

### **THIRD MEETING OF THE ALLPIRG/ADVISORY GROUP**

**(Montreal, 6 – 8 April 1999)**

**Agenda Item 5.3: Interregional coordination and harmonization mechanism – Expanded role of PIRGs for participation of financial institutions in PIRG meetings**

#### **ADDITION TO TERMS OF REFERENCE OF PIRGs**

(Presented by the Secretariat)

1. The following revised text for para 3.2.1 of ALLPIRG/3-WP/7 responds to the discussion by ALLPIRG on 6 April 1999.

“3.2.1 While safety and technical issues will continue to be the drivers of ICAO’s air navigation planning process the aspect of economic assessment should be given due attention, particularly in the evaluation of different implementation options. This is recognized in ICAO’s Strategic Action Plan, which calls for “Development of more routine assessment of economic aspects during development of technical requirements for aircraft, airport and air navigation facility certification and operation”, and should be accommodated in a ‘master plan’ approach to regional air navigation planning. The guidelines for Regional Air Navigation Plans already encompass financial aspects, notably as regards multinational facilities and services, and hence the PIRGs already have implicit authority to consider financial matters. However, the terms of reference of the PIRGs, which differ to a lesser or greater extent from region to region, do not explicitly mention the economic considerations and ALLPIRG feels there would be value in including appropriate text in these terms of reference along the following lines (to be adapted for each PIRG to fit in with its current terms of reference at appropriate place or places):

“In facilitating implementation of facilities and services identified in the Regional Air Navigation Plan and with due regard to the primacy of safety, the [PIRG concerned] should take into account the costs and benefits of implementation options and the need to facilitate financing of preferred options ... . With regard to multinational facilities and cooperative activities the [PIRG concerned] may wish to use an appropriate mechanism to prepare cost/benefit analyses and business cases, and to provide related guidance material in support of “prototype” sets of planned facilities and services ... . At its discretion, the [PIRG concerned] may invite financial institutions, as required on a consultative basis and at a time it considers appropriate in the planning process, to participate in this work.”

It was understood by ALLPIRG that the “appropriate mechanism” referred to above would vary from region to region depending on the circumstances and could include, for example, the relevant Traffic Forecasting Group with expanded terms of reference, the CNS/ATM Implementation Coordination Sub-Group with participation of economic experts, use of another existing mechanism or the establishment of a new Sub-Group”.

2. If ALLPIRG accepts this text, with or without amendment, an appropriate Conclusion will be drafted for the ALLPIRG/3-Report.

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