

New Initiative for Latin America and Caribbean Airlines

BY JUAN CARLOS DUQUE

Airlines with headquarters in Latin America and the Caribbean face tremendous additional challenges compared with some other parts of the world. More than 40 nations differ among themselves in regulations concerning flight crew licensing; flight, duty and rest time limitations; application of operational specifications; safety oversight; requirements for operational certification; and others. Some governments fail to adopt new technologies such as area navigation into their regulations, precluding operators from using advances they know how to use. Unstable political environments result in changing regulations. Foreign exchange is volatile. There is a lack of trust, discouraging foreign investment. The list goes on.

Among the many components of the aviation business, there is one absolute prerequisite — safety. Latin America and Caribbean air carriers in the past have suffered from a negative reputation in this area, an accurate assessment based on global accident indicators and safety classification systems. But today's outlook for the region is more hopeful. Latin America and the Caribbean clearly have the means to achieve the highest safety standards, alongside those of the best performing regions in the world.

For the moment, the horizon is still cloudy; there is much work to be done. The region's accident figures are still among the worst in the

world, including the third worst in jet and the worst in turboprop categories, with some of the worst fatality indicators for the past decade during recent years.

The region has 5 percent of the world's traffic, but its accident rates are 17 times higher than the rest of the world. Although the absolute number of accidents is less than in regions of the world with the best accident rates, the ratio of accidents to traffic is way out of proportion. The figures used when referring to air safety are not abstract numbers. We are dealing with the loss of human lives, loss of equipment, closing of companies, loss of employment and unfavorable consequences for tourism, as well as a series of other negative economic, social and political effects that are impossible to quantify.

The unfavorable risk indexes, which have remained steady in the region over the past decade compared with other regions, are also a problem for any carrier trying to compete with powerful airlines from other regions, no matter how excellent its individual safety record. Insurance premiums are millions of dollars higher than the average for safer regions. If current U.S. rates were applied, the cost saving for the Latin American fleet would amount to US\$12.4 million per year. Restrictions are placed on airlines wanting to join alliances and sign commercial agreements. It is difficult to gain the trust of passengers from other regions, who

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worry about taking more risk, so they prefer carriers based in the United States or Europe.

Both airline operators and civil aviation authorities realize the urgent need to change the path of Latin American and Caribbean aviation. Different initiatives, some of which have arisen from the International Civil Aviation Organization and others from the airlines themselves, are now joining the *Global Aviation Safety Roadmap* initiatives to enhance their impact and break the negative safety indicator cycle.

Today, technology and experience in accident prevention have resulted in the development of very favorable processes aimed at improving the quality of the operations to a global level, which is necessary for a region such as ours to achieve positive change.

The implementation of the International Air Transport Association (IATA) Operational Safety Audit (IOSA) has become the industry standard for integrating the highest operational safety standards among airlines. This commitment was initially undertaken by IATA member airlines and has extended to other associations such as the Latin American Air Transport Association (ALTA) where, since its beginning, we have believed strongly that it should be a requirement for the entire industry, including our airline members.

IOSA's scope is increasing every day in the region as the highest quality periodic audit, especially as other regional authorities have started integrating this standard into their operational requirements. However, even though airlines have resolutely committed to the IOSA standards, it is like taking a photo every two years; it is a brief moment in the life of an airline. What happens to an airline's operations between the two-year audits?

There's the potential for a drop in standards. Some airlines will "dress up" to receive IOSA auditors. After the audit preparation and development phase are completed and the auditors have finished their review, some airlines, despite their best intentions, will inevitably slide into a period of relaxation if this is the only program they are going to rely on to maintain the quality of their operations.

This is why it is necessary to implement an ongoing system of quality operations. ICAO and IATA have understood this for several years, prompting recommendations to implement a safety management system with defined deadlines to safeguard the operational standards between audits.

ALTA member airlines want to guide their improvement and development to the highest quality of operational standards within a short time frame, adopting more comprehensive practices to take Latin America and the Caribbean to safety levels of the highest standards.

Although the states, and more specifically their civil aviation authorities, are beginning to make progress in adopting the highest aviation standards, thanks to ICAO's Universal Safety Oversight Audit Program and to the *Global Aviation Safety Roadmap*, the airlines must take proactive steps now and not wait for the region's aviation environment to change on its own.

This is why ALTA has designed the Latin America and Caribbean Safety Enhancement Initiative (SEI). This initiative will start with the approval of all ALTA members, continue with a review of each airline's maturity level, and be followed with the implementation of the necessary modules to integrate all of the quality systems according to short- and medium-term efforts to ensure that the highest international standards are met and adhered to on an ongoing basis.

ALTA is counting on the support of a diverse roster of industry players and stakeholders to successfully implement this initiative. The highest quality operations ultimately will become a very strong regional trend and be a prerequisite for membership in organizations such as IATA and ALTA. We strongly believe that this next step will help reduce the safety gap between the Latin America and Caribbean region and the leading regions of the world. We encourage all those interested in joining this critical project to contact us so we can, together, reach this important goal. 🚀



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