



Remotely piloted aircraft system (RPAS)

FAQs

Remotely piloted aircraft (RPAS) have grown in popularity exponentially in recent years, for both commercial and recreational usage. In Australia, there are approximately over 1000 registered commercial RPAS operators in the market, with Remote Operator Certificate approvals steadily increasing in 2017. There are a multitude of applications for commercial operations, spanning property, tourism, insurance, mining, engineering, marketing, entertainment and sports sectors, to name only a few. QBE, as a pioneer in the RPAS field, has worked closely with hundreds of operators, sharing expertise and guidance to provide appropriate insurance.

While there has been increasing demand for small RPAS for commercial use, existing regulations have required operators to hold both a Remote Operators Certificate (ReOC) and Controllers Certificate which has proven to be a barrier. In 2016, CASA relaxed these regulations to reduce the cost and legal requirements around the use of certain RPAS. This presents an opportunity for many businesses across the country who wish to adopt this emerging technology.

The changes have already attracted much interest from businesses as well as mainstream media coverage. While the opportunity for businesses is exciting, it is important for QBE - as a leader in the RPAS field - to educate our partners and end users of the associated risks of using RPAS for commercial purposes. We have specialised products and dedicated experts in the sector, to ensure your clients have adequate protection in place.

This guide provides you with further detail around the changes and what this means for your clients.

For more information or to discuss the most appropriate cover, contact **Cecilia Tam** on **02 9375 4304** or cecilia.tam@qbe.com

ITEM	QUESTION	ANSWER
1	What is changing for me?	New categories of remotely Piloted Aircraft Systems (RPAS) have been identified and defined by maximum take-off weight. Standard operating conditions have been introduced and as such, some operations will be considered 'excluded RPAS operations' which will not require a ReOC. Please utilise the following link to help identify whether an operation is excluded. http://aaus.org.au/resources/Documents/AAUS-Navigating-the-Amended-CASR-Part-101.pdf
2	Why is it changing?	The amendments are designed to reduce cost and legal requirements for remotely piloted aircraft (RPAS). They are also provide more flexibility and responsiveness as this area develops.
3	What does this mean?	The new regulations mean RPAS may be adopted for use in commercial operations without the operator requiring a REoC or Remote Pilot's Licence, making them much more accessible. This will allow RPAS to be used for numerous applications across many business sectors. For example: Real Estate agents taking aerial imagery or property; insurers making damage assessments; sporting bodies or clubs filming training; tourism operators producing promotional materials.
4	What is a commercial operation?	Any operation which is not conducted for sport or recreation is considered commercial. This extends and applies to operations which remuneration is not directly derived from. For example a plumber may use an RPAS as a tool of trade to conduct a roof inspection. Although they are not selling the service this type of operation would be considered commercial.

ITEM	QUESTION	ANSWER
5	What are the risks associated with this?	<p>While the CASA regulation changes mean greater accessibility, there are also some risks associated with the usage of RPAS, specifically in relation to the liability for any associated damage or injury. Analysis conducted at QBE Aviation in conjunction with external data input indicates the following common cause of losses:</p> <ul style="list-style-type: none"> • Pilot error during pre-flight software preparation • Wildlife • Pilot error during flight • Battery degradation due to excessive use <p>QBE offers a range of insurance covers specifically designed for RPAS operators.</p>
6	Aircraft and Strict Liability	<p>A Remotely piloted aircraft system used for commercial operations is defined as an aircraft¹. Under the Damage by Aircraft Act², owners and operators of aircraft have strict liability both jointly and severally.</p> <p>It is important to understand the implication of strict liability before operating commercially.</p>
7	What protection should RPAS operators consider?	<p>There are a number of aspects that should be taken in to consideration, which is best done on a case by case basis, but owners and operators of commercial RPAS should consider protecting their assets and third party liability.</p> <ul style="list-style-type: none"> • Coverage for accidental damage includes whilst in flight. The policy will also extend to cover road transit whilst in the insured care, custody or control for specified events. Ground risks only cover is also available if required. • Third Party Liability (TPL) cover binds to each RPAS individually. TPL will cover bodily injury or property damage as a result of an RPAS accident. • TPL can also cover bodily injury or property damage caused by an occurrence in connection with your RPAS business.
8	Why do I need to cover?	<p>Operating a RPAS without coverage could result in serious liability implications under the Damage by Aircraft Act³. It is important to understand these implications as well as the operational limitations imposed by the Civil Aviation Safety Authority (CASA).</p>
9	What is required to obtain insurance for a small (less than 2kg) RPAS operator?	<p>QBE will be providing insurance to small RPAS operators who are a member of an RPAS industry association and the following:</p> <ul style="list-style-type: none"> • The operator holds a ReOC, or • The operator has completed training by an Registered Training Organisation to a level of competency acceptable to QBE,
10	Can insurance be obtained for an remote pilot operating under another companies ReOC?	<p>Yes provided the insured has an acceptable service agreement or contract in place formalising the relationship. The agreement must identify that the Chief Remote Pilot of the ReOC has full control and authority of the contractors flying operation.</p>
11	How can my clients prepare for this change?	<p>RPAS operators should consider the following to improve their understanding of legal operational limitations and professionalism:</p> <ul style="list-style-type: none"> • Become a member of the Australian Association for Unmanned Systems (AAUS). • Obtain a ReOC, • Complete training by an Registered Training Organisation to a level of competency acceptable to QBE.

1. Civil Aviation Regulations 1998 (Cth) | 2. 1999 (Cth) | 3. 1999 (Cth)