

MEMORANDUM OF UNDERSTANDING

(“MoU”)

BETWEEN

**SOUTHERN AFRICAN DEVELOPMENT COMMUNITY VSAT NETWORK (“SADC
VSAT”) STATES ON THE ONE HAND**

AND

AIR TRAFFIC AND NAVIGATION SERVICES OF SOUTH AFRICA

STATE OWNED COMPANY LIMITED (“ATNS”)

AND

INTERNATIONAL AIR TRANSPORT ASSOCIATION

(“IATA”) ON THE OTHER

CONCERNING

THE PROVISION OF THE SADC VSAT NETWORK

WHEREAS, the members of the SADC VSAT II States (“Member States”) comprising of Empresa Nacional de Exploração de Aeroportos e Navegação Aérea E.P. Angola, (**ENANA**); Civil Aviation Authority of Botswana (**CAAB**); Autorite de l’ Aviation Civile du Burundi (**AACB**); The Regie des Voies Aeriennes (**RVA**) - Democratic Republic of the Congo; Eswatini Civil Aviation Authority (ESWACAA); Lesotho Directorate of Civil Aviation Authority ~~Directorate~~ (DCA); Aviation Civile de Madagascar (**ACM**); Department of Civil Aviation Malawi (**DCA**), Department of Civil Aviation Mauritius (**DCA**); Aeroportos De Mozambique E.P ~~Institute for Civil Aviation of Mozambique~~ (IACM); Namibia Civil Aviation Authority (**NCAA**), Rwanda Airports Company (**RAC**); Tanzania Civil Aviation Authority (**TCAA**), Zambia Airports Corporation Limited (**ZACL**) and the Civil Aviation Authority of Zimbabwe (**CAAZ**).

WHEREAS, members of the SADC VSAT II States recognise the improved reliability of aeronautical fixed service telecommunications network (**AFTN**) and air traffic services direct speech (**ATS/DS**) communications in the Southern African Development Community and part of the Africa-Indian Ocean (**AFI**) Region are interfacing with adjoining regions during the first phase of the SADC VSAT II network operation since 1989; and wish to continue with the services beyond 2022;

RECORDING that the thirteenth (13th) SADC VSAT II Supervisory Board Meeting, held in Botswana between the 29-31 March 2017; ICAO shared the outcomes of the APIRG/18, where it was decided that the ATS/DS and AFTN/AMHS must comply with ICAO requirements Annexes 10 and 11 as well as the guiding and supporting documents.

NOTING the interoperability and interconnectivity of / between VSAT networks within the AFI Region is crucial; therefore, the specifications and design of both SADC and NAFISAT VSAT II should continue providing the connectivity with AFISNET and retain the current technical interface solution with the AFISNET networks;

RECORDING that the fourteenth (14th) SADC VSAT II Supervisory Board Meeting, held in Eswatini from 28-29 March 2018; the Network Service Provider demonstrated its commitment to the provision of a safe and reliable and the significance of the interoperability and interconnectivity AFI VSAT networks by announcing that a Technical Solution MOU has been signed with ASECNA. The context of the MOU entail: ***defining the technical solution to achieve interoperability and interconnectivity, the implementation of the AFS links; and the sharing of experience and technical expertise towards the development of seamless and common VSAT AFS infrastructure.***

NOTING the request from ASECNA for additional interconnections of various nodes with some of the SADC States (i.e. Angola, DRC, Mozambique and Tanzania) to be implemented through an agreed technical solution with no cost to the Member States.

RECODING that the Fifteen (15th) SADC VSAT II Supervisory Board Meeting held in Lesotho between 27 to 28 March 2018; where ICAO emphasised the significant role the SADC VSAT II network plays in the regional implementation of the ground/ground AFS and encouraged States to expedite the full implementation of services such as AMHS.

NOTING that ATNS has carried out a technical feasibility study on the current network of services that will support AFTN/AMHS and ATS/DS, AIDC and VoIP without changing the current specifications (hardware, software, bandwidth etc.).

RECORDING that the Fifteen (15th) SADC VSAT II Supervisory Board Meeting tasked ATNS to compile a detailed report on Value-Added-Services (**VaS**) and impact assessments on behalf the SADC Member States.

RECORDING that the Sixteenth (16th) SADC VSAT II Supervisory Board Meeting held virtually between the 12-13 July 2021, where ATNS presented the technical road-map plan under Future of the VSAT Network beyond 2022; which included the AMHS roll-out and interoperability with AFISNET. A roadmap comprised 2 (two) phases – i.e. the short-medium and long term.

The **short-to-medium** term will focus on the life-extension of the Network, comprising the following service interventions:

- Replacement of RFTs
- Upgrade of FAD interfaces
- Replenishment of FAD spares
- Deployment of cybersecurity measures (routers)
- Enhanced SLA with OEMs for LRU repairs

These proposed interventions have been planned for a period between 2022 to 2024.

The **long-term** will focus on operationalising the following modernised services.

- Network-wide AMHS
- Voice-over-IP
- Centralized Aeronautical Database (CAD) data distribution
- Surveillance data sharing (Space-based ADS-B)

NOTING that the 15th SADC VSAT II Supervisory Board supported the short to medium term roadmap and mandated ATNS to proceed with detail planning of the proposed Network Life extension.

WHEREAS, the International Civil Aviation Organisation wishes to encourage the sustainability of the Southern African Development Community VSAT (SADC VSAT II) Network;

AGREEABLE to opening this Memorandum of Understanding (MoU) to States desiring to join the SADC VSAT II Network.

NOW, THEREFORE, the SADC VSAT II Member States, IATA and ATNS (collectively hereinafter referred to as “the Parties”) agree on the terms and conditions of the sustainability of the SADC VSAT II network as set out in this MoU as follows:

Article 1

Definitions

1. **SADC VSAT II Supervisory Board** is the entity entrusted to oversee management, improvement/ sustainability, maintenance and operation of the SADC VSAT II network by the Network Service Provider.
2. **Network Service Provider** refers to the entity/entities as approved by the SADC VSAT II Supervisory Board to implement and operate the SADC VSAT II network among the participating countries.
3. **Contributory bodies** refers to Task Forces, charged with preparatory work on specific issues as assigned by the Supervisory Board.
4. **Services** mean the services rendered by the Network Service Provider in respect of the SADC VSAT II Network as set out in Article 2 and subject to the terms and conditions of this MoU.

Article 2

Objective

The objective of the SADC VSAT II network is to facilitate the provision of aeronautical telecommunication services by Member States. The aeronautical telecommunications services to be supported include:

- a) ATS Direct Speech (ATS/DS) and Voice over Internet Protocol (VoIP);
- b) Aeronautical fixed telecommunication network (AFTN), eventually offering a smooth migration support to the aeronautical telecommunication network (ATN) applications, including ATS Message Handling System (AMHS) and ATS Inter-facility Data Communications (AIDC) / On-Line Data Interchange (OLDI);
- c) Computer-to-computer data exchanges between ATS flight data processing systems (FDPS);
- d) Operational meteorological data exchanges;
- e) Operational aeronautical information services exchanges;
- f) Aeronautical administrative support; – Surveillance Data Exchanges;
- g) VHF Extended range;
- h) VDL Mode 2;
- i) PABX Channel and

- j) Any other agreed aeronautical services based on ICAO Global Air Navigation Plan (GANP).

Article 3

Membership

1. Member States of the SADC VSAT II network are Angola, Botswana, Burundi, Democratic Republic of the Congo, Eswatini, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, South Africa, United Republic of Tanzania, Zambia and Zimbabwe.
2. A State wishing to join the SADC VSAT II network shall apply to the Supervisory Board through the Secretariat and shall comply with this MoU. The SADC VSAT II Supervisory Board will consider the application in its meeting and at its sole discretion approve membership

Article 4

Legal Responsibilities

1. In accordance with the Convention on International Civil Aviation, Article 28 (Air navigation facilities and standard systems), each Contracting State undertakes to provide, in its territory, airports, radio services, meteorological services and other air navigation facilities to facilitate international air navigation, and adopt and put into operation the appropriate standard systems of communications procedure
2. SADC VSAT Member States are urged to comply with the resolution of the Fourteenth (14th) SADC VSAT Supervisory Board Meeting by ensuring that the aeronautical information is published in terms of the agreed SADC VSAT II charges within their respective territories and oblige airspace users to pay for the services.
3. None of the party shall be responsible to the other for any claim for loss or damage, including third party loss or damage, or for loss of revenue, interest, consequential, incidental or special damages or additional cost which arises out of, or in connection with this MoU.

Article 5

The Network Service Provider

1. The Member States agree to assign to the Network Service Provider (ATNS and IATA) the responsibility and authority to fund, upgrade, manage, operate and maintain the VSAT network on a cost recovery basis on behalf of the States with the approval of the Supervisory Board as set out in Article 6 below. The Network provider is entitled to **have**

fifteen percent (15%) of the charges collected and forty thousand (\$40 000) as network management fees annually.

2. The provision by the Network Service Provider of aeronautical telecommunications services under this MoU is a not-for-profit venture.
3. The Network Service Provider will provide the types and levels of services as agreed with the Member States as specified in the Service Level Agreement (SLA) signed between the individual States and the Network Service Provider. The network service level agreements (SLAs) include operational service parameters, service specific parameters, service degradation factor, and technology specific parameters.
4. The Terms of Reference of the Network Service Provider are provided in **Annex A** (Terms of Reference of the Network Service Provider) which forms an integral part of this MoU.

Article 6

SADC VSAT II Supervisory Board

1. There shall be a SADC VSAT II Supervisory Board constituting of representatives from each Member State, ATNS, IATA, and ICAO.
2. The mandate of the SADC VSAT II Supervisory Board is to take decisions with respect to the implementation and the financing of the SADC VSAT II network, including consultative mechanisms as agreed by the SADC VSAT II Supervisory Board from time to time, and to oversee the operation of the network as well as the performance of the Network Service Provider.
3. The Terms of Reference of the SADC VSAT II Supervisory Board shall be as described in **Annex B** (Terms of Reference of the SADC VSAT II Supervisory Board) which forms an integral part of this MoU.

Article 7

Financial Management

1. Budget

- 1.1. The Network Service Provider shall annually review the approved budget in accordance with **Annex C** (Approved Budget Lines/Voted Items) which forms an integral part of this MoU and circulate electronic copies to Member States at least one month before the Supervisory Board meeting.

2. Collection of Charges and Cost Recovery

- 2.1. SADC VSAT II charges will apply only to international traffic. The Member States shall ensure that the necessary data of traffic movements, supported by provided services, in their respective FIRs is submitted to the Network Service Provider by the 5th of every month. The collection of such charges based on information provided by the Member States is assigned to the Network Service Provider.
- 2.2. The Member States and the Network Service Provider have agreed on the charges payable as set out in **Annex D** (“Charges Framework” and “Terms and Conditions” for the period 2022-2029) which forms an integral part of this MoU.
- 2.3. Subsequent to the determination and approval of the charges, the Member States will publish appropriate aeronautical information to inform the airspace users of the charges and that the same will be collected directly by the Network Service Provider.
- 2.4. The Network Service Provider shall be reimbursed their expenses as approved in the Budget by the Board from revenues collected from the users. This will be in accordance to the ICAO Manual of Air Navigation Services Economics (Doc 9161).
- 2.5. The operational and capital expenditure shall be recovered within a maximum of seven (7) years from the revenue earned from SADC VSAT II user charges.

3. Independent External Auditor

- 3.1. The Network Service Provider shall present annual report and audited financial statements by an independent external auditor to the SADC VSAT II Supervisory Board, in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB). The annual reports and financial statements shall include the elements specified in **Annex E** (Financial Management and Reporting) which forms an integral part of this MoU.
- 3.2. The Supervisory Board shall be responsible for appointing Independent External Auditors for the SADC VSAT II network, as recommended by the Network Service Provider.
- 3.3. The term of the Independent External Auditor shall be renewed for a maximum of three terms subject to an annual performance review.

4. Financial Records and Bank Accounts:

- 4.1. The Network Service Provider shall maintain separate financial records and bank accounts for the SADC VSAT II Network that shall be subjected to external audit annually.
- 4.2. The financial year for the network shall be aligned to that of the Network Service Provider, which is 1st of April to 31st March of the following year.

5. Taxation Government Levies and Privileges

- 5.1. The Member States are obliged to continue facilitating the granting of exemptions from taxes and levies on behalf of the Network Service Provider.
- 5.2. The Member States are obliged to assist the Network Service Provider with tower access permits, working permits, proper list of requirements.

Article 8

Training

1. The Network Service Provider shall train **one** ATSEP to level three (3) maintenance of the VSAT System from each Member State every year.
2. The training will be conducted at the Aviation Training Academy (ATA) in Johannesburg for three (3) weeks
3. The Network Service Provider shall provide OJT and capacity building during the Preventative Maintenance under ATNS ATSEP supervision
4. Should the Network Service Provider not be able to provide Face-to-Face training as per Clause 8 (1) above due to unforeseen circumstances such as the pandemic, earthquakes, floods, airborne diseases, volcano, etc. beyond its control, the Network Service Provider shall endeavor to deliver the theoretical concepts of the VSAT training virtually for a period not exceeding five (5) days per session.

Article 9

Amendments

This Memorandum of Understanding may be amended by unanimous agreement provided that the agreement and any amendment resulting shall be in writing and signed by all the States and the Network Service Provider.

Article 10

Dispute Resolution

1. Any dispute, controversy or claim arising out of or relating to the interpretation, application or performance of the present MoU, including its existence, validity or termination shall be settled amicably between the parties with a view of finding a satisfactory solution for all the Parties.
2. In the event that the Parties are unable to amicably resolve the dispute, such dispute shall be referred to arbitration to the International Civil Aviation Organization (ICAO).

Article 11

Transition

The Member States and the Network Service Provider will ensure seamless operations and implementation of services during transition period from the existing MoU to this MoU.

Article 12

Entry into force, duration and termination

1. This MoU shall enter into force on the 1st day of December 2022 or thirty (30) days after the date of last signature by the Member State whichever is earlier, for a period of seven (7) years ("the Term") to 30th November 2029 unless earlier terminated as provided hereunder in this article.
2. In this period, network infrastructure interventions will be rolled out in two-phases:
 - a. Phase I: Network life-extension - **2022-2024**
 - b. Phase II: Long-term Modernisation - **2025-2029**
3. The Term shall automatically expire unless extended for such other period by mutual written agreement of the Parties.
4. Not less than two (2) years to the expiry of the Term, the Supervisory Board shall convene a meeting to discuss renewal and terms under which the MoU will be extended or replaced.
5. The SADC VSAT II States and the Network Service Provider may, by unanimous agreement in writing, terminate this MoU.
6. By signing this Memorandum of Understanding, the SADC VSAT II States and the Network Service Provider collectively undertake to enter into these arrangements and abide by the principles stipulated herein.

IN WITNESS WHEREOF, the undersigned duly authorized representatives of the Parties have signed this Memorandum of Understanding.

Empresa Nacional de Navegação Aérea E.P. (ENNA) Angola

Signature _____ Date _____

Name _____

Title _____

Address _____

Burundi Civil Aviation Authority (CAA)

Signature _____ Date _____

Name _____

Title _____

Address _____

Civil Aviation Authority of Botswana (CAAB)

Signature_____ Date_____

Name_____

Title_____

Address_____

The Regie des Voies Aeriennes (RVA) - Democratic Republic of the Congo

Signature_____ Date_____

Name_____

Title_____

Address_____

Lesotho Directorate of Civil Aviation Authority (LDCAGAA)

Signature _____ Date _____

Name _____

Title _____

Address _____

Civil Aviation of Madagascar (CAA)

Signature _____ Date _____

Name _____

Title _____

Address _____

Department of Civil Aviation Malawi (DCA)

Signature_____ Date_____

Name_____

Title_____

Address_____

Department of Civil Aviation Mauritius (DCA)

Signature_____ Date_____

Name_____

Title_____

Address_____

Aeroportos De Mozambique E.P. (ADM)~~Mozambican Civil Aviation Institute (IACM)~~

Signature_____ Date_____

Name_____

Title_____

Address_____

Namibia Civil Aviation Authority (NCAA)

Signature_____ Date_____

Name_____

Title_____

Address_____

Rwanda Airports Company (RAC)

Signature _____ Date _____

Name _____

Title _____

Address _____

Tanzania Civil Aviation Authority (TCAA)

Signature _____ Date _____

Name _____

Title _____

Address _____

ESwatini Civil Aviation Authority (ESWACAA)

Signature _____ Date _____

Name _____

Title _____

Address _____

Zambia Airports Corporation Limited (ZACL)

Signature _____ Date _____

Name _____

Title _____

Address _____

Civil Aviation Authority of Zimbabwe (CAAZ)

Signature _____ Date _____

Name _____

Title _____

Address _____

Air Traffic and Navigation Services (ATNS) SOC Ltd

Signature _____ Date _____

Name _____

Title _____

Address _____

International Air Transport Association (IATA)

Signature _____ Date _____

Name _____

Title _____

Address _____

International Civil Aviation Organization – Eastern and Southern African Regional Office

Signature _____ Date _____

Name _____

Title _____

Address _____

ANNEX A

TERMS OF REFERENCE FOR THE NETWORK SERVICE PROVIDER

1. The Network Service Provider shall provide aeronautical telecommunication services as stipulated in the Service Level Agreement (SLA).
2. The Network Service Provider shall ensure that all revenues are deposited in a separate SADC VSAT II bank accounts established and managed by the Network Service Provider.
3. The Network Service Provider shall develop the budget, ensure that expenditure is as per the approved Budget and is revised where necessary.
4. The Network Service Providers (ATNS and IATA) shall manage the Network on behalf of the Member States in a cost-effective manner.
5. The Network Service Provider shall ensure that the Network is abreast with the current and latest technologies during the MOU period. The Network Service Provider shall ensure that Board and other meetings are held as stipulated in the MoU and in a cost-effective manner.
6. The Network Service Provider shall provide the following to the Member States and the SADC VSAT II Supervisory Board as required.
 - a. Operation, Maintenance and Performance of SADC VSAT II Network.
 - b. An Annual Financial Report, including the Management Accounts and Budget Proposals.
 - c. Working Papers that supports the reliability and performance of the network.

ANNEX B

TERMS OF REFERENCE OF THE SADC VSAT II SUPERVISORY BOARD

- 1. The mandate of the SADC VSAT II Supervisory Board in respect of the SADC VSAT II network is to:**
 - 1.1. Agree on the network concept including issues of ownership and control.
 - 1.2. Ensure the continued operation of the SADC VSAT II network, meeting the CNS/ATM plan requirements of the AFI Region while taking into consideration CNS/ATM plans of adjacent regions, and including approval of deployment plans and/or extension plans.
 - 1.3. Decide on type and levels of service to be provided and monitor the performance of the Network Service Provider to ensure that service delivery meets pre-determined criteria as specified in the Service Level Agreement (SLA).
 - 1.4. Ensure compliance and performance of participating Member States in terms of their obligations arising from this SADC VSAT II MoU.
 - 1.5. Ensure that participating Member States provide statistics on aircraft movements, facilitate the movement of maintenance personnel, spares and parts and the investigation of service delivery complaints from users.
 - 1.6. Monitor and review the financial performance of the network, including approval of the annual budget and the setting of user charges.
 - 1.7. Monitor the implementation of facilities and services and, where necessary, ensure interregional connectivity, taking due account of cost benefit analysis, business case development and financing issues.
 - 1.8. In facilitating implementation of facilities and services identified within SADC VSAT II and with due regard to the primacy of safety, the Supervisory Board shall consider the costs and benefits of implementation and the need to facilitate financing of preferred options.
 - 1.9. Review and adopt the annual report submitted by the Network Service Provider.

2. Composition of the Board

- 2.1 The **Board** shall be comprised of at least two (2) representatives (one technical and one financial) from each participating Member State, three from ATNS (Administrator, Technical and Financial), and one (1) each from IATA and ICAO. The cost of the participation of designated representatives of each SADC VSAT II State or Network Service Provider shall be borne by the SADC VSAT II Network's Budget.
- 2.2 Advisors may accompany the Representatives at the cost of the respective SADC VSAT II State or Network Service Provider.
- 2.3 The Chair of the **Board** shall be elected by the **members** from among the State **Board** members every year. The Chair may be re-elected for no more than two (2) terms of one (1) year each. The mandate as Chair of the **Board** shall not exceed three years.
- 2.4 The ICAO ESAF Regional Office shall be the Secretariat to the **Board**.

3. Participation by International Organizations

- 3.1 The **Board** may invite representatives of appropriate regional and international organizations to attend meetings in the capacity of observers.

4. Establishment and Dissolution of Contributory Bodies

- 4.1 In order to assist in its work, the **Board** may establish bodies, e.g. task forces, charged with preparatory work on specific issues. Representation in such contributory bodies should be by specialists in the subjects concerned and familiar with the issues under consideration.
- 4.2 The establishment and work of contributory bodies shall be governed by the following provisions:
 - a) A contributory body shall only be formed when it has been clearly identified that it is likely to make a substantial contribution to the resolution of the issue in question.
 - b) A contributory body shall be given clear and concise terms of reference describing its task and an expected target date of its completion.
 - c) The composition of a contributory body shall be such that, although intended to be as small as possible, all participating Member States and any organization deemed to be able to make valid contributions shall be given an opportunity to participate in it.

d) A contributory body shall be dissolved as soon as it has either completed its assigned task or it has become apparent that work on the subject in question cannot be usefully continued.

4.3 Expenses related to the meeting of these bodies will be borne by the SADC VSAT II Network Budget as approved by the Board.

5. **Working arrangements**

5.1 The SADC VSAT II Supervisory Board shall meet at least once a year, with one meeting to be held in the month of September. The Secretariat of the Supervisory Board shall be hosted by ICAO ESAF Regional Office. In the event that the ICAO Secretariat is not available at the Board meeting the Members shall appoint one of them to perform the functions of the Secretariat. The report of the meeting shall be dispatched through the Secretariat.

5.2 Decisions shall be reached by consensus.

5.3 Two-thirds of members shall constitute a quorum and, where a quorum is not achieved, the meeting will proceed but decisions will be reached through correspondence and two thirds acceptance.

ANNEX C

APPROVED BUDGET LINES/ VOTED ITEMS

RECURRENT

1. Personnel emoluments
 - 1.1. ATNS Direct costs- salaries and related costs
2. Maintenance
 - 2.1. OEM /ATNS Maintenance and support
 - 2.2. Maintenance and support travelling expenses
3. Operational Expenses
 - 3.1. Telecommunication Expenses
 - 3.2. Intelsat satellite spectrum
 - 3.3. Bad Debts
 - 3.4. Bank Charges
 - 3.5. Administration costs
 - 3.6. Foreign Tax withheld
 - 3.7. Legal Expenses
 - 3.8. ATNS management fee
 - 3.9. IATA management Fee
 - 3.10. Professional fees (Audited Expenses)
 - 3.11. Training Expenses
 - 3.12. Travel expenses
 - 3.13. ATNS Indirect costs – administrative
 - 3.14. SADC VSAT II Board Expenses
 - 3.15. Exchange rate adjustment
 - 3.16. Marketing expenses
 - 3.17. Interest paid

DEVELOPMENT

1. Network Service Provider Pre-implementation costs
2. Depreciation
3. Interest received

ITEMS TO BE INCLUDED IN THE BUDGET

RECURRENT

1. Supervisory and Board meeting expenses
2. Contributory body meeting expenses as agreed to by the SADC VSAT II Supervisory Board from time to time
3. Network insurance
4. Finance charges and Loan servicing costs
5. OJT program expenses

DEVELOPMENT

1. Upgrading of the Network

ANNEX D

“CHARGES FRAMEWORK” AND “TERMS AND CONDITIONS” FOR THE PERIOD 2022-2029

Fixed

Tariff per crossing	USD 10
Management fees	15 %
Project life (years)	7

Assumptions

Cost escalations	4.5%
Traffic growth	4.4%
Rate of Exchange	ZAR 15.87

Cost Element: Electronic Maintenance

1. Maintenance
 - ✓ Preventative x 1
 - ✓ Corrective x 2
2. Repairs
3. Spares shipping

Cost Element: Admin costs

1. Bank charges
2. Bad debts
3. Printing & Stationery
4. Courier and postage
5. Audit fees

Cost Element: Indirect costs

1. Head office overhead charges,
2. Fault reporting centre,
3. Service delivery reporting, etc

Cost Element: Salaries

1. Engineering
2. Finance

ANNEX E

FINANCIAL REPORTING AND MANAGEMENT

1. Pursuant to Article 7 (Financial Management) of this MoU, the Network Service Provider shall present annual report and audited financial statements by an independent external auditor to the SADC VSAT II Supervisory Board, in compliance with International Financial Reporting Standards (IFRS) as issued by International Accounting Standard Board (IASB). The annual reports and financial statements shall include the following:
 - a. Annual Report
 - i. SADC VSAT II information
 - ii. Statistical information
 - iii. Report of Network service provider – (ATNS and IATA)
 - iv. Statement of Network Service Provider – (ATNS and IATA) responsibilities
 - v. Independent Auditors report
 - b. Financial Statements
 - i. Statement of Financial Position
 - ii. Statement of Income
 - iii. Statement of Cash flow
 - iv. Statement of Changes in Capital and reserves
 - v. Notes to the Financial Statements
2. Annual Unaudited and interim financial Statement shall be prepared and circulated to SADC VSAT II Supervisory Board members by the ICAO secretariat; the audited one shall also be circulated by the same way.