



CAYMAN ISLANDS  
GOVERNMENT



**Civil Aviation Authority of the  
Cayman Islands  
Annual Report for the period  
July 2006 to June 2007**

Laid of the Table of Legislative Assembly on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_



Annual Report

Fiscal year: July 1, 2006 – June 30, 2007

### **Technical Regulation**

#### Air Safety Regulation (ASR) division

Chronology of major developments:

- Nov. 06 Combined CAL Safety Oversight Audit conducted on local AOC holder Cayman Airways, Ltd.
- Nov. 06 ASSI OTARS Seminar; ASR divisional staff participated in the Overseas Territories Aviation Requirements (OTARs) staged by the Air Safety Support International (ASSI)
- Feb. 07 ASSI Safety Management Systems (SMS) training - ASR personnel participated in the SMS training that ASSI staged in Atlanta, Georgia for CAA staff from the OT's and other relevant industry partners.
- Mar. 07 New USA based contract Airworthiness Surveyor retained to assist with aircraft inspections.
- Apr. 07 DADR held aviation 101 orientation training for new employees of the CAACI.
- May 07 Airworthiness Seminar with UK and European contracted airworthiness surveyors conducted in the UK. Held annually this seminar reviews the years activity, any new OTARs for consultation or that are newly gazetted and revisits operational issues for the past year and sets objectives and goals for the coming 12 months.
- June 07 CAACI UK office physically moved from Brighton, UK to the central office in London. Airworthiness surveyors are now based out of this office.
- Aug. 07 ASSI Operations/OTARs Seminar in Miami, Florida attended by ASR staff from head office in Grand Cayman.

For the period July 1, 2006 through June 30, 2007 the growth rate for active aircraft on the CI Aircraft Registry was about 18%

June 2006 – 112 active aircraft

June 2007 – 132 active aircraft

Projected growth at 18% per annum.

#### Air Navigation Services Regulation division

Continued work with the CIAA on the licensing of the aerodrome on Grand Cayman (Owen Roberts International Airport) and on Cayman Brac (Gerrard-Smith International Airport).

Work with the CIAA sections responsible for Air Traffic Services, Aeronautical Telecommunications, Aeronautical Information Services, Rescue and Fire Fighting

Service ramp management, etc., was underway with appropriate operations manuals being drafted for review.

In February of 2007, an MOU between the CIAA and CAA for Aeronautical Information Services responsibilities purposes was signed as well as agreement on the safety oversight fees to be paid to the CAACI from the CIAA.

In January 2007, a survey of a draft master plan for ORIA was carried out to verify whether physical aerodrome issues such as runway end safety areas, parallel taxiways, runway strips, aprons etc., met the regulatory aerodrome certification requirements of the CAACI.

#### Commercial Affairs Regulation and Administration divisional submission:-

##### Grant of operating permits:

- ➔ Throughout the period July 1, 2006 to June 30,2007 the CARA division processed and issued 220 non-scheduled operating permits to foreign registered non-scheduled air transport operators. This is an increase of 49% over the same period the previous year (108 processed 2005/06). This is in part due to more proactive processes and tracking and monitoring of air operators servicing the territory. Also, processed and renewed 14 scheduled permits (bi-annually) for carriers operating scheduled services to the destination governed by bi-lateral agreements.
- ➔ Commencing in September 2006, the Commercial Affairs Regulation division initiated a proactive programme to not only monitor but license air ambulance operators (facet of the non-scheduled air operators) who operate into the territory, as there was no monitoring of this segment of the market prior to this effort. This programme ensures that air ambulances that respond to the demand in the territory, meet the minimal licensing and safety standards required by the AN(OT)O for foreign registered aircraft to operate into an Overseas Territory. This list of licensed operators has then been communicated to the Ministry for Health and the local hospitals and health services providers and the CIAA.
- ➔ Also, throughout the year associated with the scheduled service, the division monitored and tracked tariffs filed by the carriers serving the territory. New fare flings, sale fares, etc., etc.
- ➔ The Commercial Affairs Regulation division is also closely aligned with the Air Transport Licensing Authority (ATLA) in the licensing of local air operator certificate holders which offer commercial air transport services; these include Cayman Airways, Cayman Airways Express, and Cayman Islands Helicopters, MRCU and any new applications that might be made.
- ➔ Revenue associated with the income from operating permits for the period was CI\$109,415

##### Other accomplishments:-

- ➔ In August 2006 the CAACI was directed by Cabinet to plan for office space in the proposed new government building slated for completion in 2009/10. At this time

it is envisioned that sufficient space will be reserved in the CIG office building for estimated growth over the next seven years.

- ➔ In September 2006, the CAACI initiated an MOU with the Cayman Islands Airports Authority to monitor air transport operations for the purpose of economic regulatory activities delegated by the UK Secretary of State for the licensing of air transport operations of foreign registered carriers operating within the territory (both scheduled and non-scheduled). The MOU specifically calls for CIAA cooperation in support of AN(OT)O Article 113 requirements.
- ➔ On November 1, 2006, ASSI conducted an Overseas Territory Aviation Requirements (OTARs) workshop in the territory and the CAR&A division functioned as the support for the set-up and logistical arrangements in conjunction with ASSI team members.
- ➔ In November 2006, the Director of Commercial Affairs Regulation & Administration attended and passed with distinction the IATA course “Managing Aviation Policy & Regulation.”
- ➔ Later in November 2006, the Cayman Islands Cabinet passed into law new Air Navigation Fees (2006) that include charges for economic regulatory issues.
- ➔ Commencing in February through June 2007 – the CAR&A division held a series of meetings with private sector partners to foster relationships and advise on our upcoming marketing and promotional opportunities (tradeshows etc). These resulted in significant partnerships for the marketing events and the demand for additional training on CAACI primary functions, i.e., aircraft registry and safety and technical regulation.
- ➔ Leading up to the launch of CAL’s new service to New York, the CAR&A division at CAACI was instrumental in assisting the national flag carrier in gaining permission to operate to this point in the USA through close liaison with the UK Department for Transport. Service was successfully launched on June 23, 2007 to JFK Airport in New York, USA.

#### Marketing & Promotional events:-

- ➔ NBAA 2006 – attended the National Business Aviation Association 2006 tradeshow in Orlando, Florida, October 2006. Exhibited for the 3<sup>rd</sup> time at NBAA; the 2006 tradeshow provided exposure to over 33,000 attendees who were exposed to the Cayman Islands Aircraft Registry and the Cayman Islands’ brand.
- ➔ Ft. Lauderdale Boat Show – in conjunction with the Cayman Islands Shipping Registry (CISR), the CAACI attended and joined the CISR booth to promote the Cayman Islands Aircraft Registry in October 2006. There is much synergy with this target audience and cross marketing promotional opportunities.
- ➔ EBACE 2007 – attended the European Business Aviation Conference Exhibition in May 2007 for the second time. Exhibited in conjunction with the Cayman Islands Investment Bureau, the Cayman Islands Shipping Registry and private sector partners from the legal industry. Exposure was to over 11,000 attendees.

- GIS Spotlight – in April 2007 the CAACI was featured on the GIS broadcast programme “Spotlight On CAACI” which highlighted the importance of the regulatory role that the CAACI plays in the air transport industry and as a backbone to the pillars of the economy – tourism and finance.

Administrative issues:

Over the year 2006/07 the staff compliment changed as follows:

- Resignation - March 2007- Technical Records Administration Officer
- Employment –
  - December 2006 – Receptionist/Administrative Assistant (additional administrative post)
  - April 2007- Financial Controller
  - May 2007 – replacement for Technical Records Administration Officer
- Staff compliment as of June 30 2007 - 17 in Grand Cayman head office and 3 contracted surveyors in the UK office.
- In October 2006, the CAACI hired a consultant to work with the Admin team at CAACI on a three part consultancy project to refine the HR/Admin processes – a) refinement of the Employee Policy Manual and Handbook, b) Review of compensation/benefits package and c) development of performance based incentive plan. The first two phases were completed within this fiscal year.
- Relocation of the UK office to central London in June 2007. Combined office space with the Cayman Islands Government Office and the Cayman Islands Department of Tourism on Arlington Street, London.