

Pursuant to Article 16 of the Law on Administration (Official Gazette of BIH, No 32/02 and 102/09) and Article 14 (1) and (3) e) of the Aviation Law of Bosnia and Herzegovina (Official Gazette of BIH No 39/09), the Director General of the Bosnia and Herzegovina Directorate of Civil Aviation has hereby adopted

**RULEBOOK
ON THE SAFETY MANAGEMENT SYSTEM**

I – GENERAL

Article 1
(Subject)

This Rulebook defines the requirements for the establishment, use and improvement of the safety management system (hereinafter: SMS).

Article 2
(Definitions)

- (1) The term 'safety' as used in the text of this Rulebook shall mean the safety of air navigation.
- (2) The definitions used in the Rulebook shall have the following meanings:
 - a) Safety policy means a statement of the organisation's fundamental approach to achieve tolerable safety;
 - b) Safety assurance means all planned and systematic actions necessary to provide confidence that a product, a service, an organisation or a system achieves acceptable or tolerable safety;
 - c) Safety performance means a State or a service provider's safety achievement as defined by its safety performance targets and safety performance indicators;
 - d) Safety performance indicator means a data-based parameter used for monitoring and assessing safety performance;
 - e) Safety records means information about a safety event or series of safety events that is collected and maintained and demonstrating the effective operation of the established safety management system;
 - f) Safety objective means a qualitative and quantitative statement that defines the maximum frequency or probability at which a hazard can be expected to occur;
 - g) Safety means a state in which risks associated with aviation activities, related to, or in direct support of the operation of aircraft, are reduced and controlled to an acceptable level;
 - h) Safety performance target means the planned or intended objective for safety performance indicator(s) over a given period;

- i) Accountable executive means a person who has the overall accountability for an aviation entity's effective implementation of the SMS;
- j) State Safety Programme means an integrated set of regulations and activities aimed at improving safety;
- k) Safety manager means a person who is responsible for the development and implementation of an effective SMS;
- l) Risk severity means the possible consequences of an undesirable event or condition, taking as reference the worst foreseeable situation;
- m) Hazard means any condition, event or circumstance which could induce an accident;
- n) Acceptable level of safety means the minimum degree of safety established by the State, providing for the measurement of an aviation entity's achieved or attained safety performance and of its safety management system;
- o) Risk assessment means an assessment to establish whether the achieved or perceived risk is tolerable;
- p) Service provider means any organisation providing aeronautical services including approved/authorised aeronautical personnel training organisations, aircraft operators conducting international commercial air transport, approved/authorised maintenance organisations, organisations responsible for type design and/or manufacture of aircraft, air traffic services providers, operators of certified airports for international carriage by air (as appropriate), and general aviation operators conducting international air operations with large or turbo-propelled aircraft, that are exposed to safety risks during the provision of their services;
- r) Safety risk means the predicted probability and severity of the consequences or outcomes of a hazard;
- s) Safety management system – SMS means a systematic approach to managing safety, including the necessary organisational structures, accountabilities, policies and procedures;
- t) Risk probability means the likelihood of an undesirable event or condition occurring;
- u) Complex organisations (approved aeronautical personnel training organisations in accordance with FCL requirements and commercial air operators) means:
- organisations that have 20 or more employees;
 - organisations that have less than 20 employees if:
 - conducting the training/operations with different types of aircraft,
 - conducting the training/operations in special circumstances or environment (for example, in a mountainous area or offshore),
 - conducting the training/operations requiring a special approval (performance-based navigation - PBN, low visibility operation - LVO, extended range operations with two-engine aeroplanes - ETOPS, helicopters hoist operation - HHO, helicopter emergency medical service - HEMS, night vision imaging system - NVIS, dangerous goods - DG);
- v) Non-complex organisations means approved aeronautical personnel training organisations in accordance with FCL requirements and providing training for LAPL, PPL, SPL and BPL and the associated ratings and certificates and Aero Medical Centres - AeMCS.
- Article 3
(Scope)
- (1) Depending on the organisation's size and complexity and the services provided, the service providers that are required to implement an SMS shall include:
- a) Approved complex organisations for aeronautical personnel training, that are exposed to safety risks during the conduct of their professional activities.
 - b) Air operators with aircraft approved/authorised for the conduct of international commercial air transport;
 - c) Approved aircraft maintenance organisations and approved continuing airworthiness organisations providing services to air operators engaged in international commercial air transport;
 - d) Aircraft design and production organisations;
 - e) Air navigation service providers designated by the State;
 - f) Operators of the approved aerodromes used for international commercial air transport.
- (2) International general aviation operators of large or turbojet aeroplanes shall implement an SMS that is appropriate to the size and complexity of the operation. The SMS in such organisations should, as a minimum, include a process to identify hazards and the associated risks, a process to develop and implement remedial action necessary to maintain an acceptable level of safety, and an assessment of the appropriate safety management activities.
- (3) Non-complex organisations referred to in Article 2 (2) u) and organisations with less than 20 employees which do not conduct the activities specified under Article 2 (2) t) shall not be required to implement an SMS.
- II – FUNDAMENTAL SMS COMPONENTS AND ELEMENTS**
- Article 4
(Fundamental SMS components and elements)
- (1) A safety management system shall comprise the following fundamental components and elements:
- a) Safety policy and objectives:
 - Management commitment and responsibility,
 - Safety accountabilities,
 - Appointment of key safety personnel,

- Coordination of emergency response planning,
- SMS documentation;
- b) Risk management:
 - Hazard identification,
 - Risk assessment, analysis and mitigation;
- c) Safety assurance:
 - Safety performance monitoring and measurement,
 - The management of change,
 - Continuous improvement of the SMS;
- d) Safety promotion:
 - Training of personnel,
 - Safety communication.

Article 5

(Management commitment and responsibility)

- (1) The service provider shall define its safety policy and organisational safety objectives, in accordance with national regulations, international standards and best practice in the aviation industry.
- (2) The safety policy reflects organisational commitment regarding safety and shall include a clear statement about the provision of the necessary human and financial resources for the implementation of the policy.
- (3) The safety policy shall be signed by the accountable executive of the organisation, shall include the responsibilities of the management and staff regarding the safety performance of the SMS, and shall be communicated to the organisation's employees, with clear evidence of its communication to the employees.
- (4) The safety policy should encourage personnel to report safety occurrences and shall specify the conditions under which no disciplinary action will be applied against the employees that report hazards and occurrences.
- (5) The safety policy shall be periodically reviewed and updated to ensure it remains relevant and appropriate to the organisation.

Article 6

(Safety accountabilities)

- (1) The ultimate accountability and responsibility for the implementation and maintenance of the SMS rests with the accountable executive (general manager of the organisation).
- (2) The service provider shall identify the safety accountabilities of all members of the management as well as of the employees. The safety accountabilities and authorities shall be documented and communicated throughout the organisation.
- (3) The service provider shall define the levels of management with authority to make decisions regarding safety risk tolerability.

Article 7

(Appointment of key safety personnel)

- (1) The service provider shall appoint a safety manager or a safety expert whose primary task shall be the establishment, development, coordination, administration and improvement of an SMS. The service provider shall communicate such appointment to the BHDCA.
- (2) The safety manager/expert shall be a focal point for the safety management area and shall be nominated by the accountable manager in order to be assigned with the required clearance level for addressing safety issues.

- (3) The ultimate accountability for the SMS lies with the accountable manager, not with the safety manager/expert.

Article 8

(Coordination of emergency response planning)

- (1) The service provider shall establish an Emergency response plan (ERP) defining the responsibilities and actions in case of emergency situations.
- (2) Actions in case of an emergency shall ensure an orderly and efficient transition from normal to emergency operations and the return to normal operations as soon as possible.
- (3) Depending on the organisation's size, activities and complexity, the service providers' plans shall be mutually compatible, and their coordination should be described in an instruction on the SMS.
- (4) If an aviation entity is subject to other aviation entities' emergency response plans, it shall adhere to those plans and refer to those plans in its own emergency response plan.
- (5) A emergency response plan shall also include check lists and information about the names and phone numbers of contact persons, and shall be regularly reviewed, tested and always available to the persons responsible for acting on the plan.

Article 9

(SMS documentation)

- (1) The service provider shall develop and maintain SMS documentation that includes:
 - a) safety management manual,
 - b) records of the safety management system.
- (2) The safety management manual shall include the following elements:
 - a) Document control,
 - b) SMS regulatory requirements,
 - c) Scope and integration of the safety management system,
 - d) Safety policy and safety objectives,
 - e) Safety accountabilities and key personnel,
 - f) Mandatory, voluntary and confidential safety reporting and remedial actions,
 - g) Hazard identification and risk assessment,
 - h) safety performance monitoring and measurement,
 - i) Safety-related investigations and remedial actions,
 - j) Safety training and communication,
 - k) Continuous improvement and SMS audit,
 - l) SMS records management,
 - m) Management of change,
 - n) Emergency/contingency response plan (ERP).
- (3) If an element of the SMS manual is described in another document, this element need not be an integral part of the manual but a correlation with this document must be established.
- (4) The SMS manual shall be made available, as a hard copy or in electronic format, to all the accountable and managing persons, as well as to all organisational units of the service provider.
- (5) SMS records shall include:
 - a) A registry of occurrence reports, their analyses, risk assessments, remedial actions, and effectiveness verification of remedial actions;
 - b) Safety performance measurement and indicators;

- c) safety assessment records;
- d) SMS internal audits;
- e) personnel SMS/training records;
- f) Safety Committee meeting minutes;
- g) SMS implementation plan (during implementation process);

Article 10

(Safety risk management)

- (1) The service provider shall establish a safety risk management system.
- (2) The service provider shall establish and maintain safety data collection and processing procedures that allow for hazard identification, hazard analysis, risk assessment and implementation of appropriate remediation measures.
- (3) Safety data collection shall include mandatory, voluntary and confidential occurrence reporting.

Article 11

(Hazard identification)

- (1) The service provider shall establish and maintain a formal process of identification, recording, processing of and giving feedback on hazards in the conduct of operations.
- (2) Hazards may be identified through reactive, proactive and predictive methodologies, as well as through reports submitted by the personnel.

Article 12

(Safety risk assessment and mitigation)

- (1) The service provider shall establish and maintain a process that ensures analysis, assessment and control of the safety risks associated with identified hazards.
- (2) Safety risks shall be assessed in terms of probability and severity, as well as in terms of tolerability.
- (3) The service provider shall define the management levels authorised to make decisions on risk tolerability.
- (4) For intolerable risks, the service provider shall establish and maintain safety risk mitigation measures.
- (5) For tolerable and acceptable risks, the service provider shall control and review risk mitigation measures.

Article 13

(Safety assurance)

The objective of safety assurance is to collect accurate and complete information on the level of compliance with the regulatory requirements, to document such information and take action to ensure regulatory compliance.

Article 14

(Safety performance monitoring and measurement)

- (1) The service provider shall develop, establish and maintain the means to verify the safety performance of the organisation in reference to safety performance targets and policy, and shall validate the effectiveness of safety risk controls.
- (2) The safety performance monitoring and measurement process should include:
 - a) Occurrence reporting and internal investigations of occurrences,

- b) Safety status assessment and trend monitoring,
- c) Safety analyses.

- (3) The service provider's safety performance shall be verified according to the safety performance indicators and safety performance targets.

Article 15

(The management of change)

- (1) The Service provider shall develop, establish and maintain a formal process to manage changes. The process shall:
 - a) identify the changes within the service provider that may affect the level of safety risk associated with the established processes and services and to manage the risks that may arise from those changes,
 - b) define arrangements to ensure that the safety performance is achieved before the changes are implemented,
 - c) eliminate or modify the risk control methods that are no longer required due to changes in the operational environment.

Article 16

(Continuous improvement of the SMS)

- (1) The service provider shall develop, establish and maintain a formal process to identify the causes of a below-standard safety performance, determine the effect of such safety performance on the operations, and to eliminate those causes.
- (2) The continuous improvement of the service provider's SMS should include:
 - a) Proactive and reactive evaluation of the equipment, documentation and procedures by means of oversight and investigation, in order to determine the effectiveness of the risk control and mitigation strategy,
 - b) Proactive evaluation of the employees' individual performances in order to assess the implementation of their safety responsibilities.

Article 17

(Safety promotion)

The service provider should develop, establish and maintain safety training and communication activities in order to create an environment in which the organisation's safety objectives are implemented.

Article 18

(Safety training and education)

- (1) The service provider shall develop and maintain a safety training programme that ensures that personnel are trained and competent to perform their SMS duties.
- (2) The accountable manager shall complete the training relating to: the importance of safety; safety policy and safety performance goals; SMS roles and responsibilities; SMS standards; and safety assurance.
- (3) An individual safety training programme should be appropriate to the employee's involvement in the safety management system.

Article 19

(Safety communication)

- (1) The service provider shall develop, establish and maintain formal means for safety communication that ensures that all personnel are

fully aware of the safety management system, conveys safety-critical information to the service provider, explains why particular safety actions are taken, and explains why safety procedures are introduced or changed.

- (2) Safety communication is a basis for the development and maintenance of a positive safety culture.
- (3) Formal means of communication may, among others, include:
 - a) Safety policy and procedures,
 - b) Bulletins,
 - c) Safety reports,
 - d) Internet presentations, etc.

III - SMS IMPLEMENTATION PLANNING

Article 20

(SMS implementation planning)

- (1) The service providers under Article 3 points a), b), e) and f) shall submit to the BHDCA an SMS implementation plan within six months of the entry into force of this Rulebook, and shall establish an effective SMS in their organisation within 24 months of the entry into force of this Rulebook.
- (2) The service providers under Article 3 points c) and d) shall submit to the BHDCA an SMS implementation plan until 30 June 2017, and shall establish an effective SMS in their organisation until 31 December 2018.
- (3) The BHDCA shall audit the SMS implementation by the service providers under Article 3 of this Rulebook that have declared to have implemented an SMS in their organisations or that were required to implement an SMS in accordance with the applicable regulations.

Article 21

(SMS for new service providers)

- (1) The service providers under Article 3 points a), b), e) and f) intending to start providing their services shall submit to the BHDCA an SMS implementation plan not later than 90 days prior to the intended start of service provision.
- (2) The service providers under paragraph (1) of this Article shall establish an effective SMS within 12 months of the issuance date of their service provision certificate (license, approval, or similar).
- (3) The service providers under Article 3 points c) and d) intending to start providing their services after 30 September 2017 shall submit to the BHDCA an SMS implementation plan not later than 90 days prior to the intended start of service provision.
- (4) The service providers under paragraph (3) of this Article shall establish an effective SMS within 18 months of the issuance date of their service provision certificate (license, approval, or similar).

IV - TRANSITIONAL PROVISIONS

Article 22

(Acceptable means of compliance)

Until an instruction on the acceptable means of compliance with the requirements of this Rulebook is adopted, the latest applicable edition of the ICAO Doc 9859 Safety Management Manual (SMM) shall be used as acceptable means of compliance for the implementation of an SMS in the organisations under Article 3 of this Rulebook and for oversight activities by the BHDCA.

V – ENTRY INTO FORCE

Article 23

(Entry into force)

This Rulebook shall enter into force on the eighth day following its publication in the Official Gazette of BIH.

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Banja Luka

Director General

Đorđe Ratkovića, sgd.