



International Civil Aviation Organization

MID Region ATM Enhancement Programme Steering Committee

First Meeting (MAEP SC/1)
(Dubai, UAE, 20-22 January 2015)

Agenda Item 2: MID Region ATM Enhancement Programme (MAEP) Establishment

MAEP – REGIONAL PROJECTS FUNDING MECHANISM

(Presented by United Arab Emirates)

SUMMARY

The purpose of this paper is to put forward a proposal to ensure key projects within the MID Region are progressed through an appropriate and agreed regional funding mechanism.

1. INTRODUCTION

1.1 The requirement to ensure that all member states are able to deliver key projects which will provide regional benefits is paramount for the successful, safe and efficient accommodation of growth forecasted over the coming years.

1.2 Not all member states will have the manpower or financial resources available to deliver either regional or state airspace improvement projects. Failure to deliver the efficient required services will reduce or remove the benefits gained for themselves and/or that of their neighboring states, who have successfully implemented the changes required.

1.3 This paper presents a funding mechanism proposal to ensure that all member states are able to progress and deliver airspace projects key to the successful growth in aviation within the region.

2. DISCUSSION

2.1 Agreement has already been reached across MAEP member states with regards to a funding mechanism designed to cover overheads and running costs of the PMO. The agreement specified the following contribution categorisation based on the Gross Domestic Product per capita (GDP).

MSG CONCLUSION 4/7: MAEP FUNDING MECHANISM

That,

a) the running cost of the MAEP PMO be ensured through contributions from all MAEP Member States;

b) the annual amounts to be paid by the MAEP Member States are, as follows:

i. Bahrain, Iran, Oman, Qatar, Saudi Arabia and UAE annual contribution is US\$ 30,000 each;

- ii. *Egypt, Iraq, Kuwait and Libya annual contribution is US\$ 20,000 each; and*
- iii. *Jordan, Lebanon, Sudan, Syria and Yemen annual contribution is US\$ 10,000 each.*
- c) *the funding of the projects/working packages:*
 - i. *be addressed by the Board, on case-by-case basis; and*
 - ii. *be ensured through contribution (cash or in-kind) by concerned States, stakeholders and sponsors/donors.*
- d) *the MAEP funding mechanism be revised by the MAEP Board, when necessary.*

2.2 To seek clarity over commitment and to ensure that projects with key regional benefits are delivered, a further mechanism should be agreed by the MAEP Board to expand item (c) and formalise a process taking into account previous organisational experiences gained.

2.3 In brief, organisational funding mechanisms require;

2.3.1 That all contributing Member States /Organization pledge a financial commitment towards regional projects.

2.3.2 Member States or groups of Member States are then requested to bid for funding towards their projects, which wish to be financially supported from within this combined funding pool.

2.3.3 All project applications are assessed by a selected board and a certain number of projects are approved for part or full funding.

2.4 The benefit for this mechanism is that it allows member states the potential for a much greater financial commitment towards projects that have been assessed as providing potentially significant benefits to the regional enhancements. This allows Member States to progress with projects which may not have had sufficient state funding to proceed. Such funding does not have to cover 100% of the expected costs of a certain project, but will be allocated accordingly based on the available budget within the funding pool.

2.5 In line with item 2.1, it is suggested that a similar 'Group' principle be adopted for a MID Regional project funding mechanism to ensure appropriate finance is available to all member states who wish to proceed with isolated or regional projects designed to deliver significant benefits to the MID Region.

2.6 Agreement and commitment shall be reached as to what financial contributions will be required from each member state and or organizations and what criteria is necessary to satisfy regional financial support. This mechanism will ensure that cross boarder improvement activities, regional projects and individual state advances are delivered when required and generate a platform for target driven deliverables and commitments amongst all member states.

3. ACTION BY THE MEETING

3.1 The meeting is invited to:

- a) support the expansion of the agreed funding mechanism for MAEP Projects;
- b) discuss and agree on the establishment of a MID Regional Project Funding Mechanism;
- c) ensure agreement on an appropriate mechanism for funding key projects within the region;

- d) finalise the financial commitment required and criteria necessary to satisfy funding; and
- e) finalise the key personnel responsible for deciding funding allocation.

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