stakeholder meeting shall include the following discussion topics as required depending of the percentage of the remote activities:

- (a) The description and details of remote activities
- (b) Remote audit documentation review methodology as applicable;
- (c) Remote audit implementation review methodology as applicable;
- (d) Documents to be provided by the Operator and timelines to follow;
- (e) Documentation and records access (cloud server, file sharing platform, documentation software etc.) as applicable;
- (f) Methods to be used for the detailed audit plan and the scheduling of the calls;
- (g) Time slot, the number and the duration of the calls;
- (h) Time zone differences of the stakeholders;
- (i) The technology to be used (video conferencing software or equivalent technology, cloud server, file sharing platform, documentation software etc.)
- (j) Internet connection and the availability of the reliable communication equipment;
- (k) Need for translators/interpreters;

During the Stakeholder Meeting, following shall be considered as per the above outlined discussion topics:

- (a) AO and the Operator shall agree on documentation access means and the technology to be used. This may include temporary access to the Operator's documentation software or documentation server, use of cloud-based documentation sharing solutions or any acceptable means.
- (b) Need for translators/interpreters shall be carefully reviewed and translators/interpreters shall be assigned to each remote call/meeting if required.
- (c) The number of participants per each call needs to be discussed and agreed during stakeholder meeting. The number of the Auditee per call should be limited to ensure that the call is manageable.
- (d) AO and the Operator shall agree on the methodology and techniques to be used for reviewing the records remotely

2.1.4.2 Detailed Audit Plan

AO shall develop an audit plan in conjunction with the Auditors and the Operator to include detailed schedule of the calls and the participants one week in advance of the Opening Meeting. The format of the audit plan should ensure easy tracking of the calls such as the meetings set up on a digital calendar with reminders.

The audit plan shall additionally include any activity related to onsite auditor(s) to include but not limited to any coordination calls between remote and onsite auditors as required.

Audit plan shall consider that any mandatory observation may be performed at any remote locations where the relevant operations are performed if it is logistically possible and that mandatory observations can be performed by other scope auditors.

Any remote calls scheduled by AO and/or Lead Auditor shall observe basic human factor principles (start & end time, the duration of the call etc.) These principles are applicable to all calls but, for their operational impact, in particular to the following:

- (a) Opening & Closing Meetings;
- (b) Daily audit meetings per each IOSA discipline;
- (c) Meetings between Auditors;
- (d) Daily communication meetings (if required)

AO and the Operator shall agree on the management personnel to be interviewed remotely as required. AO may request the list of management personnel to be interviewed per each scope from the Operator and arrange calls accordingly. In case of an interview is required with operational or administrative personnel other than the management personnel, Auditor may also arrange unscheduled calls as necessary and upon the agreement with the relevant Auditee in consideration with availabilities of the personnel to be interviewed.

2.1.4.3 Test Sessions and Contingency Plan

AO is responsible to ensure that each Auditor that conducts remote auditing activities has stable internet connectivity, reliable communication equipment and access to technologies that will be used to conduct the audit to include, videoconferencing software, cloud server, file sharing platform, documentation software as applicable.

AO shall schedule short test sessions with the Audit team that conducts remote auditing activities and the Operator at least 14 calendar days prior to the commencement of the remote auditing activities. Test sessions should include the review of the following topics at least but not limited to:

- (a) The quality of the video and audio;
- (b) Connectivity issues;
- (c) Screen sharing, document sharing and the visibility.

AO and the Operator shall ensure that any observed issues and technical problems during the test sessions are solved prior to the commencement of the remote audit. If the issues and technical problems identified during the test sessions cannot be solved prior to the commencement of the remote audit, AO and the Operator shall reschedule the audit until the issues are addressed.

AO shall prepare a contingency plan in order to ensure that necessary measures are taken if any phase of the remote audit activities become unattainable. Contingency plan should include actions to be performed in case of loss of internet connection, equipment failure etc.

- (a) AO is recommended to ensure that an appropriate and tested back-up videoconferencing tool is identified in coordination with the Operator if it is feasible. When the primary solution fails, the back-up tool should be used if applicable.

- (b) If the call is unattainable due to failure of both videoconferencing tools or loss of internet connection, the audit can be continued through the phone or any other acceptable means for a short period of time. If the problem is not solved promptly, the remaining part of the call should be scheduled.
- (c) If the remote audit could not be completed before the closing meeting following steps shall be followed:
- Step 1: AO and the Operator shall agree on the new plan for the remaining part of the audit.
 - Step 2: If step 1 is not effective, then an extension of the audit to the extent required, with concurrence of the concerned parties (Auditors & Operator);
 - Step 3: If step 1 and 2 are not effective, then the auditor shall convert all remaining and open ISARPs into non-conformities that will be addressed conventionally after the audit.

2.2 IOSA Audit Preparation

2.2.1 Audit Preparation Procedures

The following **Audit Preparation Tasks** are provided to assist AOs and operators in audit preparation. While most appear obvious, these checks are based on Program experience of significant audit process problems during/after actual audits, or findings which could not be closed within published deadlines.

The preparation tasks shall include, but are not limited to, the following:

| Audit Preparation Tasks | |
|--------------------------------|--|
| 1 | Define the Operational Profile as accurately as possible prior to arriving on site, through the examination of the Air Operator Certificate/Operations Specifications (AOC/Ops Specs). Note: <i>There are some countries that do not issue an Operations Specification to an Operator. See 2.5.1 special handling.</i> |
| 2 | Assess if the Air Operator Certificate is valid for the audit. This check is absolutely essential. Before adding the Air Operator Certificate/Operations Specification in the 'Assessment Details' of the audit software, the lead auditor must verify the Air Operator Certificate/Operations Specification is current and lists the active fleets which will be audited. |
| 3 | Inform the operator, that all fleets on the AOC are within the audit scope and have to be audited, as defined in the ISM Introduction Part 4. |
| 4 | Determine if there are ANY aircraft/fleets on the operator's AOC/Ops Specs that cannot be audited due to being out of scope or unavailable for audit. Such aircraft/fleets must be categorized, see 2.5.2 , and approved by IATA as exempted, with the request to be submitted at least 14 calendar days prior to the on-site audit, see 2.5.6 . |
| 5 | Determine if any aircraft listed on the AOC wet-leased. See 2.5.3 Wet Lease Operations . |
| 6 | Determine if there are any approved and/or authorized functions on the AOC which are not active, as per the categorization in ISM Introduction, "Inactive Approved Operations". Unless the operator has a statement in a controlled document that any such approved and/or authorized functions on the AOC are inactive, the functions must be fully audited, as per the specification in ISM Introduction. |

| Audit Preparation Tasks | |
|--------------------------------|--|
| 7 | <p>Verify with the operator that, if required, all required regulatory approvals are in place for specific operational functions' manuals, training of crew/personnel, etc.</p> <p>One situation could be a significant problem: if a Regulator does not allow manuals/documentation to be used before being formally approved, the operator must be aware that such manuals will NOT be assessed during the audit.</p> <p>Conversely, if a Regulator allows the use of the company manuals prior to their formal approval, then this policy or practice must be clearly stated by the regulator.</p> <p>See 4.12.1. Manuals which Require Regulatory Approval or Acceptance</p> |
| 8 | Determine all Aircraft/Cabin Systems and Equipment in all fleets by reviewing the MNT Aircraft Systems Equipment Table (Table 4.11 and 4.14). Refer to IAH section 4.9 for information on auditing these requirements. |
| 9 | Ensure that it is possible to complete all Mandatory Observations within the required window (during the period of time 30 calendar days before the onsite meeting and 30 calendar days after the closing meeting date, no later than 31 days prior to the expiry date). Exemptions may be performed in accordance with IPM please refer to IPM 7.5.7 and 8.7.10. |
| 10 | <p>Review the previous IAR, as per IPM 8.4.2, to obtain a profile of the Auditee's operations, previous findings, use of Active Implementation, exclusions, etc.</p> <p>Note:</p> <p><i>If the previous audit made use of Active Implementation, it must be followed up and verified during the audit, refer IPM 8.7.8.</i></p> |
| 11 | Ensure individual auditors have prepared for the audit, and have all the relevant documents and material for their preparation. See 2.2.2 for additional information. |
| 12 | If feasible, conduct an Audit Team meeting and preparation for sharing of information prior to the conduct of the on-site auditing activities. |
| 13 | Review the operational information contained in the IATA pre-audit questionnaire and review for significant operational changes, sanctions and etc. |

The conduct of the audit must be undertaken in accordance with the IPM, IAH and ISM.

2.2.2 Auditor Preparation

It is important for all auditors to be prepared before conducting the on-site audit activities. Individual auditor preparation shall include:

- (a) familiarization with the current edition and Temporary Revisions (especially recent changes) of the IATA manuals, the specific ISARPs, Guidance Material, and Mandatory Observations;
- (b) collate the most recent checklists and audit aids;
- (c) familiarization with the current Alerts and Bulletins;
- (d) familiarization with the operator's supplied documentation;
- (e) preparation of an audit interview schedule (being flexible to ensure availability of the most appropriate interviewee); and
- (f) plan for how to conduct the on-site audit (e.g. if the operator only has electronic documents, records and systems), prepare for what you would need to facilitate the assessment of the ISARPs to minimize challenges (i.e. projector, network access etc.).

2.2.3 AO Review of the Previous IOSA Audit Report

The AO shall review the previous IAR for the operator as applicable. This review may be done by AO staff or the Lead Auditor; if conducted by the AO staff, the Lead Auditor must receive the result of the review to share with the Audit Team.

The review of the previous IAR provides information for the AO to be able to determine the accuracy of current information provided, and help scope, plan and prepare for the upcoming audit. Caution must be exercised to not negatively influence or bias the IOSA auditors prior to the audit.

The review of the IAR should include the:

- (a) Operational Profile, to determine if there are any changes, omissions or errors between the previous audit and the current information available, to identify the operational exclusions from the previous audit;
- (b) outsourced functions, to determine the significance, frequency, magnitude, complexity, performance and risk of the operational functions being outsourced, to assess the level of access that may be required for the service providers, to compare the previous information to the current declared outsourced functions;
- (c) aircraft/fleet(s) categorization, to compare the changes and information of the aircraft and fleet(s) out-of-scope and exemptions;
- (d) Additional Information, to compare the reported unconventional situations that were identified in the previous audit, such as the use of AI (if utilized the follow up of the AI is required, see **5.5.7**), Extenuating Circumstances, ICA, any revisits, and other potential challenges that may present in the current audit;
- (e) Mandatory Observations, to determine if any were not conducted, or the type of observations that were performed as this may influence the sample used for the MOs during the current audit;
- (f) nonconformities, if there were any nonconformities or areas that may need to be verified or require a further review for effectiveness; and
- (g) N/A assessments, to validate the Operational Profile and potential areas that have changed or may create errors.

When requesting the IAR, the request to IATA shall be submitted at least 2 weeks prior to the commencement of the on-site audit.

2.2.4 Pre-Assessment of ISARPs

As part of the preparation, the auditor needs to identify ISARPs which are going to be assessed as 'N/A' based on the information provided. The information to be reviewed includes, but is not limited to the AOC, Operations Specifications, Pre-Audit Questionnaire, Manuals Structure.

All ISARPs which have been identified as not applicable to the operator must be assessed in the Audit Software as 'Not Applicable' with the corresponding auditor comment. This assessment must be completed prior to the on-site phase of the audit.

In addition to the assessment of not applicable ISARPs, the auditor should also perform a document review of operator manuals prior to the on-site phase. The review should focus on ISM requirements associated with policies. Any ISARP requiring a policy should therefore also be assessed already for documentation. This assessment is of course only possible if

- the operator has provided a reliable cross-reference list;
- the operator has provided relevant manuals before the audit;
- the manuals are written in a language that can be understood by the auditor(s).

If any of the above conditions are not fulfilled, the assessment will not be possible.

△ The following is the list of ISARPs but not limited to which contain policy requirements and which should be pre-assessed for documentation:

| | | | | | |
|---------------------------|------------|------------|-------------|----------------|---------------|
| ORG 1.2.1 | ORG 1.2.2 | ORG 1.2.3 | ORG 1.5.6 | ORG 2.1.4 (i) | ORG 3.3.1 (v) |
| ORG 3.3.4 (vii) (viii) | FLT 1.3.9 | FLT 1.5.8 | FLT 3.4.2 | FLT 3.4.3B (i) | FLT 3.7.1 |
| FLT 3.9.3 | FLT 3.10.2 | FLT 3.11.3 | FLT 3.11.17 | | |

This is a pre-assessment completed before the on-site phase of the audit. All pre-assessments must be verified on-site and corrected if necessary.

2.2.5 IOSA Audit Team Meeting

In order to inform the IOSA auditors of the outcome of the various reviews conducted prior to the audit and highlight any concerns with the upcoming IOSA Audit, the Lead Auditor must conduct a IOSA Audit Team meeting prior to the start of the on-site audit activities.

The typical team meeting agenda include, but not limited to the following:

- (a) Team Introduction
- (b) The Operator (Auditee) background (Organization structure, affiliated airline, audit category (Initial/Renewal/Verification) etc)
- (c) The operator's Manual Hierarchy
- (d) Standard to be used (IPM, ISM, IAH, AO Alerts, Suspended ISARPs, etc)
- (e) Any issue with the AOC/Operation Specification
- (f) Any issue with the pre-audit questionnaire
- (g) Any issue with the previous IAR
- (h) Any issue with the equipment form
- (i) Any issue with the audit schedule
- (j) Any issue with the audit software and backup
- (k) Logistics Arrangement
- (l) Any AO specific information

The AO must ensure that the Lead Auditor has all the information required to be disseminated to the IOSA auditors, and brief them on the upcoming audit.

□ If an AO is approved by IATA to conduct any remote activities as per IPM 8.2.22, an additional audit team meeting shall be conducted remotely prior to the remote documentation assessment. The following additional agenda items shall be discussed:

- (a) Communication methods between remote and onsite auditors;
- (b) Coordination between remote auditors and onsite auditor(s) planned to perform any mandatory observations on behalf of remote auditors.

□ 2.2.6 Audit Preparation for Remote Audit Activities

If an AO is approved by IATA to conduct any remote activities as per IPM 8.2.22 and remote audit activities include remote documentation assessment, Operators shall provide or give access to at least the following documents and information for the remote documentation assessment at least three (3) weeks prior to the onsite phase of the audit:

- (a) The completed list of documents, including the document code, document title, document effective date, document type and document revision status
- (b) Cross-reference list that includes all the current documentation references for all IOSA standards and recommended practices (ISARPs)
- (c) The digital controlled copy/access of all documents included in the list of documents.

Each auditor conducting remote audit activities is responsible for the following:

- (a) familiarization with the remote audit methodologies identified in IAH;
- (b) preparing/planning how to conduct the remote audit (how to interview & review the records, how to observe operations remotely, how to sample etc.);
- (c) self-testing of the technology to be used prior to the Opening Meeting (videoconferencing software, cloud server, file sharing platform, documentation software etc.).

2.3 Meetings and Mandatory Observations

2.3.1 Opening Meeting

Every audit must be started with a formal opening meeting. The opening meeting is conducted by the designated Lead Auditor and should include the audit team members, unless logistically not possible, and representatives of the Operator. Ideally, Operator representatives include members of senior management, however it is at the discretion of the Operator to nominate participants for the opening as well as the closing meetings. Attendance needs to be recorded.

The opening meeting must be conducted using a formal presentation and needs to address or include the following:

- (a) introduction of members of the Audit Team and representatives of the Operator;
- (b) roles and responsibilities of the Audit Team and the Operator;
- (c) exchange of contact information and lines of communication during the Audit;
- (d) Audit objective: establishment of the level of conformity with ISARPs;
- (e) scope of ISARPs and application to the Audit;
- (f) planned schedule of all Audit activities, including the closing meeting;
- (g) methods and procedures used to conduct the Audit;
- (h) criteria for establishing conformity with ISARPs: documented and implemented;
- (i) administrative arrangements and facilities to be used during the Audit;
- (j) arrangements for travel to, and security/ramp passes for, various Audit venues;
- (k) arrangements for observations of operational activities;
- (l) language to be used during the Audit;
- (m) method of keeping the Operator informed of Audit progress;
- (n) method of reporting IOSA findings or observations to the Operator;

- (o) confidentiality of the IOSA program;
 - (p) safety, security or emergency procedures applicable to the Audit Team;
 - (q) availability and roles of guides or escorts during the Audit;
 - (r) conditions that may lead to termination of the Audit;
 - (s) IOSA dispute resolution process;
 - (t) IOSA Audit Feedback Survey.
- If the Opening Meeting required to be conducted remotely, the following additional items need to be addressed as applicable:
- (a) remote audit documentation review methodology;
 - (b) remote audit implementation review methodology and application to the Audit;
 - (c) technologies to be used during the Audit (videoconferencing software, cloud server, file sharing platform, documentation software etc.);
 - (d) overview of remote auditing activities.
- Opening meeting does not require all members (operator and auditors) to be onsite as some auditors and/or auditee might be on a different place physically.

2.3.2 Mandatory Observations

For every audit, a number of Mandatory Observations must be completed in accordance with IPM 8.7.10 and the detailed guidance and procedures outlined in **IAH 4.6**.

The following Mandatory Observations must be completed:

| MO Nr | Title | Description |
|----------|--|--|
| MO-1-FLT | Line Flight Operations | Observation of flight crew activities, procedures, flight deck systems/equipment; interviews of personnel. |
| MO-2-FLT | Flight Simulator Operations | Observation of instructor/flight crew activities, procedures, simulator systems/equipment; interviews of personnel. |
| MO-3-FLT | Flight Crew Scheduling Operations | Observation/direct examination of flight crew scheduling activities, processes, records; interviews of personnel. |
| MO-4-DSP | Operational Control/Flight Dispatch Operations | Observation/direct examination of operational control/flight dispatch activities, processes, procedures; interviews of personnel. |
| MO-5-MNT | Line Maintenance Operations | <p>Observation/direct examination of line maintenance operations and review of use of MEL and assessment of the repair status and the physical status of the aircraft/engine(s)/propeller(s) and their repaired components as applicable. Such observation includes direct examination of the aircraft condition, observation of the facilities, equipment, tools, standard parts & materials and review of maintenance data & records.</p> <p>Conditions: The activity observed must be performed on the operator's aircraft and include authorized maintenance personnel and a standard part that must meet applicable airworthiness standards. The activity</p> |

| MO Nr | Title | Description |
|-----------|--|---|
| | | observed should include a scheduled line maintenance task in accordance with Maintenance Program or non-routine/deferred maintenance activity. |
| MO-6-MNT | Aircraft Part/Component Installation/Replacement | Observation of an aircraft part/component installation/replacement activity, procedures, parts, resources, records; interviews of personnel. Conditions: Activity must be performed on operator's aircraft and include authorized maintenance personnel, appropriate tooling and a part/component that must meet applicable airworthiness standards. |
| MO-7-MNT | AD/SB Management | Direct examination of engineering/planning processes, documentation, records; interviews of personnel. |
| MO-8-MNT | Aircraft Parts/Components Management/Handling | Observation/direct examination of parts/component management/handling facilities, processes, documentation, records; interviews of personnel. |
| MO-9-CAB | Line Cabin Operations | Observation of cabin crew activities, procedures, aircraft cabin systems/equipment; interviews of personnel. Accomplished during Audits of operators that conduct passenger flights with cabin crew. |
| MO-10-GRH | Load Control Operations | Observation/direct examination of load control activities, processes, procedures, records; interviews of personnel. |
| MO-11-GRH | Passenger/Baggage Handling Operations | Observation of passenger/baggage handling activities, procedures, equipment; interviews of personnel. Accomplished during Audits of operators that conduct passenger flights. |
| MO-12-GRH | Aircraft Loading Operations | Observation of aircraft cargo/baggage loading activities, procedures, equipment; interviews of personnel. |
| MO-13-GRH | Aircraft Ground Handling Operations | Observation of aircraft ground handling activities, procedures, equipment; interviews of personnel. |
| MO-14-CGO | Cargo Acceptance Operations | Observation/direct examination of cargo acceptance activities, procedures, documentation, records; interviews of personnel. Accomplished during Audits of operators that conduct cargo operations. |
| MO-15-CGO | Cargo Handling Operations | Observation of cargo handling activities, procedures, equipment; interviews of personnel. Accomplished during Audits of operators that conduct cargo operations. |
| MO-16-SEC | Passenger/Baggage Security | Observation/direct examination of passenger/baggage security activities, procedures, documentation, records; interviews of personnel. Accomplished during Audits of operators that conduct passenger flights. |

Certain situations and restrictions might preclude an auditor from conducting some mandatory observations or parts of mandatory observations. To address some of these situations, the following rules apply:

- (a) MO-1-FLT may be omitted if prohibited by the applicable regulatory authority or if none of the Operator's aircraft have an appropriate jump seat;
- (b) MO-2-FLT may be conducted during a training flight if no appropriate simulator is available;
- (c) MO-2-FLT may be omitted, if it must be conducted during a training flight and such observation is either prohibited by the applicable regulatory authority or none of the Operator's aircraft have an appropriate jump seat;
- (d) MO-9-CAB may be omitted if the Operator does not conduct passenger flights with cabin crew.

If the AO is approved as per IPM 8.2.22, the following table outlines the applicability of mandatory observations for remote auditing activities. If approved by IATA, an auditor may perform mandatory observation(s) beyond his/her qualifications on behalf of remote auditors in accordance with the policies/procedures defined in this procedure as per the following table.

| Mandatory Observations | Onsite | Remote | IOSA Auditor |
|--|---------------|---------------|---------------------|
| MO-1-FLT: Line Flight Operations | Optional | Not possible | FLT |
| MO-2-FLT: Flight Simulator Operations | Optional | Not possible | FLT |
| MO-3-FLT: Flight Crew Scheduling Operations | Optional | Optional (*) | FLT |
| MO-4-DSP: Operational Control/Flight Dispatch Operations | Optional | Optional (*) | DSP, FLT |
| MO-5-MNT: Line Maintenance Operations | Optional | Not possible | MNT |
| MO-6-MNT: Aircraft Part/Component Installation/Replacement | Optional | Not possible | MNT |
| MO-7-MNT: AD/SB Management | Optional | Optional (*) | MNT |
| MO-8-MNT: Aircraft Parts/Components Management/Handling | Optional | Optional (*) | MNT |
| MO-9-CAB: Line Cabin Operations | Optional | Not possible | CAB, FLT |
| MO-10-GRH: Load Control Operations | Optional | Optional (*) | GRH, CGO, FLT |
| MO-11-GRH: Passenger/Baggage Handling Operations | Optional | Not possible | GRH, CGO, FLT |
| MO-12-GRH: Aircraft Loading Operations | Optional | Not possible | GRH, CGO, FLT |
| MO-13-GRH: Aircraft Ground Handling Operations | Optional | Not possible | GRH, CGO, FLT |
| MO-14-CGO: Cargo Acceptance Operations | Optional | Not possible | GRH, CGO |
| MO-15-CGO: Cargo Handling Operations | Optional | Not possible | GRH, CGO |
| MO-16-SEC: Passenger/Baggage Security | Optional | Not possible | SEC, FLT, GRH, CGO |

- If the AO is approved as per IPM 8.2.22, the following procedure shall be followed:
 - (a) Any mandatory observation (MO) shall be conducted onsite or at any remote location where the relevant operations are performed if it is logistically possible. IATA shall approve any mandatory observation that cannot be accomplished due to any logistical reasons.
 - (b) MO-3, MO-4 and MO-7 may be performed fully remotely if appropriate scope auditor cannot be present at the HQ or any remote location. (*)
 - (c) MO-10-GRH: Load Control Operations may be performed fully remotely if load control operations are performed remotely by the Operator. (*)
 - (d) MO-8-MNT: Management/Handling of Aircraft Parts/Components may be optionally performed virtually with the assistance of any onsite other IOSA Auditor. The remote auditor shall guide the onsite auditor as agreed during the pre-observation briefing to ensure the relevant facilities, equipment, parts and tools are observed effectively. (**)
 - (e) If a mandatory observation is planned to be performed by another scope auditor, remote scope auditor shall brief the relevant auditor prior and after the MO. The pre-observation briefing shall include the following items:
 - 1. The outcome of the ISARP documentation assessment of the relevant MO checklist items to include significant details of Operator's processes or policies relevant to the MO.
 - 2. The summary of any other auditor actions performed to assess the implementation of the ISARP referred from the MO checklist items.
 - 3. The focus areas and auditing tips to facilitate the MO.
 - (f) The post-observation briefing shall include the following items:
 - 1. The outcome of the MO to include any findings and if available any evidence collected such as photos and etc..
 - 2. The discussion between auditors to agree if any nonconformities are observed.
 - (g) Any nonconformities observed during the MOs shall be reported by the auditor(s) conducting the MO(s).

2.3.3 Closing Meeting

The on-site portion of every audit must be concluded with a formal closing meeting. The closing meeting is conducted by the designated Lead Auditor and should include the audit team members, if possible, and representatives of the Operator. Attendance must be recorded.

The closing meeting must be conducted using a formal presentation and it needs to address or include the following items:

- (a) an overview of the performed audit activities;
- (b) IOSA findings and observations;
- (c) supporting objective evidence (may be presented by individual Auditors);
- (d) the summary of findings and observations;
- (e) the Corrective Action Report (CAR);
- (f) follow-up process, including timelines for corrective action;
- (g) process for verification of corrective action implementation;
- (h) closure of findings;
- (i) the final IAR;

- (j) IAR quality control process;
- (k) requirements for IOSA registration;
- (l) confidentiality of the IOSA program;
- (m) IATA policy for marketing of IOSA registration;
- (n) the IOSA Audit Feedback Survey;
- (o) the IOSA program requirement to report any significant changes to operational and management structures to IATA, as per the events specified in IPM 7.7.

2.4 Operational Profile

2.4.1 Prior to the Audit

Determining the operator's Operational Profile is a continuous task from the audit planning stage through to the on-site activities, and changes may be identified during the auditing process. The Operational Profile must be as accurate as possible prior to going on site for the audit.

Prior to the audit, during the audit preparation, the review of the AOC, previous IAR, and Aircraft Systems and Equipment forms will provide information that will help determine the Operational Profile. Additional discussions, documents and information requested from the operator may also focus on clarifying the Operational Profile.

2.4.2 Operational Profile Verification

Immediately after the Opening Meeting and before the commencement of the on-site activity of an IOSA audit, the audit team will confer with the operator's management on the Operational Profile. The information supplied by the operator, including all the approvals, must be scrutinized, especially the approvals that are specific to particular planes or fleets. The discussion will also clarify and confirm essential subjects pertaining to the operations, which include, but not limited to the following:

- (a) If any airplanes or fleets are not available and/or are being phased out or phased-in;
- (b) Whether the Operational Control is shared or non-shared;
- (c) Multi-type or multi-variant qualifications for the crew;
- (d) The carriage of cargo and/or all-cargo flights;
- (e) The transportation of dangerous goods;
- (f) Special Navigation Procedures (VFR, MNPS, AMU, EDTO, RNP, RNAV, etc.);
- (g) De-/Anti-icing program;
- (h) Existence of Advanced Qualification Program or any similar program for training;
- (i) Outsourcing of functions in the IOSA scopes;
- (j) Existence of any approvals that are granted by the Regulator but not exercised by the operator;
- (k) Whether the Quality and Safety departments have a centralized or localized structure;
- (l) The system of approval of operational manuals;
- (m) Known Shipper/Regulated Agent program;
- (n) Other relevant information.

This should be the last chance to check any errors in the Operational Profile of the operator: any corrections that are required must be made at this stage, before the commencement of the audit. In case any audit team member is not present during the Operational Profile Verification, then the member shall be briefed on any changes made during the verification.

Should there be any changes in the Operational Profile, the audit organization and the lead auditor shall record the changes and ensure the data is correct and accurate.

If there are discrepancies identified that need an exemption, then an application must be sent to the AO/IATA immediately. Refer **2.5.6**.

2.5 Categorization of Fleets Operated

2.5.1 Validating the Air Operating Certificate (AOC)

The Lead Auditor is responsible for confirming that the AOC and/or Operations Specifications (Ops Specs) is current and fleets to be audited have been identified and listed in the IAR. The validation of the AOC/Ops Specs must be done prior to the on-site to ensure any required approvals have been submitted to IATA.

In addition, the Lead Auditor must collect a copy of the AOC and the Ops Specs that are valid on the date of the Opening Meeting and verify them immediately after the Opening Meeting, before commencing the on-site audit, in conjunction with the verification of the Operational Profile. See **2.4.2**.

The current AOC/Ops Specs, as of the date of the Opening Meeting, must be uploaded into the Audit Software under the ORG audit checklist for use by IATA to validate the aircraft types that were audited or exempt during the IOSA audit. The AOC will not form part of the final IAR, but shall remain in IATA records.

If the AOC is not valid during the audit, the audit gets invalidated.

Since the scope of the audit is defined by the fleets listed in the AOC/Ops Specs, it is critically important that fleets which fall under the responsibility of the operator at the time of the audit are all fully audited and accurately represented in the AS. Descriptions and/or clarification of any unconventional circumstances must be included in the ES.

Any aircraft or fleet which will not be audited must be approved by IATA as Exempted, as per the procedure in **2.5.6** below. If any doubt exists as to the scope, configuration or status of the fleets to be audited, contact IATA before the audit.

Special Handling for Countries that do not issue an Operations Specification:

There are some countries that do not issue an Operations Specification to an operator. In such a case, the AO shall advise IATA in writing once it is known to the AO.

When on-site, the AO shall validate the operational information contained in the IATA pre-audit questionnaire with the operator at the end of the Opening meeting. It is important for the operator to present documented references to the audit team to verify the “approved” operations. Auditors shall exercise caution when determining if certain operations were really “approved” by the authority. See **4.2.7** for the recording of Not Applicable in this particular situation.

The lead auditor shall report the non-availability of the Operations Specifications in the ‘Additional Information’ in IAR.

2.5.2 Categorization of all Fleets Operated or Utilized by the Auditee

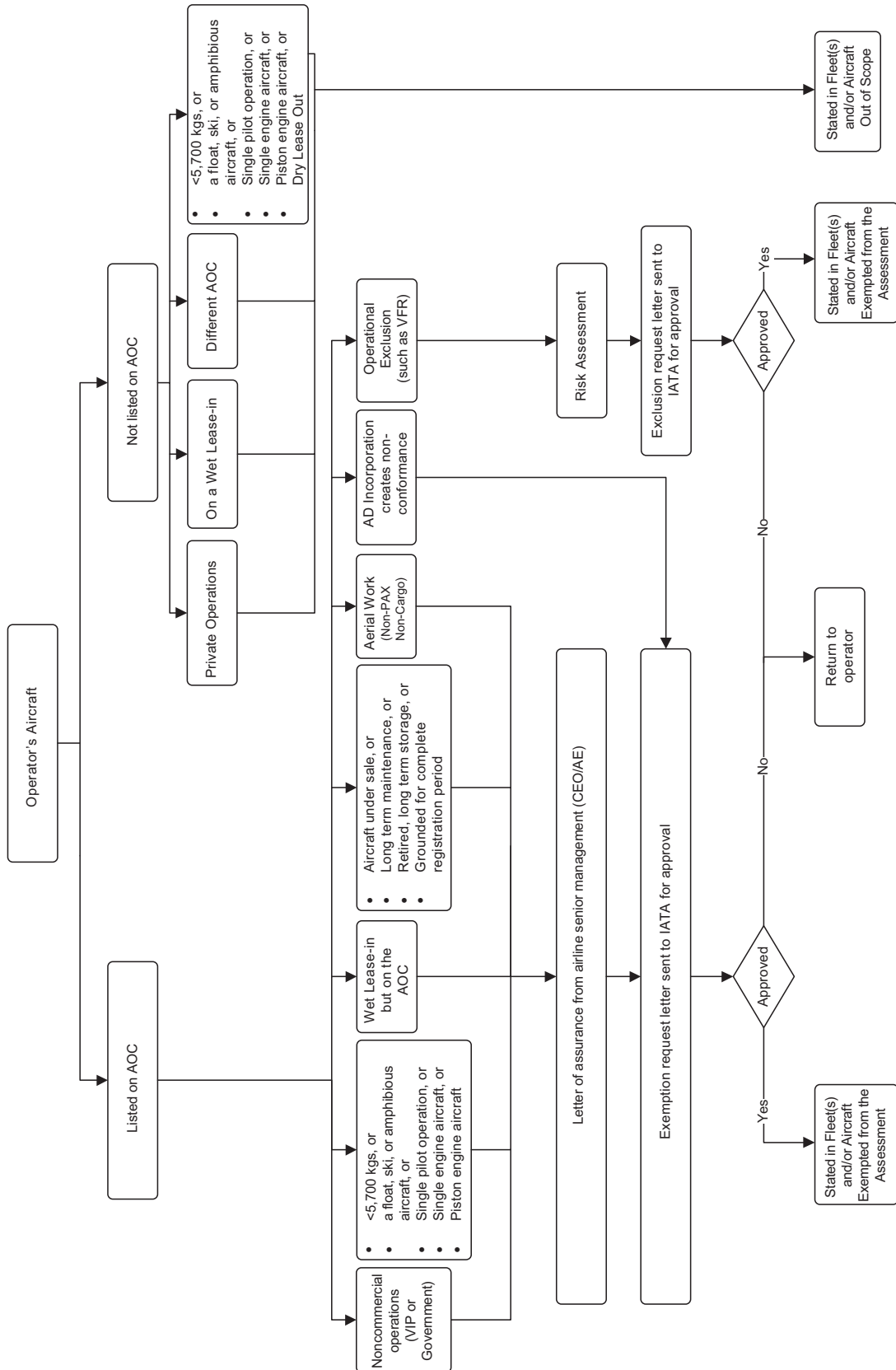
To categorize the fleets operated, see **Figure 2.1** which outlines the categorization of the fleet(s) operated by the operator and shows the actions to be taken.

Aircraft are also categorized as:

- (a) passenger only, the aircraft is configured to carry passengers on the main deck;
- (b) cargo only, only cargo and configuration cannot be readily changed to carry pax;
- (c) combi (combined cargo and passenger configuration) aircraft, planes that can accommodate both pax and cargo in different proportions on the main floor. See IRM definition; and
- (d) Quick Change airplanes, designed to carry pax OR cargo, but not a combination, on the main floor.

Aircraft that are passenger only or cargo only must apply the relevant ISARPs. Combi or quick change aircraft must apply all relevant ISARPs including the <AC> identified ISARPs. Where duplication or contradiction between ISARPs exists, the auditor must take the most stringent application.

Figure 2.1— Categorisation of Operator's Aircraft



2.5.3 Wet Lease Operations

Wet lease configurations and contractual arrangements vary so much that it cannot be practical to record every detail required. Some operators may utilize both types of wet lease – wet lease in and wet lease out. General wet lease arrangements are as follows:

- (a) **Wet Lease Out** – are aircraft that have been leased out from the operator A (the lessor), to another operator B (the lessee). However the aircraft remain on the operator A's AOC, who, as the lessor, generally conducts the operations and retains full responsibility for the operation, usually as per ACMI (Aircraft, Crew, Maintenance and Insurance) conventions. Such aircraft are listed in '*Fleet(s) within Assessment Scope*', and are included in the audit scope of operator A.
- (b) **Wet Lease In (not listed on the AOC)** – are aircraft that are leased by the operator B (the lessee), and the aircraft continue to be operated by the Lessor and potentially under a different regulatory jurisdiction than the Lessee. The aircraft is not listed on the Lessee operator's AOC. As with any outsourced function, the operator, as the Lessee, must ensure oversight of the operation as per ORG 2.2.3, usually encompassing the aircraft, complete crew, maintenance and insurance.

Such aircraft will be listed in '*Fleet(s) and/or Aircraft Out of Scope*', the aircraft will not be part of the audit scope of operator B (the lessee).

Under "*Reasons*" in '*Fleet(s) and/or Aircraft Out of Scope*', state the reason as "wet lease in, not on the AOC"; and provide the aircraft registration(s), lease duration and State of Registry.

- (c) **Wet Lease In (listed on the AOC)** – there have been instances when **wet lease in** fleets are also recorded on the Lessee operator's AOC, as mandated by the State of the operator (Lessee); this is an unconventional situation. Such **wet leased in** fleets must be classified as per their primary regulatory jurisdiction, the State of the operator (Lessor). Therefore, the audit process for such wet leased in fleets will be the same as any other wet leased in fleets, as stated above.

To maintain the accuracy of the audit report, as the leased aircraft is on the operator's AOC an exemption will need to be submitted to IATA for approval to exempt the aircraft from the scope to be audited. Such aircraft will be listed in '*Fleet(s) and/or Aircraft Exempted from the Assessment*'. These aircraft will not be audited in the conventional manner, as with any outsourced function: the operator, as the Lessee, must ensure oversight of the operation as per ORG 2.2.3, as stated above.

Under "*Reasons*" in '*Fleet(s) and/or Aircraft Exempted from the Assessment*', state the reason for exemption, see **2.5.6**; and provide the lease duration, Lessor and country of the Lessor.

- (d) **Damp Lease** – are similar as the wet lease, however instead of the fully contracted ACMI functions, it would exclude some elements. For example, the lease may be for aircraft, augmented crew, maintenance and not insurance; or aircraft, crew, not maintenance and not insurance; or any other combination. As with any contracting arrangement there can be any number of variations to the combination of ACMI agreements.

These arrangements can create other complications, generally if the operator (Lessee) is covering the insurance, thus it is not part of the leased functions, then the insurance companies will want the aircraft to be listed on the operator's (Lessee) AOC.

Damp lease in fleet(s) and/or aircraft must be treated the same as the wet lease in options in b. and c. above. In auditing these fleets/aircraft the functions that are not leased (outsourced) must be audited in the conventional manner as they are undertaken by the operator (Lessee). The auditing of the function(s) that are leased (outsourced) will be to ensure the operator (Lessee) undertakes the oversight of the function(s) that are leased as per **ORG 3.5.4**.

2.5.4 Dry Lease Operations

General dry lease arrangements are as follows:

- (a) **Dry Lease Out** – are aircraft that have been leased out to another operator (Lessee) and the aircraft operate on the Lessee's AOC. These are not considered within the scope of the IOSA Audit and do not need to be recorded in the AS; however, if the dry leased-out aircraft remain on the operator's AOC, then they must be listed in 'Fleet(s) and/or Aircraft Out of Scope' of the IAR.
- (b) **Dry Lease In** – are aircraft that are leased by the operator, as the Lessee, and the aircraft are operated by the Lessee, on the Lessee operator's AOC. They must be considered like any other aircraft listed on the operator's AOC and are within the scope of the IOSA Audit.

2.5.5 Intentionally Open

2.5.6 Fleets and/or Aircraft Exemptions

Any aircraft that are listed on the AOC/Ops Specs that cannot be audited must be approved by IATA as exempt from the scope of the audit. See **Figure 2.1** for guidance. The fleets and/or aircraft that are approved by IATA as exempt are not to be audited. The categories for exemption are listed below.

(a) **Out of Scope:** Fleets/aircraft are out of scope if they:

1. do not meet the eligibility criteria as per the ISM Introduction Section 4, i.e. not above 5,700 kg, single pilot etc.;
2. do not carry commercial passengers and/or cargo, i.e. commercial aerial work, see ISM Introduction Section 4;
3. are not utilized for commercial passengers and/or cargo operations, i.e. testing, VIP or Government operations, see ISM Introduction Section 4; or
4. are on a wet lease in arrangement, see **2.5.3**.

Note:

Some states require wet lease in aircraft/fleets to be listed on the AOC.

(b) **Unavailable:** Fleets/aircraft are unavailable for audit as they are not currently in operation and will not be utilized in commercial operations for the registration period. These fleets/aircraft may be considered exempt from the audit if the fleets and/or aircraft are:

1. being phased out or sold;
2. undergoing major maintenance, major upgrades, repair or restoration work that will extend beyond the IOSA registration period;
3. in long term storage;
4. currently grounded and are likely to be so for the complete registration period; or
5. not available or operational during the audit, but due to commence or recommence commercial operations after the registration period.

Note:

If part of the fleet is grounded and the remainder of the fleet must be audited, an exemption for the grounded aircraft is still required, to ensure an accurate record in the IAR.

(c) **AD incorporation:** Fleets/aircraft which are non-conforming with a provision, directly due to the incorporation of an Airworthiness Directive (AD) issued by the State of the operator as a direct result of an AD from the State of Manufacture/State of Design. This is considered to be outside of the control of the operator as they are following the direction of the authority. An exemption for AD incorporation may be applied to a complete ISARP or a portion of an ISARP, refer **IPM 7.1.9**.

Notes:

1. *The exemption will only be applicable for the specific fleet or aircraft affected by the AD; any exempt ISARP will still be applicable to other fleet or aircraft being audited.*
2. *The AD may instruct the operator to remove a particular item of equipment resulting in a nonconformity, for example in FLT Section 4. However, the operator may still be in compliance with the State regulations due to the listing of an ICAO difference by the State.*

When these conditions occur, approval from IATA must be requested by the operator as soon as it becomes known, but no later than 14 calendar days prior to the on-site audit as per the procedure outlined in **2.5.7**.

To ensure the IAR is an accurate reflection of the audit conducted and to provide clarity in the fleets and aircraft that were audited, information must be recorded in the Operational Profile, ‘*Fleet(s) and/or Aircraft Exempted from the Assessment*’ as outlined in **Figure 2.1**.

A letter of assurance is required from the CEO or Accountable Executive, as outlined in **Figure 2.1** (refer **IPM 7.1.10**), stating that a fleet and/or aircraft which is not able to be audited will not be returned to commercial operations without prior notification to IATA. See **IPM 6.2.3**.

This letter and the appropriate reference in the Executive Summary (ES) and Operational Profile (OP), provides a traceable record of verification of the fleets and/or aircraft being exempted.

2.5.7

| Procedures for Fleets and/or Aircraft Exemptions | |
|---|--|
| 1 | <p>Before the audit, the AO must establish the following from the operator:</p> <p>(a) if any fleets and/or aircraft on the AOC/Ops Specs are assigned to non-commercial operations and/or will not qualify for the audit as they are Out of Scope;</p> <p>(b) if fleets and/or aircraft on the AOC/Ops Specs assigned to commercial air transport operations are unavailable for audit, but are expected to commence or return to commercial operations after the IOSA registration period;</p> |
| 2 | <p>Obtain a letter of assurance from the CEO (or Accountable Executive), as outlined in Figure 2.1, prior to the audit, see IPM 7.1.10, containing a statement confirming the details of 2.5.6 a/b above. The letter must contain, where applicable, the requirements as listed in IPM 6.2.3.</p> <p>Note:</p> <p><i>This is not required for Category (c) for AD Incorporation.</i></p> |
| 3 | <p>Submit an application to IATA for the approval of these fleets and/or aircraft as Exempted, as required by IPM 2.12.3.</p> |
| 4 | <p>Record aircraft details in the Operational Profile.</p> |

| Procedures for Fleets and/or Aircraft Exemptions | |
|--|--|
| 5 | <p>Notes:</p> <ol style="list-style-type: none"> 1. <i>Commercial demands or restructuring could result in any of the above aircraft being re-assigned to commercial operations at short notice, hence the need to obtain a commitment that the aircraft will not be reassigned to commercial operations during the registration period.</i> 2. <i>If the any of the above aircraft are re-assigned to commercial operations, IATA must be notified as soon as possible: this may require a verification audit.</i> |

2.5.8 Operational Exclusions

An Operational Exclusion is any defined segment of operations that is planned to be audited and will not be able to conform to IOSA requirements, or where audited and found to not be in conformity, refer **IPM 7.1.5**. These exclusions must be supported by a risk assessment, conducted by the operator, to demonstrate that the intended level of safety established through the conformity with the relevant ISARPs has not been compromised. All Operational Exclusions must be approved by IATA.

The operational exclusions are usually related, but not limited to:

- (a) routes or operations associated with a specific airport, for example a route that only must be flown VFR, due to a lack of nav aids, NAA directive, or operational environment; and
- (b) commercial passenger and/or cargo aircraft that are partially used for types of aerial work, for example the aerial delivery of food (food drops), oil-spill clean up, parachuting, or search and rescue operations.

Note:

*If the aircraft is configured for, or conducts 100% aerial work then the aircraft would be exempt from the audit, see 2.5.6 and **Figure 2.1**.*

When an operation is identified that may need to be excluded, approval from IATA must be requested by the operator as soon as it becomes known, but no later than 14 calendar days prior to the on-site audit as per the procedure outlined below.

| Procedures for Operational Exclusions | |
|---------------------------------------|--|
| 1 | Before the audit, the AO must determine from the operator if any operations, involving aircraft on the AOC/Ops Specs, may require exclusion from the audit. The AO may provide guidance to the operator on this process. |
| 2 | The operator must define the type of operations that are requested to be excluded, and how these operations are clearly delineated from other operations. |
| 3 | The operator must complete a risk assessment of the operations that are requested to be excluded. |
| 4 | Submit an application to IATA, with the above information, for the approval of the operational exclusions, as required by IPM 2.12.3 . |
| 5 | To ensure the IAR is an accurate reflection of the audit conducted and to provide clarity in the fleets and aircraft that were audited, information must be recorded in 'Fleet(s) Excluded as per the Limited Assessment Process' as outlined in Figure 2.1 . |
| 6 | Ensure that the CEO is aware that there will be an appropriate reference to the fleets which were not audited in the IAR Executive Summary and Audit Summary. |

2.5.9 Fleets and/or Aircraft Out of Scope

Any aircraft that are operated by the operator, but are **NOT** listed on the AOC/Ops Specs, are not to be audited. These aircraft are out of scope and may be:

- (a) operated by the operator on a different AOC;
- (b) operated by the operator, but are ineligible for IOSA, as per ISM Introduction Section 4;
- (c) operated by the operator in a private capacity; or
- (d) on a wet lease in arrangement.

When these conditions occur an approval from IATA is **NOT** required, however to ensure the IAR is an accurate reflection of the audit conducted and to provide clarity in the fleets and aircraft that were audited, the information must be recorded in '*Fleet(s) and/or Aircraft Out of Scope*'; see **Figure 2.1**.

2.6 Auditing the Internal Oversight

2.6.1 Background Information

Operators that are on the IOSA Registry are required to conduct on-going internal oversight using the IOSA provisions, which will assist in the achievement of continued conformity, increased focus on implementation, reliability of quality assurance and standardization of operator-internal assurance activities. Submission of the Conformance Report is no longer required, however the Operator is still required to internally audit itself against all ISARPs and to record and retain all related information in accordance with **ORG 2.1.4**. The IOSA Auditors will continue to verify this internal auditing as part of their assessment. IATA will continue to provide a 'Conformance Report' template for convenience purposes and due to ongoing demand.

The internal oversight must be conducted in a similar manner to the AO auditing of the operator. The internal oversight auditing will include an assessment of documentation and implementation, see ISM Introduction. To assist in the assessment of implementation and provide standardization, the operator must use Auditor Actions.

Auditors assigned to audit against ISM provisions, whether employed by the operator or contracted by the operator as an outsourced function (see **2.6.8**), will be referred to as "Internal Auditors".

2.6.2 ISM Applicability for Assessments

The operator must conduct internal assessments (audits and/or alternative internal oversight methods) against all the ISARPs in the effective IOSA Standards Manual (ISM) during the two-year registration period.

- △ • When a new edition of the ISM becomes effective during the first 18 months of the two-year registration period, the operator must use the new edition for its internal auditing and alternative oversight methods process.
- △ • When a new ISM edition becomes effective during the last six months of the two-year period, it is optional for the operator to re-assess potential changes.

When a new edition of the ISM is published, it is the operator's responsibility to identify the provisions that require assessment or re-assessment. There is no absolute procedure for the identification of standards or recommended practices that might require auditing or re-auditing. Every operator will develop its own detailed process for identifying significant changes.

As a minimum, the Operator must review the "Description of Changes" section of a new ISM Edition to identify the provisions that might need assessment. This might be the case if, for example, a Standard was changed significantly, or a Standard was added to the ISM. This will result in the assessments for multiple ISM editions, which is acceptable according to **ORG 2.1.4**

The final result of these reviews will vary from operator to operator – It may happen that an operator identified a change to a standard or recommended practice as significant, whereas another operator did not do so. The AO auditor needs to show some flexibility in allowing the Operator to familiarize with ISM revisions over a longer period of time.

The following gives a list of examples of changes in the ISM that may require assessment of the provisions in the new ISM Edition:

- A new ISARP is added.
- A Recommended Practice is upgraded to Standard.
- A significant change is made to the content of an ISARP.

2.6.3 Intentionally Left Blank

2.6.4 Procedures for the On-Site Verification of the Operator's Internal Audit Against the ISARPs

The on-site portion of the Audit will follow the conventional auditing process, with the addition of specific activities designed to build confidence that the operator has correctly assessed the ISARPs during the internal audits. All the steps and procedures described in this chapter are used to verify whether the Operator has fulfilled its obligation to audit itself against all ISARPs.

The on-site verification of the operator's internal audit against the ISARPs focuses on the training and qualification of the internal auditors, the verification of the internal assessments, and the integrity of the QA program of the Operator. A sampling approach, see **4.3.2**, is taken by the AO auditors to verify the integrity of the Operator's results, see **Table 2** below.

The AO must evaluate the specific methods and processes used by the internal auditors to audit against the ISARPs and verify the sampled provisions. There should be a particular focus on the steps used by the operator to confirm implementation.

Unless required by the operator internal procedures, the operator does not need to record the evidence that was subject to the internal audits against the ISARPs, however this would be beneficial. Records confirming the conduct of the Auditor Actions will assist in satisfying the requirement.

Table 2 On-site Assessment of the Operator's QA

| 1. Information to be verified |
|--|
| <p>The AO auditors need to verify that all information required by Table 1.2 is recorded. This includes the following items:</p> <ul style="list-style-type: none"> (a) All provisions are assessed; (b) All relevant fields: documentation references, conformance status, etc..., are completed and in English language; (c) Details of all non-conformities, assessments, evidence listed, corrective actions, etc ..., are complete; (d) Reasons are provided for all N/A assessments; (e) Internal auditors are listed; (f) Audited sections were conducted by a qualified internal auditor on the internal auditor list; (g) Audit dates are during the audit registration period (after the previous IOSA audit); <p>The specific provisions that need to be verified by the AO auditors on-site, include:</p> <ul style="list-style-type: none"> (a) Any findings or groups of related findings; (b) A sample of N/A assessments; (c) SMS and QA related provisions; (d) Any assessments, group of assessments or other areas of concern highlighted by the internal auditors or their managers; and (e) Any assessment or group of assessments which the AO auditors have a reason to be concerned about. <p>Note:</p> <p><i>If the internal oversight is complete, however the content is of poor quality, the ORG auditor must determine the root cause and reflect the nonconformity in the most appropriate ISARP.</i></p> |
| 2. Selection of provisions to be verified |
| <p>The on-site verification of the Operator's internal audits by the IOSA Auditors will be as per the AO's internal procedures and can be accomplished in different ways. The timing and sequence of the on-site verification shall be coordinated by the Lead Auditor. Some examples of conducting the verification include, but are not limited to:</p> <ul style="list-style-type: none"> (a) Conducting verification upfront before commencing with conventional IOSA auditing. (b) Conducting verification concurrently with conventional IOSA auditing by: <ol style="list-style-type: none"> 1. pre-selecting the ISARPs to be verified and annotating them for verification as the audit progresses; 2. randomly verifying an ISARP based on a time interval: as an example, every 30 minutes; or 3. randomly verifying an ISARP based on the number of ISARPs: as an example, every 10th ISARP. (c) Conducting verification at the end of the conventional IOSA audit to compare with the IOSA audit assessment. |

| |
|--|
| <p>3. Other procedural steps</p> <p>(a) Use of the respective Auditor Actions as prescribed.</p> <p>(b) Assess the operator's process of internal audits against the ISARPs.</p> <p>(c) Bring the process of internal audits and the quality of the auditing into context with the operator's QA as well as training and qualification program. Reflect any qualitative discrepancy in the assessment of any related QA provision.</p> <p>(d) If possible, try to simulate the auditing process of individual provisions with the internal auditor(s).</p> |
| <p>4. Reporting the results of the verification</p> <p>(a) Auditor in each discipline shall report the result of his/her verification to the ORG auditor.</p> <p>(b) The ORG auditor shall base his/her assessment of the provisions on the outcome from the on-site verification activities.</p> <p>(c) If the ORG auditor determines that all main requirements are met, the ORG auditor assesses the related provision as in conformity.</p> <p>(d) Any discrepancies between an internal assessment of the operator and the AO auditor's assessment shall be recorded in accordance with 2.6.11.</p> |

2.6.5 The Challenge of Auditing ORG

The ORG discipline (and its repeated provisions in the other disciplines) represents a major component of the audit system. The following factors need to be considered when auditing ORG:

- (a) Operators may face difficulties in arranging internal assessments against the ORG section, especially if the quality assurance functions are centralized. The operator will develop procedures and methods that will allow the internal auditing function (in this case it might be the quality assurance program) to be assessed by another internal, qualified organization (e.g. legal department, other qualified auditors that are independent from the quality assurance, etc.).
- (b) There is a risk that internal auditors with limited knowledge of corporate management structures and functions may face difficulties in assessing their own organizations.
- (c) Within certain cultures, internal auditors who identify deficiencies when auditing their own senior management structure may find themselves in a compromising position.
- (d) All primary SMS and QA hard and soft-linked provisions are located in ORG and can only be effectively assessed by an auditor with a practical working knowledge of SMS and QA.

△ The AO auditor needs to consider these factors when reviewing the procedures through which the operators internally audit ORG. In any case, the internal audit must be performed by a qualified auditor in accordance with **ORG 2.1.8** and **ORG 2.1.9**.

2.6.6 The Challenge of Assessing Implementation

The requirement to assess implementation might not be familiar to internal auditors for the following reasons:

- (a) Operator's QA teams may not be familiar with the coordinated assessment of documentation and implementation, although they may have had the opportunity to experience this methodology during their past IOSA Audits.
- (b) Managers and internal auditors will very likely have the perception that their operational structure, processes, procedures, etc. are already implemented.

- (c) Internal auditors may be too familiar with their operational structure, processes and procedures that they do not apply sufficient audit diligence and overlook or assume a level of conformance or implementation.

2.6.7 Outsourced Internal Audit Activities

The operator may choose to use external resources to conduct internal audits. This is acceptable, however the operator must ensure:

- △ (a) External resources that perform internal audit activities meet the operator's training and qualification program requirements as per **ORG 2.1.8/ORG 2.1.9**;
- (b) The external resource(s) is/are familiar with the organizational and operational structures of the operator to perform assessments against the ISARPs;
- (c) IPM 2.4 conflict of interest limitations have been met.

2.6.8 Use of Auditor Actions

- △ The AAs are an integral part of the IOSA requirements. As per **ORG 2.1.4**, the operator is required to use all AAs when performing their internal assessments, as far as reasonably practicable. To facilitate the use of AAs when completing internal audits, the AAs have been slightly modified to also address operator-internal audit activities. The Auditor Actions (Word Checklist) can be downloaded from www.iata.org/iosa under the 'Documentation' tab.

The operator has two options to complete Auditor Actions:

- (a) **Option 1:** The operator can use the AAs that are published by IATA, and is able to add additional AAs in the "Other Actions" field; **or**
- (b) **Option 2:** The operator can choose not to use the Auditor Actions that are published by IATA. In this case, the operator must document its own defined Auditor Actions. When defining operator specific AAs, they must reflect the intent of the IATA provided AAs, and may include additional AAs. The operator defined AAs must include a description of the methodology for determining the AAs. The Auditor Actions must comprise a list of multiple actions that lead to the effective collection and evaluation of evidence in order to assess implementation of the ISARPs.

The operator is not required to record AAs for ISARPs that have been determined to be not applicable (N/A); however, if only one or more sub-items are not applicable, then the AAs must be recorded for the remaining applicable sub-item(s).

The operator must record the accomplishment of all AAs (e.g. internal audit checklist or other controlled document).

2.6.9 Assessment of N/A

AO auditors need to emphasize the importance of correctly identifying provisions that are not applicable. N/A assessments must be recorded. The N/A assessments are important as they represent a source of potential discrepancies in the assessments between the operator and the AO auditor.

2.6.10 Interlinked and Repeated Provisions

The Operator should assess repeated provisions in the conduct of their internal auditing of the ISARPs, in accordance with **4.2.15**.

The Operator should assess the interlinked ISARPs, in accordance with **4.2.16**. The Operator would find it helpful to use the interlinked ISARPs as a tool for quality control to ensure consistency within and between the internal audits.

The AO auditors are neither required to review nor verify the interlinked ISARPs, nor are they to issue any non-conformities based on an assessment of the interlinked ISARPs. However, the AO auditor could use the interlinked ISARPs to verify accuracy and integrity of the operator's internal audit against the ISARPs. This could identify any inconsistencies within and between internal audits, such as inconsistencies in the assessments in different disciplines.

2.6.11 Audit Hierarchy when Finalizing Contradictory Assessments

During the on-site audit, AO auditors may have assessments that differ from those provided in the operator's internal audit against the ISARPs. The final assessment in the IOSA Audit is always made by the AO auditors and its Lead Auditor. A clear explanation, reasoning and description of evidence assessed, etc. needs to be provided to the internal auditor (see also "Role of the AO during Audits").

2.7 Completing the Audit Checklists (AC) [Previously known as Questions and Responses Report (QRR)]

2.7.1 Conventions used for the Audit and Report Production Process

(a) The grammar tense to be used:

1. Findings/Observations must be present tense;
2. Not Applicable items can be past or present tense;
3. Final Action Required (Planned Corrective Action) must be in future tense;
4. Review (Verification of Implementation) must be in past tense.

(b) "The operator" or the operator name should be used when referring to the operator in the IAR, unless the phrase "Auditee" or "airline" is more appropriate to any specific titles, phrases or descriptions.

(c) The term "conformity" must be used, not "compliance", refer to the IRM definition.

(d) As the report is a recording of factual evidence, first person, subjective or personal terms must not be used, such as: "I confirmed that...", "we consider", or "we are of the opinion that".

(e) The standard format for dates in the report is: dd-Mmm-YYYY; the months are recorded as Mmm-YYYY.

(f) Where an airport is stated also include the three letter IATA airport code.

2.7.2 Fields of the Audit Checklists (AC)

The ISARPs must be assessed in accordance with **4.2**. The result of the assessment is recorded in the 'Answer' field of the Audit Checklists, and as required, a description of the assessment in the auditor 'Narrative' field. The outcome of the assessment of the ISARP may be:

- (a) **Conformity:** the operator is in conformity with the requirement in that it is assessed as Document and Implemented. There is no statement entered into the 'Narrative'; field.
- (b) **Nonconformity:** the operator is found deficient in that the requirements of the ISARP are either, or both, not document and/or not implemented. A statement is entered into the 'Narrative' fields in accordance with **4.2.12**.
- (c) **Not Applicable:** the complete ISARP or its sub-requirement, is not applicable to the operator, which may be the case for many reasons. A statement is included in the 'Narrative' field in accordance with **4.2.7**.

Note:

The auditors are not expected to work on the same ISARPs in the audit software at the same time.

The auditor needs to select the 'Yes/No' button for each option in the 'Question' section of the ISARPs following the guidance below. These questions include 'PCO (Parallel Conformity Option)' and 'Outsourced Function'.

| Option | Description |
|---|--|
| AI (Active Implementation) or PCO (Parallel Conformity) | <p>If the ISARP is an AI or PCO and the operator use AI or PCO to conform this ISARPs, select 'Yes'. Otherwise select 'No'. The default value is 'No'</p> <p>The narrative description on which AI is used shall be stated as per 5.5.</p> <p>The narrative description on which PCO is used shall be stated as per 4.2.9.</p> |
| Open Item | <p>The auditor can use this button for highlighting any open ISARP. The use of the button is up to the auditor's discretion. The default value is 'No'.</p> |

The document reference must be recorded by adding the reference in the 'Docs' field in the Audit Checklists, in accordance with **4.2.3**.

The Auditor Actions must be completed and recorded using the check boxes in the Audit Checklists, in accordance with **4.4.3**.

The Auditor Actions must be completed however they do not need to be recorded in the audit software. Please refer to **4.4.3** for detailed information.

If there are assessments resulting in nonconformities, then a Corrective Action Record (CAR) must be raised for each nonconformity, in accordance with **2.8**.

In the audit checklist, it is required to list the individual interviewed in the audit software. When practicable, the auditor shall use the full name and position title of the individual interviewed.

Note:

*The title and position do not need to be translated into English. See **2.7.3 Item 1**.*

2.7.3 Document References (DR) [Previously known as Information Sources (IS)]

The DR will be generated from the Audit Software.

| Documentation References | |
|--------------------------|--|
| 1 | <p>Where an Auditee's language of operation is not English, documentation, titles, positions and other key descriptors do not need to be translated into the English language (as long as the Latin script is used) and can be recorded in the language used by the Auditee, accompanied by or replaced by an appropriate explanation or equivalent title in English, as necessary.</p> <p>Note:</p> <p><i>If the language being used is that of the Auditee, it will need to be presented in Latin script, i.e. not Cyrillic script, Arabic script, Chinese scripts or the many other scripts which are not easily utilized in digital media.</i></p> |
| 2 | All manuals and documents that are referenced as evidence in the Audit Checklists include document title, code, version, revisions details and date of document (if applicable). |
| 3 | The field 'Code' is a mandatory field for the acronym name of the manual. It is suggested to avoid any duplication of the name of the manual. |
| 4 | Title of the manual and document type are also mandatory field. |
| 5 | All manuals and controlled documents that are recorded in the DR, must include the document type in the 'Type' column, as defined by the IRM (Type 1, 2, 3 or paper). This is done by selecting the correct type from the drop down menu in the DR. |
| 6 | <p>The 'Date Reviewed' field must be completed with the date that the document was accessed for Type 1 and Type 2 documentation specified in ISM Table 1.1, but it is optional for Type 3 or paper documentation specified in ISM Table 1.1.</p> <p>If it was accessed multiple times or by multiple auditors, the first date it was accessed shall be recorded.</p> |
| 7 | <p>The field 'Audit Questions (Map)' can be used to link the audit checklist item (i.e. ISARPs) to the document reference. During normal operation of the audit software, the audit checklist items (i.e. ISARPs) and the document reference are linked by responding the ISARPs in the 'Audit Checklist' interface. It is not recommended to use this field to record the document reference.</p> <p>Any document reference shall be linked to at least one audit checklist item (i.e. ISARPs). If not, this means the particular document reference has not been used to demonstrate the conformity of the ISARPs, and it shall be removed from the Document References.</p> |
| 8 | If the Auditee uses a documentation structure that does not follow industry norms, or does not have a readily available identifier (e.g. online/intranet documentation structures), the AO is still required to provide some form of valid documentary reference, to ensure traceability of the documentation that was used to validate the audit assessment. |
| 9 | Due to the software limitation, the unused document reference (i.e. the document reference is not linked to any checklists or ISARPs) will not be removed automatically when the system generates the Information Sources (IS) Report. The Audit Organization or Lead Auditor shall ensure the unused document reference will be removed manually from the system before proceeding the IS report. |

2.7.4 Airline Groups, Subsidiaries or Affiliates using Common Documentation

- (a) It must be expected that operators which have close operational ties and common operational functions will utilize common manuals and documentation.
- (b) Each AOC holder must have a means of identifying and linking all documentation to the operations under their AOC. Responsibilities for the production and amending of all manuals and documentation, may be centrally assigned, but must be clearly defined for each AOC holder. This may be done by each applicable operator approving the document, or an authorization process by the operator that has not signed the approval of the document.
- (c) Such common documentation structures must be described in the Executive Summary, to clarify common documentary structures across multiple operators. **See 2.8.7** completion instructions for Management and Control.

Note:

*If a parallel audit is being considered for affiliated operators, approval must be granted by IATA see **5.1 Parallel Audits of Affiliated Operators**.*

2.8 Completing the Audit

2.8.1

| Item | Field Name | Completion Instructions |
|-------------------------------------|-----------------|--|
| Audit Details for New Audits | | |
| 1 | Program Type | Select program type as 'IOSA' Note: <i>It is important for the audit software user, who has multiple audit programs in the audit software authorization, select the correct program (IOSA, ISAGO, and ISSA etc.) that he/she is using the software.</i> |
| 2 | Region/ Country | The auditor shall select the region and country where the operator (i.e. AOC) is registered. |
| 3 | Name of Airline | This is the auditee’s legal name. The auditor shall select from the database on the operator’s name for any renewal or verification audit. If this is an initial audit, the operator’s basic information would not have been built in the system; in such a case, IATA shall be contacted to build the basic information at least 2 weeks before the on-site audit. When the AO is providing the information to IATA, the AO shall ensure the legally registered name of the Auditee is provided as per the AOC or applicable Operating Certificate. In some occasions, the auditee will have similar trade names under two different AOCs, e.g. for international operation and for domestic operation. It is vital that the AO clearly identifies the AOC they are auditing. The information required for building the initial operator information in the audit software include, but not limited to, name of airline, ICAO Code, Operational/Trading Name, Address, Country and primary contact person in the operator (name, position and email). Note: <i>Operator often use operational or trade name which differ from the legally registered name, for commercial or other reasons. If the Auditee prefers to have their trade name listed on the Certificate and Registry, IATA shall be notified unless this is stated in the audit contract. The final right to approve</i> |

| Item | Field Name | Completion Instructions |
|------|--|---|
| | | <i>this request rests with IATA. The trade name often appears on the AOC, if this is the case, the trade name must be as per the AOC or applicable Operating Certificate.</i> |
| 4 | CAR Administrator | Enter the name, position and email of the primary contact person for the Auditee for responding the Corrective Action Record. Note that the system can accept a maximum 3 CAR administrators per operator. |
| 5 | Audit Category | Select initial, renewal or verification audit from the drop-down menu. |
| 6 | Auditee Review Required to add document reference/ Due Date/ Auditee Required to do the review | <p>If the auditee requires a review of the document reference, select 'Yes'; otherwise, select 'No'.</p> <p>If the auditee review is selected to add a document reference, then the selected person from the Auditee will be given a review access to any document reference added in the software during the build phase of the audit. The audit organization shall communicate with the auditee to ensure the review of the document reference is taken place in timely manner that will not affect the audit build process or the on-site audit. This is recommended have at least 1 week buffer after the review of the document reference and before the on-site audit.</p> <p>The selected person from the auditee reviewing the document can be selected from the software provided that the information of this person has been built in the software. It is recommended that the operator restricts this to one nominated person as the Primary Contact Person of the operator. If an additional person is needed for this document reference review process, the information of this user shall be submitted to IATA at least 1 week before the user access can be granted.</p> |
| 7 | Audit Organization | Select the name of the AO performing the audit |
| 8 | AO Administrator/ AO CAR Administrator | Select the AO administrator or AO CAR administrator from the drop-down menu. If any new administrator need to be added for this process, the information of this user shall be submitted to IATA at least 1 week before the user access can be granted |
| 9 | Opening Meeting Date/Closing Meeting Date | Enter Opening Meeting Date and Closing Meeting Date in the system. A date in the past will not be accepted by the system. |

| Item | Field Name | Completion Instructions |
|------|-----------------------------|--|
| 10 | Audit Closure Deadline Date | <p>Enter the Audit Closure Deadline Date. It is recommended to follow the guideline stated below:</p> <p>Initial Audit–18 months after the expected on-site closing meeting Date</p> <p>Renewal Audits–6 months after the Registration Expiry Date</p> <p>Verification Audits–6 months after the Registration Expiry Date</p> |
| 11 | Lead Auditor | <p>Select the name of the lead auditor from the database. If any new lead auditor need to be added, the information of this user shall be submitted to IATA at least 1 week before the user access can be granted.</p> <p>Note:</p> <p><i>If a Lead Auditor is under evaluation, the Evaluator remains the official Lead Auditor and must be listed as such. The Lead Auditor under evaluation will be listed in Trainee Selection.</i></p> |

The audit builder can now save the data and go to the subsequent part of the Audit Summary as below.

2.8.2

| Item | Field Name | Completion Instructions |
|--------------------------|------------|--|
| Auditor Selection | | |
| 1 | Name | <p>This is a mandatory field that the auditor name need to be selected from the database. If any new auditors need to be added, the information of the users shall be submitted to IATA at least 1 week before the user access can be granted.</p> <p>Note:</p> <p><i>If any auditor(s) is under supervision and assessment, the qualified auditor remains the responsible auditor for that discipline and must be listed as such. The auditor(s) under supervision and assessment will be listed as a Trainee Selection for that discipline.</i></p> |
| 2 | Audit Plan | <p>Add the plan for a particular auditor selected in the previous field. The selections are Operational Plan, Evaluation Plan and Qualification Phase.</p> <p>Note:</p> <p><i>The audit plan is for planning purpose. The AO or Lead Auditor will not be required to update the audit plan in case it is different from the on-site audit.</i></p> |

| Item | Field Name | Completion Instructions |
|------|-------------------------------|--|
| 2A | Audit Plan – Operational Plan | <p>The Operational Plan is selected with the qualified lead auditor or auditors performing audit in their respective discipline(s). The role in the operational plan can be chosen for each auditor as the following:</p> <p>LA is Lead Auditor. AU is Auditor. EV is Evaluator. All auditors must be qualified and current in their respective discipline(s) on the IATA Master Auditor List.</p> <p>'Audit Day' field for each auditor is to specify the discipline that will be audited each Audit Day (i.e. FLT 1, OM=Opening Meeting, CM=Closing Meeting) Observations shall be reported into the Audit day column (i.e. GRH-MO). If they take place outside the on-site audit period, please select in the "Other Observation" in the audit day.</p> <p>'Function' field is to indicate the function of the auditors. Auditors performing the supervision and assessment of a qualifying auditor shall be reported for each applicable discipline in the appropriate Audit Day. Functions include C for Conduct Audit, S for Supervise and Assess as specified in IPM 3.10.3 note 4 and O for Observe.</p> <p>Task fields include task for Morning and Afternoon. The maximum input for an audit day are 4 tasks. Blank Selection represent there will be no task assigned at that period of time.</p> <p>Note:</p> <p><i>The operational plan shall indicate 25 Man Days as per IPM 8.2.5 (i).</i></p> |

2.8.3

| Item | Field Name | Completion Instructions |
|--------------------------|--------------------|---|
| Trainee Selection | | |
| 1 | Team Member | <p>This is a mandatory field. The auditor(s) under training needs to be selected as a Member from the database. If any new auditors need to be added, the information of the users shall be submitted to IATA at least 1 week before the user access can be granted.</p> <p>The applicable selection options shall include the followings:</p> <ol style="list-style-type: none"> 1. Initial qualification as an auditor, see IPM 3.10; 2. Lead Auditor (LA) qualification, see IPM 3.11; 3. Auditors adding an additional discipline(s), see IPM 3.14; 4. Auditors under performance evaluation, see IPM 3.16; 5. Auditors re-establishing qualification, see IPM 3.18; 6. Lead Auditors re-establishing qualification, see IPM 3.18; and 7. Auditors re-establishing discipline(s) currency, see IPM 3.18. |
| 2 | Assessor | <p>The Assessor(s), if applicable, needs to be selected from the database. The assessor here is either the IOSA Auditor conducting the supervision and assessment during an initial/discipline qualification or the Evaluator for all other applicable conditions.</p> |

| Item | Field Name | Completion Instructions | | |
|----------|--|---|---|---|
| 3 | Trainee Role/Qualification Step | There are several options that are applicable to the trainee role and the relevant qualification step. The following table outlines the possible combinations and the corresponding information available in the drop-down field. | | |
| | | Qualification Step | Trainee Role | Additional Info |
| | | (a) Initial qualification as an Auditor (b) Auditor(s) adding additional discipline(s) (c) Auditors re-establishing discipline(s) currency | (a) Observing (b) Auditing while under supervision | Not applicable |
| | | 1. Auditors under performance evaluation (PE) 2. Auditors re-establishing qualification | (a) Auditing while under evaluation | Auditor under any of these conditions: (a) Under bi-annual performance evaluation. (b) Auditor that failed to maintain the bi-annual performance evaluation (c) Auditor that failed to maintain audit conduct currency (within 1 year) (d) Applicable to Lead Auditors that failed to maintain the audit conduct currency |
| | | (a) Lead Auditor qualification (b) Lead Auditors re-establishing qualification | (a) Acting Lead Auditor under evaluation | Applicable to auditors that are: (a) doing their first qualification as LAs (b) Regaining their LA qualification |

2.8.4

| Item | Field Name | Completion Instructions |
|------------------------|-----------------|---|
| Audit Checklist | | |
| 1 | Audit Checklist | <p>The audit organization or the lead auditor needs to select the applicable checklist for the audit.</p> <p>In case a particular discipline is not applicable to the operator (e.g. CAB for Cargo Operator), the AO or lead auditor is not required to add that checklist in the 'Audit Checklist'. However, it has to be done with extra caution and due diligence to ensure none of the ISARP in the claimed N/A discipline will be applicable to that operator.</p> <p>For verification audit, only the applicable scope checklist shall be selected. If there is a need to extend the scope to another discipline, then the audit checklist of the other discipline can be added.</p> <p>If there is an incomplete discipline, it shall be mentioned in the Executive Summary.</p> |
| 2 | Auditor | Choose the auditor from the selected audit team for completing the specific audit checklist, provided the chosen auditor meets the qualification and currency requirements. |

The AO shall submit the audit built at least 2 weeks prior to the commencement of the on-site audit. Additional time shall be allowed if the auditee is required to review the document reference as per [2.7.1 item 6](#).

If the audit build has been approved by IATA, then the audit is ready to be used in the audit software. The information will be logged under Program Admin Review. However, if there is any discrepancies and required some amendment on the audit built, IATA will return the audit built to the builder with the 'Return/Cancellation Reason' and/or 'Program Administrator's Comments' on what need to be changed. AO shall either change the audit or communicate with IATA on the difficulties encountered.

2.8.5

| Item | Field Name | Completion Instructions |
|---------------------------|---|---|
| Assessment Details | | |
| 1 | Operating Certificate or Equivalent Document Type | <p>Select the type of Operating Certificate(s) (e.g. AOC or AOC & Operations Specification) from the drop-down menu.</p> <p>Any unconventional characteristics, conditions or approvals must be described in the Executive Summary.</p> <p>The Lead Auditor confirms that the Operating Certificate/Operations Specification is current and lists the active fleets that have been audited.</p> |
| 2 | Certificate No. | Enter the Certificate Number of the AOC |
| 3 | Issue Date | Select date of Issue from the calendar as applicable |
| 4 | Expiry date/ No Expiry | Select date of Expiry from the calendar as applicable. If there is no expiry on the AOC, then check the box of 'No Expiry' |

2.8.6

| Item | Field Name | Completion Instructions |
|----------------------------|----------------------------------|--|
| Operational Profile | | |
| 1 | Operational Profile | <p>Using the tick boxes, select the operational profiles that apply, as per AOC and/or OpSpec approvals/authorizations, as well as any other local regulatory conditions or exemptions, or internal policies.</p> <p>The profile must represent the operational status which was actually audited (i.e. if EDTO was authorized but not active, do not tick EDTO).</p> <p>In the case of “<i>Outsourced Functions</i>”, tick all boxes that apply, keeping in mind that:</p> <ul style="list-style-type: none"> (a) the operator might outsource various functions within each operational discipline (e.g. Flight Operations may outsource various functions such as: crews, crew training, or CRM training, etc.); and (b) the broad range of maintenance functions (i.e., from line maintenance to engine overhauls) makes it very unlikely that no maintenance activities have been outsourced. <p>Type of Operation:</p> <p>“All Cargo” will be chosen if the operator conducts all cargo operations and/or has all cargo aircraft on the AOC.</p> <p>“PAX with cabin crew” will be selected if the operator operates passenger flights, whether or not cargo is carried on those passenger flights. “Combi-aircraft” operations also belong in this category.</p> <p>The “<i>Other</i>” tick box and text field are used for other unique outsourced function(s) not listed as part of the broader categories.</p> <p>If any tick box is selected, it is a trigger that a cross check of the assessments of related or interlinked ISARPs is essential.</p> |
| 2 | Fleet(s) within Assessment scope | <p>All fleet(s) must be listed as per the AOC, including:</p> <ul style="list-style-type: none"> (a) fleet(s)/aircraft exempted from the audit; (b) Wet leased out fleets, see 2.5.3 a; and (c) Wet lease in aircraft that are listed on the AOC, see 2.5.3 c. <p>Complete each field in the ‘Fleet Details’ as follows:</p> <ul style="list-style-type: none"> (a) Manufacturer – select from the left side drop-down menu for the aircraft manufacturer; (b) Aircraft Type Name – select from the drop-down menu for the aircraft type (e.g. B747, A330); (c) Variant – select from the drop-down menu for the aircraft variant (e.g. for B747 enter “-400”), if the variant was not included in the Aircraft Type Name; (d) Configuration – select from the drop-down menu for the fleet configuration; and (e) Reason – State any special remark for this fleet (f) Number of Aircraft – the number of aircraft in each fleet. |

| Item | Field Name | Completion Instructions |
|------|---|---|
| | | <p>Notes:</p> <ol style="list-style-type: none"> Any aircraft/fleet(s) listed on the AOC that are categories for exemption, see Figure 2.1, must be recorded and explained in 'Fleet(s) and/or Aircraft Exempted from the Assessment'. Any aircraft/fleet(s) that are operated by the operator, but not listed on the AOC, see Figure 2.1, must be recorded in 'Fleet(s) and/or Aircraft Out of Scope'. |
| 3 | Fleet(s) and/or Aircraft out of the Scope | <p>List any fleets NOT listed on the AOC, which do not qualify to be audited, in accordance with the ISM Introduction, Section 4, Applicability of IOSA ISARPs, namely: "Other owned or leased aircraft that are not of the type authorized in the AOC".</p> <p>No form of approval from IATA is required for aircraft not listed on the AOC and falls into this category, see Figure 2.1, IAH 2.5.7 and 2.5.3 b.</p> <p>Complete each field as follows:</p> <ol style="list-style-type: none"> Manufacturer – select from the left side drop-down menu for the aircraft manufacturer; Aircraft Type – select from the drop-down menu for the aircraft type (e.g. B747, A330); Variant – select from the drop-down menu for the aircraft variant (e.g. for B747 enter "-400"), if the variant was not included in the Aircraft Type Name; Reason – List the total aircraft involved and the any additional reasons why each fleet/aircraft is listed. If the aircraft is wet leased, state the reason as "wet lease in, not on the AOC"; and provide the aircraft registration(s), lease duration and State of Registry. Number of Aircraft – number of affected aircraft in each fleet. <p>Examples</p> <p>Some examples of reasons aircraft NOT on the AOC that would be listed here:</p> <ol style="list-style-type: none"> 23 B737-400s are wet leased from ACME Aviation in Ireland for one year. The Aircraft type, registration number, is used for private operations. The B737-700 fleet are listed on a different AOC. |

| Item | Field Name | Completion Instructions |
|------|---|---|
| 4 | Fleet(s) and/or Aircraft Exempted from the Assessment | <p>Approval from IATA is required prior to the audit for any fleet or aircraft exempted from the audit process, see 2.5.6, 2.5.3 (c) and Fig 2.1.</p> <p>The field must record fleets/aircraft which are on the AOC but are not planned to be audited for the reasons such as the following:</p> <ul style="list-style-type: none"> (a) not being eligible for IOSA in accordance with ISM Introduction Section 4; (b) not being commercially operated; (c) not being operated for commercial passenger and/or cargo operations; (d) wet lease-in aircraft that are on the AOC as mandated by the State of the operator; (e) not being operated during the audit, due to being phased out or sold; (f) being phased in, but not yet being operated; (g) undergoing major upgrade, repair or restoration work; (h) fleets/aircraft which are grounded; and (i) non-conformity due to AD incorporation. <p>Complete each field as follows:</p> <ul style="list-style-type: none"> (a) Manufacturer – enter the name; (b) Aircraft Type – enter the aircraft type (e.g. B747, A330); (c) Configuration – select from the drop-down menu for the fleet configuration; (d) Variant – enter the aircraft variant (e.g. for 747 enter “-400”); (e) Reason – List the total aircraft involved with registration number/marks and the reason, from above, why each fleet/aircraft is exempted from the audit process based on the categorization in Figure 2.1; (f) Number of Aircraft – number of affected aircraft in each fleet. |
| 5 | Fleet(s) Excluded as per the Limited Assessment Process | <p>Approval from IATA is required and must be requested as soon as it becomes known for an operation, or part thereof, that is required to be excluded from the scope or activities with respect to audit process, see 2.5.6, and IPM 7.1.5 through 7.1.8.</p> <p>Operational Exclusions must be specified in this field within the Audit Summary (AS). The ‘Reason’ field must be completed with the description of the Operational Exclusion. Fleet and/or aircraft related exemptions are not to be captured in this field, they are captured in ‘Fleet(s) and/or Aircraft Exempted from the Assessment’.</p> <p>Notes:</p> <ol style="list-style-type: none"> 1. <i>In accordance with IATA Board of Governors Decision 69 from BG/190, aircraft and/or fleets cannot be subject to exclusions. Aircraft and/or fleets that cannot be upgraded to meet IOSA requirements are not permissible for exclusions from the IOSA process.</i> 2. <i>A registered IOSA operator with exclusions shall report to IATA within twenty (20) calendar days of completion, or any operational changes directly relevant to such exclusions, see IPM 7.7.2.</i> |

| Item | Field Name | Completion Instructions |
|------|------------|--|
| | | <p>Complete each field as follows:</p> <p>(a) Manufacturer – enter the name;</p> <p>(b) Aircraft Type – enter the aircraft type (e.g. B747, A330);</p> <p>(c) Variant – enter the aircraft variant (e.g. for 747 enter “-400”);</p> <p>(d) Reason – List the reason for exclusions;</p> <p>(e) Number of Aircraft – number of affected aircraft in each fleet.</p> <p>Example</p> <p><i>Routes which are only flown VFR as there are no nav aids, or specified by the NAA, or due to the operational environment e.g. parts of Alaska and Himalayas.</i></p> |

2.8.7

| Item | Field Name | Completion Instructions |
|--|--------------------------|---|
| Executive Summary (ES) and Additional Information | | |
| 1 | Executive Summary | <p>This ES is the focal point of the Audit Summary (and the IAR) and must provide:</p> <p>(a) a broad overview of the Auditee's operation;</p> <p>(b) the key characteristics of the audit result, as a high level factual overview based on the audit results, and</p> <p>(c) the summary of factual evidence should be extracted from clear indications and trends from the audit activity and results.</p> <p>The ES should provide a concise, informative snapshot of the audit result.</p> <p>Required: the following topics must be described in the following order:</p> <p>(a) Management Control;</p> <p>(b) SMS and Quality;</p> <p>(c) Operations.</p> <p>Optional: including trends and summaries of the following will add additional value to the Summary:</p> <p>(a) Training and Qualifications;</p> <p>(b) Documentation System; and</p> <p>(c) Notable aspects of audit preparation & follow-up.</p> <p>Even though information on follow-up is optional, descriptions of how corrective actions were verified, especially in case of re-visits, significantly increase value of the report and emphasize the extent and thoroughness of the audit process.</p> <p>The following must not be included:</p> <p>(a) basic audit information available already mentioned earlier in the AS, such as: audit dates; number of auditors, routes, operational profile, etc.;</p> <p>(b) details of the operation already covered by the Operational Profile items;</p> |

| Item | Field Name | Completion Instructions |
|------|------------|--|
| | | <p>(c) specific ISARP nonconformities, unless identified as a specific concern or weakness in the audit result;</p> <p>(d) comments relating to the weather, Auditee hospitality, etc.; and</p> <p>(e) comments relating to any individual AO legal provisions or disclaimers.</p> <p>General guidance and examples of the type of descriptions which could be used for the primary operational functions are presented below.</p> <p>The Lead Auditor must determine the scope and relevance of the ES content.</p> <p>Avoid using excessive superlatives such as “<i>excellent</i>”, “<i>outstanding</i>” “<i>unacceptable</i>” or “<i>total failure</i>”. Comments intended to complement or describe problems should be conservative and based on specific results and/or trends which are evident from the audit result.</p> <p>Management and Control: Information on the management system and organizational structure, for example:</p> <p>(a) efficiency and integration of all management departments (as per the SMS assessment result);</p> <p>(b) effectiveness of management reporting of significant issues;</p> <p>(c) if the Auditee is part of a group, relationship to any alliance, merger or a feeder for a major operator, etc.</p> <p>If such a group, alliance or affiliate shares a common documentation structure, this must be described in the Executive Summary, to clarify the responsibilities for the production and amending of such documentation systems.</p> <p>SMS and Quality</p> <p>Describe the quality/safety system structure, independence of key safety/quality positions, centralized or decentralized, managed at corporate level, etc. Is there any inhibitors to an effective QA system, such as independence or resistance to internally auditing ORG? Indicate if a SMS is implemented or if under development, provide credit for SMS elements already introduced.</p> <p>Summary of the internal oversight of ISARPs, any significant issues or trends identified during the review and validation of the internal oversight.</p> <p>Describe the reporting system, reporting culture, independence of reporting and investigations, centralized or decentralized system, if there are challenges or the system excludes voluntary, confidential and anonymous reporting.</p> <p>Due to the wide variation in SMS implementation requirements by Regulators, comments on SMS should be limited to conformity levels by the operator (avoid references to a lack of introduction of SMS by any Regulator).</p> |

| Item | Field Name | Completion Instructions |
|------|------------|---|
| | | <p>Examples – SMS</p> <p>(a) <i>The operator has established an SMS at corporate level which functions effectively in all departments. A dedicated SMS manager oversees all departments and reports directly to the Accountable Executive.</i></p> <p>(b) <i>The operator has integrated the SMS and QA departments throughout the organization. SMS management and the QA auditors have a good understanding of their respective roles and responsibilities.</i></p> <p>(c) <i>The operator has elected to keep the SMS and QA department as separately functioning entities. The SMS manager actively oversees all departments, while each operational division has its own QA manager and audit teams.</i></p> <p>(d) <i>An SMS system is only effectively implemented within Flight and Cabin Operations. The operator is in the process of incorporating and implementing SMS throughout the organization.</i></p> <p>(e) <i>The operator is committed to implementing SMS, but faces challenges in integrating open communication channels across all departments, which have historically functioned independently.</i></p> <p>(f) <i>The operator is experiencing difficulties ensuring the confidentiality of safety reports and is working with their Regulator (name) to resolve the issue.</i></p> <p>NOTE:</p> <p>The last example above is sensitive in nature, but is indicative of future challenges in implementing SMS in regions which have not historically supported confidential or non-punitive safety reporting. The Lead/ORG auditor must make a considered decision whether it is appropriate to make reference to such sensitive aspects.</p> <p>Providing an SMS overview will likely be difficult, but due to the industry focus on SMS, will add real value to the Executive Summary and IAR. The information in the examples above can generally be extracted from the SMS assessment results.</p> <p>Examples – Quality</p> <p>(a) <i>The Quality system functions effectively in most departments, but the audit results confirm multiple areas of concern in the application of QA of the Cargo Department.</i></p> <p>(b) <i>The Quality system has been decentralized and each operational division has its own QA department and audit teams, which are functioning effectively.</i></p> <p>(c) <i>The Flight Operations Quality system monitors internal processes well, but the audit result identified that external providers and product control was not being monitored consistently.</i></p> |

| Item | Field Name | Completion Instructions |
|------|------------|--|
| | | <p>Operations</p> <p>Provide any specific operational characteristics not already covered in the Operational Profile, flight operational control, maintenance control, CAMO in-house/external, Additional Information, Affiliated Operations, Out of Scope or Exempted fields of the AS.</p> <p>Any unconventional characteristics, conditions or approvals regarding the AOC should be mentioned, e.g. if an operator has two or more AOCs, the specific details and relationship between the fleets being operated must be described in the ES. Unless otherwise approved by IATA, it must be clear from the description that the scope of the audit was limited to the fleets listed on the primary AOC.</p> <p>Any specific or systemic deficiencies in operational system/structure should be described.</p> <p>The forecasted operational changes from the operator in the upcoming 6 months after the date of closing meeting shall also be projected. The operational changes includes, but not limited to phasing out of the fleet(s) on the AOC which were audited during the Audit; the addition of aircraft type(s) not being operated during this IOSA Audit or commencement of any special operations that were not conducted during this IOSA Audit (e.g. EDTO, Carriage of Dangerous Goods etc.). If no operational changes affecting the Operator’s profile planned or if the Operator considers forecasted changes as confidential due to commercial reasons, the Audit Summary shall contain that explicit statement in the Additional Information section.</p> <p>Examples:</p> <p><i>(a) The corporate head office and the main base are in ABC and the maintenance base is in XYZ. The operator (name) conducts scheduled passenger operations within Europe and charter operations to North & South America.</i></p> <p><i>(b) The operator shares a common flight crew pool with ABC Airlines, an affiliated operator who uses the same aircraft types on their own AOC and conducts all initial and recurrent crew training, as authorized by the National Aviation Authority. The operator carries out regular oversight of the standard of crew training provided by ABC Airlines.</i></p> <p><i>(c) Besides a mix of scheduled international and domestic operations in the USA, the operator also contracts a substantial amount of wet leased aircraft for seasonal operations to the Caribbean.</i></p> |
| | | <p>NOTE:</p> <p>Wet Lease In operations would normally be described in ‘Fleet(s) and/or Aircraft Out of Scope’, but the Lead Auditor should evaluate whether any substantial or dominant wet lease operation should also be mentioned in the ES. An example would be if the wet lease in aircraft are required by the Regulator to be on the AOC, see Figure 2.1.</p> <p>The ES shall be completed within the reasonable time after the on-site closing meeting.</p> <p>The following descriptions are optional.</p> |

| Item | Field Name | Completion Instructions |
|------|------------|--|
| | | <p>Training & Qualifications</p> <p>Provide information on any significant characteristics or deficiencies in the training structure, the following questions may provide assistance:</p> <ul style="list-style-type: none"> (a) What are the location(s) for simulator training, cabin crew training, fleet specific training, conversion training, maintenance training, ground and cargo training etc.; (b) Are there any training organization authorizations held by the operator; and (c) What licences are issued by the authority for specific function(s), for example dispatch staff. <p>Examples:</p> <ul style="list-style-type: none"> (a) <i>The operator has its own dedicated training center and provides training for its own flight and cabin crew, maintenance, ground operations and dispatch personnel, as well as providing IATA DGR certified training courses. All auditors reported that the standard of training assessed was consistent and to a high standard. The center also provides crew training for 12 other airlines.</i> (b) <i>The in-house training for ground personnel was the source of multiple nonconformities, in particular the training structure, documentation support and qualifications of instructors.</i> (c) <i>It was noted that very few safety reports had been submitted by the flight and cabin crew, which resulted in nonconformities for the appropriate SMS provisions.</i> (d) <i>Concerns were conveyed to ABC Airways management regarding findings across multiple IOSA disciplines for a lack of general Dangerous Goods Training for staff.</i> <p>Documentation System</p> <p>Provide information on any significant characteristics or deficiencies in the documentation structure, the following questions may provide assistance:</p> <ul style="list-style-type: none"> (a) Does the operator have electronic, combined or paper based documentation system? (b) Does the operator use a centralized document control system, a centralized library or department based document control? (c) What is the level of access to the documentation system through out the organization? (d) Delivery system and storage architecture of the document repository? Is it internet, intranet based, on a corporate server, cloud based etc. (e) What is the language(s) used in documentation? |

| Item | Field Name | Completion Instructions |
|------|------------------------|--|
| | | <p>Examples:</p> <p>(a) <i>The documentation system was centrally managed and controlled at corporate level; however, each department managed and maintained their own records.</i></p> <p>(b) <i>The entire documentation structure is Web based, regularly updated and is easily accessible to all staff and service providers. Documentation is updated continuously and notifications are sent to all relevant parties, who are responsible for updating themselves. As the documentation lacks the conventional revision structure, the Information Sources make reference to the date of audit.</i></p> <p>(c) <i>The operator has an established policy of outsourcing the company documentation production and revision process. The oversight process for quality and control of this documentation is regular and thorough.</i></p> <p>(d) <i>The operator shares their GRH and CGO manuals with an affiliated airline, ABC Air, who produces and maintains these manuals. Deficiencies were identified with the oversight by the operator of the ABC Air manual production, which resulted in the operator using outdated manuals with missing revisions.</i></p> |
| 2 | Additional Information | <p>The information below should be described in this field 'Additional Information', not the ES. However, The Lead Auditor must decide whether any other pertinent information should be included in this field, or is sufficiently important to be included in the ES.</p> <p>The following are examples of unconventional or out of the ordinary situations or circumstances which must be described, including reasons for and confirmation of any approvals or waivers from IATA, as applicable.</p> <p>Excluding any discipline in Audit Checklist – If any incomplete selection of all 8 disciplines of the checklist, the Lead Auditor shall mention this in the ES to avoid any misunderstanding of incomplete selection of the audit checklist.</p> <p>Suspended ISARP – If an ISARP assessment has been changed to N/A due to a suspended ISARP during the course of the audit, see 5.2.2.</p> <p>New ISM Edition – if a non-conformity was closed due to a new ISM edition becoming effective, see 2.9.11.</p> <p>Revisits – the frequency of return visits to verify the closure of the CARs may be significant, and therefore mentioned (ensuring the details are kept objective).</p> <p>Use of Active Implementation Option – see 5.5. It is required to record details of:</p> <p>(a) the use of Active Implementation during this audit and all applicable provisions;</p> <p>(b) the status and progress of any previously utilized AI, see 5.5.6; and</p> <p>(c) if an Implementation Action Plan is being re-used, has it been updated to reflect the current status.</p> <p>Use of Extenuating Circumstances Option – see IPM 7.5.6 – 7.5.11.</p> |

| Item | Field Name | Completion Instructions |
|------|------------|---|
| | | <p>Use of Interim Corrective Action Option – see 5.4, Interim Corrective Action. The standard phrase below must be entered into this field, and include further details and information on the specific use of Interim Corrective Action.</p> <p>The Operator (<i>insert name</i>), has applied Interim Corrective Action for Corrective Action Report(s) (<i>insert CAR number(s)</i>) for (<i>insert ISARP(s)</i>) in accordance with the provisions of the IOSA Program Manual.</p> <p>Parallel Audits of Affiliated Operators – see 5.1.</p> <p>Adjournment Date – state the date and reason for the formal audit adjournment meeting taking place after the audit, e.g. if all mandatory audit activities were not completed, see 2.8.1.</p> <p>Scheduling or process abnormalities – reason for significant changes to the original audit schedule – changes to audit team, illness, etc.</p> <p>Observers and other parties attending the audit – record the names and titles of any industry observers, regulatory authority representatives, IATA auditors, etc.</p> <p>Non-availability of Operations Specifications – record the situation as per 2.5.1</p> <p>Mandatory Observations – The various Mandatory Observations of each of the applicable IOSA discipline(s) must be listed. Refer to Section 4.6 for Mandatory Observations.</p> <p>For each Mandatory Observation listed in this field, the lead auditor or the auditors need to record the name of the MO, the assessment results and the details of the assessment following the information below:</p> <p>(a) Name of the MO</p> <p style="padding-left: 20px;">The official names of the MO are listed in IAH 2.3 e.g.</p> <p style="padding-left: 20px;">MO-1-FLT: Line Flight Operations</p> <p style="padding-left: 20px;">MO-2-FLT: Flight Simulator Training Operations</p> <p>(b) Assessment Result</p> <p style="padding-left: 20px;">The result can be Completed, Incomplete or N/A as applicable.</p> <p style="padding-left: 20px;">For Incomplete or N/A cases, provide the reason in the details of the assessment.</p> <p>(c) Details of the assessment</p> <p style="padding-left: 20px;">Enter facilities, locations, aircraft type, date, number of flight turnarounds, details of activity, etc. as applicable, and any other information that defines the records or activity being observed.</p> <p style="padding-left: 20px;">If a Mandatory Observation was performed for an outsourced function, it must be stated in this field.</p> <p>Note:</p> <p><i>All relevant details of Mandatory Observations must be provided, to ensure a complete record of how implementation was assessed.</i></p> |

| Item | Field Name | Completion Instructions |
|------|------------|--|
| | | <p>Example MO-7-MNT: AD/SB Management</p> <p>MO-7-MNT: AD/SB Management – Completed</p> <p><i>The details to be entered should include the location, sampled ADs being used to demonstrate the process, applicable aircraft type from the operator's fleet, related engineering orders, task cards, date, and any other information that defines the records or activity being observed.</i></p> <hr/> <p>Example MO-13-GRH: Aircraft Loading</p> <p>MO-13-GRH: Aircraft Loading – Complete</p> <p><i>The details to be entered should include the location, ramp/gate number, flight number, aircraft type, destination, date, and any other information that defines the records or activity being observed.</i></p> <hr/> <p>Example MO-15-CGO: Cargo Acceptance</p> <p>MO-15-CGO: Cargo Acceptance – Complete</p> <p><i>The details to be entered should include the facility, location, airway bill, NOTOC, destination, date, and any other information that defines the records or activity being observed.</i></p> <p>The auditor must make use of the IATA provided Mandatory Observation Checklists.</p> <p>All aircraft related Mandatory Observations must be performed on an aircraft type listed on the operator's AOC, excluding any out of scope and/or exempted aircraft.</p> <p>Additional Observations assessed – list any other or additional mandatory or operational assessments which were carried out. The additional observations could be a full Mandatory Observation, or a portion thereof, or any other observation that supports the assessment of conformity or nonconformity. The auditor will include the details for any additional observations/assessments conducted.</p> <p>Additional Information</p> <p>If any Mandatory Observation is performed greater than 30 calendar days before or after the date of the closing meeting of the on-site phase of the audit.</p> <p>Details with the reason for any Mandatory Observation(s) that were not performed, including Flight and Simulator Mandatory Observations, see 4.6.5.</p> <p>The auditor(s) conducting the Mandatory Observation(s) does not have to be part of the on-site Audit Team, see 4.6.1.</p> <p>Refer to the IPM Table 3.1 for specific approval requirements for FLT Mandatory Observations.</p> |

2.8.8

| Item | Field Name | Completion Instructions |
|---------------------|--------------|---|
| Audit Result | | |
| 1 | Audit Result | <p>Audit assessments results and findings must be completed in the audit software by the end of the Audit closing meeting date, and by exception within three calendar days thereafter. The Executive Summary shall be completed within three calendar days after the audit closing meeting date, see IPM 8.7.2.</p> <p>The total number of Findings, Observations and N/A assessments will be generated from the audit software.</p> <p>All findings, which must be raised in the Audit Software, must be made available to the Operator through the use of the audit software within the calendar week following the date of the closing meeting. see IPM 8.7.13.</p> <p>Any CARs raised in error will still count as Findings and Observations, in accordance with IPM 8.8.2 and IAH 2.9.11.</p> |

2.8.9

| Item | Field Name | Completion Instructions |
|-----------------------------|-----------------------------------|---|
| Audit Certifications | | |
| 1 | Certification of Audit Completion | <p>This field certifies that the Audit has been conducted in accordance with IOSA Program standards and requirements, and that any Findings, Observations, and each instance of conformity through Active Implementation are fully documented in the IOSA Checklists, Corrective Action Records, and Active Implementation Records, as applicable.</p> <p>To complete this section:</p> <p>(a) check the box of 'Certify Audit Completion'</p> <p>and</p> <p>(b) select the Date of Audit Completion from the calendar, which is when all actions from the audit (excluding the FAT for ICA) have been completed.</p> <p>Note:</p> <p><i>For audits using ICA, the audit report will be completed and closed based on the Interim action, and will be re-opened and closed for the Final Action.</i></p> |
| 2 | Certification of Audit Closure | <p>This field certifies that all corrective actions, in accordance with each Corrective Action Plan(s), have been implemented by the Operator and verified by this Audit Organization, thereby closing all Findings and Observations, as applicable. The Operator is in conformity with IOSA Standards as specified in this report, and this Audit is declared closed.</p> <p>The following steps are needed to complete this section:</p> <p>(a) check the box of 'Certify Audit Closure';</p> <p>(b) select Lead Auditor or AO Representative from the drop-down menu;</p> <p>(c) select in the name from the drop-down menu;</p> <p>and</p> <p>(d) select the Date of Audit Closure from the calendar, this date must be the same or after the Certification of Audit Completion date.</p> |

NOTE: After completing the Report in the audit software, all sections of the final PDF files must be reviewed before submission to IATA.

□ **2.8.10 Recording Remote Audit Activities**

The following additional topics shall be reported for the initial hybrid audits in the Executive Summary and Additional Information sections:

- (a) The executive summary shall report that the the audit is performed using remote audit activities with referral to IATA's approval.
- (b) The executive summary shall include the detailed information of the auditor team composition to include the identification of the auditors and relevant audit scopes (disciplines) performed onsite and remotely.
- (c) The additional information section shall report the following additional auditing techniques:
 1. how onsite auditors assisted remote auditors.
 2. identification of Mandatory Observations which were performed onsite, remotely or at any other remote location other than the operators headquarter or operational base,
 3. identification of Mandatory Observation which were performed by a different auditor than the assigned scope auditor,
 4. how auditors communicated and briefed each other for the mandatory observations performed by another scope auditor.

2.9 Corrective Action Record

2.9.1 Corrective Action

- (a) The record of the corrective actions taken to close an Audit is the most fundamental source of information in an IOSA report and it is vital that the information provides clear, detailed descriptions of corrective actions the operator took, as well as the evidence reviewed and verified by the AO.
- (b) Industry focus will normally be: *“What Findings and Observations did this operator have, how did they correct them and were the corrective actions adequately verified by the Audit Organization?”*

2.9.2 CAR Evidence Requirements

| | |
|----------|--|
| 1 | Local and regional abbreviations and acronyms will be familiar to the Auditee, but must be spelled out, to ensure a clear understanding by the worldwide audience. |
| 2 | When interviews are part of the verification process, the evidence, any relevant actions and references to records, reports or any documentation which were presented and/or described in the interview must be included and/or referenced in the description of verification. |
| 3 | Information gained from one interview will very seldom be sufficient to substantiate and verify evidence of corrective actions. If an interview is the only source of evidence available, the reason(s) must be included in the evidence verification text. |
| 4 | AOs and operators are expected to use industry familiar audit terms and phraseology which provide clear record of the audit process. Phrases such as “Verbiage added to.” are not appropriate as a description of a corrective action. |
| 5 | References to email messages, computer screen prints, photographs or other information sources, which can be altered, are not acceptable. Email information is acceptable if documented as a controlled means of communication by the operator. |
| 6 | Sampling is inevitable when assembling routine documentary references for the Audit Checklists record. |

| | |
|---|--|
| | However, for Findings and Observations, the CAR record must contain documentation references & revisions for ALL fleets, operational functions, etc., affected by the nonconformity. |
| 7 | When referring to documentation, full names shall be used, unless an acronym is already listed in the Document References from the on-site audit. |
| 8 | It is appreciated that documentary evidence is exchanged between the operator and AO, but all attachments or references to external documentation (e.g. “please see attached”) must be removed from the CAR before submission to IATA. |

2.9.3 Creating a Corrective Action Record (CAR)

- (a) The audit software will automatically transfer the Narrative from the Audit Checklists into the CAR when the CAR is initiated.
- (b) In spite of (a), it is important to check if the Narrative in the Audit Checklists is accurately reflected in the CAR.
- (c) When initiating a CAR, then it is required to select the ‘Action Owner’, which is the auditee representative to response to the CAR.
- (d) The ‘Target Date’ of the CAR shall be set as the following:
 - Initial Audit: 18 months after the on-site closing meeting Date
 - Renewal Audits: 6 months after the Registration Expiry Date
 - Verification Audits: 6 months after the Registration Expiry Date

2.9.4 Root Cause Analysis

As defined in IATA Reference Manual (IRM), a root cause is the initiating cause in a causal chain that leads to an undesirable situation or condition; the point in the causal chain where corrective action could reasonably be implemented and expected to correct and prevent recurrence of the undesirable situation or condition. An undesirable situation or condition in IOSA terminology is a documentation or an implementation nonconformity with an ISARP.

In summary, a root cause is the key factor that caused a non-conformity that can be identified with a root cause analysis and is recommended to be permanently eliminated preferably through a process improvement.

Root cause analysis is a collective term that describes a wide range of approaches, tools, and techniques used to identify the causes of problems. Commonly used and the most relevant root cause analysis methodologies for the aviation industry are listed in the following table.

| Root Cause Analysis (RCA) | | |
|---------------------------|--|---|
| Methodology | Summary | Limitations |
| | <p>The 5 Whys is a continuous question asking technique used to explore the cause and effect relationships underlying a particular problem. The answer to each question should lead to the next question.</p> <p>Relevant participants should be brought together and with the coordination of a facilitator, the group should start asking “Why</p> | <p>The most simplistic root cause analysis method; might be inappropriate for complex issues.</p> <p>Solely using the 5 Whys approach can lead to a very linear thought process, where the Operator mistakenly assumes there is only one true root cause to an issue.</p> |

| | | |
|------------------------------------|--|---|
| <p>5 Whys Technique</p> | <p>the Operator is not in conformity?”</p> <p>Despite being a simple technique, the technique might help Operators to clarify the ambiguity around a nonconformity, create a clearer picture, and strategically identify the real cause of the problem, provided it is done with the right set of participants.</p> <p>An example of 5 Whys technique is outlined below.</p> <p>Example:</p> <p><u>Problem Statement (Non-conformity):</u> Although the Operator has a process in place, applicable AD 2020-XXX is assessed incorrectly as not applicable for two aircraft (XX-ABC and XX-XYZ) in the Operator's fleet.</p> <ol style="list-style-type: none"> 1. Why is the applicable AD assessed incorrectly? <ul style="list-style-type: none"> The engineer responsible for AD assessed the modification status of the two aircraft incorrectly? 2. Why is the modification status of two aircraft assessed incorrectly? <ul style="list-style-type: none"> The engineer responsible for AD is not knowledgeable about the AD assessments, specifically checking the modification status in the aircraft records system. 3. Why is the engineer responsible for AD is not knowledgeable about the AD assessments? <ul style="list-style-type: none"> The operator's initial and recurrent training program for AD assessment are not adequate. 4. Why are the initial and recurrent training program for AD assessment not adequate? <ul style="list-style-type: none"> Training program and the training material only include verbatim copy of the AD assessment procedures but does not include detailed procedures on how to check modification status in the aircraft records system. | <p>The facilitators should be experienced enough to be able to ask the 'right' Why questions.</p> <p>The success of this technique is dependent on its participants i.e. if relevant people are not available, the remaining group may not be able to find the correct answer to the Why questions.</p> |
|------------------------------------|--|---|

| | | |
|--------------------------------|---|--|
| <p>Fishbone Diagram</p> | <p>Fishbone diagrams are diagrams that help to visually display many potential causes for a problem or an effect. In general, this tool is used in situations when the root cause is entirely unknown.</p> <p>To conduct analysis using the fishbone diagram, a fishbone shaped design is created with the problem statement at the head of the fish, and significant causes of the problem as bones of its spine. Then, each of the 'bones' (cause categories) is analyzed one at a time, and its causes are identified through questioning and brainstorming. These causes form the sub-bones of the spine.</p> <p>For each cause category, the Operator should bring together experienced and relevant personnel and the team should brainstorm the possible causes of the nonconformity.</p> <p>Different sets of cause categories may be used by the operator as required. Examples are as follows:</p> <ol style="list-style-type: none"> 1. Machine/Equipment, Method/Process/System, Manpower and Material 2. Organization Factors - Resources, Organizational Factors - Management and Process/Task related Factors. | <p>Disrupts the cause-and-effect relationships underlying a problem by grouping causes into categories</p> <p>A fishbone diagram does not single out the root cause of the problem because all causes look equally important. Therefore, the Operator should validate the causes before including into the fishbone diagram.</p> |
|--------------------------------|---|--|

Operators should use the following best practices while performing root cause analysis. Exercising these best practices might ensure the effective identification of the root cause of the nonconformity and assist in defining effective corrective actions.

| <p>Root Cause Analysis Best Practices</p> | |
|--|--|
| <p>1</p> | <p>All types of root cause analysis methodologies heavily depends on the collection of the data, interviews and records and etc.</p> |
| <p>1</p> | <p>Operators should focus on identifying and rectifying the actual cause of a nonconformity rather than its symptoms.</p> |
| <p>2</p> | <p>There might be multiple root causes and/or contributing factors which might be interrelated. In that case, all causes/factors should be selected from the audit software.</p> |
| <p>4</p> | <p>The people leading and/or performing the root cause analysis should have a sound knowledge of the different RCA methods and their application.</p> |
| <p>5</p> | <p>The identified root cause should have the consensus of the team participating in the analysis activity and the auditor if needed.</p> |
| <p>6</p> | <p>The complete root cause analysis process should be led by a qualified facilitator preferably having previous experience and a formal training on the root cause analysis methodologies.</p> |

Predefined root cause categories are available in the Root Cause Category menu of the audit software in order to provide effective assistance and guidance to the Operators in identifying the root causes. The following table outlines the root cause categories and associated descriptions.

| Root Causes | Description |
|--|---|
| Organizational Factors - Resources | |
| Lack of Financial Resources | Financial resources are not allocated to achieve the desired operational outcomes/requirements. |
| Lack of Human Resources | Competent people are not available, or number of available people is not adequate for the required operation. |
| Lack of Equipment | Equipment is not capable of meeting and sustaining operational requirements or is not adequately controlled or available. |
| Lack of Infrastructure | Utilities, information technology, facility, transportation are not adequate to support operational requirements. |
| Lack of Time | Required time is not allocated for ensuring compliance with operational requirements. |
| Lack of Adequate Environment | Temperature, humidity, lightning, noise and cleanliness were not adequate to support operational requirements and the operator did not take necessary precautions or mitigations. |
| Organizational Factors - Management | |
| Inadequate Training | Training is not adequately and/or effectively provided or not provided to meet ongoing needs of the Operator. |
| Inadequate Planning | Planning and control activities are not adequately deployed to ensure operational tasks are conducted in accordance with requirements. |
| Inadequate Personnel Selection | Having an inadequate recruitment and selection system that prevents from hiring the qualified personnel for the right position. |
| Inadequate Workload Management | The Operator did not allocate or delegate tasks and responsibilities effectively so that they can be accomplished successfully within the time available. |
| Inadequate Supervision | Necessary guidance, training, leadership, oversight, incentives, or whatever it takes, to ensure that the job is done safely and efficiently is not provided by Management. |
| Inadequate Prioritisation | The Operator do not prioritize compliance with requirements and Quality ahead of budget, operational requirements. or Corporate Quality/Safety culture does not support and/or misleads the achievement of the desired operational outcomes |
| Inadequate Internal Oversight | The organization did not determine or implement sufficient arrangements to ensure continued implementation and effectiveness of QMS/CMS and its processes. |
| Inadequate Contractor Oversight | Contracted service providers are not monitored effectively. |
| Inadequate Risk Management | Lack or inefficient risk management process that leads to unsafe/non-desired operational outcomes. |
| Inadequate Communication | Information is not adequately communicated within the organization, between all levels of personnel and to include other stakeholders such as Authorities, contractors, OEMs and etc. |

| Process/Task Related Factors | |
|--|-------------------|
| Process/Task is not clear/understandable and/or too complex. | Self-explanatory. |
| Process/Task is not effective | Self-explanatory. |
| Process/Task is newly introduced or changed. | Self-explanatory. |
| Process/Task is too repetitive & monotonous | Self-explanatory. |
| Process/Task responsibilities are not clearly defined | Self-explanatory. |
| Processes are not validated and/or not monitored. | Self-explanatory. |

The Auditee must undertake a root cause analysis of the finding(s)/observation(s) in the audit software, as outlined below.

| Root Cause (RC) | |
|--|---|
| <p>Operators are obliged to have a Root Cause Analysis process in place as an integral part of implementing permanent corrective actions and as an essential source of information for SMS.</p> <p>The RC is very important information and must be completed for all CARs, even if no corrective action is taken.</p> | |
| 1 | The RC must be added and completed for all CARs, even if no corrective action is taken. The RC may be selected from the Root Cause Category menu of the audit software. |
| 2 | The AO must ensure that the operator provides an analysis of the situation, and records as a factual, objective statement that give reason(s) for the IOSA policy, procedure, function, etc., not being active or not implemented. |
| 3 | For the repeated ORG ISARPs when it has been identified that there are systemic deficiencies throughout the organization, the root cause(s) for the ORG ISARP must also consider the potential root cause(s) at the corporate level as well as the discipline level, so that the corrective action(s) suitably address the systemic deficiencies throughout the organization. |
| 4 | <p>The Auditee will go to the 'Root Cause Analysis' heading and "Add Entry". In the 'Root Cause Details', tick the appropriate cause/code box in the drop down menu. Only one RC will be added in the audit software per entry. Multiple entries can be made by the Auditee using this step repeatedly.</p> <p>Note:</p> <p><i>To have the best view of all the root cause in one go, the 'Item Displayed' Button can be used for the full list display. The button is located at the bottom of the page heading 'Select Category for Root Cause'.</i></p> |
| 5 | If the chosen root cause/selected code requires additional explanation or clarification, the Auditee will describe it in the field 'Other' and leave the 'Category' blank. |
| 6 | If the Auditee is unable to locate the proper root cause from the existing IATA/audit software classification, the actual root cause description should be entered as free text into the 'Other' field. |

| | |
|--|---|
| | <p>Notes:</p> <ol style="list-style-type: none"> 1. The Auditee must be advised not to use standard, generalized phrases or brief statements such as “ISARP not considered”, or “Not needed”, which do not provide an appropriate reason for why the operator had not incorporated the IOSA provisions. 2. The RC must not be a copy paste or an extract of the Narrative, or contradict the reasoning and evidence for the nonconformity, or contradict any other assessment information in the CAR. |
|--|---|

2.9.5 Completing the Corrective Action Plan (CAP)

The Auditee must complete the CAP field with the corrective actions that they propose to take to address the finding/observation and, more importantly, the identified root cause(s), as outlined below.

| Corrective Action Plan (CAP) | |
|---|--|
| <p>The objective of the CAP must provide preliminary information to the AO on the type and extent of the corrective action.</p> <p>The AO will review the CAP and advise the operator whether the type and extent of the corrective actions being planned will be appropriate and comprehensive enough to address the root cause(s) and close the Finding or Observation. As Program experience has confirmed that there is a high incidence of rejection of CAP from operators, AOs are urged to prepare the operators to provide Corrective Actions which will meet IOSA criteria.</p> | |
| The steps in preparing the CAP: | |
| 1 | Select if the Corrective Action Plan is an ‘Interim’ or ‘Permanent’ corrective action. See 5.4 for more details regarding the Interim Corrective Action. |
| 2 | Select if there is any Corrective Action. |
| 3 | <p>Corrective Action Plan: Enter a brief description of the changes planned to correct the Finding or Observation. It must be written in the future tense.</p> <p>Note: <i>The CAP must be in future tense.</i></p> |
| 4 | Changes planned for documentary structures/manuals and if available, references for the planned revisions and/or amendments. |
| 5 | For assessments of “not implemented”, a description of how the changes will be implemented is required and the Finding/Observations. |
| <p>Example 1</p> <p><i>“A program for annual recurrent training for cabin crew will be documented in the Cabin Crew Operations Manual (CCOM), chapter 12.4. The CCOM and Annual Training program will be revised to include recurrent training and are planned to be distributed to all stations by 20 July 2018. The training schedule will be revised”.</i></p> | |
| <p>Example 2</p> <p><i>“A process for senior management review of any significant issues arising from the quality assurance program will be included in General Operations Manual”.</i></p> | |
| <p>Example 3</p> <p><i>“A secure quarantine area for rejected parts and materials awaiting disposition will be established next to the Line Maintenance Office in Hangar 1”.</i></p> | |

2.9.6 Reviewing the Corrective Action Plan (CAP)

Once the auditee has completed the CAP, then it shall submit for review. The AO must assess the CAP and confirm if the proposed action addresses the Finding/Observations, and the Root Cause(s).

The CAP assessment must be conducted by an auditor qualified in the applicable discipline, or Lead Auditor that conducted the on-site audit.

If the information in the CAP is unclear or too general, the AO may not accept it, reject it in the audit software and request additional evidence and/or actions from the operator, as per IPM Section 8.10.

Once the review has been completed, the reviewer shall enter the 'Expected Completion Date' of the CAP prior to the approval granted. If the CAP needs to be returned to the auditee, then can be done by 'Reject' the CAP. Subsequent communication shall be made to ensure the auditee understands and addresses the reason of rejecting the CAP. Meanwhile, a comment shall be recorded in the audit software regarding the reject reason.

2.9.7 Completing the Final Action Taken

Final Action Taken is not required to be completed in the audit software by the auditee. 'Action Taken By' and 'Date of Final Action Taken' fields are the only fields that need to be completed.

Auditee shall provide all the relevant evidence to the AO/Auditor to prove that documentation and implementation deficiencies were addressed. The evidence include changes to documentation, operational structures, programs, processes, procedures, etc., as well as how they were implemented. This is necessary to close the Finding or Observation permanently. Uploaded evidence shall be in alignment with the CAP and include, but not be limited to, the following:

1. The controlled copy of the revised documentation, and authority approval pages as required.
2. Proof of the distribution and receipt of documentation to all affected parties.
3. Traceable evidence of implementation, e.g. records, reports, audit, training dates, schedules, rosters, meeting minutes, management reviews, analysis, etc., including applicable dates, revisions, locations, names and any other associated information.
4. There are situations when corrective actions cannot commence or be completed before audit closure deadlines for example, implementing initial training when there is no new staff to train, or when there is insufficient data available to implement review or analysis programs. In such cases, the operator must provide the reasons with necessary evidences why actual implementation could not be confirmed, as well as all actions taken to ensure implementation when possible.

The 'Action Taken By' field must contain the name of the auditee representative. The audit software user name will be automatically logged in the field of 'Submitted by' and the date of submission of the FAT must be reflected in the field of 'Date of Final Action Taken'.

The Date of Final Action Taken cannot be later than the Review Date, or after the CAR or audit closure date(s).

The operator shall then submit the FAT to the AO for review.

2.9.8 Final Review and Acceptance

The AO must review the evidence provided by auditee as outlined in this chapter.

The text of the verification in the verification record is the formal record of how the AO closed the CAR, and is an area of focus of the report as it clearly illustrates what evidence was reviewed and accepted by the AO.

It must be emphasized to all operators that:

- (a) The AO carries full responsibility for the acceptance of corrective actions and closure of the CAR.
- (b) Any weak, incomplete or insufficient review will be listed by IOSA QC and could result in the CAR being re-opened, potentially delaying the initial or re-registration of the operator and/or the report release.

| Final Review and Acceptance | |
|------------------------------------|---|
| 1 | The review of the evidences provided by the Auditee must include an assessment of: <ul style="list-style-type: none"> (a) the actions taken to ensure they have addressed the Finding/Observations as recorded in the Audit Checklists; (b) the actions taken to ensure they have effectively addressed the Root Cause(s) as recorded in the CAR; |
| 2 | If the FAT does not include sufficient evidence of documentation or implementation, the AO must reject it and must request additional actions from the operator before the audit closure. |
| 3 | Evidence of documentation: <ul style="list-style-type: none"> (a) References to controlled documentation must include manual names, revision/amendment references and/or dates, as applicable. Sub-references for documentation must be harmonized with the FAT. Dates for documentation cannot be later than the CAR and the audit closure dates. (b) If the documentation requires the operator's regulatory approval or acceptance, the FAT shall include the evidence to identify the approval or acceptance status of the documentation. (c) Distribution and, if possible, receipt of documentation to all affected parties must be provided. |
| 4 | Select if the FAT is acceptable or not in the 'Statement of Acceptance'. If 'no' is selected, then the FAT shall return to the operator for future input. |
| 5 | Select if the verification is for 'Final Action' or 'Interim Action' |

| | |
|------------------|---|
| <p>6</p> | <p>Verification of Implementation (VOI)/Verification of Corrective Action (VOCA): If required, details of how implementation deficiencies were verified.</p> <p>(a) Traceable evidence of implementation e.g. records, reports, audit, training dates, schedules, rosters, meeting minutes, management reviews, analysis etc., including applicable dates, revisions, locations, names and any other associated information.</p> <p>(b) Detailed descriptions of how the evidence provided confirmed implementation. Diligence must be applied when verifying the conduct of training to confirm that it actually took place, as a simple review of the records will not be able to provide that confidence.</p> <p>(c) Distribution of documentation changes to confirm implementation are generally not sufficient, see note.</p> <p>(d) There are situations when corrective actions could not commence or be completed before audit closure deadlines, for example, implementing initial training when there is no new staff to train, or when there is insufficient data available to implement review or analysis programs. In such cases, the AO must verify that the operator has taken all possible steps to ensure actual implementation will take place when the situation arises.</p> <p>(e) Following should be considered for any nonconformity that requires a maintenance task to be accomplished: If an Operator revised its Maintenance Program to comply with an ISARP such as MNT 2.9.2 (DLR Inspection), the task may be accomplished within a defined threshold. The threshold shall be clearly identified within the Maintenance Program and approved by the Authority. The threshold shall be shorter than the task interval approved by Authority.</p> <p>NOTE: In certain, limited cases, distribution of documentation changes are sufficient to ensure less complex processes, procedures, etc., are implemented. AOs must use discretion in this regard, keeping in mind the increasing industry focus on confirmation of implementation.</p> |
| <p>7</p> | <p>The VOI Comments must include evidence of documentation and implementation, as applicable, as verified by the auditor.</p> |
| <p>8</p> | <p>The description of VOI must cover all relevant evidence provided by the operator in the FAT phase.</p> |
| <p>9</p> | <p>References to controlled documentation must include manual names, revision/amendment references and/or dates, as available. Distribution and, if possible, receipt of documentation to all affected parties must be confirmed.</p> |
| <p>10</p> | <p>If required, details of how implementation deficiencies were verified. If the deficiency concerned staff or crew training, or any specialized activity, details must be provided on the staff or crew training, or any such specialized activities, that were verified as implemented.</p> |
| <p>11</p> | <p>When verifying conformity, sampling of documentation is not appropriate: changes for all fleets, activities, functions, etc., which are affected by the original nonconformity must be reviewed and listed, including corrective actions for nonconformities originating from ISARP sub-provisions.</p> |
| <p>12</p> | <p>Generic cut and paste statements such as “Corrective Actions verified”, “as described by the Auditee”, “items i) to iii) corrected”, are not acceptable in VOI.</p> |
| <p>13</p> | <p>If corrective actions were verified by a return visit, it should be stated, as added value of the assessment process.</p> |
| <p>14</p> | <p>The ‘<i>Final Reviewed and Acceptance Completed By</i>’ field must be completed by an AO auditor qualified in the applicable discipline, or the Lead Auditor that conducted the on-site audit.</p> |

| | |
|-----------|--|
| 15 | <p>'Final Review and Acceptance Submitted by' and 'Date of Acceptance' will automatically log the audit software user name and date.</p> <p>The Date of Acceptance must be the same or later than the date of the FAT and must also be the same day or earlier than the CAR closure dates.</p> |
|-----------|--|

2.9.9 Intentionally Open

2.9.10 Completion of CARs for Observations

| | |
|----------|--|
| 1 | The "RC" must always be completed, as essential input to the long term statistical analysis of safety information. |
| 2 | If the Auditee has commenced implementation of corrective actions and wishes this progress to be recorded in the CAR, this process can be followed the steps in IAH 2.9.1 – 2.9.8 . |
| 3 | If the auditee will not implement any corrective action, then in corrective Action Plan, select 'Final Action' and Corrective Action 'No', then click 'Save' in the header of the CAP. No further action will be required. |

2.9.11 Completion of CARs Raised in Error

CARs raised in error is only applicable to the following scenario:

- (a) Incorrect assessment of the interlinked or repeated ISARPs by the Auditor.
- (b) Auditor misinterpreted the ISARP, provided documentation or evidences, records and etc.
- (c) Any objective reasons that will be described in the CAR record.

When such events occur, the AO shall take necessary actions when required in communication with IATA.

A CAR cannot be accepted as raised in error, as the result of evidences (e.g documentation) provided after the closing meeting. If this happens, the Operator should focus during the Audit Follow up process on the root cause of its inability to provide already available documentation.

IPM 8.8.2 specifies that nonconformities presented at the audit closing meeting (or adjournment conference call, if applicable) shall not be revised or withdrawn, thus must be retained as part of the audit record, and it is important that there is a clear record of how the operator had conformed to the ISARP.

CARs raised in error are always included in the total of Findings/Observations.

CARs that have been raised in error must be completed as follows:

| Situation (a) | |
|---------------------------------|--|
| Root Cause (RC) | RC shall state " <i>The CAR was issued in error and there will be no root cause.</i> " |
| CAP | Select 'Final Action' and Corrective Action 'No'. Then submit to AO for review. |
| Review | 'Expected Completion Date' remains the same as the 'Target Date' in the 'Initializing Details', to standardize the presentation of all CARs raised in error. |
| FAT/Final Review and Acceptance | Leave field in 'FAT' and 'Final Review and Acceptance' as system default. |

| | |
|-----------------------------|--|
| Situation (b) | |
| Root Cause (RC) | RC must be entered, explaining why the documentation was not available during the audit. |
| CAP | Select 'Final Action' and Corrective Action 'Yes'. In Corrective Action Plan, insert a statement that <i>"The CAR was issued in error and that there will be no corrective action. See Final Review and Acceptance."</i> Then submit to AO for review. |
| Review | 'Expected Completion Date' remains the same as the 'Target Date' in the 'Initializing Details', to standardize the presentation of all CARs raised in error. |
| FAT | In Final Action Taken, insert a statement that <i>"The CAR was issued in error and that there will be no corrective action. See Final Review and Acceptance."</i> The 'Action Taken By' field must contain the name of the auditee representative. The audit software user name will be automatically logged in the field of 'Submitted by' and the date of submission of the FAT must be reflected in the field of 'Date of Final Action Taken'. |
| Final Review and Acceptance | Select 'Yes' in 'Statement of Acceptance' and 'Final Action' in Verification. In Verification of Corrective Action, include a statement that the CAR was issued in error, followed by conventional evidence for documented and implemented which confirms how the Operator conformed with the ISARP. The CAR must be closed by a member of the on-site audit team or an Auditor qualified in the applicable discipline. The 'Date of Acceptance' must be the same or earlier than the Date of Audit Closure listed in the AS. |

2.9.12 Closing Open Nonconformities due to a New ISM Revision

- (a) When an operator has open Findings and/or Observations and the IOSA Standard or Recommended Practice is either replaced, revised or made invalid as a result of a new Edition or Temporary Revision (TR) to the ISM being published, the option contained in **IPM Section 8.12.4**, can be used to audit to the revised provision. This option would be used when the replacement, change or removal of the operational requirement will result in conformity for the Finding or Observation.
- (b) There are many different circumstances under which this IPM option could be used, for example:
1. the revision could be published before, during or after the on-site audit;
 2. the revision could be a new, upgraded, downgraded or removed ISM requirement; or
 3. the revision could involve the use of Active Implementation or the Parallel Conformity option.
- (c) As a broad outline, a CAR closed using the option of **IPM Section 8.12.4** must contain a detailed and complete record of the revised assessment and verification the following three elements of information:
1. a record of the Finding and actions taken until the point where the decision was made to utilize the revised ISM requirement;
 2. additional information detailing how the new ISM requirement was assessed, in accordance with conventional IOSA procedures and how conformity was achieved; and
 3. a standard phrase inserted at the end of the 'Verification of Implementation' field, recording the reference to the use of the IPM option to audit to the revised ISM requirement.

- (d) IATA cannot practically provide specific procedures and standard CAR text for the many different circumstances and combinations of when the option contained in **IPM Section 8.12.4** may be used; however the procedure below may be used for general circumstance and as a guide for other more complex circumstances.

Note:

This IPM option applies only to open findings or observations. Even if a revision is published before an audit, the AO is still required to audit to the ISM version specified in the contract. Any findings or observations resulting from the audit may then be closed as per the new ISM revision.

| A New ISM Edition or TR is Issued and is Effective well before the on-site Audit | |
|---|---|
| The new/revised provision(s) will be issued as an AO Alert and incorporated in the Audit Checklists template as temporary revisions, designated with a (T) suffix, before being issued to AOs. | |
| 1 | The AO must immediately advise the operator of the ISM revisions/changes. |
| 2 | Conventional audit procedures apply. |
| A New ISM Edition or TR has been Issued and is Effective just before the on-site Audit | |
| The Audit Checklists template would have already been issued to the AO for the audit and it is impractical to incorporate the new/revised provision(s) in the audit checklist. | |
| 1 | The AO must immediately advise the operator of the ISM revisions/changes. |
| 2 | The new or revised provision(s) must be conventionally audited from the AO Alert, and may require the information on the AO Alert or TR to be inserted. |
| 3 | After audit completion, the new/revised provision(s) will be incorporated in the Audit Checklists by an audit software administrator. |
| 4 | If nonconformities result from the ISM revisions/changes, conventional CAR(s) will then be issued and closed. |
| A New ISM Edition or Revision is Effective on or after the Last Day of the Audit | |
| As per Section 8.12.4 i) – iv), the AO has the choice of applying the new/revised provisions as needed. The RC, names and dates in all CAR fields are completed conventionally. | |
| 1 | CARs must always be issued for any nonconformities originating from the specified version/revision of the ISM, to ensure a complete assessment record of the audit as contracted. |
| 2 | The original evidence which led to the nonconformity must remain unchanged. |
| 3 | If the new/revised provision(s) can be applied to close existing nonconformities, the CAR(s) must be completed by inserting the standard Phrase below in the CAP and FAT fields. <i>Corrective actions are no longer required. See Verification of Implementation section below.</i> |
| 4 | In 'Final Review and Acceptance', the verification of the corrective action shall include the details of how the operator now achieves conformity with the new/revised provision(s). The Standard phrase below is inserted after the Verification of Implementation text. <i>This finding has been closed in accordance with IPM Section 8.12.4. Conformity has been verified against (ORG XX.xx (T), Revision XX), of the IOSA Standards Manual Ed NN (number to be inserted).</i> The confirmation that the CAR has been closed based on conformity with the new or revised provisions shall also be included. |
| 5 | A comment must be added to the Additional Information of the Audit Summary, to state that the provision was closed based on a new ISM Edition or Revision. |

2.9.13 Summary of Responsibilities for Audit Functions

The following table summarizes who can take what action in the closing of CARs and audit functions.

| Function | Responsibility | Authority for Function |
|---|---|---|
| Raising of the non-conformities and entering the narrative | AO | Auditor of that discipline during the Audit |
| Generation of the CAR | AO/Lead Auditor/Auditors | Auditor of that discipline of the Audit Lead Auditor of the Audit AO Representative |
| Root Cause Analysis (RCA) | Operator (Auditee) See 2.9.4 | |
| Corrective Action Plan (CAP) | Proposed by the operator (Auditee) See 2.9.5 Accepted by the AO | Auditor qualified and current on that discipline Lead Auditor of the Audit |
| Review of the CAP | AO | Auditor qualified and current on that discipline Lead Auditor of the Audit* |
| Final Action Taken (FAT) | Operator (Auditee) See 2.9.7 | |
| Final Review and Acceptance/ Verification of Implementation | AO | Auditor qualified and current on that discipline Lead Auditor of the Audit* |
| CAR Closure | AO | Auditor qualified and current on that discipline Lead Auditor of the Audit* |
| Certificate of Audit Completion | AO | Lead Auditor of the Audit Any Lead Auditor |
| Certificate of Audit Closure | AO | Lead Auditor of the Audit AO Representative |

Note:

* indicated IATA recommended personnel for the specific function

2.10 Audit Report Completion

2.10.1 Audit Report Quality Control

During the QC & QA process should any nonconformities or issues be identified that may improve the report's content or value, they must be addressed.

If Quality Control (QC) activities are conducted onsite during an IOSA Audit, these activities are not to be included in the 25 Auditor-days.

2.10.2 Audit Report Submission

The AO must ensure timely submission of the IAR to IATA, in accordance with the **IPM 8.13** (for all audits, within 15 calendar days of audit closure and for renewal audits, 30 calendar days prior to registration expiry), as there are a number of other process to be carried out by IATA that may critically impact the operator's registration or re-registration.

The effect on the processes are:

- (a) QC priorities continuously changing to accommodate the late reports;
- (b) other operators' IARs delayed due to continuously changing priorities;
- (c) increasing external pressure (generally from the operators' code-share partners) due to the delayed reports; and
- (d) rushed QC process (AO and IATA) increases the likelihood of inconsistent and poor quality IARs.

All these have a detrimental effect on the credibility and integrity of the Program.

If for reasonable circumstances the AO anticipates any delay and the submission of the report is not likely to be within the IPM specified deadlines, the AO must:

- (a) notify IATA with an explanation, as soon as practicable;
- (b) provide an expected IAR submission date to IATA (IOSA Quality Control mailbox and Assistant Manager Registry); and
- (c) if the IAR has not been submitted within the deadline, IATA will follow up and will determine a new agreed deadline.

Note:

Prompt and open communication is expected, so as to minimize the impact of the delay.

2.11 Additional Information

2.11.1 Audit Document and Record Retention

The records and documents created through the audit process, must be retained in accordance with **IPM 9.7**.

2.11.2 Audit Software Contingency Plan

The following is the contingency plan when onsite for the IOSA Audit when the audit software is unavailable. As soon as it becomes known to IATA that the audit software is out of service, IATA will immediately inform all AOs.

IOSA auditors must follow the contingency plan as outlined:

| Steps | Alternative Forms to Use |
|---|---|
| Conduct audit using the latest valid MS Word checklists available on the IOSA website and extranet sites All checklists shall be completed electronically as per the relevant IAH requirements | Extranet: IOSA > Audit Organizations > Audit Templates and Forms > Audit Checklists > ISM (Edition current at the time of the audit) |
| Complete AS, Document References, CAR, and other applicable forms in MS Word and MS Excel, as appropriate | Extranet: IOSA > Audit Organizations > Audit Templates and Forms > IAR Forms DOC.F22 Audit Summary DOC.F23 Information Sources DOC.F25 Active Implementation Record DOC.F26 CAR |
| Convert MS Word/MS Excel files into PDF before submission to IATA for QC | AS, Document References (DR), Audit Checklists (AC), CAR and other applicable documents |
| Submission of the report | Submit the secured PDF files to IATA via email. The password for the files shall be emailed to IATA separately. |

2.11.3 On-site Audit Contingency Plan

There are various situations that an on-site audit may not be closed by the last day of the audit. It can happen due to issues from the auditors, auditees or external factors. In the event such case happens during the on-site audit, the lead auditor and audit team are recommended to handle this issue with the following contingency plan. These planned options are listed in preferential order.

1. A re-organization of the time and resources by the audit team and the auditees to remain within the planned time;
2. If step 1 is not effective, then an extension of the audit to the extent required, with concurrence of the concerned parties (auditors & auditees);
3. If step 1 and 2 are not effective, then the auditor shall convert all remaining and open ISARPs into non-conformities that will be addressed conventionally after the audit.

Notes:

1. *From the program experience, most of the cases can be resolved using the first option.*
2. *If the step 2 is exercised, the closing meeting may need to adjourn in accordance with IPM 8.7.12.*

Section 3 Procedures for Operators

3.1 Operator's Responsibilities

3.1.1 Supporting the Audit

To ensure an effective and efficient IOSA, the operator is required to support the audit activities. This support includes:

- (a) providing the AO with the documentation and information requested in a timely manner, these include the Aircraft Systems and Equipment forms, and other operational documents for audit preparation;
- (b) ensuring all applications for exemptions and operational exclusions are submitted to IATA in a timely manner and within the deadlines;
- (c) coordinate with the AO on the provision of resources and facilities for the on-site audit and access to the outsourced activities, if applicable;
- (d) facilitate the provision of access permissions as required;
- (e) ensuring relevant managers, operational staff and internal auditors, are available to support the audit activities, including being available for interviewing;
- (f) assist the AO during the audit in accordance with **IPM 6.3.1**;
- (g) monitor and reporting the progress of addressing corrective actions with the AO, including when ICA and extenuating circumstances are utilized; and
- (h) any reasonable requests of the AO or Auditors for the conduct of the audit.

3.1.2 During the Registration Period

Between audits, during the registration period, the operator has the responsibility to:

- (a) complete any Active Implementation (AI) action in accordance with the accepted Implementation Action Plan, see **5.5**;
- (b) continuously monitor conformity with the ISARPs, through internal audit program in accordance with **ORG 3.4.6**, see **3.3**;
- (c) report to IATA any changes in the organization, in accordance with **IPM 7.7.1**, also see additional information in **3.1.3**; and
- (d) monitor program documentation and information for any changes to the program, which may require an action to be taken.

3.1.3 Changes in the Operator's Fleets and Operational Functions

The operator may change its fleet during the IOSA registration period. The changes outlined in **IPM 7.7.1** must be reported to IATA.

Changes to fleets can be significant, for example when all the fleets are replaced with another aircraft type. However, fleet changes can also contain the addition of new aircraft variants to the existing aircraft types or new technology in the erstwhile fleet type.

The operator must individually assess and evaluate each fleet change and determine the assessment activities in order to ensure continuous conformity with all ISARPs. This may require additional auditing of relevant ISARPs.

Changes in the operations might also affect other areas. An operator might, for example, decide to transport dangerous goods or obtain new operational approvals. In this case, all relevant ISARPs must be reviewed and audited, if not done before.

3.2 IOSA Audit Preparation

3.2.1 Preparation Activities

There are many preparation activities the operator can undertake to prepare for their IOSA Audit. These activities include, but are not limited to:

- (a) undertaking a gap analysis against the applicable ISARPs, See 3.3.4);
- (b) request and IOSA Preparation Visit, see 5.7;
- (c) undertake training in the IOSA program and approach;

for an IOSA registered operator, there are many actions that are required to be completed and submitted to the AO prior to the IOSA Audit:

- (a) submit the current AOC/Ops Specs to the AO and inform the AO if there is any foreseeable changes in upcoming 6 months before the audit;
- (b) complete the Aircraft Systems and Equipment forms and submit to the AO, in accordance with 4.9; and
- (c) submit any documents as requested by the AO for preparation and in support of the IOSA Audit.

3.2.2 Review Document Reference Requested by AO

The operator may be asked by the AO to upload, review, verify and/or add to the Document References (formerly called Information Source). The source of document references could be the operator's audit database. The operator is required to review and verify that all the provided document references are current. In the event the information is incorrect, the change can be made by the auditee or the AO upon mutual agreement. The information required are listed below:

| Information | Mandatory | Description | Example |
|-------------|-----------|--|--------------------------|
| Code | Yes | The abbreviation or acronym used for the manual | OM-A |
| Title | Yes | The official title of the manual, in some case, this may be aircraft type specific | Operations Manual Part A |
| Version | No | The current version of the manual, it can be edition, version, issue or any combination as far as this is describe in the operator's documentation | Rev 2 |

| Information | Mandatory | Description | Example |
|------------------|-----------|--|---|
| Description | No | A brief description of the manual | Operations Manual contain policies and procedures for operations. |
| Date of Document | No | The effective date of the manual, which can be different from its published date and approval day, if applicable | 03 Jan 2017 |
| Document Type | Yes | Refer to IRM for electronic documentation type 1, 2, 3 or paper type | Type 1 |
| Date reviewed | No | The review date of the manual. This shall be filled in by the AO or auditor | (Blank for the AO or Auditor) |

There is a document reference template available for download from the audit software. The operator or AO can fill in the document reference using this template or directly in the system.

3.3 Internal Audit Program

3.3.1 Quality Assurance Program Requirements

A fundamental concept of IOSA is to maintain continuous conformity with the ISARPs. For operators to ensure that the operational and management system is in continuous conformity with ISARPs, an IOSA operator must have a quality assurance program that provides for internal auditing of the management system, as well as operations and maintenance functions, as specified in **ORG 3.4.1** and **ORG 3.4.6**. Such program includes:

- (a) A designated program manager as specified in **ORG 3.4.2**.
- (b) A process for addressing program Findings that result from internal audits as specified in **ORG 3.4.3**.
- (c) A process to ensure significant program issues are subject to management review as specified in **ORG 3.4.4**.
- (d) Except for the initial IOSA, **the** operator shall plan the internal audit program to cover 24 month period, with the internal auditing of the ISARPs a minimum of once during each IOSA registration period as specified in **ORG 3.4.6**.
- (e) A database to ensure an effective management of data derived from the internal audits under the quality assurance program as specified in **ORG 3.4.14**.

3.3.2 IOSA Registration Period

The registration period and renewal processes are defined in the IOSA Program Manual Section 7.

3.3.3 Alignment of ISARPs with Regulations

Many ISARPs contain specifications that are the same as, or at least consistent with regulatory requirements. In such cases, efficiency might be gained by ensuring IOSA and regulatory requirements are audited concurrently (i.e. to avoid duplication of effort).

As a means of creating such efficiency, an operator might consider creating a cross-reference listing or matrix that links specific ISARPs with relevant regulations.

To assist in creating such a matrix, a Regulatory Cross-Reference Table is available on the IOSA website (<http://www.iata.org/iosa>) which provides a cross-reference comparisons between the ISARPs and ICAO requirements, as well as with FAA and EASA regulations.

3.3.4 ISM Applicability for Internal Assessments

IOSA Audits are conducted using the ISM edition that is effective at the time of the audit.

Generally, an operator conducts internal audits using the effective edition of the IOSA Standards Manual (ISM), however an operator may also use a published but not yet effective version of the ISM for internal audits.

If a new edition of the ISM becomes effective during the first 19 months of the 24-month IOSA registration period, the operator shall take into account all changes (e.g. new or significantly revised ISARPs) that might affect previous internal audit results. Please see the Note to **ORG 3.4.6**.

If a new ISM edition is issued during the last five months of the 24-month registration period, the operator may choose to reflect results in the internal oversight from auditing against either the new edition or the previous edition.

A TR issued might introduce new policies, processes, procedures to be documented and implemented. Operator shall review the content and ensure that the conformity with the changes as required. Accordingly, the operator should review the need for auditing and/or alternative oversight methods within the 24-month registration period.

The registration period and renewal processes are defined in the IOSA Program Manual Section 7.

3.3.5 Actions for a New ISM Revision

When the ISM is revised and a new edition becomes effective during the first 19 months of an operator's registration period as described under **3.3.4**, the operator must incorporate the new ISM Edition in the internal audit and/or alternative oversight methods. In this case, **only** the relevant changes in the new ISM Edition may have to be assessed. If an assessment had already been performed within the current registration period against a particular provision that has not changed, then it does not need to be re-audited.

In order to determine which ISARPs may require assessment, the operator needs to review the "Description of Changes" Section of the new ISM Edition. This Section lists ISARPs that have been added or deleted and highlights significant changes to the ISARPs, etc.

The following gives a list of changes in the ISM that might require auditing or re-auditing of the provisions in the new ISM Edition:

- (a) New Recommended Practice added
- (b) New Standard added
- (c) Recommended Practice, upgraded to Standard
- (d) Significant change to content of a Recommended Practice
- (e) Significant change to content of a Standard

The responsible manager(s) will determine the need to audit the affected provisions and will incorporate those into the internal audit plan. Typically, editorial changes to ISARPs (e.g. “IRM reference revised”) would not require a re-audit of the revised ISARP.

Significant changes to the content of ISARPs can contain changes to the technical specifications, text, notes or symbols (e.g. “[SMS]” designator, “▶” symbol, etc.), related to the provision. The operator shall evaluate the changes in provisions and determine if the re-auditing is required. In case of any doubt, it is recommended to have the internal auditor revisit the provision.

When new ISM Editions have been incorporated, the operator may have assessments in the internal Quality Assurance records that contain ISARPs from multiple ISM Editions. This is acceptable, as long as the ISARPs are in accordance with the requirement as described above and **ORG 3.4.6**.

3.3.6 Internal Auditor Qualification and Independence (ORG 3.4.12)

Auditors used to conduct audits under the operator's quality assurance program must be appropriately trained and qualified in order to effectively audit the ISARPs. This provision is applicable to all internal auditors auditing against each IOSA discipline. The type and content of training is specified in ORG 3.4.12 and ORG 3.4.13.

ORG 3.4.12 does not require an IOSA-specific qualification process; it addresses the general training and qualification as an auditor, and requires that the auditors are independent from the activity they are auditing. For example, an auditor that is also current as a flight crew member, while auditing line flight operations from the jump seat as an independent observer, may not participate in any line crew duties at the time of the audit.

Typically, the internal audits are performed, for example, under the authority of the quality assurance department of the operator. To avoid risking independency, the internal auditing of the quality assurance ISARPs (e.g. **ORG 3.4**) may be performed by another, qualified auditor from a different division or department within the operator's organization.

Note:

Guidance may be found in ISO 19011: 2018 Guidelines for auditing management systems, which provides internationally recognized Standards for auditor training and qualification.

3.3.7 Training and Qualification Program for Internal Auditors (ORG 3.4.13)

ORG 3.4.13 requires a training and qualification program for the internal auditors. It also requires specific initial and continuing training for auditors that perform audits against the applicable regulations and standards and ISARPs, if applicable (see **ORG 3.4.13** (iii)).

The conformity of this training and qualification program must, like for any other ISARP, be documented and implemented. The operator can choose whether to develop an internal training or to purchase specialized training from third party providers. In any case, the operator has to document the whole training and qualification program, including training contents and all requirements as per the sub-specifications of **ORG 3.4.13**.

Individuals selected as auditors must have the knowledge, skills and work experience that permits an effective assessment of areas within the organization where the individual will conduct audits and that are in alignment with the qualification criteria that the operator has defined as per **ORG 3.4.13**.

To ensure basic and on-going competence, auditors must:

- (a) Complete initial and continuing auditor training (provided either internally or externally) that develops and maintains quality auditing skills and techniques to audit against applicable regulations and standards.

If the operator is currently on the IOSA Registry, the auditors must also be trained to audit against the ISARPs. This would include initial and continuing training in regards to the understanding of the IOSA Standards Manual, the interpretation of ISARPs, the correct application of the IOSA audit methodology as explained in this handbook and in the ISM.

- (b) Be scheduled and utilized in a manner that maintains an appropriate level of current audit experience (the criteria for audit currency need to be defined by the operator).
- (c) Be evaluated on a periodic basis.

All above listed items have to be defined, documented and implemented by the operator. It is the operator's responsibility to define all specifications as required by the provisions **ORG 3.4.12** and **3.4.13**.

Operators may make use of Subject Matter Experts (SMEs) when auditing against the ISARPs in a specific area. SMEs are technical experts that support the auditor in assessing certain areas. Audit results that were produced in cooperation with an SME remain the sole responsibility of the qualified auditor/lead auditor. SMEs that are used for the purpose of supporting the audit process of a specific area may not need specific auditor training as per **ORG 3.4.13**. The following describes the criteria for the use of SMEs in internal audits:

- (a) SMEs would not be classified as auditors under an operator's QA program, but rather would be identified in a separate classification.
- (b) SMEs would always operate under the supervision of a lead auditor/qualified auditor from the QA program when conducting audit activities against the ISARPs.
- (c) SMEs would undergo mission-specific on-site training conducted by the lead auditor/qualified auditor prior to each participation in an audit activity.
- (d) SMEs that must act independently during the internal audit would be classified as auditors, and thus be required to complete auditor training as per **ORG 3.4.12** and **ORG 3.4.13** (e.g. pilots that conduct QA observations of line flights/simulator sessions).
- (e) SMEs are encouraged to participate the discussion with AO Auditor(s) during the audit for those ISAPRs that they have involved.

Best Practice

The operator should establish a comprehensive management program for internal auditors that includes a policy, standards and guidelines relevant to auditor selection, training and qualification in accordance with **ORG 3.4.12** and **ORG 3.4.13**.

3.3.8 Record of Internal Auditors

The operator is required to record the Auditors who have audited against the ISARPs. This can be supported with a complete listing of all the auditors, in support of **ORG 3.4.13**.

3.3.9 Use of External Resources for Internal Audits

Operators may use external resources (e.g. consultants) to conduct internal audits against the ISARPs. When external resources are used to conduct internal audits, the operator needs to ensure such auditors meet the requirements for auditors in **ORG 3.4.12** and **ORG 3.4.13**.

In addition to requirements specified above, the following should be considered when using external resources to ensure effective auditing against the ISARPs:

- (a) The external resource must be provided with the current effective version of the ISM, all supporting IOSA manuals and any internal documentation that is relevant for the internal audit activities.
- (b) The external auditors might need familiarization and training to effectively conduct audits against the ISARPs.
- (c) The external resource must have the capability, including being appropriately trained and qualified auditors.
- (d) The external resource must have familiarity with the operator's organizational structure, management system, operational processes and the applicable documentation.
- (e) The external resource (or any external auditors) must not have a conflict of interest in relation to the operator.

External subject matter experts can be used to support auditors in their assessments, refer to [3.3.7](#).

Best Practice

If external resources are used to conduct internal auditing against the ISARPs, the operator should have published guidelines that specify appropriate criteria for the selection and use of such external resources.

3.4 Effectiveness Methodology

3.4.1 General

For the newly introduced method of auditing the effectiveness of implementation, an operator does not necessarily need to prepare anything. The methodology simply probes certain ISARPs in more detail and verifies additional aspects and criteria, which have not been verified formally up to this point.

The whole concept is introduced as a recommendation. Nothing new is required of an operator to ensure the continued validity of the IOSA registry. Even if an operator has been assessed as not implementing certain ISARPs effectively, this operator can still retain its IOSA registration status. To have a positive result of the assessment, the operator should ensure sufficient efforts are invested in implementing the corresponding ISARPs effectively and needs to be able to demonstrate it.

Following are some main points to be noted

1. To properly prepare, an operator needs to consult the Assessment Tool in the IOSA Standards Manual for the corresponding ISARPs and identify the required elements.
2. The first element of the Assessment tool is the desired outcome. It is important that it is well understood what the desired outcome of the ISARP is, as the rest of the elements, specifically suitability and effectiveness, are there to support this desired outcome. For [Eff]-designated

ISARPs, the desired outcome is defined in the standard, whereas for the rest of the ISARPs the operator has some flexibility in defining it to ensure effective implementation.

3. The next step is ensuring the suitability of the implemented process. This will depend on the size, complexity and nature of the operational environment. Clear criteria should be developed based on which the suitability is evaluated internally. Achieving the desired outcome should always be in the foreground of this evaluation. Ideally, there would also be some metrics associated which makes the achievement of the desired outcome measurable. This will ultimately give an indication of whether implementation is suitable. Another method to utilize could be benchmarking with other operators of similar setup. This can also help in making the assessment and ensuring that the suitability is given. The operator should be ready to communicate the rationales which went into this internal assessment during the IOSA audit. Any type of benchmarking and analysis should carry some form of proof (records).
4. Lastly, the specific effectiveness criteria need to be in place. The operator needs to study them and make sure they are all in place and fully implemented. Every effectiveness criterion must be in place to receive a positive assessment for effectiveness. If only one item is missing, the assessment would automatically become negative for that particular ISARP. It is the operator's burden to provide sufficient proof of implementation.

3.4.2 Documentation

The main focus of the effectiveness methodology is the implementation – ensuring that all processes are carried out in an effective manner. There is no documentation required for both, ORG 1.7.1 as well as for the criteria underneath the [Eff]-designated ISARPs. The umbrella ISARP does not require a document reference in the audit checklist.

3.4.3 Internal Auditing for Effectiveness

The procedure for internal auditing for effectiveness as per ORG 3.4.6 is the same as the one to be used by the auditors for the purpose of the registration audit. Procedures should therefore be followed as described in [IAH 4](#) for the purpose of completing the internal audits. The concept of effectiveness is a recommendation at this time. If the internal assessment program concludes that effectiveness is not assured, it is not mandatory to rectify the observation raised against the umbrella ISARP.

3.4.4 Addressing Lack of Effectiveness (Non-Conformity)

The result of lacking effectiveness would create an observation against the umbrella ISARP in ORG, recommending demonstration of effective implementation

Effectiveness criteria are contained in several ISARPs designated with the [Eff] tag. Any missing criteria will be recorded in the auditor comment of the umbrella ISARP, and only the umbrella ISARP will be assessed as an observation. Detailed guidance on how to record the non-conformity in the umbrella ISARP can be found in the auditor guidance in [Chapter 4](#).

Corrective action would follow conventional procedures: a root cause needs to be identified and a corrective action plan needs to be established and agreed on with the AO. Once verified, corresponding final corrective action needs to be taken.

The main difference to all other ISARPs is the potential level of complexity of the wording in the Corrective Action Record (CAR) as each affected ISARP needs to be individually addressed in a single CAR.

The action to be taken would be the same logic as with any other non-conformity. The main difference is that corrective action would probably not be as simple as with some other issues.

3.5 IOSA Audit Follow-up

Upon the completion of the on-site audit by the IOSA audit team, the operator should be presented with their preliminary audit results during the closing meeting. Should there be any finding and/or observation raised during the audit, the IOSA audit follow up is required. The following guidance helps the operator to proceed the audit follow up process. The Summary or the Responsibilities for the Audit Follow Up is listed in [2.9.13](#), the operator shall follow their responsibilities as stated.

3.5.1 Completing the Root Cause(s)

See [2.9.4](#)

3.5.2 Completing the Corrective Action Plan

See [2.9.5](#)

3.5.3 Completing the Final Action Taken

See [2.9.7](#)

3.5.4 Completion of CARs for Observations

See [2.9.10](#)

3.5.5 Completion of CARs Raised in Error

See [2.9.11](#)

Intentionally Blank

Section 4 **Audit Methodology and Technique**

4.1 **Understanding the ISARPs**

4.1.1 **Familiarity with the ISM**

In order to understand the IOSA Standards and Recommended Practices (ISARPs), all stakeholders must be familiar with the IOSA Standards Manual (ISM). The ISM is made up of eight (8) sections, each section represents a different operational discipline containing the related ISARPs.

Information on reading and understanding the ISARPs is contained in the 'Introduction' section of the ISM.

4.1.2 **Interpretation of ISARPs**

Safety requirements in the ICAO Annexes, as well as regulations from the major regulatory bodies worldwide are included in the ISARPs. All efforts have been made to present these provisions as clearly and consistently as possible, while still ensuring that the intent of the original specification is not changed.

Auditors shall review the entire ISARP text (including the sub-requirements, tables and notes), in order to identify the primary and any secondary requirements, any specific conditions and/or notes.

Auditors shall audit all information in the ISARP requirements. This includes all sub-requirements, notes, information included in the referenced tables, and any cross-reference to another ISARP(s). In the latter case, the auditors shall briefly verify to ensure the related requirement was covered (especially if the reference is to another discipline).

If applicable, the Guidance Material (GM) should also be reviewed for additional information on the applicability and intent of the ISARP requirement. GM is informational only and supplements or clarifies the meaning or intent of the ISARPs. ISARPs that are self-explanatory do not have GM. GM is designed to ensure a common interpretation of the ISARPs and to provide additional detail that assists the auditors (and auditees) to understand what is required in order to achieve conformance. In some cases, GM also presents examples of acceptable means of conformance.

Note: Audit specifications are contained only in the standard or recommended practice, associated notes, and any referenced tables, they are never contained in the guidance material.

4.1.3 **Conditional ISARPs**

Certain Standards and Recommended Practices, or certain sub-provisions contained within an ISARP begin with a conditional phrase that are only applicable to an operator when that operator meets one or more specific and clearly stated operational conditions. The specific conditions are usually stated at the very beginning of the ISARP or sub-provision, following the phrase, "*If the Operator...*".

When assessing an operator against a conditional ISARP, the auditor will first determine if the stated operational condition(s) is/are applicable to the operator, e.g. whether: Dangerous Goods are carried, international flights are conducted, RVSM operations have been authorized, etc. In determining if the condition is applicable, the following outcomes are possible:

- (a) If the operator meets the stated condition(s) *anywhere in its system*, then the standard or recommended practice is applicable and must be included in the audit, and audited conventionally.

- (b) If the operator does not meet the stated condition(s) *anywhere in its system* or does not have authorization for the operational function, then the standard or recommended practice, or part thereof, is **not applicable** to the operator (i.e. is recorded as N/A in the audit checklist, see [4.2.7](#)).
- (c) If the conditions stated in a conditional phrase are performed by external service providers (i.e. outsourced), then the Standard or Recommended Practice is applicable to the operator and must be included in the scope of the audit, and audited as per outsourced functions see [Section 4.5](#).
- (d) If the operator is approved for a specific operation, but does not perform that operation then it is considered applicable and must be included in the audit, and audited conventionally (see Inactive Operations in [4.1.4](#)).

Although a provision may not apply to an operator, an auditor may choose (or may be requested) to include a record of the development, implementation and status of a particular activity or function, providing additional information and value to the audit record.

4.1.4 ISARPs Applicability

The applicability of each ISARP is determined by the auditor. There are many factors to consider when determining the applicability of an ISARP:

- (a) **Section Applicability:** an applicability box, which is found at the beginning of each section of the ISM, contains guidance that describes the general applicability of the ISARPs contained in the entire section, refer to ISM Introduction 4.
- (b) **Conditional Phrase:** some ISARPs have a conditional phrase as stated in [4.1.3](#).
- (c) **Systemic Applicability:** for each ISARP, applicability is determined based on the operations that are conducted, not only at the home station, but *within stations and locations throughout the operator's network*. This is referred to as *Systemic Applicability*, as stated in ISM Introduction 4.
- (d) **System and Equipment Applicability:** is related to the aircraft systems and equipment requirements, see section [4.9](#). The system and equipment tables have a column that states the conditional applicability to determine if the requirement is applicable, and must be considered across all aircraft types within the operator's fleets, refer ISM Introduction 4.
- (e) **Inactive Operations:** if the operator has regulatory approval for an operation and such operations are not active, they can only be assessed as not applicable during an audit if it is stated clearly in a controlled document (e.g. Operations Manual) that the specified operations are not conducted by the operator; refer to ISM Introduction 7.

For audit purposes, the IOSA auditor would need to give the reference from the controlled document to validate the assessment of an N/A.

- (f) **Dormant Operations:** If the operator has an approval for a special operation and intends to utilize it, but has not yet commenced services utilizing that approval, it could be termed 'Dormant Operations'.

From the IOSA audit perspective, the acceptance of the operator's capability in the conduct of those (approved) special operations without witnessing any record of such an operation carries the risk of making a judgment based on peripheral evidence. In such cases, sound auditor reasoning must be applied; the following is offered as guidance:

- If, in the short-term, there is very little chance that the activity will take place or be implemented, and if the operational risk is considered low, then the circumstantial evidence will suffice as evidence of 'implementation'. This circumstantial evidence could be training records, state of preparedness for that activity, audit checks, etc. Examples may include approval for the carriage of live animals, etc.
- If there is a chance that there will be regular activity based on that operational approval in the short-term, and if the operational risk is considered medium or high, then the documentation

relating to that activity must be checked and a finding given for not being 'implemented' with an added narrative underlying the reasons thereof. As and when the operator commences that activity, the implementation records can be examined to close the finding. Examples of this kind may include a fresh approval for EDTO, or a fresh approval for the carriage of DG.

It must be noted that the differences between the two types of dormant activities are not well-defined; mature auditor judgment must be applied with the overall aim of reducing the operational risk to the operator utilizing those approvals on a non-regular basis.

If ISARPs do not meet the determination of applicability, they must be treated as Not Applicable, see **4.2.6**, and recorded as per **4.2.7**.

4.2 Assessing the ISARPs

4.2.1 Linked Assessment of Documentation and Implementation

IOSA is one of the few audit programs which requires a two stage auditing function, the assessment of the provision being documented, followed by an assessment of the provision being implemented.

This core IOSA principle should ensure that the implementation assessment is based on standard operating practices and not on undocumented operating practices, for which standardization cannot be assured. It is essential to audit according to this core Program principle, and also to exercise good judgment, as there are a limited number of provisions which are not dependent on documented processes, procedures, etc., which can be consistently implemented without controlled documentation.

During an audit, the degree to which specifications are documented and implemented by the operator becomes the basis for overall conformity or nonconformity with the specifications. Therefore, it is critical that auditors understand the meaning and intent of these terms.

4.2.2 Documented

To determine conformity with ISARPs as *documented*, an auditor must be able to find information that addresses the requirements as specified in the applicable IOSA specification(s) published in a controlled document, such as a manual, handbook or other similar publication, that comprises content approved by the operator, and where applicable the Authority; see ISM Introduction Section 7. The ISARP must not be copied verbatim into the operator's manuals and/or controlled manuals as a mean to conform to the ISARP's provision. Instead, the substantive matters shall be described for the purpose of conformity to the ISARP's provision.

The assessment of the requirement(s) being documented, is based specifically on whether the provision requires a system, plan, policy, process or procedure. For example: if the ISARP states that a process is required, then the auditor must assess the documentation to see that a process has been documented. It is often an incorrect assessment is made due to the misunderstanding of these terms.

A controlled document must have associated processes for the positive control of content, revision, publication, distribution, availability and retention, as specified in ISM **ORG 2.1.1** and Table 1.1, which is a specification that is repeated in all other ISM sections; this ensures appropriate operational personnel always have access to the current version of the document; see IRM.

It is essential to note that the controlled documents are under the control of the operator and not another entity: thus, the manuals of the Regulator are not acceptable for evidence of documentation. However, the manuals produced by external companies for the operator, such as navigation manuals, and the manuals produced by the manufacturer of the aircraft/components can be used for evidence of documentation. Auditor shall ensure that these manuals/documents are controlled for the latest version/revision.

4.2.3 Assessing and Recording Documented

The following table provides general procedures in assessing the documentation, some conditions and limitations that must be followed, and the elements that are needed in recording the documentary references.

Note:

The document reference for the ISARPs related to the Aircraft Systems and Equipment tables must be the Aircraft Systems and Equipment forms.

| | |
|----------|---|
| 1 | <p>Identify the manuals and/or other document(s) that contain the information to address the specification(s) in the particular ISARP. It is a fundamental principle of IOSA that the relevant information must be contained in a controlled document.</p> <p>Note: <i>The ISARP should not be copied verbatim into the operator's manuals and/or documents.</i></p> |
| 2 | <p>The documentation must be under the direct or indirect control of the operator. Manuals of the regulatory authority, which are intended for use by the regulatory bodies, or generic aviation industry manuals must not be accepted in the assessment of conformity with an ISARP. Manuals produced by external vendors on behalf of the operator, such as navigation manuals and manuals from the manufacturer of the aircraft/components, are acceptable.</p> |
| 3 | <p>Paper or electronic forms (Type 1: URL-Based, Type 2: Software Based, Type 3: Files on Servers, see IRM <i>Electronic Documents</i>) of documentation are both acceptable, as long as the medium meets the criteria for a controlled document and is traceable, see ISM Table 1.1.</p> |
| 4 | <p>The manuals and/or documents being assessed shall be available for use by all the staff, crews and/or external service providers (if applicable) involved.</p> <p>Note: <i>It is important that the documentation shall fulfill the common language(s) requirement and be understood by all staff concerned.</i></p> |
| 5 | <p>Confirming that the process, procedure, etc., is documented and sufficient. The content must be assessed, to confirm that all elements of the ISARP requirement have been addressed.</p> |
| 6 | <p>The content of a document must be written in a language, style and format that clearly and accurately represents the meaning and fulfill the intent of the specification(s), and will be understood by relevant operational personnel.</p> |
| 7 | <p>Documentary references must be provided for all ISARPs, exceptions are:</p> <p>(a) ISARPs that require adequate infrastructure, workplace, etc., do not require a documentary reference, but should be provided if available, such as ORG 1.5.1, FLT 1.5.1, DSP 1.5.1, MNT 1.4.1, CAB 1.4.1, GRH 1.4.1 and CGO 1.4.1.</p> <p>In such cases it should be stated in the audit checklist narrative: <i>No document reference required in accordance with the IAH.</i></p> <p>(b) ISARPs which have a nonconformity because there is no documentation available.</p> |
| 8 | <p>Documentary references are not necessarily required to be listed individually for each sub-requirement. However, all requirements (including sub-requirements) of the ISARP must be traceable from the documentary reference(s) recorded for the ISARP.</p> |
| 9 | <p>The references for documents or manuals must include a title, edition or revision number, and/or a date of issue, or other means of recording traceability of the information.</p> |

| | |
|-----------|---|
| 10 | When an ISARP is applicable to multiple fleets, then there must be a document reference applicable to each of the fleets utilized by the operator. |
| 11 | To ensure there is no ambiguity for traceability, the auditor shall record either the full document name, abbreviation or acronym listed in the Document Reference, followed by detailed sub-references (e.g. chapter, section, sub-section number) as applicable to the documented format and the ISARP specification. For example: “OMA Chapt 2.5.3 vi)” provides clear traceability versus “OMA Chapt 2.5” which (unless all sub-sections apply) does not if the evidence resides in 2.5.3 vi) |
| 12 | Document references must be provided for controlled manuals, procedures and policies, as per the ISARP provision. Supplementary documents such as meeting minutes, bulletins, records, plans, checklists, etc., generally cannot be used as documentation references unless those documents fulfill all the document control requirements. |
| 13 | Documents of a temporary or transitory nature, or records, (e.g. letters, email, memos, flyers, posters, MS PowerPoint presentations), are not acceptable as sources of controlled documentation, unless the information has been reproduced and included as part of the content in a controlled document. This excludes the ISARPs related to the Aircraft Systems and Equipment tables. |
| 14 | If the ISARP covers a broad range of procedures and there are document references within the majority of the sections of a manual, a generalized reference may be used, i.e. a phrase such as “GOM – complete document” or “OMA – all sections”. |

□ If an AO is approved by IATA to conduct any remote activities as per IPM 8.2.22 and remote audit activities include remote documentation assessment, the IOSA auditor shall conduct the documentation assessment of all applicable ISARPs prior to the opening meeting without auditee participation unless AO and the operator agreed otherwise during the audit planning. The assessment shall be conducted in accordance with the following procedure:

- (a) The operator shall provide the completed list of documents, including document code, document title, document effective date, document type and document revision status.
- (b) The operator shall provide or give access to the cross-reference list that includes all the current documentation references for each ISARP and the digital controlled copy of all relevant documents.
- (c) The auditor shall assess the documentation conformity by reviewing the ISARPs against the documentation references and documents provided by the operator as per 4.2.3 and 4.2.3.
- (d) If documentation references and documents provided by the operator are not detailed and clear enough to allow for an easy documentation assessment, the IOSA auditor shall consolidate all issues and communicate with the operator’s focal contact and/or relevant operator representatives to ensure necessary actions are taken or clarification is made prior to the opening meeting.
- (e) The document references shall be recorded in the audit software, including sub-references.
- (f) If the auditor concludes that the relevant ISARP is “not documented”, this information shall be recorded in the audit software narrative field without selection of the assessment result.
- (g) The auditor shall record any additional auditor actions/notes and details from the operator’s processes/procedures derived from the assessment in one of the following:
 - Intalex other AA field for the relevant ISARP
 - any audit notetaking form provided by AO
 - Auditor’s own digital or printed notetaking method
- (h) The auditor must conduct the documentation assessment prior to the onsite phase of the audit and shall not escalate unless the assessment cannot be completed due to issues related to the operator that cannot be solved before the onsite phase of the audit.

- (i) The auditor shall immediately communicate to the lead auditor any issues that may affect the successful completion of the remote documentation assessment. If the issue cannot be solved, the lead auditor shall escalate the issue to AO and if required to IATA.

4.2.4 Implemented

To determine conformity with ISARPs as *implemented*, an auditor must be able to determine that the requirements as specified in the applicable IOSA specifications have been established, activated, integrated, incorporated, deployed, installed, maintained and/or made available, as part of the operational system, see ISM Introduction Section 7, using either of the following means:

- (a) as an active and integral part of the operator's organization or operations, or;
- (b) as a contracted or outsourced operational function. **See 4.5.2, Assessment of Outsourced Functions.**

When assessing a specific ISARP, the Auditor must make a systemic assessment taking into consideration the systemic applicability as stated in **4.1.4 c**. Determination of a nonconformity for the ISARP is based on systemic nonconformity.

The following audit methodology and best practices should be applied for remote audit activities related to the assessment of the implementation:

- (a) The assessment of implementation is based on the Auditor's judgment, established through various auditor actions such as record review, interviews and observation of the operation.
- (b) The quality of the assessment of the implementation remotely relies on the preparedness of the Operator to provide records effectively and the preparation of the Auditor. Pre-assessment of the documentation conformity prior to the calls and interviews and the understating the processes and procedures of the Operator are essential.
- (c) Punctuality and time management are essential for remote calls and videoconferences as the auditing might take more time than the onsite audits.

Remote auditor(s) may get the assistance of the onsite auditor(s) for the following:

- (a) sampling of evidence if the remote auditor does not have digital access to all relevant records and/or random sampling requires visual selection of hardcopy records.
- (b) assessing facilities, physical resources and services. (e.g., MNT 1.4.1) through phone video call or similar means if it is accepted by the operator.
- (c) selection of interviewees, specifically the frontline personnel (this may require the onsite auditor(s) to walk through operational areas during their Mandatory Observations or at other times)
- (d) facilitating the execution of the relevant remote/virtual mandatory observations

The assistance mentioned above provided by the onsite auditor(s) is dependent on the availability of the allocated time. It should not hinder the auditing performance of the onsite auditor(s).

4.2.5 Assessing and Recording Implemented

The following table provides general procedures in assessing if the requirements have been implemented, some conditions and limitations that must be followed, and the elements that are needed in recording the assessment.

| | |
|---|---|
| 1 | In assessing implementation the auditor must be familiar with the content of the operator's documentation. |
| 2 | Generally, the requirement(s) of the provision(s) must be effectively implemented in a manner consistent with the way the requirement is documented, excluding occasions when a requirement may be effectively implemented but not adequately documented. See 4.2.14. |
| 3 | The assessment of implemented is based on auditor judgement following, thorough observations, interviews and reviews of records (among other audit techniques). Evidence (see section 4.3), must then be identified to confirm that the specification(s) is/are being used on a daily basis by the personnel concerned, in accordance with the documented requirement. |
| 4 | Normally, the assessment of implementation should be conducted following the assessment that the requirement(s) is/are documented. However, there are many occasions where evidence must be collected at a later stage, due to a number of circumstance, such as reviewed during the conduct of the Mandatory Observations, sampling during multiple ISARPs (e.g. training records), or during the combined assessment of linked ISARPs. When this occurs the auditor must have a method/process (e.g. a memory aide, side-notes) to ensure that no assessment of implementation is missed, particularly when there are many ISARPs treated this way. This should be done by leaving the ISARP open, or un-assessed; the marking of the ISARP as assessed is not acceptable. |
| 5 | The provision(s) must be subject to monitoring to ensure desired outcomes are achieved. |
| 6 | The Auditor Actions (see 4.4.1) provide specific information on the actions that would normally be used to confirm implementation for that ISARP. If local circumstances result in different actions being needed to confirm implementation, these actions should be recorded under "Other Actions". |
| 7 | Mandatory Observations (see 4.6) provide activities that would contribute in the assessment to confirm implementation for that ISARP. |

4.2.6 ISARPs that are Not Applicable

Before any standard or recommended practice is assessed as documented and implemented, the auditor must first determine if the ISARP is applicable to the operator, see 4.1.4.

As referenced in the ISM Introduction Section 4, Systemic Applicability, "When making a determination as to the applicability of individual ISARPs, it is important to take into account operations (relevant to the individual standard or recommended practice) that are conducted within stations and locations throughout the operator's network".

Only when a specific ISARP is determined to be not applicable across the operator's network, it is not audited and recorded as N/A, along with a brief explanation why the ISARP was assessed as N/A.

An incorrect assessment or use of N/A means a Standard or Recommended Practice that was within the audit scope, was not audited; therefore the audit is technically incomplete. This small and easily avoidable error can have significant follow-on effect in that the requirement would need to be re-audited, including the risk of the AO having to return to the operator to complete the assessment at their cost.

Functions currently outsourced cannot be recorded as N/A, but must be audited through the operator's oversight program of outsourced functions. As above, an ISARP related to the outsourced functions can only be recorded as N/A when it has been confirmed that the specifications do not apply to the operator anywhere within its organization, or throughout its operational system.

4.2.7 Assessment and Recording of Not Applicable

In the process of assessing an ISARP's applicability, the following must be considered:

4.2.7.1 Conditions for N/A Assessments

| | |
|----------|--|
| 1 | An N/A assessment can only be used if the process, function, equipment requirement, etc., is completely inactive, or does not apply to any part of the operator's system. |
| 2 | Descriptions for N/A assessments must be clear, complete and not contradict other assessments. |
| 3 | Sub-specifications are an integral part of overall IOSA specifications and are grouped together for ease of auditing and to reduce ISARP totals. Sub-specifications not applicable (usually referred to as mini N/As) to the operator must be independently assessed as N/A, irrespective of whether the ISARP is in conformity or not. |
| 4 | An N/A assessment cannot be used for active outsourced functions; verification of adequate oversight must be checked. |
| 5 | N/A assessments are not required when: (a) a function is listed within a sentence; (b) a sub-specification is contained in a Table; or (c) a sub-specification is separated by an 'or'. |
| 6 | The entire CGO sections is presented with a "conditional" statement, i.e. they will only be applicable if the operator carries cargo. If the operator does not carry any cargo, this section of the IOSA checklist does not have to be audited. |

Once an assessment of N/A is made for the ISARP, it needs to be suitably recorded. The following table provides information on what is required in recording N/A assessments.

4.2.7.2 Recording of N/A Assessments

| | |
|----------|---|
| 1 | All ISARPs and ISARP sub-specifications assessed as N/A must contain clear text in the narrative explaining why that process, function, equipment, requirement, etc., is not active or applicable, to justify the exclusion of the ISARP or sub-provisions from the audit result. Documentary references must be included if applicable. |
| 2 | Standard phrases are acceptable and table 4.2.7.3 provides recommendations and examples of phrases that could be used. The explanation justifying the assessment of N/A must be as specific as possible. State the reason it is N/A, not simply that the operator does not perform that function. For example, state that the operator is not authorized to perform the function in the explanation, rather than statements such as "not operating all cargo fleets", or "not conducting RVSM operations", which could be temporary in nature. |
| 3 | The Audit Software Interlinked and Repeated ISARP reports must be used, to ensure that all N/A assessments across all disciplines were harmonized and there were no contradictory assessments made for common operational functions, either within a discipline or across multiple disciplines. |

| | |
|----------|---|
| 4 | <p>If a specification is not applicable to the operator, but it was documented and implemented by the operator, the assessment will be N/A, but the additional information can be recorded in the Comments to give due credit to the operator.</p> <p>Example: Auditing of the external service providers</p> <p><i>ABC Airlines does not use service providers for operational control, but has documented the process, should service providers be required.</i></p> |
| 5 | <p>If a function is inactive, or not yet operational, but the operator has documented the required procedures (in preparation for the function being required or becoming active), the assessment will be N/A, but the additional information can be recorded in the narrative to give due credit to the operator. Meanwhile, it also helps the audit report reader to understand the situation better in case the operator activates the operation in future.</p> <p>Example: RVSM operations</p> <p><i>ABC Airlines is not yet authorized for RVSM operations, but has implemented all maintenance requirements and completed the required training for all crews and staff.</i></p> |

When an assessment of Not Applicable has been made, a statement is made in the comments for the ISARP; the following table provides some guidance on the phrases that should to be used.

4.2.7.3 Recommended Phrases for Repetitive N/A Assessments

| The phrases tabled below are recommended for groups of ISARPs which are assessed as N/A: | |
|---|--|
| Scenario | Recommended phrase |
| Operators not carrying cargo (and/or DG) on passenger fleets. | The Operator (or ABC) has a documented policy of not carrying cargo (and/or DG) on passenger fleets. |
| Operators permitted to carry DG but restricting themselves not to do so | Although the Operator is authorized to carry DG, it has restricted itself from doing so. |
| Operators not operating all cargo aircraft. | The Operator is not authorized to operate all cargo aircraft. |
| Operators not operating passenger fleets. | The Operator is not authorized to conduct passenger flights. |
| MNPS | The Operator is not authorized to operate in MNPS airspace. |
| EDTO | The Operator is not authorized to conduct EDTO. |
| Carriage of Weapons by law enforcement officers and other authorized persons acting in the performance of their duties. | The Operator (or the Authority, as the case may be) does not approve the carriage of weapons by law enforcement officers and other authorized persons acting in the performance of their duties. |
| LVPs | The Operator is not authorized to conduct Low Visibility ...(insert as appropriate: Takeoffs/Approaches/Operations). |
| Electronic Documentation Systems | The Operator does not utilize an electronic system for the management and control of (e.g. cabin operations), (documentation/records). |
| FOOs | The Operator does not utilize FOOs. |
| FOAs | The Operator does not utilize FOAs. |

| | |
|--------------------------------------|--|
| Re-dispatch operations | The Operator is not authorized to conduct planned flight re-dispatch operations. |
| Propeller driven aircraft operations | The Operator does not utilize propeller driven aircraft. |
| Aircraft with three or more engines. | The Operator does not utilize aircraft with three or more engines. |
| Data Link | The Operator does not utilize data link communications. |
| Using external service providers | The Operator does not use service providers for |

Note:

In the absence of regulator issued Operations Specification, see 2.4.1, the word “authorized” should be replaced by “approved”.

4.2.8 Systemic Assessment

When auditing an individual ISARP, auditors must make an overall or systemic assessment of operations (relevant to the individual Standard or Recommended Practice) that are conducted in the operator's system. This implies all locations, all stations, across all fleets, departments and operational functions, both within and throughout the operator's organization.

The result of auditing should represent the operator's overall conformity or non-conformity with the IOSA provision across its entire system. The operator would typically monitor the conformity with the ISARPs in the whole network and collect necessary information to assess the relevant ISARPs. The means and metrics for such monitoring must be established by the operator. The operator does not necessarily have to perform audits of all station in its network. The assessment of one single ISARP represents the conformity status of all applicable stations, processes, fleets, etc.. This will typically include a combination of primary auditing (the home base) and the checking of audits or other methods of monitoring (oversight) of the other stations in the network.

Example

When assessing the operator's de-/anti-icing program, the auditor must gather evidence that shows that the de-/anti-icing program is implemented, not only at the home station (if applicable), but at all applicable locations where flights might be operated (including locations where de-/anti-icing operations are conducted by external service providers).

The operator does not have to audit each location, but will have, through its monitoring processes, a means of gathering evidence of implementation (e.g. inspections, evaluation questionnaires, Service Level Agreements and other measurable means). If evidence indicates the de-/anti-icing program is, in fact, implemented at all applicable locations throughout the operator's system, then the operator is in conformity with the IOSA provision.

Example

GRH 2.1.1 The operator shall have a process to ensure personnel who perform operational duties in functions within the scope of ground handling operations for the Operator, to include personnel of external service providers, complete:

- (i) Initial training prior to being assigned to perform such operational duties;
- (ii) Recurrent training on a frequency in accordance with requirements of the regulatory authority but not less than once during every 36-month period, except for recurrent training in dangerous goods as specified in **GRH 2.2.1** or **GRH 2.2.2 (GM)**.

The auditor will need to assess:

- (a) That ground handling personnel with operational duties at the home base and other locations throughout the system have all received 1). Initial training; 2). Recurrent training, once in every 36-month period;
- (b) If ground handling operations have been contracted to external service providers; that the assigned ground handling personnel used at the home base and other locations throughout the system have all received: 1). Initial training; 2). Recurrent training, once in every 36-month period;
- (c) An operator does not need to audit all stations and all service providers in the network. However, an audit of the overall conformity with **GRH 2.1.1** must be performed. The conformity status with individual stations or external service providers can be determined through monitoring activities, inspections, surveys and other means.
- (d) In an overall systemic assessment, the auditor would then complete the checklist with a summary of the systemic assessment of the ISARP based on the results of all methods used to assess the stations, locations and service providers.

4.2.9 Parallel Conformity Option (PCO)

A Parallel Conformity Option (PCO) is included in certain ISARPs, annotated by the **[PCO]** symbol, as an optional means for an operator to be in conformity with the standard. A quick reference table of the PCO ISARPs is listed in **Section 4** of the IAH Interlinked and Repeated ISARP document.

PCOs are introduced to provide an optional means for the operator to be in conformity with specific technical or operational IOSA provision(s) that contains a basic operational specification which, due to technical, logistical or other factors, has been determined by the IOSA Technical Group(s) to be generally not achievable by the industry.

Specific ISARPs have been designated as Parallel Conformity Options (PCO) and the primary operational specification(s) is followed by an optional means of conformity with an attached expiry date. The options may be separated by the words “**or**”, “**either**”, “**one or more**”, or “**any one of the following**” to indicate the alternate, additional or parallel option(s).

The auditor must assess which option applies, whether the operator conforms with the primary IOSA specification or with the optional means of conformity, the PCO. Once it has been determined which option(s) is applicable, then the requirements are audited in the conventional manner of documented and implemented with references and supporting evidence. The other optional sub-requirements that are not applicable can be ignored, without the need to record an N/A.

ISARPs designated as PCOs are identified by a Note at the end of the ISARP text which includes the PCO expiration date, for example:

(Note: Item ii) is a Parallel Conformity Option for item i), in effect until 31 August 2021.)

If the operator is assessed as meeting the **optional** means of conformity (PCO), insert the standard phrase below and, if required, state the PCO option chosen, following the conventional documentary reference(s) and any narrative response.

“The Operator (or ABC) is in conformity with the Parallel Conformity provision.”

4.2.10 ISARPs with Multiple Selectable Provisions

There are a group of standards which offer a choice of provisions to achieve conformity, to allow for differences in operator’s operating methods, experience requirements, technical specifications, etc.

ISARPs containing multiple selectable provisions, are normally separated by an ‘or’, or the option will reside within the main text of the standard.

In assessing the conformity of the ISARP, it is not necessary to:

- (a) state which of the options was audited;
- (b) record an mini N/A assessment for the sub-provisions which were not assessed (only one option can be assessed unless it is permitted in the ISARP).

Note:

If the ISARP has a sub-provision that has a conditional clause, for example “If the operator utilizes ...” this may be assessed as a mini N/A for the sub-provision, see 4.2.7.

For recording a nonconformity, the description of evidence for a Finding must clearly indicate which of the selectable provisions was assessed and resulted in the nonconformity.

4.2.11 Findings and Observations

A determination of conformity or non-conformity must always be based on the analysis of appropriate factual or objective evidence collected by the auditors. If the nonconformity is due to a deficiency in documentation, then the assessment is **‘Not Documented’**. If the nonconformity is due to the requirements not being implemented in practice, then the assessment is **‘Not Implemented’**. The final assessment for a nonconformity may be **‘Not Documented Not Implemented’**, **‘Implemented, Not Document’**, **See 4.2.14** or **‘Documented, Not Implemented’**.

A nonconformity with a standard results in a Finding; a nonconformity with a Recommended Practice results in an Observation.

A Finding or Observation will be generated only when the auditor has not been able to obtain the required objective and factual evidence needed to assess conformity with the ISARP. All factual evidence that supports a determination of nonconformity must be recorded on the IOSA Checklist.

Before being finalized, evidence or lack of evidence leading to each Finding and Observation must have been discussed and agreed upon by the Audit Team. Ideally, all Audit Team members and the auditee should have an awareness of all Findings and Observations prior to the Closing Meeting.

4.2.12 Methods of Recording Findings and Observations

Effectiveness of the Audit Follow up process relies on the quality of the description (narrative) of the finding and/or observation. If the narrative does include irrelevant information or is written too generic, the outcome might be inadequate root causes and/or ineffective corrective actions that do not eliminate the recurrence of the finding.

A poorly written narrative diminishes the value of the report for its readers.

Description of the non-conformity, i.e. the narrative needs to -explicitly- define the deviation from the ISARP and/or documented processes/procedures of the Operator in a factual, clear and effective manner, to ensure:

- (a) there will be a clear understanding by the operator of the nonconformity and the required corrective actions;
- (b) there will be the same clear understanding by the AO of the type of corrective actions which will be appropriate to address the original evidence and close the nonconformity (typically, the auditor who originally recorded the nonconformity is not involved in the CAR closing process).

It is essential that **all** elements of the nonconformity are described. For example, if a documentation deficiency affects the implementation of the provision, the description of evidence must contain enough detail in both the documentation and the implementation deficiencies, to ensure a clear understanding that two types of corrective actions will be needed to correct each deficiency. Auditors can test the clarity and completeness of their evidence descriptions by stepping back, looking at the description through the eyes of the Auditee and asking themselves – is it clear what type and extent of corrective actions will be needed?

Broad generalization using words such as “*incompletely*”, “*insufficiently*”, “*not fully*”, etc., do not provide the detail needed to initiate the appropriate corrective actions and hence, must not be used.

First person or personal terms such as: “*I confirmed that*”, “*we consider*”, “*we are of the opinion that*” are subjective and must also not be used for factual evidence.

Information gained from **one interview alone will generally not be enough** to verify evidence of implementation; such an assessment must be supported by other sources of evidence.

For isolated cases when an interview is the **only** source of evidence available for a nonconformity, this must be stated and all relevant actions and documentary references which were presented and/or described in the interview must be included and/or referenced in the description of evidence.

The following examples are presented as typical and acceptable narratives.

ORG 1.3.2 *The Operator shall have a process for the delegation of duties within the management system that ensures managerial continuity is maintained when operational managers, including nominated post holders, if applicable, are absent from the workplace. (GM) ►*

Documented not implemented

Narrative: *Most managerial posts have published deputies in accordance with their procedure, but deputies have not been nominated and published for the Head of Cabin Services and the Crew Training Manager positions.*

Document Reference: *OMA 2.2.1*

FLT 1.10.2 *The Operator shall have an audit planning process and sufficient resources to ensure audits of flight operations functions are:*

- (i) scheduled at intervals that meet management system requirements;*
- (ii) completed within a specified time period. (GM)*

Documented not implemented

Narrative: *The scheduled audit of Flight Operations training records, as specified on the annual Audit Plan, had not taken place within the specified time frame.*

Document Reference: *CTM 3.5.*

ORG 2.1.2 *The Operator shall appoint a manager with appropriate qualifications, authority and independence that is responsible for:*

- (i) The performance of the quality assurance program;*
- (ii) Ensuring communication and coordination with operational managers in the management of operational risk;*
- (iii) Dissemination of information to management and non-management operational personnel as appropriate to ensure an organizational awareness of relevant quality assurance issues and results.*

Implemented, not documented

Narrative: *Although the operator had appointed a manager with appropriate qualifications, authority and independence, who was responsible for the performance of the QA program, ensuring communication and coordination with operational managers in the management of operational risk and disseminating the information to management and non-management operational personnel to ensure an organizational awareness of relevant quality assurance issues and results, there was no documentation to ensure consistency in such appointments.*

Document Reference: *Nil*

CGO 1.6.1 *If the Operator transports revenue or non-revenue cargo, the Operator shall have an Operations Manual (OM), which may be issued in separate parts, that contains the operational policies, processes, procedures and other information necessary to ensure compliance with applicable regulations, laws, rules and standards of the Operator. The content of the OM shall contain standards and guidance that addresses the acceptance, handling, loading, securing and transporting of cargo as specified in Table 7.1. (GM)*

Implemented, not documented

Narrative: *The Operator had implemented policies, processes and procedures to ensure compliance with applicable regulations, laws, rules and standards, but the documentation was contained in a loose-leaf binder that was not controlled.*

Document Reference: *None*

FLT 3.11.59 *The Operator shall have a stabilized approach policy with associated guidance, criteria and procedures to ensure the conduct of stabilized approaches. Such policy shall specify:*

(i) A minimum height for stabilization not less than 1000 feet AAL for approaches in IMC or not less than 500 ft. AAL for approaches in IMC as designated by the operator and/or State where a lower stabilization height is operationally required;

(ii) A minimum height for stabilization not less than 500 feet AAL for approaches in VMC;

(iii) Aircraft configuration requirements specific to each aircraft type (landing gear, wing flaps, speedbrakes);

(iv) Speed and thrust limitations;

(v) Vertical speed limitations;

(vi) Acceptable vertical and lateral displacement from the normal approach path. (GM)

Not documented not implemented

Narrative: *Sub-provision i): The published minimum height for ABC Airlines for stabilisation in IMC is 800 feet AAL, which is below the ISARP AAL requirement.*

Sub-provision v): Vertical speed limitations are not defined or implemented.

Document Reference: *OMA 8.15*

4.2.13 The Use of ISARP Text for Descriptions of Evidence

The ISARP text shall not be repeated verbatim in the narrative of the corrective action record.

Narratives should only refer to 'not documented' or 'not implemented' part of the ISARP as applicable and should be as rich as possible in providing information to explicitly describe the nonconformity to include evidences.

Paraphrased and/or restructured ISARP texts might only be necessary if the ISARP requirements are not documented and implemented completely. Even in that case, Auditors are encouraged to use their own wording.

4.2.14 Implemented, Not Documented Assessments

The principles of the IOSA program are based on the linked assessment of *documented* and *implemented*. This principled approach must be followed at all times, however in some circumstances an assessment of **Implemented, not documented** may be the most suitable assessment, some examples include, but are not limited to the following:

- (a) the documentation may be slightly deficient to meet the intent of the ISARP, however the requirements of the ISARP are fully implemented;
- (b) the process/procedure may be documented, however lacking detail in comparison to what has been implemented, which meets the requirements of the ISARP;
- (c) the ISARP requirement is documented in an uncontrolled document; and
- (d) practically the requirement is implemented, however not documented.

An auditor's judgement must be exercised to determine if the assessment of **Implemented, not documented** is the most suitable assessment for the circumstances, and supported by the evidence presented. Caution must be exercised in the use of this assessment, and should not be used excessively or as a default option.

Implemented, not documented assessments may be difficult or complex to close, and will include an additional step to ensure the corrective action to document the requirement does not compromise the original assessment of *implemented*. If the corrective action to document the requirement does impact or change the *implemented* situation in the original assessment, then a complete review of the corrective action as *documented* and *implemented* will be required (and may require a return visit) to reassess if it is indeed implemented as documented.

In the cases where the corrective action to document the requirement impacts or changes the original *implemented* assessment, and if this is anticipated in advance, the assessment must be **Not Documented, Not Implemented**.

Due to the unique nature of an **Implemented, not documented** assessment, the process for raising and closing CARs in 2.9 must be complemented with the following procedure in the table below.

| Procedure for a <i>Implemented, not documented</i> Assessment | |
|--|--|
| Narrative: | |
| 1 | The narrative must contain a statement that clearly reflects the assessment, i.e. ‘... (the requirement) ... <i>is not documented, however the Operator has implemented</i> ... (statement based on the evidence of what has been implemented) ...’. Note: <i>The statement in the narrative must be of sufficient detail to be able to determine during the Final Action Taken (FAT) review stage, if the corrective action for the documented requirement has impacted or changed the basis of the original ‘implemented’ assessment.</i> |
| 2 | The assessment of Implemented, not documented must be supported by the evidence obtained. |
| 3 | If there is any doubt, uncertainty or insufficient evidence to support an Implemented, not documented assessment, then the assessment should be Not Documented, Not Implemented . |
| Corrective Action Plan (CAP): | |
| 4 | For an Implemented, not documented assessment the CAP is only required to address the root causes and deficiencies associated with the assessment of Not Documented. |
| 5 | If it has been identified during the determination of the CAP, that the changes and actions required may impact on the original assessment of <i>implemented</i> , then this must be stated in the CAP. |

4.2.15 Repeated ISARPs

There are a number of ORG ISARPs which mainly address SMS and management and control, which are repeated as linking ISARPs in the other seven disciplines (listed in **IAH Tables and Mandatory Observations**, Tables 2 and 4). There are two groups of these repeated ISARPs, which are referred to as:

- (a) ORG SMS repeated ISARPs, in Table 2, which are repeated in all other disciplines (except SEC); and
- (b) ORG non-SMS repeated ISARPs, in Table 4, which are repeated in one or more of the other disciplines.

Repeated ORG ISARPs (both SMS and non-SMS) are identified in the ORG section is followed by a “▶”, or a “>” in the ISM, or Audit Software, facing towards the right, indicating that the ISARP is repeated in other ISM Section(s). The linking ISARPs in the other disciplines have the triangle “◀”, or arrow “<” in the ISM, or Audit Software, facing towards the left, indicating that it has been repeated from the ORG Section.

Example of an ORG Standard and Repeated CAB Standard

ORG 1.3.2 *The Operator shall have a process for the delegation of duties within the management system that ensures managerial continuity is maintained when operational managers, including nominated post holders, if applicable, are absent from the workplace. (GM) ▶*

CAB 1.2.2 *The Operator shall have a process for the delegation of duties within the cabin operations management system that ensures managerial continuity is maintained when operational managers, including post holders, if applicable, are absent from the workplace. (GM) ◀*

For ORG ISARPs which are repeated (SMS and non-SMS), the ORG provision must be assessed *in conjunction with* the repeated provisions in the other ISM sections.

Conformity with the ORG provision is determined by a combination of the results of:

- (a) The assessment of the individual ORG provision; and
- (b) The assessments of the repetitive provisions in the other ISM sections.

The assessment for the ORG provision will represent the overall level of conformity for each group of repeated provisions, adding value to the audit result by demonstrating a conformity throughout the organization.

| Audit Procedure for Repeated Provisions(▶) (◀) | |
|---|---|
| 1 | <p>The ORG auditor must coordinate with the FLT, DSP, MNT, CAB, GRH, CGO and SEC auditors on the completion of their independent assessments for the linked provisions in Table 2 and 4 of the IAH Tables and Mandatory Observations.</p> <p>In coordinating the assessments of the linked provisions and the ORG provisions, it is not practical that they be assessed concurrently nor is there any requirement for either to be assessed first. The ORG auditor must determine the best method for the linked assessments and the overall ORG assessment. There are many options available to the ORG auditor in coordinating the assessments:</p> <ul style="list-style-type: none"> (a) The ORG assessment may be assessed and remain open until the remaining linked assessments are complete, and then revisit the ORG provision to finalize the assessment; (b) The ORG assessment is assessed after all the linked assessments are complete; or (c) The ORG and repeated provisions are assessed independently followed by the generation of the audit software report on the interlinked and repeated ISARPs. It is important to highlight that the auditors in various discipline shall conduct their individual and independent assessment. Any discrepancies identified by the report will require the auditors to revisit the ORG and associated ISARP assessments, and if needed, raise nonconformities. |
| 2 | <p>Refer to IAH Tables and Mandatory Observations, Table 2 and 4 before finalizing each ORG assessment, if not already done, extract the audit software report on interlinked and repeated ISARPs to check for discrepancies.</p> |

| | |
|-----------------|---|
| <p>3</p> | <p>For Repeated SMS Provisions:</p> <p>For the final assessment of the ORG SMS provisions in Table 2 of the IAH Tables and Mandatory Observations, auditors must take into account the assessments at the corporate level and the corresponding repeated provisions.</p> <p>To be in conformity with a repeated SMS ORG standard, auditors must determine that ALL repeated SMS ORG ISARPs in all other ISM sections are in conformity.</p> <p>If there is a nonconformity in any of the repeated provisions of the other ISM sections, the associated SMS ORG provision must be assessed as a nonconformity.</p> <p>A nonconformity may be assessed for an SMS ORG provision, if it has been determined that there is a deficiency at the corporate level despite all other ISM sections being in conformity.</p> <p>Note:</p> <p><i>If there is a nonconformity for any of the SMS standards, ORG 1.1.10 will automatically be assessed as a nonconformity, see 4.8.</i></p> <p>Example: assessment of repeated SMS ORG Standard</p> <p>ORG 3.1.2 is an SMS ORG standard that specifies an organization-wide safety reporting system and is repeated in all other ISM sections (except SEC).</p> <p>(a) The Operator is in conformity with ORG 3.1.2 only when it has been determined through auditing that there is conformity with ORG 3.1.2 at the corporate level and also conformity with the repeated provisions in all operational disciplines.</p> <p>(b) The Operator is not in conformity with ORG 3.1.2 when it has been determined through auditing that there is a Finding for any reason against the repeated provision in any other operational discipline.</p> |
| <p>4</p> | <p>For Repeated Non-SMS Provisions:</p> <p>For the final assessment of the ORG non-SMS provisions, stated in Table 4 of the IAH Tables and Mandatory Observations, auditors must determine that there is <i>general overall conformity</i> with the repeated ORG provisions in the other ISM sections, taking into account the assessments at the corporate level and the corresponding repeated provisions.</p> <p>Based on complexity, severity, significance and systemic deficiency, the auditor must make a judgement of the nonconformities in the corresponding disciplines to determine if they were significant enough to support a nonconformity in the ORG provision.</p> <p>If there were only minor nonconformities in one or two of the corresponding disciplines which did not affect the functionality and implementation of the overall system, the ORG provision could be assessed in conformity.</p> <p>A nonconformity should be assessed for a non-SMS ORG provision, if it has been determined that:</p> <p>(a) there are multiple nonconformities against the repeated ORG provision in other ISM sections that significantly affects the overall functionality or implementation of the system; or</p> <p>(b) there is a deficiency at the corporate level despite all other ISM sections being in conformity.</p> |

| | |
|-----------------|---|
| | <p>Example: assessment of repeated non-SMS ORG standard</p> <p>ORG 1.3.2 is a non-SMS ORG standard that specifies delegation of duties (to cover the absence of personnel) and is repeated in other ISM sections.</p> <p>(a) The Operator is in conformity with ORG 1.3.2 when it has been determined through auditing that there is conformity with ORG 1.3.2 at the corporate level, and:</p> <p>(i) There are no Findings against the repeated provision in any other operational discipline, or:</p> <p>(ii) There are one or more Finding(s) in the repeated provisions in other discipline(s), but the Findings are minor in nature and do not significantly affect the functionality or implementation of delegation of duties.</p> <p>(b) The Operator is not in conformity with ORG 1.3.2 when it has been determined through auditing that the repeated ORG provision is not implemented in other discipline(s), and that such a non-conformance would have a significant effect on overall system implementation.</p> |
| <p>5</p> | <p>‘... throughout the organization ...’ Provisions:</p> <p>Some provisions specify implementation ‘... throughout the organization ...’. To finalize the assessment for each of these provisions, the ORG Auditor must evaluate the level of implementation within and between all departments or functional areas throughout the organization.</p> <p>In the assessment of conformity, auditors must determine that there is <i>general overall conformity throughout the organization</i> with the relevant provision.</p> <p>Based on complexity, severity, significance and systemic deficiency, the auditor must make a judgement of the deficiencies identified throughout the organization to determine if they are significant enough to support a nonconformity in the relevant provision.</p> <p>If there was only a one-off or minor deficiency which did not affect the functionality and implementation of the requirement(s), the relevant provision could be assessed in conformity.</p> <p>A nonconformity should be assessed for the relevant provision, if it was determined that there are multiple deficiencies across the organization that significantly affects the overall functionality or implementation of the requirement(s).</p> |

4.2.16 Interlinked ISARPs

There are many ISARPs in the different disciplines which have the same or related specifications. These interlinked ISARPs are tabled in section 3 of the **IAH Tables and Mandatory Observations**, which must be used by auditors to harmonize assessments for similar or related specifications within a discipline and across multiple different disciplines. The tables have direct primary, associated and reverse links.

For example, there are 70+ ISARPs in ORG, FLT, DSP, CAB, GRH and CGO which have either a direct primary, associated or reverse requirements relating to Dangerous Goods.

The interlink tables and/or audit software report on interlinked and repeated ISARPs, must be used:

- (a) to determine applicability, for example, if an operator transports dangerous goods as cargo, the ISARPs in ORG, FLT, DSP, CAB, GRH and CGO sections that address dangerous goods are all applicable and must all be audited (unless stated otherwise);
- (b) for harmonizing the assessments (including N/A assessments) of the linked ISARPs across all disciplines, to ensure there are no contradictory assessments;
- (c) to ensure completeness of assessments.

Auditors must establish the most appropriate method of harmonizing and ensuring completeness of the assessments for the linked ISARPs across all disciplines.

The repeated and interlinked ISARP report from the audit software as a three letter coded method of stating the ISARP assessment, the letters are either a 'Y' for Yes or 'N' for No. The three letters of the code are:

- (a) First Letter is if the ISARP was assessed in conformity – Yes/No;
- (b) Second Letter is if it the ISARP was assessed as Documented – Yes/No; and
- (c) Third Letter is if the ISARP was assessed as Implemented – Yes/No.

Best Practice

The operator should have published processes that provide for the identification of all interlinked ISARPs and define the coordination necessary to ensure there is consistent applicability of interlinked ISARPs in the internal audit process.

4.2.17 Recording Effectiveness

Details on the methodology for auditing the effectiveness of implementation are contained in [Chapter 4.11](#) below. This section details how the various assessments of effectiveness need to be recorded.

4.2.17.1

| Recording Suitability Assessment | |
|--|--|
| 1 | The aspect of suitability needs to be discussed with the Operator. The Operator should explain how it ensures that the implementation of the corresponding requirement is suitable. |
| 2 | If the auditor concludes that the implementation is in fact suitable, no further action or recording is required. |
| 3 | If the auditor concludes that the implementation is not suitable, this assessment, plus the reasons why, needs to be recorded in the auditor comment field of the corresponding ISARP. An assessment for effectiveness is only performed if the ISARP is in conformity. Contrary to the normal standard, the auditor comment is acceptable in this case, even though the ISARP is in conformity. |
| <p>Example: Suitability comment</p> <p><i>Due to the size and complexity of the Operator's organization, the tool to record safety related data is deemed unsuitable as it does not ensure adequate access and data security under the given circumstances.</i></p> | |

4.2.17.2

| Recording Effectiveness Criteria | |
|---|--|
| Recording on ISARP Level | <p>Each Effectiveness Criterion needs to be verified separately. The focus for the Effectiveness Criteria is implementation. No additional documentation is required for the Effectiveness Criteria beyond what is required for conformity.</p> <p>Once an Effectiveness Criterion has been verified and it is implemented, it needs to be checked in the audit software. If it is not implemented, it must be left un-checked in the audit software. Further to the missing checkmark, it must also be recorded in the umbrella ISARP per the instructions below.</p> |
| Umbrella ISARP | <p>The umbrella ISARP gives an overall indication of the state of effectiveness. This ISARP can only be in conformity if all Effectiveness Criteria are implemented. Only one missing criterion in one ISARP will already lead to a non-conformity of the umbrella ISARP.</p> <p>If there is a non-conformity, the following standard sentence needs to be used for ORG 4.4.1:</p> <div style="background-color: #e0e0e0; padding: 5px;"> <p>Standard sentence for non-conformity</p> <p><i>The Operator does not effectively implement all ISARPs designated by the [Eff] symbol.</i></p> </div> <p>Following the above standard sentence, all ISARPs and missing Effectiveness Criteria must be listed. It is best to refer to the criteria by sub-item number.</p> <div style="background-color: #e0e0e0; padding: 5px;"> <p>Details for missing Effectiveness Criteria</p> <p><i>ORG 3.2.1 Effectiveness Criteria (i) – (v) are not implemented</i></p> <p><i>FLT 1.12.2 Effectiveness Criteria (ii) and (iii) are not implemented</i></p> </div> <p>In case an ISARP designated by the [Eff] symbol has been assessed as non-conformity, the Effectiveness verification does not take place. In such a scenario, the auditor comment needs to reflect the fact that the ISARP is not in conformity.</p> <div style="background-color: #e0e0e0; padding: 5px;"> <p>Non-conformity of a designated ISARP</p> <p><i>DSP 1.12.2 has been assessed as non-conformity</i></p> </div> |
| Repeated provisions | <p>The logic for Effectiveness Criteria of repeated ORG provisions follows the same as is applicable for SMS provisions.</p> <p>If an Effectiveness Criterion has been identified as not implemented in one or more of the operational disciplines, the corresponding Effectiveness Criterion in ORG cannot be assessed as implemented. The ORG auditor therefore needs to check the results of all the other disciplines before making a final assessment for the Effectiveness Criteria in the ORG ISARP.</p> <p>The recording in ORG 4.4.1 must list the missing criteria from the operational disciplines as well as the missing one(s) in ORG, if the ORG assessment is a result of the repeated provisions.</p> |

4.2.18 Notifying the Auditee

It is important that the Auditee (operator or internal Auditee) be notified, as soon as is practical, whenever factual evidence has been discovered that indicates a potential Finding or Observation.

Such notification allows the auditor to discuss the evidence with the Auditee, to determine correct interpretation of the factual evidence and achieve mutual agreement that the evidence does support a Finding or Observation.

Mutual understanding and agreement between the auditee and auditor is important, not only to facilitate a harmonious Closing Meeting, but more importantly, to ensure an understanding of the approach on the type of corrective action(s) to be developed and implemented.

If the Auditee disagree with factual evidence, the auditor must keep an open mind when the Auditee presents substantive rationale that could indicate that the evidence is not applicable and/or inaccurate. While the auditor makes the final decision, the opportunity should be given to the Auditee to present a different interpretation of the evidence or a different perspective or point of view on the assessment of conformity/nonconformity.

Sharing this information and providing an understanding of the interpretation of the ISARP supports the operator's internal auditing against the ISARP.

4.2.19 Auditee Influence

It is not uncommon for an Auditee (directly or through its representatives) to attempt to exert influence on an auditor in order to avoid a Finding or Observation. Auditors must be prepared to recognize this type of behaviour and address it when it occurs.

When an Auditee is unduly attempting to influence Audit conclusions, the best strategy for the auditor is to:

- (a) maintain a self-confident and professional bearing at all times;
- (b) ensure solid factual evidence supports all Findings and Observations;
- (c) be tactful and objective in communicating with representatives of the Auditee; and
- (d) be open minded and flexible, but also honest and firm in convictions.

Immediately report any blatant and persistent attempts to challenge an assessment to the Lead Auditor. Based on the Lead Auditor's assessment and in accordance with **IPM Section 8.9**, the audit may be terminated.

Auditees may exert influence on the conduct of the audit by delaying the progress of the audit; the effect of this is that the audit and individual assessments of the ISARPs are rushed. The rushed assessments may not be an accurate or fair assessment of the ISARPs. Auditors must be vigilant to ensure that the audit conduct is not unduly delayed by the Auditee. If ISARPs remain unassessed due to delays, then any open ISARPs would be recorded as nonconformities.

4.3 Audit Evidence

4.3.1 Evidence

The auditor needs to secure sufficient factual or objective evidence, derived from all available sources of evidence, information, documentation and activities assessed during an Audit, to determine that the Auditee is in conformity with the ISARP or not. Conversely, conformity or non-conformity must never be based on subjective evidence or opinion.

The Auditor Actions (AAs), are customized for each ISARP, and provide the following:

- (a) guidance to auditors for the actions to be taken to confirm implementation;
- (b) a record of the actions taken to confirm implementation for Operator's internal assessments; and
- (c) a means of standardizing the assessment of implementation.

Factual evidence is gathered from a number of sources as a result of various activities undertaken by an auditor during the course of an Audit, derived from the following activities:

- (a) identifying and assessing documentation;
- (b) interviewing personnel;
- (c) observing facilities, equipment and other physical resources;
- (d) observing the conduct of operational activities and processes;
- (e) observing implementation of IOSA provisions;
- (f) examining data collected from day-to-day operations (e.g. flight data analysis, quality control inspections); and
- (g) examining records (accident report, performance reports, supplier evaluation, maintenance, training, checking, inspections, audits, agendas, minutes, action items).

Note:

Auditor Actions (see [4.4](#) below) are generally based on these types of activities for evidence collection.

The usefulness of evidence depends on the source; and not all evidence is objective or factual. Auditors must exercise healthy skepticism and professional judgment when evaluating information derived from:

- (a) individuals that might be operationally uninformed, misinformed or not fully aware of all audit requirements;
- (b) representatives of the auditee who may be attempting to influence the objectivity of the auditor; and/or
- (c) sources that could have negative intentions designed specifically to mislead, hinder or prejudice the auditor.

An initial determination of implementation may not always be easily possible. In such cases, an auditor may need to collect sufficient evidence from multiple sources to confirm that a provision has been implemented by the auditee.

In determining conformity, the sampled evidence must be corroborated with other sources of objective evidence to gain certainty for the auditor to exercise 'Auditor Judgement' in making the final assessment. A single sample is not enough to support an assessment of conformity or nonconformity. If the auditor is not certain about an assessment, further evidence must be collected and corroborated. However, in some cases where the operator recently commenced the operations (e.g. Dangerous Goods Approval and Carriage of Live Animals), there may not be many records available for sampling and auditor judgement needs to be applied. Also see [4.1.4](#) Dormant Operations.

The completion of some training may be split over a three year period; part of which may have been examined during the previous audit. However, in order to assess that the required training was completed, the auditor must ensure that the depth of the examination of the training programs and training records matches, at the very least, the training cycle of the operator.

Example: Training Cycle

If an operator had a training cycle of 2013-2015 and another one for 2016-2018, then, during an audit in 2017, the auditor may need to examine the training programs and the training records commencing 2013, in order to verify that the required syllabi was covered during the complete program cycle.

4.3.2 Sampling of Evidence

Assessment of selected samples is a common component of evidence collection in the audit process to ensure the requirements of a standard or recommended practice (or corrective action taken) are implemented. The type of items that are sampled will be dictated by the exact requirements in the standard or recommended practice that is being assessed (e.g. records, data, reports, documents, parts, aircraft).

Sampling is required to assess the implementation of the ISARPs, to conduct the verification of implementation of a corrective action (Final Action Taken), in the assessment of the use of Interim Corrective Action (ICA) and/or the verification of the permanent corrective action with the ICA Program option. The sampling approach for these different phases of the audit process should follow these same guidelines.

Note:

Sampling for some ISARP assessments and corrective actions may require 100% sampling, depending on the significance, risk, complexity, size, frequency and magnitude of the requirement/operational function/corrective action. Auditor judgement must be exercised in determining the most appropriate amount of sampling.

When sampling is necessary, samples must always be selected at random by the auditor from the entire range of records, data or information being assessed. The selection of samples must be controlled by the auditor, not by the Auditee: it is generally unacceptable to utilize the samples selected by the Auditee.

To be confident that a provision is implemented, the auditor shall ensure that, as far as reasonably practicable, a representative number of samples are selected. As a guideline, for smaller groups of data, an auditor shall select a minimum of three samples, for larger groups of data the sample size should be correspondingly larger. The diversity and quality of the selected samples bare sufficiently representative of the entire range of records, data or information related to the provision or sub-provision being assessed. Sample size must take into consideration the risk, size and complexity of the organization. For verification of implementation phases of the audit the sample may be higher for the auditor to gain confidence of implementation 'throughout the organization'.

Note:

IOSA registered operators that conduct internal audits should be sampling a larger sample as they have more time than the IOSA auditors and the internal audit activities are spread out over a 24 month period.

Selection of samples is accomplished by using either a random or targeted selection method (at the option of the auditor). If the auditor is not satisfied with information seen in the initial samples, then the sample size must be progressively increased until the auditor can confidently determine the acceptable level of implementation to confirm conformity or nonconformity.

All efforts should be made to review sampled evidence during the assessment of the ISARP. However due to practicality, sampling of evidence may not always be conducted immediately during the assessment of the ISARPs. It may be delayed due to a number of circumstance, such as being reviewed during the conduct of the Mandatory Observations, sampling during multiple ISARPs (e.g. training records), or during the combined assessment of linked ISARPs. However, evidence must not be accepted after the conclusion of the on-site assessment and auditing process, except when Mandatory Observations are conducted after the on-site audit or there is an audit adjournment.

Note:

If the review of sampled evidence is not done at the time of the ISARP assessment, the auditor must have a method/process to ensure that the sampling of evidence is not forgotten and control of the assessment is not lost, particularly when there are many ISARPs treated this way. This is generally done by leaving the ISARP open, or un-assessed; marking the ISARP as assessed is not acceptable.

Caution and judgement must be exercised by the auditor, to ensure their specific and randomly selected samples requested are either selected immediately by the auditor or (when logistically necessary) provided by the auditee in a timely manner. The time frame for the delivery of the samples should be appropriate and prompt, to prevent the fabrication or alteration of the sampled evidence.

Best Practice

The AOs should have published guidelines that specify the sampling techniques that must be used by auditors in the collection of evidence when auditing the ISARPs.

Example: Training records

When it is necessary to assess training records during an audit, rather than reviewing all training records, the auditor will select a subset of records (i.e. the samples) to be reviewed, taken from all fleets and group of operational functions, ensuring sufficient number of samples from each fleet/aircraft. The auditor will control the selection process by either:

- (a) ensuring the subset of records is selected completely at random, e.g. by requesting a list of the pilots and randomly selecting the records of the individuals from the list;*
- (b) identifying the specific records that must be selected; or*
- (c) select records at an arbitrary interval, e.g. every 10th record.*

The auditor must remain in control of the selection of samples, although the selected records could be collected and delivered by the Auditee staff.

If the review of training records are not sampled at the time of the ISARP assessment, the auditor must have a method to ensure the assessment of requirements are not forgotten. This can be done by the auditor having a memory aid of the training requirements and ensure each record reviewed is assessed for all training requirements.

4.3.3 Reviewing Documents

Normally, the first step in the evidence collection process is a review of the operator's controlled manuals and other relevant documentation, to determine if and how the IOSA provisions are documented by the operator.

The review of documents should also (assuming specifications are properly documented) provide the auditor with descriptive information that indicates how the operator exercises management and control of its operations (i.e. systems, programs, standards, policies, processes and procedures).

Reviewing documentation is one audit activity that can be accomplished in advance of the on-site audit. In an ideal situation, the auditee will provide various documents (manuals, handbooks, etc.) prior to the Audit, thus permitting the auditor to accomplish a review before arriving on site.

To further improve efficiency of the documentation review process, the auditor (via their Audit Organization) should request the auditee to provide all references from its manual system that directly correspond to ISARPs. This will greatly assist the auditor by eliminating the necessity of having to search through various manuals on-site when attempting to verify that specifications are properly documented.

It will not always be possible to receive documents prior to an Audit; so in many cases the auditor will be required to review documents in the early stages of the on-site visit. This obviously leads to a certain degree of inefficiency because of the on-site time needed for this review.

The fact that specifications are properly documented does not always mean that they are properly implemented. The process of confirming implementation is comprised of two distinct elements and the auditor needs to assess that:

- (a) A specification is (are) established, activated, integrated, etc. (e.g., observations, records reviews), where applicable, in accordance with the documented systems, programs, processes, procedures and plans in use by the operator.
- (b) An equally important element is that a specification is (are) monitored and evaluated, as necessary, for continued effectiveness (e.g. minutes of meetings are distributed, action items from management reviews are carried out and closed, control charts, job descriptions, workouts, process improvement strategies are actively managed, carried out and closed).

The auditor's on-site activity will involve corroborating and verifying information found in documents with information examined in records, evidence collected from interviews and direct observations, in order to determine if IOSA specifications are properly implemented.

Notes:

1. *Document references must be of documents controlled by the operator, not a reference to state regulations or industry guidelines e.g. IATA Airport Handling Manual.*
2. *Where an ISARP requirement may be applied differently for different aircraft types, or it states 'all aircraft in its fleet', document references must be provided for each aircraft in its fleet.*
3. *For recording document references refer to 4.2.3.*

4.3.4 Interviewing Personnel

Auditors must conduct interviews with **operational personnel** during an Audit, often referred to in the Auditor Actions as the **Responsible Manager** or designated representative, primarily for the purpose of gathering the supporting evidence needed to determine conformity with IOSA specifications and in the assessment of 'implemented'. The interviews help determine the level of awareness and understanding by staff of the system, program, process, procedure or plan.

The **Responsible Manager** may be at any level (frontline manager, middle manager, executive level, post holders, or Accountable Executive), that is responsible for that operational activity, function or area. This responsibility may be defined within the organization chart, job descriptions, duty statements or within the relevant manual(s).

These interviews must be of operational personnel, frontline managers and supervisors; and shall cover all levels of the organization (from the Accountable Manager/Executive/CEO down to the staff on the workshop floor) and across the operational functions or departments of the operator. The interviews must not be focused only on the quality department staff, one manager, staff that compiled the internal auditing against the ISARPs, nor staff/managers from an external Service Provider. However, the internal auditors should be encouraged to attend the interviews for professional development, assist in

standardization of interpretation, and to address questions in the verification of the internal audit results against the ISARPs.

To ensure effective Audit interviews, preparation is important, an auditor must study the checklist in advance and prepare specific questions for each anticipated interview situation.

The IOSA Checklist does not provide a list of questions that can be asked by the auditor. Therefore, for efficiency in gathering evidence during interviews, an auditor must be prepared and proficient in posing questions appropriate for the interviewee, in a way that will create productive dialogue and enhance the return of information from interviewees.

Information gained from interviews should normally be considered subjective evidence and will seldom be enough by itself to justify a final audit assessment of conformity or nonconformity. Additionally, one interview may seldom be enough to justify an assessment of conformity or nonconformity. The evidence from the interview should always be accompanied by corroborative evidence (preferably objective), which must be analyzed together in order to arrive at a conclusive determination of conformance or nonconformance. For confirmation of implementation, interview evidence should always be supported by the Auditor Actions listed.

Additional interviews (perhaps of individuals of varied levels of responsibility or from different departments) may also be required together with other supporting actions.

During the interviewing process, the auditor must take into consideration:

- (a) the arduous and stressful process, and the effect on the interviewee;
- (b) cultural factors, (i.e. breaks for prayer time etc.);
- (c) operational priorities of the person being interviewed; and
- (d) the well-being of the interviewee, with regular comfort breaks.

4.3.5 Examining Records

In order to assess implementation the auditor must examine records that demonstrate that the requirement(s) is (are) established, activated, integrated, etc., where applicable, in accordance with the documented systems, programs, processes, procedures and plans in use by the operator.

The fact that specifications are properly documented does not always mean that they are properly implemented. Examining the records provides an additional source of information to contribute to the assessment of implemented. Records are general information that is generated through implementing the documented systems, programs, processes, procedures and/or plans.

There are many examples of records, however a few common examples include:

- (a) Reports, (e.g. safety reports, occurrence reports, audit reports, service difficulty reports);
- (b) Correspondence, (e.g. emails, letters);
- (c) Minutes of meetings, agendas, action items from the meetings;
- (d) Completed forms, (e.g. hazard reporting form, maintenance approval request, audit forms, training forms);
- (e) Rosters and schedules, (e.g. flight crew rosters, flight schedules, audit schedules, maintenance schedules);
- (f) Certificates and registers, (e.g. training certificates, attendance registers, signature registers); and
- (g) Records from activities, (e.g. maintenance records, modifications, pilot training & checking, inspections, LOSA observation records).

Note:

Templates, forms and other documents that are blanks do not constitute a record, they do not demonstrate that a requirement is active, and does not support the assessment of implementation.

When auditors are examining records, they need to ensure that the record is the most recent and from a reliable source in an attempt to ensure it is factual in its content. For example getting copies of meeting minutes from an email, may not be the most reliable source, getting it from the network/server where all the official minutes are kept may be more reliable.

In some cases there are no records available to demonstrate that the requirement(s) have been implemented, for example, emergency response or abnormal situations, or the confidential safety reporting system, when the system has not been used. In these cases the auditor must find other sources of evidence to support the assessment of the ISARP, usually through interview by asking if staff are aware of the system/actions/response, and if any confidential reports or abnormal situations have occurred.

Records may support the assessment that ISARP requirement(s) is/are monitored and evaluated, as necessary, for continued effectiveness (e.g. minutes of meetings are distributed, action items from management reviews are carried out and closed, control charts, job descriptions, workouts, process improvement strategies are actively managed, carried out and closed).

In some cases, the records might not be available due to the recent commencement of a new approval by the operator. For example, the operator was approved to carry Dangerous Goods two days before the on-site audit; in this situation, the auditor should not use the availability of Dangerous Goods records as the only means to verify the implementation. Also see [4.1.4](#).

4.3.6 Observing Operations

Observing and assessing facilities and/or actual operations during an audit is required for the corroborating of evidence and determining of conformity or nonconformity with ISARPs, in terms of being implemented by the operator. The Mandatory Observations as outlined in [IAH 2.3.2](#) must be carried out during the Audit process, see [Section 4.6](#).

When observing front line operations, every effort should be made to observe activities that are indicative of *normal* operations by typical front line personnel. Operational activities performed by individuals with a significantly higher level of qualification (e.g. instructors, supervisors) would not be indicative of normal operations. When there is such a situation, auditor should make every effort to select a random flight and/or maintenance activity if possible or perform an additional mandatory observation if feasible.

While the listed Mandatory Observations are considered the minimum, auditors may choose to undertake other observations to confirm and corroborate evidence collected; these may be listed in the *Other Auditor Actions* field. Auditors should make every effort, within the constraints of time and availability, to assess as many operational processes of the Auditee as possible.

4.3.7 Other Sources

Other sources of evidence may present themselves during an Audit. Evidence from any source is acceptable for use in determining conformity or nonconformity, as long as it can be verified as factual. These include but are not limited to, the following:

- (a) direct observation of facilities and/or front-line operations;
- (b) records that reflect completion of operational requirements (e.g. training, checking, inspections, audits, maintenance, component changes, modifications);
- (c) records that provide the history or output of management activities (e.g. meeting agendas, minutes, audit reports and action items);

- (d) statistical summaries of operational performance (e.g. accidents, incidents, failure rates);
- (e) regulatory requirements or approvals;
- (f) audits of the operator by Regulators (or other organizations); and
- (g) reports of accidents, incidents, irregularities or other events.

Note:

Records must be complete, identifying blank forms or an electronic system, does not constitute an assessment of implemented.

4.4 Auditor Actions

4.4.1 Introduction

Auditor Actions published by IATA are action steps that have been specifically compiled for each individual IOSA Standard and Recommended Practice.

Whereas the Auditor Actions must be followed to assess and confirm the implementation of the ISARPs, IOSA Auditors are no longer required to record Auditor Actions taken in the audit software.

Auditor Actions (AAs) support the focus on implementation and auditing standardization. As internal auditors conduct separate assessments for documentation and implementation, the AAs will assist internal auditors as a key source of information for and provide guidance on the actions needed to confirm implementation. The term “Auditor Action” is defined in the IRM.

Auditor Actions accomplished by Internal Auditors must be recorded and retained to provide evidence of implementation as required by ISM Table 1.2 and IAH Chapter 4.4.3 provide detailed procedures for auditor actions.

AAs have been incorporated in the IOSA Program for the following reasons:

- (a) to address growing industry concerns that *implementation* was not being adequately assessed;
- (b) to provide a basis for standardizing the assessment of implementation across the Program; and
- (c) to provide transparency and traceability to assessments.

The options an operator has in defining and utilizing the Auditor Actions is outlined in 4.4.5.

4.4.2 Structure & Functionality of Auditor Actions

| | |
|----------|---|
| 1 | <p>AAs can generally be divided into three main groups:</p> <ul style="list-style-type: none"> (a) identifying the specification(s) in the operator's documentation system; (b) interviewing the responsible management, personnel, crew, instructors, auditors, etc.; and (c) actions individual to each ISARP, used to assess functionality and implementation: observing, examining, sampling, coordinating, cross checking, tracing, etc. <p>Note:</p> <p><i>The AAs provide a logical audit path and can be used by auditors as a general checklist of actions needed to audit each ISARP.</i></p> |
| 3 | <p>If the “Other Actions” option was used and descriptive text added, it will be visible in reports. If the “Other Actions” option was not used and text was not added, it will not be visible in reports.</p> <p>The “Other Actions” descriptive text added to include action word(s) for the AAs conducted i.e. interviewed, observed, reviewed; and a description of what was observed/reviewed or who (by position title) was interviewed.</p> |

4.4.3 Procedures for Auditor Actions

| | |
|---|--|
| 1 | The auditors are responsible for completing sufficient actions to gather the evidence needed to confirm an assessment of conformity or nonconformity. However, they are not obliged to record these actions taken in the Audit Software. Operator's internal auditors are responsible for providing a record of the AAs. |
| 2 | <p>For conventional audit situations, the auditor should expect to complete all the listed AAs for each ISARP. However, there will often be situations when:</p> <p>(a) The IOSA auditor has completed enough actions to confirm the assessment, without having to accomplish all listed AAs;</p> <p>(b) Conventional operating structures, facilities, functions, processes, etc., are not being used by the operator and cannot be assessed;</p> <p>(c) Members of management or personnel, facilities, functions, etc., are not accessible to the IOSA auditor and accomplishing one or more AAs is not possible.</p> |
| 4 | The AAs in groups 4.4.2 line 1 a. & b. above are the basis of the initial assessment and will almost always be completed, For example: if a document reference has been listed, action 1 above was completed. |
| 5 | <p>After identifying the specific documentation (AA1) and interviewing responsible personnel/ management (AA2), the actions in 4.4.2 line 1 c. above, are used to assess functionality and implementation of that ISARP.</p> <p>Note:</p> <p><i>The responsible manager refers to the manager that carries out that task in their day to day work function, not the Quality Manager or other manager(s) that may be aware of the task, procedure or function.</i></p> |
| 6 | Where an Auditor Action requires sampling (i.e. where the action step specifies the assessment of selected items as evidence), auditors will determine the sampling size and selection in accordance with sampling guidance specified in 4.3.2 (or sampling guidelines published by the operator). |
| 7 | <p>The completion and ticking of an AA (Recording is only applicable to Operator internal auditor):</p> <p>(a) confirms that the auditor took that action while gathering evidence;</p> <p>(b) will be one of multiple actions taken to assess conformity; OR</p> <p>(c) will result in non-conformities being identified, when specifications of the required policy, process procedure, function, facility, etc., do not exist, or are deficient.</p> |
| 8 | <p>If action(s) need to be taken which are not in the list of AAs, the last Auditor Action, "Other Actions" will be used to provide a description of the action(s) taken.</p> <p>This is the only time when auditors will need to provide any written description of action(s) taken.</p> <p>Note:</p> <p><i>The operator has the option to substitute or add one or more auditor actions (i.e. accomplishing action step(s) that are different from those published by IATA), which would be recorded under "Other Actions", refer to 4.4.5.</i></p> |
| 9 | The Narrative remains the primary evidence description for all non-conformities. The narrative will have to be harmonized with the audited AAs. |

Best Practice

The IOSA registered operator should require its internal auditors, to the extent possible, to complete all Auditor Actions when auditing the ISARPs.

4.4.4 Intentionally Left Blank**4.4.5 Operator Options for Auditor Actions**

The Operator must record all actions that were taken for the assessment of each ISARP as required by ORG 2.1.4 and Table 1.2. There are two options of applying auditor actions:

Option 1: The Operator can use the auditor actions that are published by IATA and are available on www.iata.org/iosa or;

Option 2: The Operator can choose not to use the auditor actions that are published by IATA. In this case, the Operator must document its own defined auditor actions. The auditor actions must comprise a list of multiple actions that lead to the effective collection and evaluation of evidence in order to assess a particular ISARP.

The operator needs to define the procedure that describes how to apply their auditor actions during the internal audits and must implement the procedure as documented.

When using the auditor actions that are published by IATA, the operator can:

- (a) Substitute or add one or more auditor actions (i.e. accomplishing action step(s) that are different from those published by IATA). Substituted or additional action steps will be specified under “Other Actions”.
- (b) Skip the accomplishment of an auditor action published by IATA, when there are valid existing conditions that justify not accomplishing that auditor action.

The operator will not be required to record auditor actions for ISARPs that have been determined to be not applicable (N/A), however the operator can choose to still use the auditor actions to determine that the provision is not applicable.

The operator will record the accomplishment of all AAs on any applicable medium (e.g. audit database, internal audit checklist or other controlled document).

4.5 Auditing Outsourced Operational Functions**4.5.1 Introduction to Outsourced Functions**

In the current commercial aviation environment the concept of outsourcing operational functions is common and likely to continue increasing. When functions specified in IOSA Standards are outsourced by an operator, such Standards are still fully applicable to the operator and must be audited. An assessment of N/A for such Standards is not acceptable.

There are many variations in the extent of outsourcing of operational functions. It can range from contracted staff embedded within the operator's organization, to being completely outsourced and in a different location. When any operational activity, function, process, service, facility, etc., is outsourced, the operator, as the AOC holder, always remains fully responsible for these operational functions being adequately performed. To fulfil their responsibilities, the operator is required to monitor their external service providers, including affiliated (parent or sister) companies, to verify that operational functions are being performed in a manner that satisfies their safety and security requirements.

When an operational function is outsourced by an operator, the operator must ensure the following requirements are in place (these are addressed in the repeat provisions in ISM ORG 2.1 and 1.6):

- (a) the execution of a formal contract/agreement between the operator and the provider;
- (b) measurable specifications;
- (c) a functional process to monitor the outsourced operational function, which would include programs and processes;
- (d) the monitoring the outsourced operational function must be periodical and systemic, and if the oversight is done by auditing, then the operator's audit plan must adequately cover the entire outsourced operational function;
- (e) the persons overseeing the outsourced operational function must be impartial, functionally independent and competent for the task, and if the monitoring is done by auditing, then the auditor quality (qualifications, training, etc.) must be commensurate with the audit requirements.

As can be seen with these elements of outsourcing operational functions, and as the amount of outsourcing increases, the monitoring function of the Operator must be strengthened. With an increase in outsourcing, there should be visible changes in the Quality Assurance program to handle the increase, for example, there should be an increase on the audit schedule, resources, checklists to cover the expanded scope, auditor training, post-audit follow-up and closures, escalations, management reviews and strategic changes, etc.

The approach to be taken by IOSA auditors in auditing outsourced function(s) is different; the audit methodology must verify that the Operator is performing adequate oversight of the outsourced operational function(s), and they are included in the oversight program of the Operator.

For the monitoring of outsourced functions in the area of ground operations, an Operator might choose to participate ISAGO Program and/or in one or more IATA/Industry audit pools such as the DAQCP, IFQP or IDQP (please visit www.iata.org/whatwedo/safety/audit for further information). Participation in a pool as mentioned above can be used to complement the monitoring activities of an Operator on a particular external service provider. The Operator will typically have more monitoring elements in place to cover other requirements (for example, local regulation, etc) that are not included in the above mentioned audit pools, or that do not address a particular service (for example cleaning, etc.)

Note:

There is a difference between the monitoring of outsourced activities by the Operator, and the assessment of outsourced activities by an AO during an IOSA audit. Operators conduct oversight directly on the external providers of outsourced functions, however the IOSA auditors will confirm that the Operator has an adequate system in place to monitor the external provider, to ensure that safety and security requirements are being met.

4.5.2 Assessment of Outsourced Functions

When any operational activity, function, process, service, facility, etc., is outsourced, the Operator, as the AOC holder, always remains fully responsible for ensuring these operational functions are being adequately performed.

An N/A assessment can only be used if the process, function, equipment requirement, etc., is **completely** inactive, or cannot be applied to the Operator. Incorrect use of N/A assessments for **active** functions which have been outsourced, effectively results in that ISARP not being audited. This is regularly identified during the QC process.

An Operator may outsource any operational function(s) to any organization irrespective of the size, complexity or relationship with the Operator. However, ensuring independent and appropriate oversight must be performed by the Operator on the Service Provider and the outsourced function(s).

The “Quality Control of Outsourced Operations and Products” related sections of all eight IOSA disciplines contain specifications for contracts with measurable specifications, monitoring processes and processes to ensure product technical requirements are met. The intent of these specifications must ensure robust control and monitoring of the many outsourced functions contracted by most operators.

The organization providing these operational functions to the Operator always remains responsible to their own management structure and regulatory authority, however the primary IOSA assessment cannot be applied to the third party organization (Service Provider) providing the outsourced service.

When assessing any function that has been outsourced, a conventional assessment of conformity cannot be used. The audit methodology then changes to a verification that the Operator is carrying out adequate oversight of the outsourced function(s) and that the Operator is ensuring that the requirements are being met. To verify the effectiveness of the oversight, and determine what is occurring in practice, the auditor can access the relevant Service Provider(s) to collect evidence to support the assessment of the requirements, refer to IPM 8.7.1 (v).

Confirmation of effective oversight by the Operator can be a challenge, due to the wide variety and lack of standardisation of the methods used. Certain outsourced functions have historically been a source of IOSA quality problems, due to a lack of understanding of the need to verify oversight. For example:

- (a) Confirmation that an operator is carrying out oversight of its larger affiliate operator for outsourced (shared) ground handling, dispatch or similar functions.
- (b) Ensuring that an adequate standard exists for training which has been outsourced.
- (c) Mandatory State control over, or outsourcing of, key security functions.

ORG 2.2.1 specifies that the Operator must have a processes for the monitoring the external Service Providers of outsourced functions; however the level and type of oversight activity for outsourced functions is not specified (the recommended practice **ORG 2.2.2** specifies auditing should be used); since there are many methods to conduct oversight, auditors must assess whether the level and type of oversight is adequate, effective, and ensures that all safety and security requirements are being satisfied.

The oversight by the operator, of the external Service Providers of outsourced functions, must include all stations and locations used by the operator at which the function(s) are active, see [4.2.8](#) on Systemic Assessment.

The documentary reference for each ISARP:

- (a) will include that of the oversight process in use by the operator for the outsourced function;
- (b) should include, where relevant, a document reference to the operator's controlled documentation that addresses the ISARP requirements directly; and
- (c) may include a reference to the audit checklist used for the oversight audits/inspections.

Note:

The referenced checklist must be a controlled document, and must not be simply a ‘copy and paste’ directly from the ISM.

Whenever the requirement(s) of an ISARP are associated with an outsourced operational function, the usual AAs may not apply, and care must be exercised in applying the possible AAs.

Nonconformities identified in outsourced function are raised against the operator, and cannot be raised against the Service Provider(s). Auditors need to use their judgment to determine the most appropriate ISARP against which to raise the nonconformity. If there are numerous deficiencies, which are significant and not just a one-off deficiency, identified in the oversight process, it may be more appropriate to raise the nonconformity against the quality assurance ISARPs. If the deficiencies are associated with the technical requirement, the nonconformity must be raised against the specific ISARP itself.

4.5.3 Access to External Service Providers

During the conduct of the audit, the auditors are required to have access to the relevant external service providers of outsourced operational functions, reference IPM 8.7.1 (v). To facilitate this in the audit planning phase the auditors/AO must identify the outsourced functions and the operator must inform the service providers, in advance of the audit.

The purpose of accessing the service providers is the collection of corroborating factual evidence, in accordance with 4.3.1, to support the assessment process. The auditor may have access to examine documents, records, and/or data, interview personnel, and/or observe facilities and/or operational functions. The evidence is collected for assessing the oversight and monitoring functions of the operator, and the effectiveness of that oversight. The service provider is not being audited, and nonconformities are not to be raised against the service provider.

While the auditor has general access to all relevant Service Providers, access should be utilized where logistically feasible and when the Service Provider is easily accessible. When accessing the Service Providers for the collection of evidence, just as in sampling, the auditor must select the Service Providers and information to be collected. The selection of Service Providers must be practical, and take into consideration the significance, frequency, magnitude, complexity, performance and risk of the operational functions being outsourced.

Notes:

1. *If an IOSA auditor physically accesses the service provider, he/she must be accompanied by the operator's staff.*
2. *Access to information (documents, records, data) of the Service Provider, does not always require physical access to the Service Provider, information may be sourced remotely or sent electronically.*

4.5.4 Assessment of ISAGO Program Audit Reports

This chapter intends to provide IOSA Auditors a detailed information regarding ISAGO Audit Program, ISAGO audit reports and how to review effectively during an Audit if the Auditee provides such reports as a method for complying with ORG 2.2.1 and ORG 2.2.3.

Operators can access the detailed ISAGO audit reports from the ISAGO registry website. The ISAGO Audit Report is the official record of the ISAGO Audit and is issued for each Headquarters Audit and each Station Audit or as a Combined Audit Report as applicable.

IATA is the custodian of all ISAGO Audit Reports whilst a Ground Service Provider (GSP) is the owner of the content of a report and relevant to its ISAGO Registration or a Station Accreditation. Thus, the distribution and sharing of an ISAGO Audit Report are strictly controlled. All ISAGO reports are provided by IATA to a third party with a confidentiality clause either in a specific agreement or as part of the report itself. Since IATA is the custodian of all ISAGO reports, any airline request to access to ISAGO report, must be directed to contact IATA. GPSs cannot distribute their own reports to the Operators.

Operators that participate in the ISAGO program enter into an ISAGO Airline Membership Agreement to subscribe to receive access to ISAGO Audit Reports as they become available and may view or download the document from the ISAGO Registry. An annual subscription gives unlimited access to all ISAGO Audit Reports and also an Operator that does not subscribe to receive access to ISAGO Audit Reports may purchase a report on an individual basis.

ISAGO registration is an acceptable means as part of the Operator's monitoring process, provided the Operator has requested the latest of the applicable audit report(s) through official program channels, and has considered the content of the report(s) in its monitoring process.

If the ISAGO Audit Reports are not acquired by the operator through the official channels, the IOSA Auditor cannot accept the reports as evidence of monitoring and conformance with ORG 2.2.2 and/or ORG 2.2.3. Annual subscription agreement or adhoc purchase proofs are required to be observed.

Furthermore, just awareness of the GSP's ISAGO registration or possession of a copy of the registration certificate are not acceptable means of monitoring. The operator has to demonstrate that a valid ISAGO audit report obtained through official channels was used in the operator's monitoring and risk management processes. A valid ISAGO audit report means a current headquarters, combined or station audit report that covers the ground operations within the scope of ISAGO provided by the GSP to the operator.

4.5.5 Assessment of DAQCP and IFQP Audit Reports

For DAQCP and IFQP auditing pools, the auditee needs to provide the copy of the signed agreement and their access to the DAQCP extranet site where the reports can be viewed. Active and Associated membership agreement allows for access to all audit reports. Passive membership agreement allows access only to the stations that the auditee purchased the reports, therefore access to the reports of the current season has to be verified. (<https://www.daqcp.info/extranet/login.htm>; <https://www.fqps.org/login/>)

4.6 Mandatory Observations

4.6.1 Observing Operations

Observing and assessing facilities and/or actual operations during an audit is required for the corroborating of evidence and determining of conformity or nonconformity with ISARPs, in terms of being implemented by the operator.

The Audit Team must observe certain operational activities (see Mandatory Observations **IAH 2.3.2**) being conducted by the operator. The Audit Team must observe activities that represent normal operations of the operator. The selection of the operation(s) to be observed, must be controlled by the auditor, and where required appropriate in consultation with the Auditee. Although difficult to completely control, every effort shall be made to avoid being led by the operator into observing activities that are conducted by individuals that might have a significantly higher level of qualification and/or experience than that of typical front line operational personnel.

All aircraft related Mandatory Observations must be performed on an aircraft type listed on the operator's AOC/Ops Specs and within the scope of the audit.

Mandatory Observations may be scheduled before, during or after the on-site phase of the audit, however shall be conducted between 30 calendar days prior to and 30 calendar days after the closing meeting, and no later than 31 calendar days prior to the registration expiry date.

For Mandatory Observations done before or after the audit, the auditor(s) do not have to be members of the on-site Audit Team. However the auditor must be knowledgeable of the Operator's processes being observed, must be on the IATA Master Auditor List, and must be qualified and current in the discipline of the Mandatory Observation. The outcome of the Mandatory Observation shall be communicated with the on-site audit team lead auditor or the audit organization.

The Mandatory Observations are a means to collect further evidence to assess implementation. However, if the Mandatory Observations identified areas of concern or a potential nonconformity, the auditor always has the option of increasing the sample size by conducting one or more additional observations. This is encouraged, as such additional sampling could help substantiate the previous observed evidence leading to an assessment of a nonconformity. Any nonconformity will be raised against the relevant provision or sub-provision, and generally will contribute to the assessment of implementation as a nonconformity.

4.6.2 Mandatory Observation Checklists

Mandatory Observation Checklists, which are contained in the IAH Tables and Mandatory Observations, and available on the internet www.iata.org/iosa, outline the elements to be observed for each Mandatory Observation and link them to the associated ISARP. There is a checklist for each Mandatory Observation.

The checklists have been developed as an aid to ensure no elements of the observation are overlooked or omitted. If there is a nonconformity identified during the observation, the linking of the observation elements to the associated ISARP also helps in determining the appropriate ISARP to raise the nonconformity against.

The use of the Mandatory Observation Checklists is **mandatory**.

The Mandatory Observation Checklists are not part of the audit report and the records are not required to be kept.

Note:

There is no specific order prescribed for the Mandatory Observations, however due caution should be exercised by the auditor to not focus only on areas of interest and familiarity, but cover the complete areas required by the Mandatory Observation.

4.6.3 Mandatory Observations for Outsourced Functions

The Mandatory Observations of an outsourced operational function can be performed by one of these two methods:

- (a) Observing the outsourced operational function being performed by the external service provider; and/or
- (b) Observing the oversight activities of the operator.

Notes:

1. *If exercising the first option, auditors must access service providers that are conveniently located or accessible.*
2. *IOSA is not auditing the contracted organization (Service Provider), as such nonconformities cannot be raised against the third party; and the contracted organization may decline to cooperate.*

The following are two examples from GRH and MNT.

GRH Example

If Ground Handling is outsourced, Mandatory Observation MO-12-GRH Aircraft Loading Operations, then this may be carried out by assessing the operator's monitoring of aircraft loading on the ramp or, by observing the operation of the service provider.

This may include, but not limited to:

- (a) observing the loading of the aircraft by the service provider;*
- (b) observing how the Operator's Airport Manager ensures oversight, particularly if he/she sampled and/or observed the ramp operations around the airport;*
- (c) observing a periodical ramp inspection and completion of an associated checklist; and/or*
- (d) observing the Operator's Airport Manager's weekly meeting on the performance and challenges of ramp operations.*

MNT Example

If the Continuous Airworthiness activities are outsourced, Mandatory Observation MO-7-MNT AD/SB Management, then this may be observed by observing the Operator's approval and authorization steps in the AD process, as well as the oversight and monitoring activities for AD/SB management.

This may include, but not limited to:

- (a) observing the process of how the Operator's Maintenance Post Holder or his staff:*
 - 1. ensures that all AD/SB are monitored for potential applicability;*
 - 2. is made aware and approves the assessment of applicability and actionability of an AD;*
 - 3. approves the Engineering Order to undertake the tasks, on the Operator's aircraft, as specified in the AD;*
 - 4. is made aware of the completion of the incorporation of the AD on the Operator's aircraft;*
 - 5. control the process to ensure all the applicable Operator's aircraft have had the AD incorporated; and*
 - 6. notify the authorities, as required, that the AD has been incorporated on all the applicable Operator's aircraft within the time frame specified on the AD;*
- (b) observing a meeting between the Operator's engineering staff and the Continuing Airworthiness Management Organization on the status, management and control of AD/SBs which should include the key steps above;*
- (c) observing how the engineering staff vet the assessment of applicability and actionability and/or the Engineering Order; and*
- (d) observing how the operator ensures that no AD/SBs are missed.*

4.6.4 Mandatory Observations of Affiliated Operators

When the affiliated Operators share a portion of their operational functions, see **5.1**, and when approved by IATA, one of the audits may be of reduced auditor-days due to the shared function only having to be audited once. This will also be the case with the Mandatory Observations, in that the Mandatory Observation needs to be assessed only once for the affiliated Operators associated with the shared operational function.

When this occurs, the same assessment may be recorded (copy-pasted) in both of the affiliated Operator's IAR or a specific assessments relevant to each Operator. Under no circumstance is the assessment to be left blank or to be completed with only a reference to the affiliated Operator's IAR: this is done so that the IAR is a complete record with no references to any other audit reports. This way any Operator requesting the IAR will not be required to request the audit report of the affiliated Operator, in order to see the complete record for the Mandatory Observations of the shared operational functions.

Flight, cabin or simulator observation sessions can only be combined if:

- (a) Training of crew, operating policy and procedures are fully harmonized between the operator(s); and
- (b) Aircraft type is the same (or similar variant) and is on the AOCs of the affiliated operators being audited.

4.6.5 Mandatory Observations Not Assessed

There may be some instances when Mandatory Observations could not be conducted, based on logistics, unavailability of the specific activity being observed due to seasonal schedule or it occurs so infrequently. If the Mandatory Observation is not able to be observed directly, there may be other opportunities to assess implementation by conducting walk-throughs, interviews of front line staff using scenario based questions. Due to the increasing focus on the assessment of implementation, it is essential that the reasons for not completing any Mandatory Observation are included in the Additional Information field of the Executive Summary.

The line or flight training observation may be excluded for the reasons given in **IAH 2.3.2**. If this observation or the simulator observation is not completed for other reasons, the AO shall apply for a claim of **extenuating circumstances**, as per **IPM Section 7.5**.

4.6.6 Recording of Mandatory Observations

Mandatory Observations are recorded in the Audit Summary of the Audit Report. The recording of the Mandatory Observations include:

- (a) the details of the auditor who conducted the Mandatory Observations is recorded in Audit Plan of the Audit Summary, see **2.7.2**;
- (b) the details of the Mandatory Observation are recorded in Additional Information of the Audit Summary, see **2.8.7**;
- (c) If a Mandatory Observation was not performed, it must be recorded in Additional Information (**see 2.8.7**);
- (d) If a Mandatory Observation was performed for an outsourced function, it must be recorded in Mandatory Observations (**see 2.8.7**).
- (e) For a Mandatory Observation that does not have entry fields in the Audit Summary form of the Audit Software, enter the details of the Mandatory Observation performed in the 'Additional Operations Assessed' field of Mandatory Observations (**see 2.7.4**) of the Audit Summary.

For example MO-16 for Security Management does not have entry fields in Mandatory Observations of the Audit Summary, so it would be added in the 'Additional Operations Assessed' field.

4.7 Line Flight and Simulator Observations

4.7.1 Applicability and Conditions

Observation of line flights and simulator sessions provides an opportunity for the Flight Ops auditor to assess the degree to which an operator's processes and procedures are being implemented during front line operations. These activities can produce valuable factual evidence that may be used in conjunction with other evidence to support either conformity or nonconformity with selected ISARPs.

Assessments of line flight operations must be conducted in the disciplines of Flight Operations and Cabin Operations, and the assessment for each discipline (FLT and CAB) must consist of a minimum of one flight segment. These assessments may be excluded only under the circumstances specified in **IAH 2.3.2**.

The assessments of line flight operations are vitally important as a means of confirming implementation of many procedural and communication based ISARP requirements. Auditors should exercise judgment on the number of assessments to be carried out, taking in to account the types of fleets, the operation, and deficiencies relating to flight operations identified during the audit.

Mandatory observations must take place on aircraft types which are listed on the operator's AOC/Ops Spec and will achieve IOSA Registration.

Line flight and simulator assessments can only be conducted by Flight Operations auditors who meet special requirements in accordance with the IPM.

4.7.2 Planning the Observations

4.7.2.1 General Considerations

Line flight and simulator observation activities must be carefully planned by the AO and operator as part of the Audit preparation process.

Line flight and simulator observations may be scheduled before, during or after the on-site phase of the audit, however must be conducted between 30 calendar days prior to and 30 calendar days after the closing meeting, and no later than 31 calendar days prior to registration renewal date.

In planning line flight and simulator observations, the AO should ensure auditors assigned to these activities are familiar with the common language of the operator. If this is not possible, then consideration should be given for provision of an interpreter to assist the auditor(s) in communicating with operational personnel (refer to **4.7.4** for guidance on the utilization of an interpreter).

To ensure that the assessments are representative of day to day operations at the operator, the crews observed during line flight and simulator observations must be made up of line crews, not management members or instructors. If the MO does not represent normal operations, the auditor may redo, defer, swap out or conduct an additional flight and/or simulator observation.

The Flight observation must not be conducted on flights where line/route check or line training is taking place.

In some situations it may not be possible to observe the flight preparation process (e.g. the auditor meets the crew at the aircraft due to scheduling or security constraints). If this occurs, attempt to arrange to observe the preparation sequence for a different flight.

4.7.2.2 Line Flight Planning

The line flight observation(s) must be conducted from a flight deck jump seat.

- (a) The AO must ensure the operator provides coordination as necessary in selecting an acceptable flight segment for the observation.
- (b) The operator may also be required to arrange with the local regulatory authority to ensure the IOSA auditor has authorization for access to the flight deck.
- (c) The primary focus of the line flight observation is the implementation of applicable policies and procedures. Accordingly, line flight observations will be conducted on flight segments representative of the operator's normal areas of operation.

4.7.2.3 Simulator Planning

The AO must coordinate with the operator during the preparation phase of the Audit to ensure an appropriate simulator session is selected and scheduled for the observation.

The primary focus of the simulator observation is the overall implementation and effectiveness of the operator's flight crew training and evaluation program, as evidenced by:

- (a) structure and organization of the session, including syllabus, preparation, environment and operation of the simulator; and
- (b) performance of the instructor(s), level of training benefit for the flight crews, ability to identify and address weak areas and incorrect behavior of crew; performance of the flight crew in normal, abnormal and non-routine operations.

Although performance of the flight crew and instructor(s) is observed, the focus is not on individuals, but rather the application of training policies, adherence to procedures and dedication to maneuver tolerances.

To ensure an observation is made of typical simulator training and qualification operations, the session selected for observation during an Audit:

- (a) must be a normal proficiency check or recurrent training session;
- (b) must not be a type training, promotional (upgrade) training or NAA evaluation session.

4.7.3 Auditor Preparation

Flight Ops auditors must present themselves in a competent and professional manner. Thorough preparation is a necessity. Accordingly, prior to observing a line flight or simulator session, the auditor will:

- (a) be thoroughly familiar with the content of applicable line flight and/or simulator checklists;
- (b) become familiar with applicable policies, procedures, performance tolerances and other assessment criteria associated with the operator's program;
- (c) obtain and review appropriate airport and route charts, as applicable (line flight);
- (d) acquire and be familiar with the session profile (simulator);
- (e) know the start times for the various activities (including simulator briefing times), and ensure a punctual arrival;
- (f) confirm the availability of a spare headset;
- (g) attire should be worn in keeping with a professional image and practicality.

Any preparation that requires review or study (e.g. route to be flown or training syllabus) should be accomplished privately before the observation and/or briefing commences to ensure a discrete presence is maintained.

4.7.4 Conducting Observations

It must be assumed that flight crew members may be uncomfortable when being observed during a line flight or simulator session.

The auditor should therefore take a low key and passive role. The following auditor protocols should always be observed:

- (a) make every effort to 'fit in' with the operation and put the crew at ease;
- (b) stress the anonymity and confidentiality of data collected;
- (c) explain that the IOSA checklist and other paperwork is de-identified;
- (d) limit inquiries only to circumstances when it is deemed necessary;
- (e) never cause a distraction from the operational environment;
- (f) exercise professional discretion with respect to any critique of performance;
- (g) if not briefed by the crew, request a briefing with respect to use of the jump seat, oxygen mask and any other security and emergency provisions (line flight observation only);
- (h) understand procedures for manual locking/unlocking of cockpit doors (line flight observations only);
- (i) know and respect sterile flight deck rules (line flight observation only).

A non-conformance observed during a single line flight or simulator session, depending on severity, may not necessarily support a Finding or Observation. An auditor always has the option of increasing the sample size by ordering additional line flight or simulator observation(s). Such additional sampling could help to substantiate previously observed evidence as either a systemic issue or an isolated anomaly.

When it becomes necessary to utilize the services of an interpreter, care must be exercised to ensure the interpreter is used only to communicate with relevant personnel before or after the line flight or simulator session (i.e. pre-activity briefings and/or debriefings). An interpreter will never be permitted to be present either on the flight deck or in the simulator during the actual conduct of the observation.

4.7.5 Line Flight and Simulator Assessments

Pre-flight/Pre-Simulator Observation Preparation

All elements of a session, including the briefings conducted prior to and after the actual session, must be observed and assessed.

Brief the pilot and/or instructor involved, prior to conducting an observation. The following guidance applies:

- (a) provide an overview of the IOSA Program;
- (b) explain the purpose of the observation, and its role in the context of the Audit;
- (c) emphasise that the observation focuses only on conformity with IOSA standards;
- (d) ensure an understanding that the auditor is only an observer, not an evaluator;
- (e) assure that only operational procedures will be assessed, not individuals;
- (f) explain the necessity for taking limited notes; stress the confidentiality of the information;
- (g) emphasize the intention to cause no distraction; advise the crew to ignore the observer;
- (h) discreetly remind the captain that it remains his prerogative to require the IOSA auditor to leave the flight deck, should circumstances so dictate (line flight observation only).

4.7.6 Flight Observation

To optimise the probability of a relaxed and safe cockpit environment, the auditor should follow the following guidelines when possible:

- (a) exercise the same level of vigilance as is expected of the flight crew (e.g. verify ATC clearances, scan for conflicting traffic and monitor radio communications);
- (b) permit the crew some 'free time' by leaving the flight deck once established in cruise flight, in accordance with the operator's security procedures;
- (c) ensure note-taking is discrete and kept to a minimum;
- (d) return to the flight deck in time to observe the preparation and briefings for the descent and approach phases.

4.7.7 Safety Threats

- (a) It is always a possibility that certain situations might occur that would require the auditor to alert the flight crew to ensure safety. The recognition, analysis and timing of such an alert must be based on good judgment and experience.
- (b) The flight crew must be alerted whenever a significant threat or an error in practice is observed, which, if left unchecked, would lead to high safety risk. In such cases, the auditor should express concern to the flight crew about the evolving situation.

4.7.8 Simulator Observation

The primary focus of the simulator observation is the degree of adherence to the operator's policies and procedures, and the dedication to ensuring that flight maneuvers and procedures are conducted within published tolerances. During an observation, the auditor should ensure attention to the following:

- (a) closely monitor the manner in which the session is conducted (e.g. instructor's skill in the use of the simulator, presentation of normal and emergency situations, adherence to a syllabus);
- (b) note the degree of reality that is incorporated into the presentation of the session (e.g. ATC clearances, onboard and external communications);
- (c) focus on the dedication that is given to proper execution of maneuvers and procedures and the successful management of procedural/human errors by the crew;
- (d) note that instances of sub-standard performance are properly addressed (e.g. remedial instruction, repeated maneuvers, grading of satisfactory or unsatisfactory);
- (e) ensure note-taking is discrete and kept to a minimum.

4.7.9 Using the Line Flight and Simulator Observation Checklists

The checklists are designed to be an 'aide memoire' tool, and are not intended to be completed 'item-by-item'.

In order to ensure information remains de-identified, the Checklists do not contain a space for recording the names of any of the individuals that were observed (e.g. flight crew members, instructor, evaluator, etc.).

The checklists are oriented to ISARPs, and each line item has the associated ISM reference(s) listed in the left hand column.

Focus on items listed in the checklists. If a discrepancy is observed that is not included in the applicable checklist, record the details in the 'other events' space on the checklist.

As determined by the auditor, certain information related to areas of nonconformity that was observed and documented during a line flight or simulator session may be transferred to the Narrative box of the

IOSA Checklist. Such information may serve as documented factual evidence that supports a Finding or Observation.

The Line Flight and Simulator Checklists are supplementary working documents, and will be destroyed at the conclusion of the Audit.

4.7.10 Logistical and Administrative Considerations

The planning of line flights and simulator sessions for observation requires effective coordination before and during the on-site phase of the Audit to ensure all necessary aspects are in place.

Once the on-site phase begins, the Audit Team, and more specifically the Flight Ops auditor, has a responsibility to ensure the line flight and simulator observation activities are successfully completed. The following may be required to ensure successful completion of these activities:

- (a) appropriate authorizations from the operator;
- (b) letters of introduction to operating captain or simulator instructor, if required;
- (c) confirming the correctness of the flight and/or simulator details;
- (d) establishing contact and verifying permission with the operating personnel (flight crew or simulator instructor);
- (e) making appropriate ground transportation/hotel arrangements.

4.8 Auditing SMS – Audit Methodology and Guidance

4.8.1 Essential Principles and Elements of an SMS

To effectively audit SMS provisions, a sound knowledge and understanding is needed of the essential principles and elements of a Safety Management System, which has been incorporated within the ISM with specific provisions designated by the **[SMS]** symbol. The essential elements are:

- (a) A well documented SMS policy and support structure, widely distributed and available to all staff.
- (b) Active awareness by all personnel of the value of communicating any type of information, proactively or reactively, which could identify and help mitigate any undesirable trend or risk to the safe execution and performance of the operations.
- (c) A means of providing a free flow of information on any undesirable trend or risk, available to all personnel in all departments and endorsed and encouraged by management.
- (d) Trust by all parties that information inputs to an SMS will be unrestricted, non-punitive and confidential, when necessary.
- (e) An active and objective management review and continual improvement process, to ensure that all information received is thoroughly analyzed, in particular the assessment of risk and implementation of mitigation actions.
- (f) Effective quality assurance of the management system, including a review/feedback system. This QA system could be either incorporated within, or remain independent to the SMS.

Note:

Further information is available in ICAO Document 9859, the Safety Management Manual (SMM), and Annex 19.

4.8.2 Essential Information for Operators Regarding SMS

The Safety Management System concept for the management of safety within aviation has not yet been mandated by all regulators. Some operators may be reluctant to implement SMS until it is regulated by their authority, however within IOSA all SMS standards are required to be implemented.

Operators that are new to IOSA may not be familiar with the SMS concept, and face the challenges of conforming to the IOSA SMS requirements, without them being regulated by their authority. There is a large amount of work required to have a fully implemented SMS, and with the majority of the SMS provision being standards, the operators do not have the flexibility to gradually implement the SMS as in the past. This will present a challenge to the operator to have a fully implemented SMS for the initial audit.

It must also be kept in mind that some States have SMS requirements that are *in addition to* those in the ICAO Framework, therefore an operator that has implemented an SMS in conformity with the ISM may not meet all requirements of that State.

4.8.3 Audit Procedures for the SMS Provisions

Prior to the audit, all auditors shall have a clear understanding of SMS audit methodology and the linked provisions. The audit team should have a clear understanding of any State or airport requirements for SMS implementation by the Operator and any other providers that conduct operational functions for the Operator.

The [SMS] provisions in the ISM have some very specific auditing requirements, with the procedures as follows:

| Procedure for Assessing SMS Provisions: | |
|---|--|
| 1 | <p>ORG 1.1.10 is the SMS overarching “control” standard, specifying implementation and integration of the SMS throughout the organization, refer to Table 1 of the IAH Tables and Mandatory Observations.</p> <p>ORG 1.1.10 is an overall assessment, and can only be assessed in conformity when ALL other SMS provisions, marked with the [SMS] symbol, are assessed in conformity.</p> |
| 2 | <p>When finalizing the assessment for ORG 1.1.10, there are two possible outcomes:</p> <p>(a) If all SMS provisions in Conformity:</p> <p style="padding-left: 40px;"><i>The operator is in conformity with all Standards and Recommended Practices designated with the [SMS] symbol.</i></p> <p>(b) If one or more SMS provisions are not in Conformity:</p> <p style="padding-left: 40px;"><i>The operator is not in conformity with all Standards and Recommended Practices designated with the [SMS] symbol. See individual Corrective Action Records for further details.</i></p> |
| 3 | <p>The ORG auditor must ensure that the overall SMS assessment result provides a realistic status of the level of implementation of SMS by the operator.</p> |
| 4 | <p>Repeat SMS Provisions, are the ORG and associated repeated SMS provisions in each discipline, listed in Table 2 of the IAH Tables and Mandatory Observations.</p> <p>The ORG provisions, which specify the fundamental operating structure needed for a functional SMS, are repeated in FLT, DSP, MNT, CAB, GRH and CGO, to ensure that the same fundamental operating structure is incorporated in all operator's departments (except SEC). See 4.2.15 for the audit procedures for this group.</p> <p>Each of these ORG provision can only be assessed in conformity when the corresponding (in the same row of Table 2 of the IAH Tables and Mandatory Observations), repeated FLT, DSP, MNT, CAB, GRH and CGO provisions have ALL been assessed in conformity.</p> |

| | |
|----------|---|
| 5 | <p>Other SMS Provisions, the remaining SMS ORG provisions, listed in Table 3 of the IAH Interlinked and Repeated ISARPs, are not repeat provisions, they are stand alone. These provisions are generally assessed independently of other provisions.</p> <p>However, some of these provisions specify implementation throughout the organization. To finalize the assessment for each of these provisions, the ORG auditor will require input of the assessment from the other disciplines, to evaluate the level of implementation within and, for the example of communication, between all departments or functional areas throughout the organization. The determination of conformity is in accordance with 4.2.15.</p> |
| 6 | <p>If not involved in CAR closure and audit finalization, ensure a comprehensive handover of the overall SMS assessment and corrective actions to the auditors who will be closing the CARs.</p> |

Note:

*SEC 1.3.1, 1.9.2, 1.10.1, 1.10.3A and 1.12.1 are not designated as SMS, but as provisions repeated from ORG, are subject to the procedures detailed in **IAH 4.2.15**.*

Additionally, there are existing standards for the Quality Assurance programs in all disciplines, except SEC, which have been designated as [SMS] provisions, due to the complementary functions between QA and SMS structures. These provisions are still classified as repeated provisions, linked by the “►◄ and ><” symbols in the ISM and audit checklist respectively. Because operators may manage their QA programs separately to their SMS structure, an IOSA requirement for a linked assessment of all QA programs in all disciplines could be seen as exceeding the initial scope and intent of introducing SMS in IOSA, therefore there are no specific linked assessment requirements for this group. To accommodate known variations in QA/SMS structures/relationships between operators, auditors have the flexibility to assess QA and SMS structures either as:

- (a) operating independently as separate entities, with operational overlaps where necessary; or
- (b) integral components of the overall SMS structure.

4.8.4 Intentionally Open

4.8.5 Audit Procedures for the SMS Training

ORG 4.3.1 and ORG 4.3.2 respectively are ISARPs which deal with SMS training for the operator as well as for external service providers. ORG 4.3.1 defines the requirement for internal operational staff members and requires them to be proficient in their respective duties concerning the SMS. ORG 4.3.2 is the recommendation extending the SMS training to external service providers.

Both ISARPs have an [SMS] tag as they form part of the overall SMS framework of an operator. Conformity however is only required for ORG 4.3.1. The SMS umbrella ISARP (ORG 1.1.10) as a consequence is only affected by the conformity status of ORG 4.3.1, but not ORG 4.3.2. In other words, ORG 1.1.10 can be in conformity, even though ORG 1.6.6 may have been assessed as non-conformity. The reason for this being that ORG 1.1.10 only requires conformity with Standards, but not Recommended Practices.

To establish conformity with ORG 4.3.1, an operator must have an internal training program focusing on duties and responsibilities within the SMS of all management and non-management operational personnel and ensuring that said personnel is competent in all these duties and responsibilities. Given the various levels of involvement of personnel, the corresponding training can and should be different depending on the function. An SMS manager tasked with the day to day management of the SMS will need more in-depth training than for example a frontline handling agent in ground handling. The training does not need to extend to non-operational personnel (e.g. finance, marketing). While it is normal within the IOSA standard that training is divided into initial and recurrent training, the SMS training does not require this explicitly. It is recommended to have both initial and recurrent training, however it is not required.

ORG 4.3.2 is a logical extension of ORG 4.3.1 and applies to any external service provider that performs services for the operator within the operational scope – again, not including any services which do not fall within the scope of an IOSA audit.

The training must extend to direct sub-contractors, as well as any potential third parties which perform service on behalf of the sub-contractor. Ultimately, any operational person performing duties within the scope of the IOSA audit for a particular operator should be trained on SMS, irrespective of which entity this person has a contract with.

The actual training can be performed in any way deemed appropriate by the operator. The key is that the operator must specify its own needs for the training and should then ensure that any sub-contracted organization meets these training requirements. This can be done in a number of different ways, for example:

- (a) by accepting the sub-contracted organization's own training, if this organization has an SMS, for example
- (b) by recognizing other training delivered by a third party
- (c) by providing the operator's training to the sub-contractor (could also be in the form of a web-based training)
- (d) by inviting the sub-contractor's personnel to attend operator trainings

The key is that operator first must specify what the training should contain through its own training requirements, and then ensuring that the sub-contractor's personnel have received those same subjects through any of the channels described above. The implementation is ensured and monitored through the same channels and methods as any other operational service/requirement which is subcontracted to that organization.

4.9 Auditing of Aircraft Equipment

4.9.1 Audit Methodology

All aircraft listed on the AOC/Ops Specs, where applicable conditions are met, must be fitted with the aircraft systems and equipment specified (in each row) in the relevant standards and aircraft systems and equipment tables; refer to ISM. Some aircraft systems or equipment requirements are specified as recommended practices, which are not mandatory. The aircraft systems and equipment requirements must be assessed by the internal auditor during the internal audit process and verified by the IOSA auditor during the IOSA Audit for the production of the IOSA Audit Report.

In order to facilitate the assessment of the equipment requirement by the IOSA auditor, the operator shall complete the Aircraft Systems and Equipment Form ISM.F04, in accordance with 4.9.3. The Aircraft Systems and Equipment Forms must be submitted to the AO 14 calendar days prior to the start of the audit as required by IPM 6.2.2 xii).

On receiving the Aircraft Systems and Equipment Form the AO must review the forms to ensure completeness and ensure that all fleets on the AOC/Ops Specs are represented.

In assessing the relevant ISARPs that reference the Aircraft Equipment Tables, the IOSA auditor must use the Aircraft Systems and Equipment Form in accordance with 4.9.4.

4.9.2 Method of Assessment

An assessment of the aircraft systems or equipment requirements must be made by either a visual inspection, through a documented reference, through evidence in a maintenance record, or other similar method.

Where a documentary reference is used to assess conformity or the presence of the specified aircraft system or equipment on an applicable aircraft group, it must provide information that shows the

equipment is installed on the applicable aircraft groups. An operator's Aircraft Operating Manual (AOM), the Minimum Equipment List (MEL) and Aircraft Illustrated Part Catalogue (AIPC) typically contains aircraft fitment and other reference information (e.g. equipment description, specifications, locations) that could serve as the documentation reference for IOSA aircraft systems and equipment requirements.

If an operator's Aircraft Operating Manual, General Operations Manual, MEL or other parts of the OM do not contain system descriptions linked to specific aircraft or lists of installed equipment (per fleet or per aircraft), an auditor may have to look elsewhere for suitable evidence. For example, Illustrated Parts Catalogue (IPC) and Layout of Passenger Accommodation (LOPA) as long as it specifies the alternate equipment that is fitted to the specific aircraft group. Alternatively, this information may have to be extracted from aircraft maintenance records, airworthiness review records, aircraft inspection records, engineering orders, work orders or other records. Meanwhile, it is important to highlight the source of the reference shall be a controlled document.

4.9.3 Completion of Aircraft Systems and Equipment Forms

Each specific aircraft group must be assessed and entered into the Aircraft Systems and Equipment Form, repeated columns (10 aircraft groups represented) have been added to allow each group to be assessed and entered into the form. If more than 10 aircraft groups are required the operator shall add additional columns to the form for the additional number of aircraft groups.

All aircraft within a specific aircraft group entered in the forms must be of the same configuration. If aircraft within a specific aircraft group have a different configuration (different components or sub-systems) then it must be listed as an additional aircraft groups. The word "Group" refers to the aircraft may have same aircraft types but different in its configurations, then it shall count towards 2 groups but 1 aircraft type.

The operator must complete the Aircraft Systems and Equipment forms, as follows:

| Form Field | Procedure |
|-----------------------|---|
| Date | Enter the date that the specific aircraft group was assessed. |
| Auditor | Enter the name of the internal auditor that performed the assessment. |
| Aircraft Type | Enter the specific aircraft type being assessed, as listed on the AOC/Ops Specs. If two different aircraft groups for the same aircraft type, then two columns shall be used. |
| Aircraft Registration | <p>Enter the specific aircraft registration numbers that are being assessed that are of the specific aircraft type as listed on the AOC/Ops Specs.</p> <p>A reference to the AOC/Ops Specs section that lists these aircraft registrations is sufficient, which must include the identification of the AOC/Ops Specs versions, by version number or issue date.</p> <p>If the AOC/Ops Specs is referenced, it must be provided with the submission of the Aircraft Systems and Equipment Forms.</p> |
| Assess | <p>This field is the assessment of conformity and is selected from a drop-down menu:</p> <p>(a) If the aircraft system or equipment requirement has been assessed as a conformity, 'Yes' would be selected.</p> <p>(b) If the aircraft system or equipment requirement has been assessed as a non-conformity, 'No' would be selected.</p> <p>(c) If the aircraft system or equipment requirement has been assessed as not applicable based on the conditional requirement, 'N/A' would be selected and the reason of N/A shall be explained in the Comments.</p> |

| | |
|----------------------|---|
| Method of Assessment | The method of verification is the method that was used to assess the aircraft system or equipment requirement, to be selected from the drop-down menu: (a) If the aircraft system or equipment requirement was assessed by directly inspecting the aircraft, then 'Inspection' must be selected. (b) If the aircraft system or equipment requirement was assessed through being documented in a controlled manual, then 'Documentation' must be selected. (c) If the aircraft system or equipment requirement was assessed by examining the maintenance records, then 'Maintenance Record' must be selected. (d) If any other method is used, 'Other' must be selected, stating the method used in the comment field. |
| AO Verify | This field must be completed by IOSA auditor when verifying the assessment made by the operator. |
| Reference | The reference field is used to record any document or record that demonstrates conformity. If 'Documentation' or 'Maintenance Records' (or 'Other' method involving a record or document) has been selected, then a reference must be entered. |
| Comments | The comment field is used to add comment or narrative from the auditor undertaking the assessment. If 'N/A' is selected for 'Assess', the comment field must state the reason of 'N/A'. If 'Other' is selected for the method of verification the comment field must state the other method that was used to verify the conformity of the requirement. |

4.9.4 Verifying the Aircraft Systems and Equipment Requirements

The IOSA auditor must verify the Aircraft Systems and Equipment Form, as follows:

| | |
|----------|---|
| 1 | Every aircraft system or equipment requirement (in each row of the table) must be verified, by checking: (a) the referenced document; (b) the referenced record; or (c) through visual inspection during the Mandatory Observation or other aircraft inspection. |
| 2 | When verifying the assessment made by the operator for each aircraft system or equipment requirement (in each row of the table), sampling of the implementation of the requirement across aircraft groups (in the columns of the table) may be applied. If sampling the aircraft groups is utilized, the selected aircraft group being sampled must be varied between aircraft systems and equipment requirements, to represent all aircraft groups. |
| 3 | The IOSA auditor must verify the operator's assessment, recording the verification in the 'AO Verify' field by using the drop down menu. The verification is an assessment by the IOSA auditor of conformity, select: (a) 'Yes' for conformity; (b) 'No' for non-conformity; or (c) 'N/A' for not applicable. The 'AO Verify' field must only be completed for the aircraft types that were sampled. |

| | |
|----------|--|
| 4 | <p>When the verification is complete the IOSA auditor must complete the relevant ISARPs in the audit checklist.</p> <p>If a deficiency of the aircraft systems and equipment has been identified, it must be recorded as a nonconformity for the relevant ISARP, specifying the table line item and details of the deficiency in the narrative.</p> <p>If all verified aircraft systems and equipment requirements have been in conformity, then the relevant ISARPs must be recorded as conformities.</p> |
| 5 | <p>The IOSA auditor must utilize the repeated and interlinked ISARP report to harmonize the aircraft systems and equipment assessments.</p> |
| 6 | <p>The document reference in the audit checklist must refer to the Aircraft Systems and Equipment Forms, quoting the form numbers (ISM.F02 or ISM.F03).</p> <p>In the comments field the following statement must be entered: <i>Refer to the complete forms for the associated document references.</i></p> |
| 7 | <p>The IOSA auditor must attach and upload the completed forms (in MS Excel) into the audit software under the ORG audit checklist.</p> |

4.9.5 Aircraft Equipment Terminology

IOSA requirement for aircraft systems and equipment fitment, based on the associated ICAO Standards and Recommended Practices (SARP), fall into three categories. The audit methodology and the associated ICAO and IOSA terminology are presented in the groups below.

1. Aircraft types or fleets

This group of IOSA provisions is directed at aircraft types, based on their date of initial application for certification. In practical terms, these are the dates when the OEM first submitted the application for certification for a new aircraft type to the applicable Authority, e.g. the FAA for Boeing aircraft, the DGAC for Airbus aircraft, etc.

The equivalent ICAO SARP wording is: "...aeroplanes for which the application for certification was submitted on or after..."

2. Individual aircraft based on initial date of introduction to service

These IOSA provisions are directed at individual aircraft, based on the date of the issue of their initial certificate of airworthiness. Auditors will need to establish individual dates of certification (year of manufacture) for each aircraft, to assess whether the provision is applicable to that aircraft or not.

The equivalent ICAO SARP wording is: "...aeroplanes for which the individual certificate of airworthiness is first issued after 1 January 2005..."

3. All Aircraft

These IOSA provisions are directed at all aircraft being used for the ISARP provision being audited, irrespective of any aircraft mass, passenger/seats or certification date categories.

The equivalent ICAO SARP wording is: "All Aeroplanes".

4.9.6 Aircraft Type Certification

There is only one ISARP requirement that falls within the Group 1 category listed in **4.9.5** above.

The Table 4.11 (xxii) and (xxix) reference to the aircraft Type Certification is in line with Group 1. It states in the applicability "...for which the application for certification was submitted on or after 2 March 2004...". This refers to the date in which the OEM had applied to gain initial aircraft Type Certification with their authority i.e. if it is an American designed and built aircraft, being operated by an operator in

Europe, the application date is the date the OEM applied to the FAA for Type Certification. The application date will be different to the actual date of the Type Certification and is generally listed on the Type Certificate Data Sheet.

Note:

Not all Type Certificate Data Sheets list the application date for Type Certification, it may be listed separately or found in the text under the certification basis. In the event that the application date is not recorded, the approval date will suffice.

For any applicable ISARPs that reference aircraft certification, the auditor must take the Type Certification application date of the **exact variant of the aircraft** that is being operated as listed on the operator's AOC. To assist in this assessment, for the State of Manufacture for more common OEMs, the typical sources obtaining application dates for type certifications or the dates of type certifications are listed below (this list is not exhaustive).

- (a) Transport Canada: http://wwwapps.tc.gc.ca/saf-sec-sur/2/nico-celn/c_s.aspx?lang=eng;
- (b) FAA: http://www.airweb.faa.gov/Regulatory_and_Guidance_Library/rgMakeModel.nsf/MainFrame?OpenFrameSet;
- (c) EASA: <https://easa.europa.eu/document-library/type-certificates>;
- (d) UK: <http://www.caa.co.uk/default.aspx?catid=1419&pagetype=68&gid=1540>; and
- (e) Brazil: <http://www2.anac.gov.br/certificacao/Produtos/EspecificacaoE.asp>.

The MNT auditor to clarify aircraft certification details, as required, as the certification records may be kept in the flight, engineering, or maintenance departments.

4.9.7 Certificate of Airworthiness

There are some ISARP requirements that fall within the Group 2 category listed in 4.9.5 above, that reference the "... aeroplanes for which the individual certificate of airworthiness is first issued ...", which is applicable for each aircraft identified by its tail number, unlike the Type Certification.

There are a number of ISARPs stated in the applicability "...for which the individual certificate of airworthiness is first issued ...". This refers to the date that the individual aircraft first entered into service, thus the first Certificate of Airworthiness (CofA) issued for the aircraft, whether the aircraft was owned by the current operator or not. This information will kept with the aircraft/maintenance/technical records department.

In some countries the CofA is issued once, and is the same until a review or other reason is presented causing it to be revoked. On the other extreme some countries issue the CofA every year. There are many variations in between, including the same CofA amended on the back with a new expiry date. Additionally, the CofA may be issued by the authorities or it may be a Continuing Airworthiness Management Organization which is able to extend or renew the CofA (with conditions) without involving the authorities. As a result, this information may not be easy to find; if there is inability to find the initial CofA, the date it entered into service could be used.

4.9.8 Compliance with Airworthiness Directives

The incorporation of an Airworthiness Directives (AD) may effect conformity with aircraft equipment ISARPs.

ADs are issued by the State Authorities to direct operators to undertake a specific task, generally to inspect a component for the symptoms of a specific fault or potential failure. These are generally derived from increasing failure trends of in-service faults/failures, or could be due to an identified manufacturing fault, or commonly out of the recommendations after an accident/incident investigation.

Generally, the ADs will specify an action to take if the inspected component was at risk of failure, or beyond acceptable limits. Normally, the action will be to remove and replace the component with a serviceable component or an alternate component. In some cases there may not be an alternative, and in some cases the action taken is to inspect or remove the item without a replacement action identified, pending action by the OEM to rectify the fault. In these cases where the component or item of equipment is removed and not replaced, the affected fleet/aircraft may become nonconforming with an aircraft equipment ISARP.

Evidence of this situation should be collected from the operator, in the form of the AD and the assessment of applicability on which fleet/aircraft. Reliability on the State of the operator's AD alone is not always prudent, therefore the AD must be as a direct result of an AD issued by the State of Manufacture or the State of Design, which should be referenced in the AD or attached (if not attached collect it as part of the evidence). This ensures that there has been some official engagement with the OEM which increases the credibility of the AD.

In these cases when the operator is complying with the AD from the Authority resulting in a nonconformity with an ISARP, the ISARP or a portion thereof may need to be exempt, see **IPM 7.1.9 (iv)**.

4.10 Auditing Performance-Based Conformity

4.10.1 Performance-Based Compliance/Conformity

Regulators require operators to comply with their regulations, which are generally based on ICAO standards. The ICAO allows variations in the manner in which compliance with the regulations could be demonstrated to the satisfaction of the regulator.

The conventional means of demonstrating compliance was following the prescribed method (prescriptive), while the newer means consider operational variations in demonstrating compliance, in a method now termed as 'performance-based'.

Auditors must differentiate between Prescriptive and Performance-based Compliance to Regulations, which are briefly described below:

1. Prescriptive-based Compliance

This is the conventional means of achieving target levels of safety performance of a system or process based on operator compliance with pre-established, non-variable standards or limitations. It is typically independent of other systems, policies, processes or procedures.

Operators following this system are generally more "procedures" based vs. "systems and process" based and usually, operate under an Authority that lacks necessary technologies or specialized knowledge or only permits prescriptive compliance (e.g. no SSP).

In a prescriptive based compliance system, the operator must ensure:

- (a)** Its documents match the requirements of the authority;
- (b)** Its procedures meet the requirements of the authority; and
- (c)** Show compliance when requested by the authority.

2. Performance-based Compliance

The Performance-based compliance system is an approach to regulatory compliance that involves the setting or application of target levels of safety performance of a system or process, which in turn facilitates the implementation of variable regulations or operational variations from existing prescriptive regulations. Data is a key enabler of performance-based regulation: it is important that performance indicators and other outputs of data analysis are combined with expert judgment to generate compelling evidence.

The Performance-based compliance allows greater operational flexibility without degrading the safety performance of an operational activity. It is dependent on other systems, policies, processes or procedures and the specifications contained in a regulation typically define “what” must be accomplished and allow for variations in “how” it is accomplished.

Performance-based compliance is not a new concept. The following are existing performance-based concepts:

- (a) Advanced Qualification Program (AQP)/Advanced Training and Qualification Program (ATQP)/Evidence-based Training Program (EBT);
- (b) Extended Range Operations (ETOPS)/Extended Diversion Time Operations (EDTO);
- (c) Safety Management Systems (SMS);
- (d) Fatigue Risk Management Systems (FRMS); and
- (e) Statistical Contingency Fuel (SCF).

In a performance based compliance system, the operator (and the auditors) must ensure the following essential elements are in place:

- (a) Statistical data and analysis to prove the compliance and to seek variations;
- (b) Safety data analysis, based on the statistics;
- (c) Monitoring of hazards and risks on a real time basis;
- (d) Risk assessment and mitigation systems;
- (e) An approval from the regulator for the performance based compliance; and
- (f) An oversight system to ensure that the conditions of the approval by the authority are met.

In the absence of **any** of these, a ‘performance based compliance’ may not be possible and an auditor must not accept the same.

4.10.2 Audit Methodology for PBC

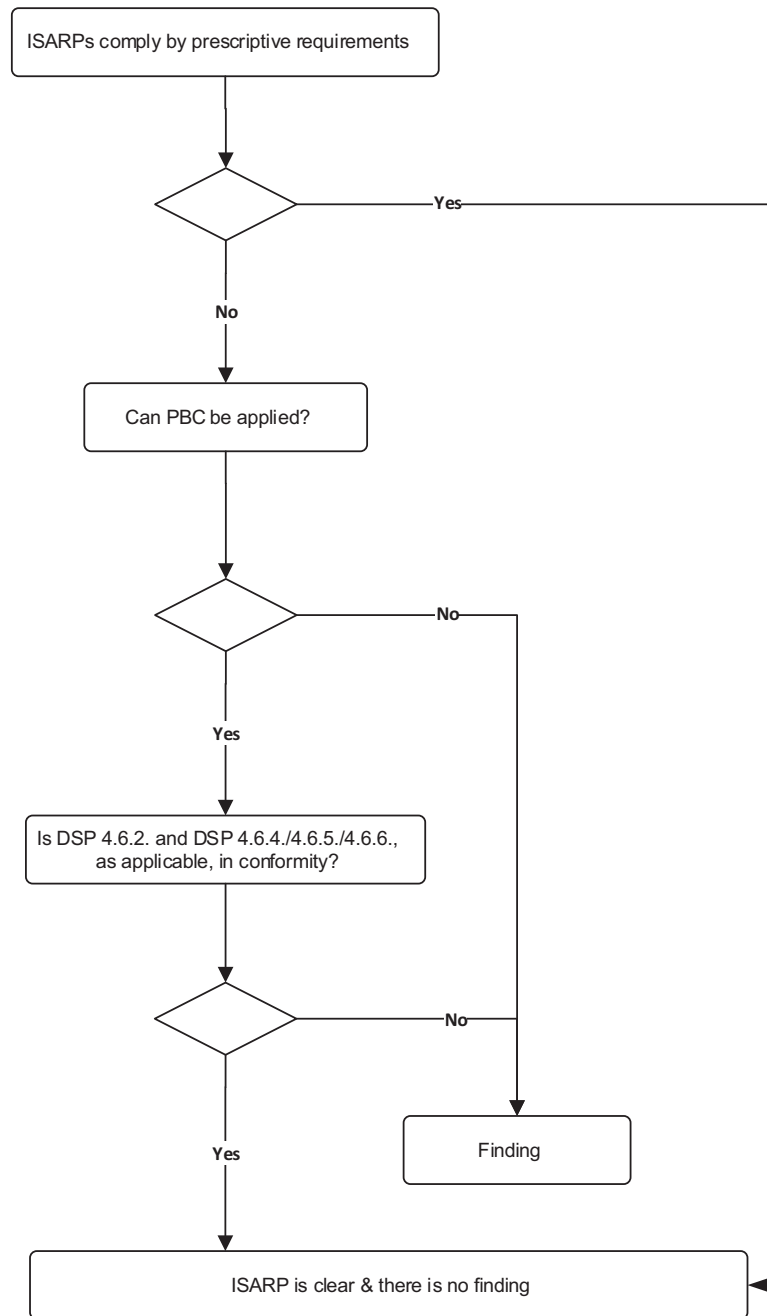
If an operator has any deviations from the prescriptive requirements of IOSA, based on ‘Performance Based Compliance’, then the operator needs to conform to the general requirements of PBC, which are contained in the DSP 4.6.2.

If DSP 4.6.2 is not in conformity, then the PBC methodology of the operator is not acceptable for any PBC in IOSA, notwithstanding the approval or acceptance of the PBC by the regulator of the operator.

In auditor parlance, if PBC is used for conforming to an IOSA standard in DSP, then DSP 4.6.2 to DSP 4.6.6, as applicable, must be in conformity and cannot be N/A. The links are provided in the IAH – Interlinked and Repeated ISARPs in [Section 2](#).

See the following flow chart for this concept:

Figure 4.1—Flow Chart – Standards with PBC Options



4.11 Auditing Effectiveness

4.11.1 General

The method for auditing the effectiveness of implementation must be applied to all ISARPs which have been marked with the designated Symbol in the ISM. The methodology is made up of the following components:

- (a) a set of ground rules;
- (b) an umbrella ISARP, which captures the overall state of effectiveness;
- (c) the Assessment Tool, which contains all the items which need to be verified by the auditor, to include:
 - 1. Desired Outcome
 - 2. Suitability Criteria
 - 3. Effectiveness Criteria
- (d) special recording requirements.

4.11.2 Ground Rules

The following ground rules need to be observed by the auditors when applying the methodology for auditing effectiveness

- (a) conformity of the ISARP is independent of effectiveness - to achieve conformity, only documentation and implementation are required;
- (b) conformity is a pre-requisite for effectiveness - if the ISARP is not in conformity, it cannot be effective;
- (c) only the umbrella ISARP is assessed for conformity;
- (d) only [Eff] designated ISARPs are assessed using the effectiveness methodology;
- (e) suitability does not affect conformity of the umbrella ISARP.

4.11.3 Single ISARP Assessment

The following are the steps to be completed once an ISARP is audited which has been designated for the effectiveness methodology.

1. Establish conformity - verify documentation and implementation;
2. Examine and discuss Desired Outcome with the operator;
3. Discuss the suitability - focussing on size, nature and complexity of the operator;
4. Verify each Effectiveness Criterion;
5. Record as necessary.

If the operator is not in conformity with that ISARP, an assessment for effectiveness would not be made and the corresponding Effectiveness Criteria are not verified. In this case, the umbrella ISARP for Effectiveness would automatically become a non-conformity.

4.11.4 Desired Outcome

The first level of assessing effectiveness is to study the desired outcome. This part of the Assessment Tool describes what the ISARP is trying to accomplish and what the operator should be addressing with the system/process/procedure. The desired outcome usually already contains certain concepts which

can be verified – generally of qualitative nature. The desired outcome however does not provide very detailed requirements or expectations. To discuss the desired outcome, the auditor needs to change the course of questioning and interviewing from verifying specific pieces of evidence, to asking more globally how the operator accomplishes this desired outcome and which factors contribute to reaching this outcome. There is no formal assessment or recording of the Desired Outcome discussion - it is there primarily to set the framework and to start the discussion.

4.11.5 Suitability Criteria

The second part of the Assessment Tool is the element of suitability. Suitability translates to whatever is in place will effectively support the desired outcomes and the overall objectives. For the time being, Suitability Criteria are not prescriptive and they need to be assessed with regards to the size, nature, and complexity of the operational environment. These three aspects will dictate largely what an operator needs to have in place.

For the suitability, it is very difficult to define specific, absolute criteria which need to be in place. As a result, the assessment of suitability has a certain risk of being subjective. To counter that, the auditors need to ensure that the suitability is compared with industry standards and benchmarking, rather than using individual views. It is also equally important that the auditors challenge the operator for its own method to evaluate suitability. In other words, the auditor should be asking the operator how it ensures suitability and in what ways this is measured. The desired outcome will play a major role in the assessment for suitability. If the desired outcome is achieved, one can already argue that the suitability is achieved to a great extent. If the desired outcome is not achieved, it may be a consequence of unsuitable systems/processes/procedures. In order for the auditor to mark the suitability as insufficient, it must be very clear and distinctive. If it is just a fine line between the auditor's expectation and what the operator has in place, the suitability should not be assessed as insufficient.

Auditors should also discuss the aspect of suitability within the team, to ensure the assessment is as objective as possible. This is particularly true when the auditor comes to the conclusion that the operator's implementation is not suitable.

4.11.6 Effectiveness Criteria

The effectiveness criteria, compared to suitability criteria, are more straight-forward and prescriptive. Each of these criteria should be identifiable within the operator's system, operational environment, or organization. It is important that during the audit, each item is individually assessed. The methodology does not look for a generally effective state, but one where all the required criteria are in place.

Only if all the effectiveness criteria are present, can the assessment be "effective". Some of the items listed in the effectiveness criteria may not be as clearly identifiable by speaking to just one person. In those cases it is important that an accurate sample is taken from the employee base. Unlike in the traditional method of documented and implemented, the effectiveness criteria do not need to be documented in a controlled document. The focus is on the implementation.

It is possible that the effectiveness criteria for a particular ISARP list(s) one or more other ISARPs. In these cases, the listed ISARP needs to be in conformity in order for the credit to be given for that particular criterion. It is however not necessary that the identified ISARP is assessed as being effective, unless it is specifically mentioned.

4.11.7 Umbrella ISARP Assessment

The umbrella ISARP can only be assessed once all designated ISARPs have been assessed for Effectiveness. The primary purpose of the umbrella ISARP is to allow the operator to take corrective action if it wishes to address missing Effectiveness Criteria. In order to ensure all missing items would be addressed in case of corrective action, all missing Effectiveness Criteria must be listed in the umbrella ISARP. There would also be a standard sentence in case of a non-conformity. Details for this can be found in [IAH 4.2.17](#).

4.11.8 Recording Policy

The recording of effectiveness is accomplished on 2 different levels:

- (a) recording on ISARP level;
- (b) recording in the umbrella ISARP.

On an ISARP level, the suitability is recorded in the auditor comment, the effectiveness criteria are marked using the criteria list with the checkmarks. If the auditor comes to the conclusion that the suitability is not achieved, a corresponding remark is made in the auditor comment field. This can be done, even though the ISARP is assessed as conformity. Any missing effectiveness criteria are indicated by not ticking the corresponding criteria in the audit software.

The umbrella ISARP is the only one that needs to be assessed for conformity. The effectiveness elements which influence the conformity of the umbrella ISARP are the effectiveness criteria only. Suitability does not have an impact on the conformity of the umbrella ISARP. The umbrella ISARP can only be in conformity if all effectiveness criteria are in place. Even a single missing criteria in one ISARP would already trigger a non-conformity in the umbrella ISARP.

Further details on recording can also be found in [IAH 4.2.17](#).

4.12 Additional Guidance

4.12.1 Manuals which Require Regulatory Approval or Acceptance

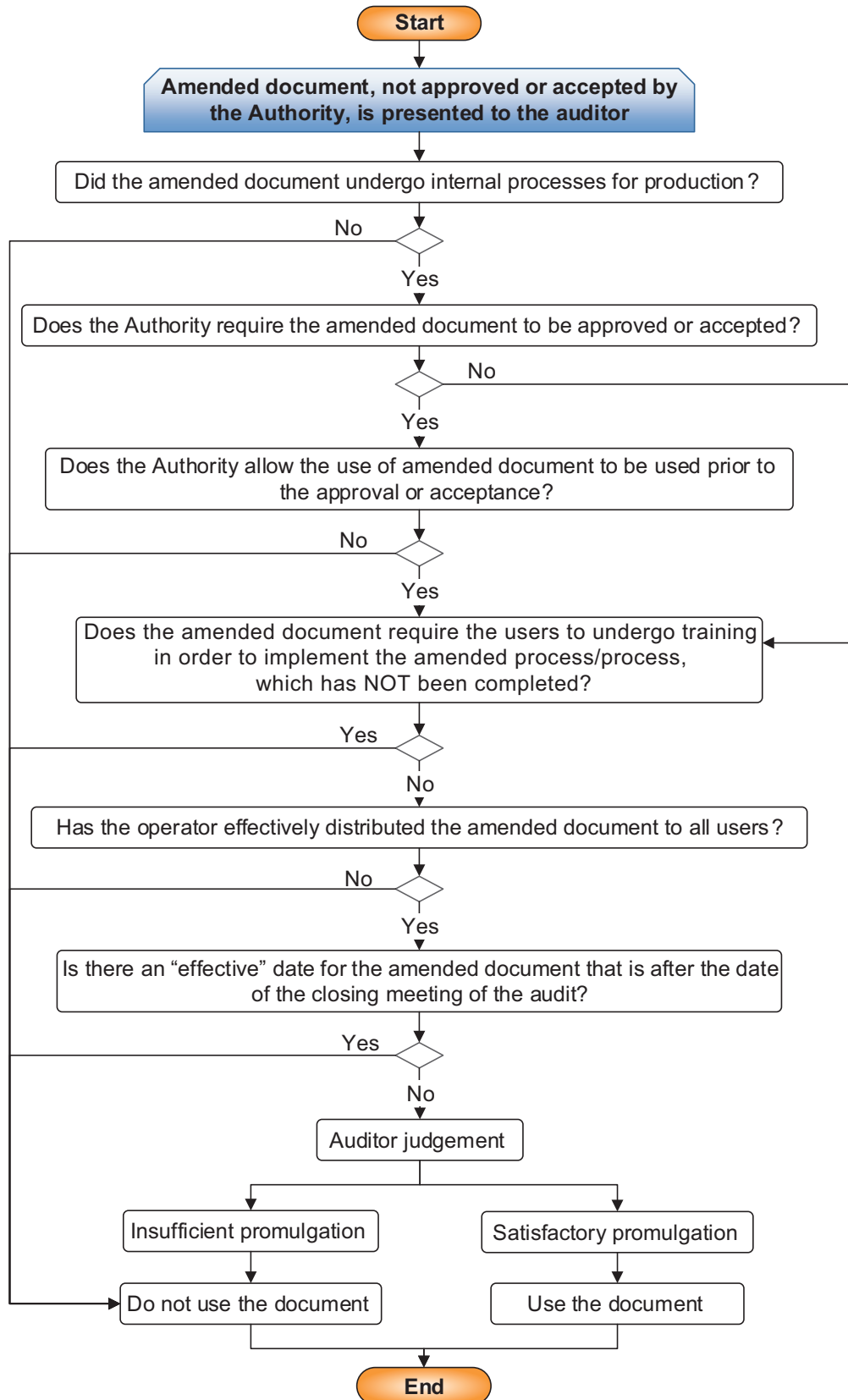
IOSA Program experience and analysis of audit results has confirmed that there are significantly different policies in use by Regulators/States for the approval of key manuals and documentation.

There are many approaches taken by Regulators, which may include but not limited to the following examples:

- (a) No Regulatory approval required: The operator must approve the manual internally and can use the manual once it has been controlled, disseminated and, as required, staff are trained.
- (b) Non-significant changes: An operator may be formally permitted by the Regulator to approve their own manuals that have had minor or 'non-significant' changes. Non-significant changes and the use of the manual are permitted only if the operator follows their approved procedure for these types of changes.
- (c) Acceptance by the Regulator: The concept of acceptance by the Regulator acknowledges that the manual or document in question has been submitted to the Regulator for review, and unless otherwise advised, the operator is permitted to (may be provisionally) distribute and implement the contents of the manual, see IRM 'State Acceptance'.
- (d) Approval by the Regulator: Certain Regulators do not permit the use of manuals submitted by the airline until they have been formally approved, see IRM 'State Approval'. If the operator has not ensured that such approvals were in place, the resulting Findings could only be closed after formal approval, possibly outside of the renewal audit time frame.
- (e) A Combination of Acceptance and Approval by the Regulator: Some regulators approve some parts of a manual and accept the remaining parts of an operators' manual.

Please see the following diagram on how to deal with manual approvals.

Figure 4.2— Flow Chart – Use of Manuals for an Audit



IOSA provisions that require regulatory/State approval or acceptance contain the phrase: "... approved or accepted by the State ...", as per the IATA Reference Manual (IRM) Glossary definition. If an IOSA provision requires regulatory/State approval of a manual or function, but it is evident that the regulatory/State approval process in that region is not active, there may be an effect on the audit result which is beyond the control of the operator.

Note:

Auditors must consider that amending internal documentation is part of an operators function; the presence of IOSA auditors cannot interrupt that process, effectively, manuals can be revised at the discretion of the operator; the auditor must check that due processes have been followed.

4.12.2 Operational Functions Requiring Regulatory Approval

There is a group of IOSA provisions which specifically require regulatory approval for certain documentation or functions: AOC, flight simulators, maintenance manuals and authorities, De-/Anti Icing, weapons on board, etc. See **2.2**.

To avoid a potential risk to the operator's registration status, as well as avoiding strong resistance from the operator against findings which may not be closed within deadlines, operators must ensure, that before the audit, all regulatory approvals are in place.

There are many ISARPs which reference 'as required by the authority' or 'prohibited by the state'. While an AO auditor is not expected to know every regulatory framework that they audit, the auditor must ensure that their evidence to support the Auditee's claim that it is 'as required or no required by the authority'. The auditor, where practicable, must request the Auditee to produce the required proof to demonstrate that their system, process, procedure etc. is 'as required or not required by the authority'; this may be the regulation that states the requirement, the approval by the authority or any other means.

In case, the auditee maintains that the requirement was 'not required by the authority', it may be difficult to prove due to lack of documented references. In such a situation, the auditor shall exercise his/her professional understanding. If there is any doubt, the auditor may consult the operator's authority.

4.12.3 Assessing 'Commercial/Non-Commercial' ISARPs

A number of standards, especially in the FLT and the GRH scopes, have a note indicating that the standard is applicable to both commercial as well as non-commercial flights. As an example, the Note at the end of **FLT 4.2.42** states: *The specifications of this provision are applicable to commercial and/or non-commercial operations.*

The intent must not be confused with commercial or non-commercial operations as in the operational profile, but to apply the standard to revenue as well as non-revenue flights, such as training flights, test flights, ferry flights and positioning flights.

4.12.4 Assessing Flight Data Analysis

Auditing of the Flight Data Monitoring and Analysis system of the operator is tricky, as auditors are provided large volumes of data and colorful graphs, which may conceal the true picture.

Note that the essential elements of auditing the Flight Data Monitoring & Analysis system are:

- (a) Data collection methods must exist for all applicable fleets. The usual methods of collecting data are from magnetic tapes, GSM phone links and satellite; an operator may use one or more methods to collect flight data.
- (b) Transmission of data for the analysis. Check if this is performed in-house or externally. Check how the data is transmitted. Check if there is any data loss or errors in the transmission of data.
- (c) Translation of the data into analysis.

- (d) Use of the analysis. Check how the analysis is passed to the Fleet office and the Training office. Is it confidential?
- (e) Proof of action taken. Check on who takes action, and how do they do it; it could be done directly by safety department or via the unions or via gate-keepers. Or it could be done by the flight ops department.
- (f) Follow up actions by the Safety department. Was there an improvement? How did safety department measure the improvement?

4.12.5 Auditing Continuing Airworthiness Information, Repairs & Modification (ADs, SBs, MEL, and etc.)

An Airworthiness Directive is a document issued or adopted by the relevant Authority, which mandates actions to be performed on an aircraft to restore an acceptable level of safety when evidence shows that the safety level of this aircraft may otherwise be compromised. Following best practices should be considered by MNT Auditors for auditing continuing airworthiness information, including Airworthiness Directives (ADs), Alert Service Bulletins and recommendations. (MNT 2.5.1):

- (a) Check the latest relevant ADs applicable to the airframe, engine(s), propeller(s) and equipment through Authority websites such as EASA Safety Publication Tool <https://ad.easa.europa.eu/> and FAA Airworthiness Directives https://www.faa.gov/regulations_policies/airworthiness_directives/ and ensure that applicable ADs (including their revisions) are obtained, assessed and have been incorporated in the AD-status.
- (b) While sampling within the current AD status that applicable ADs have been or are planned to be (as appropriate) carried out within the requirements of these ADs; IOSA MNT Auditors should at least sample one record from an Open, a Repetitive and a Closed AD as deemed necessary.
- (c) Examining a maintenance record relevant to an AD should include a review of task-cards correctly reflect AD requirements (latest revision) or refer to procedures and standard practises referenced in ADs. This is important, specifically when the manufacturer task card system is not used and Service Bulletin (SB) referred in the AD has multiple revisions.
- (d) Auditor should review AD status and if available, sample an AD for which compliance can be physically checked and review during MO-5 Line Maintenance Observation.

Minimum Equipment List (MEL) is a list that provides for the operation of an aircraft, subject to specified conditions, with particular equipment inoperative, prepared by an Operator, and approved by the Authority, in conformity with, or more restrictive than, the MMEL established for the aircraft type. Following best practices should be considered by MNT Auditors for auditing MEL ISARPs (MNT 2.4.2, MNT 2.4.3 & 2.5.3):

- (a) MEL is required to be audited and necessary records to be examined for all applicable aircraft in the operator's fleet.
- (b) When an MMEL item refers to the regulations (as required by regulations, as required by FAR, and etc.); IOSA Auditor should check this wording to ensure that the MEL is customized appropriately.
- (c) When an MMEL item requires alternate procedures to be established by Operators, IOSA Auditor should check this wording to ensure that MEL is customized appropriately.
- (d) If possible, when examining the selected records of MEL usage requiring maintenance activities, IOSA Auditors should check repetitive maintenance actions required to be performed prior to each flight or within a time interval.

- (e) Selected records of MEL/CDL restricted items should not be sampled solely through the maintenance records system, but also shall be observed and examined during MO-5 Line Maintenance Operations. This shall include checking if rectification interval expiration, reviewing maintenance procedures applied when required, and/or visual observation of MEL items if applicable.

In auditing repairs and modifications, the following best practices should be considered by MNT Auditors (MNT 2.6.1):

- (a) Selected records of aircraft modification(s) and/or repair(s) should not be sampled solely through the maintenance records system, but also shall be observed and examined during MO-5 Line Maintenance Operations.
- (b) This shall include sampling repairs on the sampled aircraft and then comparing with relevant records afterwards. MNT Auditor may take notes or photos of the repairs and/or modification as necessary for a better examination of the records.

4.12.6 Auditing Line Maintenance Operations

Line maintenance operations/activities shall be observed with MO-5 Line Maintenance Operations. The following best practices should be considered by IOSA MNT Auditors for auditing line maintenance operations:

- (a) The activity observed shall include a scheduled line maintenance task in accordance with Maintenance Program or a non-routine/deferred maintenance activity.
- (b) Observation of line maintenance activities should include direct examination of more than one line maintenance task when applicable. If daily, weekly, or line check or similar is observed, Auditors should use sound judgement to select tasks to be observed and review task content and required material/part/tools prior to the observation.
- (c) MO-5 Line Maintenance Operations is an additional mandatory observation and therefore same maintenance activity can not be used also for observing MO-6-MNT Aircraft Part/Component Installation/Replacement. However, if possible it is recommended to plan observation of two maintenance activities at the same time slot.
- (d) MO-5 Line Maintenance Operations might be required to be performed at night and recommended to be scheduled by the Auditor randomly if possible.

Section 5 Program Options

5.1 Parallel Audits of Affiliated Operators

5.1.1 Introduction to Affiliated Audits

There is an increase in the commonality and sharing of operational functions between the two or more operators.

When the affiliated operators share a portion of their operational functions, and when approved by IATA, one or more of the audits may be of reduced auditor-days due to the shared function having to be audited only once, see **IPM 8.2.6**. Thus there are benefits to the back-to-back or sequential auditing of two or more operators with close commercial relationships and/or overlapping of common operational functions.

For the application to IATA for approval of affiliated audits, in accordance with **IPM 8.2.6**, AOs should only classify operational documentation, policies, processes, procedures, etc. as common and/or standardized if the similarities are so close that no additional auditing effort or time will be required when auditing the affiliated operator.

However, despite the strong likelihood that the documentary references, audit assessments and possibly the nonconformities will be very similar, it is essential that there is an assessment record for each audit process in each of the affiliated operators' IAR.

5.1.2 Procedure for Planning/Conducting Affiliated Audits

Ensure that there is a sufficient level of commonality and standardization between the operators, using the "Audits of Affiliated operators" application form on the AO Extranet, as well as any other assessment needed.

Aspects to keep in mind during the planning are:

- (a) Adequate oversight is often lacking or combined, due to the close proximity of the operations and the likelihood that staff who are responsible for dual or overlapping functions for both operators are very familiar with both operations. Confirmation of active oversight of all outsourced operational functions is particularly important and must be carefully and thoroughly assessed.
- (b) For the Mandatory Observation, see **4.6.4**.
- (c) The use of common manuals and documentation between affiliated operators must be expected, but each AOC holder must have a means of identifying and linking all documentation to the operations under their AOC. Responsibilities for the production and amending of all manuals and documentation must be clearly defined for each AOC holder.

Submit the IATA specific form to IATA, at least four (4) weeks before the audit(s) are scheduled to begin, containing all details of how the audit(s) will be conducted. Any planned usage of less than 25 on-site auditor-days for an Audit (as per **IPM 8.2.5**) must be approved by IATA before signing the Audit Agreement. On submission of the Audit Agreement to IATA, the AO shall request the agreement to be amended to reflect the approved number of on-site auditor-days.

The independence of operational functions, facilities, documentation structures, etc., must be clearly described within each report, to ensure that all information is complete, and not dependent on information contained in other report.

The overview on the shared operational functions of the affiliated operators and the time frame must be described in the Executive Summary of the IAR as per **IPM 8.2.6 v)** and **2.8.3**. Scheduling information will be listed in Additional Information of IAR as per **2.8.3**.

5.2 Suspended Provisions or Specifications

5.2.1 Applicability and Conditions for Auditing Suspended or Partially Suspended Provisions

- (a) The procedures below must be used when an IOSA Provision, or a specification within an IOSA Provision, is suspended in accordance with the IOSA Standards Special Review Process, as per **IPM Figure 1.4 and Section 8.12**.
- (b) When an IOSA Provision or a specification within an IOSA Provision comes under special review, the Provision is normally suspended until such time as the IOSA Standards Special Review Process is completed.
- (c) Irrespective of the procedures followed below, all listed nonconformities remain included in the total Findings/Observations in the Audit Summary.

5.2.2 Procedures for Suspended or Partially Suspended Provisions

| An ISM Provision, or part thereof, is Suspended Before Audit Closure | |
|--|---|
| 1 | <p>If the date of the announcement of the suspension is on or before the day of Audit Closure, the suspended provision, or part thereof, does not need to be audited and is assessed or amended as Not Applicable in the audit checklist or CR.</p> <p>Note:</p> <p><i>If only part of the Provision is suspended, the remaining requirements for the ISARP are still applicable and are audited conventionally.</i></p> |
| 2 | <p>The following statement is inserted in the Auditor Comment (Narrative Response) for the associated ISARP:</p> <p><i>In accordance with Figure 1.4 of IPM Ed NN (number to be inserted), this provision has been suspended and is not applicable.</i></p> |

If a nonconformity has been raised against a provision that has been suspended subsequent to the audit, the following procedures apply:

| 1. An open Finding against an IOSA Standard that is suspended | |
|---|---|
| 1 | The CAR is retained as the existing evidence record of the finding and completed as follows: |
| 2 | 'N/A' to be entered in RC text box and select 'No' CAP in appropriate section. The 'FAT' and 'Final Review and Acceptance' must be populated with the Auditee name & date, to allow the AO name & Date to be inserted, so that number 3 below can be completed. |
| 3 | Insert the following statement at the end of the 'Final review and Acceptance' section, including the name and date: <i>"This ISARP has been suspended in accordance with Figure 1.4 of IPM Ed NN (number to be inserted). This Corrective Action Record is no longer applicable, but will remain as part of the audit record."</i> In the verification of corrective action. |

| 2. An open Finding against an IOSA Provision solely as a result of a nonconformity with the suspended specification(s) within that Provision | |
|---|--|
| 1 | The CAR is retained as the existing evidence record of the finding and completed as follows: |
| 2 | The RC, CAP, FAT remain blank. |
| 3 | Insert the following statement at the end of the 'Final review and Acceptance' section, including the name and date: <i>"The specification(s) within this Provision which resulted in this Finding being generated have been suspended in accordance with Figure 1.4 of IPM Ed NN (number to be inserted). This Corrective Action Record is no longer applicable but will remain as part of the audit record."</i> In the verification of corrective action. |

| 3. An open finding against an IOSA Standard solely as a result of nonconformity with non-suspended specifications within that IOSA standard | |
|--|---|
| 1 | The CAR documentation record is completed as per existing procedures. |
| 2 | The CAR is closed conventionally when the operator is in conformity with all non-suspended specifications within that Standard. |

| 4. An open Finding against an IOSA Provision as a result of nonconformity with a combination of non-suspended AND suspended specifications within that Provision | |
|---|---|
| 1 | The Finding is closed when the operator is in conformity with all non-suspended specifications; |
| 2 | The CAR documentation record is completed as per existing procedures and a statement is inserted at the end of the 'Final Review and Acceptance' section: <i>"The following specification(s) which resulted in findings being generated have been suspended in accordance with Figure 1.4 of IPM Ed NN (number to be inserted): (description of suspended provisions)."</i> |

In all situations, if the ISARP has been changed to N/A as a result of a suspended ISARP during or after the audit, a statement must be entered into the Additional Information of the Audit Summary form (see 2.7.3). The statement must reflect the applicable statement as specified above.

5.3 Extenuating Circumstances

5.3.1 Conditions and Limitation for Extenuating Circumstance

Extenuating Circumstances is a Program option, see **IPM 7.5.6**, to extend the time frame for closure of a CAR based on extenuating circumstance, which are influences outside of the control of the operator. Extenuating circumstance is not to be used for reasons within the Operator's control. The lack of resources and/or finances are not acceptable grounds to apply for extenuating circumstances.

This option allows the Operator to stay on the register for a limited extended period of time, without having the audit formally closed.

Extenuating Circumstances is available, ensuring conditions for use are met, for Initial, Renewal and Verification audits.

In these situations the audit report will remain open until the CARs have been closed and then the audit may be closed. An associated annotation is made on the register in accordance with **IPM Table 7.1**.

If Audit closure is not achieved prior to the revised deadline date, the operator shall be removed from the IOSA Registry in accordance with **IPM 7.5.9**.

5.3.2 Application for Extenuating Circumstance

The application to use Extenuating Circumstances must come from the operator or the AO associated with the audit, as soon as it becomes known that audit closure may not be achieved.

The request to use Extenuating Circumstances must be made in writing to IATA. The request must contain:

- (a) the justification for the use of Extenuating Circumstances;
- (b) the reasons the delays are outside of the control of the operator;
- (c) a corrective action plan with the time line of closure actions; and
- (d) any other supporting information.

5.3.3 Recording Extenuating Circumstances

The use and brief details of Extenuating Circumstances must be recorded in the ES, Additional Information, including:

- (a) the applicable ISARPs associated with the use of Extenuating Circumstances;
- (b) the justification for the use of Extenuating Circumstances; and
- (c) the reason the delays are outside of the operator's control.

5.4 Interim Corrective Action

5.4.1 Process for the use of Interim Corrective Action (ICA)

The use of ICA is not available for initial audits as the time frame for implementation of corrective actions is 12 months, which is considered sufficient time to address any issues with closure of findings.

Approval is required from IATA, who will ensure that the use of the ICA option is fully justified, as registration will be renewed with a finding having been closed on an interim basis. The AO must apply to IATA, as soon as it is determined and before the submission of the IAR, for approval of the use of ICA for a given situation, see **IPM 2.12.3**. Approval is normally only given for exceptional reasons, such as operational factors which require a long period of time to implement due to operational constraints, and are unavoidable. A lack of resources or a large number of Findings to implement the corrective action(s) is not an acceptable reason for the use of ICA. See **IPM 8.10.6 for eligibility requirements**.

Example 1

The operator has a Finding in MNT 2.9.1 for the inspection of the FDR/CVR.

In order to complete the final corrective action of conducting the inspections, an Engineering Order and approval is required. Additionally, the Approved Maintenance Program is required to be amended to incorporate the inspection requirements, and requires approval. While the approval an Engineering Order and the Approved Maintenance Program may be forthcoming before the due date to have the CARs closed, the conducting of the inspections based on these documents on a fleet of 80 aircraft is unlikely to be performed before the due date due to operation restrictions and scheduling.

Interim Corrective Action is applied for by the AO and approved by IATA.

The interim corrective action is the approved Engineering Order, Approved Maintenance Program, the inspection schedule showing all aircraft to be inspected and when, with some of the inspections completed.

The final corrective action is evidence that all the aircraft have been inspected, which is then to be verified by the AO.

Example 2

The operator has a Finding in FLT 2.2.27 for the training and evaluation of flight crew in normal and non-normal procedures, that demonstrates competence of each flight crew's competence during recurrent training.

In order to complete the final corrective action, it is required that all 114 flight crew undertake the training and evaluation in normal and non-normal procedures, and the training manuals are updated to reflect this requirement in the recurrent training program. While the amendment and approval of the Training Manual may be possible before the due date to have the CARs closed, it is unlikely that all the training and evaluation will be conducted before the due date due to flight crew scheduling and operational restrictions.

Interim Corrective Action is applied for by the AO and approved by IATA.

The interim corrective action is the approved amended Training Manual and the training schedule showing all flight crew and when they will undertake the training and evaluation, with some of the flight crew having completed the training and evaluation.

The final corrective action is the evidence that all the flight crew have undertaken the training and been evaluated as competent, which is then verified by the AO.

5.4.2 Completion of CARs for Interim Corrective Action (ICA)

When the use of ICA has been approved by IATA, two CARs will be issued in two phases:

- (a) The Interim CAR containing the interim corrective action, as provisional closure of the finding and closure of the audit report for the purposes of re-registration.
- (b) The Final CAR, containing the final corrective action, which requires the audit report to be re-opened.

The Final CAR will be issued after closure of the Interim CAR, when final corrective actions have been verified, between audit closure and a deadline of 120 calendar days after the Registration expiry date.

General guidance for the raising of the two CARs:

- (a) The original Narrative transferred from the Audit Checklist to both the Interim and Final CARs must be exactly the same as the Checklist wording. A check can be run in the Audit Software to verify this.
- (b) The separate interim and final corrective actions in each CAR must be structured to be compatible with the single evidence description in the original Narrative.

| Interim CAR | |
|---|--|
| 1 | The "RC" is completed conventionally. |
| 2 | Under the CAP, the "Interim Action" and "Corrective Action" fields will be selected, describing in "Corrective Action Plan" field on the interim corrective actions which were planned and taken to close the CAR on a temporary basis. |
| 3 | Under the Final Action Taken (FAT), the "Submitted by" and "Date of Final Action Taken" fields must remain blank. The FAT field must include the standard phrase "See Interim Action Taken". The "Action Taken By" fields must contain an AO Representative name. |
| 4 | The "Verification of Corrective Action" under the "Final Review and Acceptance" must include detailed evidence of the temporary corrective action verified by the AO. A statement that the Interim CAR has been closed based on the interim corrective action taken by the Auditee shall be included. |
| 5 | The Audit Report is then closed in the conventional way. |
| Final CAR (the second CAR is raised) | |
| | Note: <i>The Interim CAR, Audit Summary and other sections of the audit are not to be modified at all.</i> |
| 1 | The Audit Report is opened; contact IATA Quality to perform this function. |
| 2 | The RC from the Interim CAR will be repeated verbatim. |
| 3 | The "Final Action" will be selected under the CAP, describing the final corrective action implemented by the Auditee and the verification done by AO. |

| | |
|--|---|
| 4 | <p>The “Verification of the Corrective Action” under the “Final Review and Acceptance” must include detailed evidence of the final corrective action verified by the AO.</p> <p>A statement that the Final CAR has been closed based on the final corrective action taken by the Auditee shall be included.</p> <p>Note:</p> <p><i>The verification of implementation must be conducted in a conventional manner or it may require 100% sampling, refer 4.3.2 on sampling.</i></p> |
| 5 | <p>As per IPM Section 8.10.5, AOs shall notify IATA in writing within seven (7) days of verification of implementation of final corrective action(s), which must occur within the period of 120 calendar days following the expiry of the current registration.</p> |
| Procedure if a Permanent Corrective Action is Verified before Audit Closure | |
| <p>If a final Corrective Action for the finding is confirmed before audit closure, the use of this IPM option will become inapplicable and a single CAR will be completed conventionally. In this case, the original text in the “Interim Corrective Action” fields in the CAR will remain and the following standard text must be inserted:</p> | |
| <p><i>The Interim Corrective Action option will no longer be used. Refer to the Planned and Final Corrective Actions below.</i></p> | |

5.5 Active Implementation

5.5.1 Applicability

Active Implementation (AI) permits an operator to be in conformity with a designated IOSA Standard, based on active execution of an acceptable Implementation Action Plan (IAP).

Only certain IOSA Standards will be specifically designated for the application of AI. Such standards will have always have undergone a risk analysis, the results of which must indicate that application of AI to the particular standard will not create an unacceptable operational risk.

An IOSA Standard that has been designated under AI will be clearly identified in the ISM and on the IOSA Checklist. The following phrase will always follow a designated provision in the ISM: “*An operator may conform to this provision through Active Implementation*”.

Completion of the proposed IAP must project conformity with all technical specifications contained in the designated IOSA Standard, including deadline dates for achieving conformity.

Application of AI to designated standards is not mandatory; the option will normally be used following an assessment of corrective action options by the AO & operator. The audit team will then assess conformity with the relevant designated standard(s), in accordance with the guidance that follows.

5.5.2 Implementation Action Plan and Requirements

The operator must provide:

- (a) A proposed Implementation Action Plan (IAP) to the Audit Team, containing details and a schedule of how the operator plans to conform to the IOSA provision.
- (b) Evidence that prerequisite condition(s) are satisfied, if a prerequisite condition(s) is included in the designation of an IOSA provision (refer paragraph c. below).

- (c) Acceptable evidence that permits the auditor to verify that execution of the IAP is actually underway. An operator that is unable to prove to the Audit Team that execution of an IAP is underway does not meet the criteria for having its IAP accepted under AI. Unless prerequisite conditions specify otherwise, acceptable evidence may include:
1. executed contracts with external organizations for work to be accomplished, equipment to be purchased or training to be conducted;
 2. components, parts or material that has been acquired by and/or is in possession of the operator;
 3. specified equipment having been installed on a number of applicable aircraft;
 4. some or all applicable personnel having completed specified training.

The IAP must meet the following requirements:

- (a) Specify a projected date of completion; which must be in accordance with applicable prerequisite conditions, if any.
- (b) Contain a detailed schedule of all work or activities necessary for the operator to complete the plan within the planned time period.
- (c) Identify a series of progress milestones over the total duration of the plan that permit a comparison of actual work completed against the projected work schedule, to allow the AO to assess if the IAP is progressing toward completion according to the schedule. Progress milestones will be stated as future dates, by which a defined amount of work is projected to be complete, and will be spaced at intervals of 6 months or less.
- (d) Detail all equipment, components, material or any other physical resources necessary to complete the plan.

Example 1

If the designated standard specifies installation of aircraft equipment, the IAP must:

- (a) *Include an acquisition schedule of all specified components and all other parts or material necessary to equip the applicable aircraft.*
- (b) *Map out projected installation schedule dates for all applicable aircraft in the operator's fleet as identified by registration or tail number.*
- (c) *If the designated standard specifies training for certain operational personnel, the IAP must:*
 1. *include all resources necessary to complete the training of all applicable personnel.*
 2. *show projected training dates for all applicable personnel.*

5.5.3 Prerequisite Conditions

The designation of IOSA Standards for AI will include specific deadlines stated under the AI designation of the IOSA provision, which will be clearly identified in the ISM and on the IOSA Checklist. The following phrase will always follow a designated provision that includes an associated prerequisite condition: *An operator may conform to this provision through Active Implementation, as long as the Implementation Action Plan (IAP) projects conformance on or before (date).*

When prerequisite conditions are included, an operator, to gain acceptance of its IAP, must demonstrate satisfaction of the prerequisite conditions to the auditor.

The operator must demonstrate that execution of the IAP is underway.

5.5.4 Documenting Active Implementation

The fact that an operator has achieved conformity with a designated IOSA provision based on Active Implementation must be accurately documented in the IOSA Audit Report (IAR), **Additional Information**. The AO will enter the reference numbers of all designated IOSA Standards for which the operator was found in conformity based on the application of Active Implementation.

In the Audit Checklist, the auditor will record the Standard as in conformity and enter the following statement into the Narrative space associated with each designated Standard for which the operator was found in conformity based on the application of Active Implementation: *The operator is in conformity with this IOSA Standard through Active Implementation in accordance with the Active Implementation Record in this report.*

An IOSA Active Implementation Record (AIR) will be completed by the AO for each designated IOSA Standard for which the operator seeks conformity through the application of Active Implementation. The AIR must be uploaded into the Audit Software under the ORG audit checklist.

5.5.5 Active Implementation Record and Examples

AIR ID: IOSA-ABC-AO-Z...Z-YYYY

| ACTIVE IMPLEMENTATION RECORD | |
|--|--------------------|
| Details Of Implementation Action Plan (IAP) | |
| IAP: Physical Evidence of Execution: | |
| Description of Evidence: | |
| Description of Evidence: | (Note 1) |
| Description of Evidence: | |
| Description of Evidence: | |
| IAP Projected Completion: | |
| Date: | (Note 2) |
| IAP Projects Conformity with Designated IOSA Standard: | |
| <input type="checkbox"/> Yes <input type="checkbox"/> No | (Note 3) |
| IAP Contains Detailed Schedule of Work Activities until Completion of IAP: | |
| <input type="checkbox"/> Yes <input type="checkbox"/> No | (Note 4) |
| IAP Contains Detailed List of Physical Equipment and Resources to Complete IAP: | |
| <input type="checkbox"/> Yes <input type="checkbox"/> No | (Note 5) |
| IAP Prerequisite Conditions Satisfied (if applicable): | |
| <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A | (Note 6) |
| IAP Includes Progress Milestones at Maximum 6-month Intervals: | |
| <input type="checkbox"/> Yes <input type="checkbox"/> No | (Note 7) |
| First IAP Progress Milestone: | |
| Date: | See Examples below |
| [Note 8] | |
| Description of projected work to be completed: | |

| ACTIVE IMPLEMENTATION RECORD | |
|---|--------------------|
| Second IAP Progress Milestone: | |
| Date: | See Examples below |
| Description of projected work to be completed: | |
| Third IAP Progress Milestone: | |
| Date: | See Examples below |
| Description of projected work to be completed: | |

AIR ID: IOSA-ABC-AO-Z.....Z-YYYY

ABC is operator 3 letter designator;

AO is the AO 2 letter designator;

Z.....Z is the ISARP reference;

YYYY is the audit year.

Note 1: Enter a description of all evidence that demonstrates the operator has physically begun execution of the IAP.

| <i>IAP – Examples of Evidence of Execution</i> |
|--|
| <i>IAP Physical Evidence of Execution – Descriptions of Evidence:</i> |
| <i>Contracts have been executed with (names of vendors) for the purchase of all equipment required to complete the IAP.</i> |
| <i>40 percent of the required equipment (describe equipment) has been purchased and is in the possession of the operator.</i> |
| <i>Installation of the equipment (e.g. ELT) is complete on 30 percent of the fleet (24 of 80 aircraft) as of (enter the date).</i> |

Note 2: Enter the projected completion date of the IAP.

Note 3: Tick yes to indicate that once the IAP is complete, the operator will be in full technical conformity with specifications in the designated IOSA Standard.

Note 4: Tick yes to indicate the IAP contains a detailed schedule of all work or activities necessary for the operator to totally complete the IAP within the planned time period.

Note 5: Tick yes to indicate the IAP delineates all equipment, components, material or other physical resources necessary to totally complete the plan.

Note 6: Tick yes to indicate the operator has satisfied any prerequisite conditions associated with the particular standard; tick N/A if there are no prerequisite conditions associated with the particular designated standard.

Note 7: Tick yes to indicate the IAP includes a series of continuous progress milestones, each stated as a date and a specific amount of work projected to be complete, spaced in intervals of 6 months or less over the total duration of the plan.

Note 8: Enter the date of the first stated progress milestone in the IAP. Also enter the specified work projected to be complete on the date of the first progress milestone.

Examples:

Note 1: Enter the specific dates for subsequent progress milestones within the 24 months following the date of the Closing Meeting.

IAP – Examples of Progress Milestones**First IAP Progress Milestone:**

Date: 15 September 2017

Description of projected work completed:

(a) Purchase orders for all ELT installations confirmed.

(b) ELT Equipment installed on 63 percent of the fleet (xx of xx aircraft).

Second IAP Progress Milestone:

Date: 15 March 2018

Description of projected work completed: ELT equipment installed on 80 percent of the fleet (xx of xx aircraft).

Third IAP Progress Milestone:

Date: 1 September 2019

Description of projected work completed: ELT equipment installed on 95 percent of the fleet (xx of xx aircraft).

5.5.6 Notification to IATA

Due to the infrequent use of Active Implementation, AOs are encouraged to contact IATA for assistance when utilizing Active Implementation to determine conformity with an ISARP.

If Active Implementation is utilized as a method of determining conformity, the AO must advise IATA QC team of its use and that the AIR is attached to the Audit Software.

5.5.7 Active Implementation Follow-up

The AO must determine if the operator has used the AI option in the prior audit.

If the operator has used AI in the prior audit where the IAP incorporation deadline date has past and the operator does not intent to apply Active Implementation for this audit, the auditor must assess if the ISARP is now in conformity.

If the IAP specifies a deadline date of conformity at some time after the current audit date, then the Auditor must ensure progress has been made and actions have been taken during the last registration period and the IAP be updated to reflect the current status. If there has been no progress made on the Active Implementation, then a comment stating this must be included in the **Additional Information**.

If the operator intends to repeat the use of AI in the current audit, then the IAP must be updated to the current status and if required the deadline dates to be revised.

Note:

The former IAP is not to be used for the repeated use of AI.

5.6 Verification Audits

5.6.1 Process for Verification Audits

In accordance with the **IPM 7.7.5**, IATA may determine a Verification Audit (VA) must be conducted to ensure continued conformity with the ISM and IPM. This is based on the situation where the operator has had a significant change in their organization or operation, that the audit report is no longer an accurate reflection of the operator.

When it has been determined by IATA that a VA must be conducted:

- (a) IATA will select the AO to conduct the audit. The AO will be advised by IATA of their selection, at which the AO must confirm to IATA the acceptance of the terms and conditions associated with the VA. The AO must be aware that the restrictions of consecutive audits will apply.
- (b) IATA will specify the scope for the VA. The selected AO must scrutinize the scope and if needed may request changes, however the final determination will be by IATA. The VA does not have to be a full scope audit: it may be a section or a selection of ISARPs from multiple sections, and may include a selection or all of the Mandatory Observations. The complete scope of the VA, as defined by IATA, must be completed.
- (c) Based on the IATA specified scope the auditor-days will be calculated. The selected AO must scrutinize the Auditor-days and if needed may request changes, however the final determination will be by IATA.
- (d) The AO must coordinate the dates of the VA with the operator, keeping in mind the time frame specified by IATA that the VA has to be conducted.
- (e) When planning a VA, the AOs, must follow the normal processes for a conventional audit, such as the tri-party agreement, audit build, audit planning, QC, closure processes, etc., refer to **IPM 8.2.15**.
- (f) As VA is ordered by IATA for a specific reason to ensure conformity due to a change in operations or an event, generally outside of the routine, it is essential that a high level of diligence is applied. The AO must send fully qualified and competent auditors for each VA; thus no qualification or evaluation activities for auditors must be undertaken.
- (g) Since VAs are always under the scrutiny of the member-operators and Regulators, AOs are encouraged to advise IATA of the progress of the VA on a weekly basis, and report any delays that may be taking place, or are anticipated.
- (h) VAs may attract the attention of regulatory bodies and other interested parties, and these bodies may request to observe the audit. The AO must accept and also encourage the operator to accept observers to the audit, to enhance greater transparency of the audit processes of IOSA.
- (i) AOs must ensure that their internal QC performs checks that ensure that the required scope of the VA has been audited and no required section has been omitted.
- (j) All VA reports undergo a full QC by IATA's Quality team.

5.6.2 Conducting a Verification Audit

The Verification Audit is conducted in the same manner as a conventional audit, in terms of assessing the individual ISARPs and conducting the Mandatory Observations that are designated as within the scope of the Verification Audit.

Auditors must be briefed to audit to the scope identified by IATA. Should there be any standards that the AO/auditor finds difficulty in auditing, they must advise IATA as soon as practicable. However, during the audit, if an auditor finds that, for a good reason, there is a need to expand the scope of the VA to cover another section or sub-section that was not part of the defined scope of the VA, or to increase the depth of the audit, or to increase the number of auditor-days, then the Lead Auditor shall

contact the AO, who in turn, shall contact IATA for approval. If approved by IATA, a telephonic approval must be followed by a formal request and approval.

During the audit, AOs should keep IATA updated on the progress of the Verification Audit, and advise, in confidence, of any serious deficiencies that were noted during the VA.

When auditing linked or repeated provisions, the assessment of the related ISARPs shall be limited to only those ISARPs that fall within the IATA defined scope of the VA. AOs must assume that the provisions that are linked or repeated in disciplines that are outside of the scope of the VA, continue to remain in conformity (as in the previous IOSA audit of that operator). This must be stated in the Additional Information of the Audit Summary form with the following standard statement:

'Interlinked and repeated ISARPs that fall within the scope of the Verification Audit have been assessed as part of this audit, any that do not fall within the scope of this audit have not been assessed and are considered to be in conformity as per the last audit report, refer to IOSA Auditor Handbook – Procedures and Guidance'.

Mandatory Observations that have been designated for the Verification Audit, must be performed in the conventional manner. However, if there is a nonconformity arising from the MO, then the Finding/Observation must be raised against the ISARP whether within the Verification Audit specified scope or not.

Note:

IATA reserves the right to send an Observer to witness the Verification Audit, at the last minute, with limited prior notification.

5.6.3 Completing the Audit Checklist for a Verification Audit

AOs are encouraged to follow the audit checklist procedure described in [IAH 2.8.4](#). Since it is not possible to build an audit that has only the designated ISARPs of the Verification Audit, the Audit Software will include all ISARPs in the same discipline. This also allows the widening of the scope of the audit based on any anomaly or concern identified on-site and the operator's conformity.

In completing the audit checklist, the ISARPs that are not within the designated scope of the Verification Audit must be marked as N/A.

In the Audit Summary the Audit Category, must have 'Verification Audit' selected from the drop down menu.

5.6.4 Renewal Audit Alternative

The operator that has been notified of the determination to conduct a Verification Audit has the option to undertake an early renewal audit, see [IPM 7.7.5 \(iii\)](#). If this option is taken, the audit will be full scope, and must be conducted as a conventional renewal audit. If the audit is conducted outside the normal renewal audit window, there will be a change to the registration date.

The entry in Audit Category of the AS must be selected as a renewal audit from the drop down menu.

5.6.5 Audit Re-visit Alternative

The operator that has been notified of the determination to conduct a Verification Audit has the option to undertake an audit re-visit, in accordance with **IPM 7.7.6**. This is only possible if a recent audit has been conducted and remains open.

When this option is taken, the re-visit activity would include re-auditing a number of provisions and amending a number of the assessments, as required. Auditing and follow-up activities for the re-visit must follow conventional auditing methodology.

5.7 IOSA Preparation Visit

The IOSA Preparation Visit (IPV) is optional and can be conducted by AOs for operators to provide an overview to assist the operator in their expectations and preparations for the IOSA Audit. Refer to **IPM 8.2.7** for further details.

5.7.1 IPV Presentation

The IPV presentation is available on the IOSA extranet site. AOs have access to the IOSA extranet site, under the 'Audit Organizations' tab.

The presentation has been developed by IATA to standardize the content of the IPV; however, the presentation may be modified by hiding or removing slides, to tailor the presentation to the operator's circumstance. No slides shall be added to the presentation.

IOSA Audit Handbook
ISBN 978-92-9264-847-3
International Air Transport Association
Customer service: www.iata.org/cs
+1 800 716 6326

iata.org/publishing



Printed in Canada