Memorandum

U.S. Department of Transportation
Office of the Secretary of Transportation
Office of Inspector General

Project No. 13A3008A000

Date: September 20, 2013

From: Jeffrey B. Guzzetti
Assistant Inspector General for Aviation Audits

Reply to
Attn. of: JA-10

To: Director, Audit and Evaluation

Each year, about 50,000 providers of hazardous materials (HAZMAT) ship packages by air on more than 400 air carriers, both U.S. and foreign. HAZMAT air shipments can present serious safety risks—especially when the materials are unauthorized and undeclared. For example, between 1991 and 2012, lithium cells and batteries, which have the potential to self-ignite, were directly linked to more than 60 aircraft incidents and accidents involving heat, smoke, fire, or explosion.

To help address the safety concerns associated with HAZMAT shipments by air, the Federal Aviation Administration (FAA) established the Hazardous Materials Voluntary Disclosure Reporting Program (HAZMAT VDRP) in January 2006. By allowing air carriers to voluntarily disclose violations of HAZMAT regulations without receiving civil penalties, the program provides an important opportunity to identify and mitigate safety issues that might not otherwise come to the Agency’s attention. However, the effectiveness of the HAZMAT VDRP depends on close monitoring by FAA to ensure the program is not misused.

Given the seriousness of risks posed by hazardous materials in aviation, including the potential for accidents, we are initiating an audit of FAA’s oversight of the HAZMAT VDRP. Our audit objectives are to determine: (1) whether FAA ensures that air carriers’ disclosure reports meet program requirements, including implementation of effective corrective actions, and (2) whether FAA uses HAZMAT VDRP data to identify safety risks, including the risks from unauthorized, undeclared shipments.
We plan to begin the week of September 23, 2013, and will contact your audit liaison to schedule an entrance conference. If you have any questions, please contact me at (202) 366-0500 or Scott Macey, Program Director, at (415) 744-0434.

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cc: DOT Audit Liaison, M-1
    FAA Audit Liaison, AAE-100