



Agenda Item 5: Project Funding

FINANCING PROJECT FOR ACTION PLANS

(Presented by the Secretariat)

SUMMARY

This working paper contains a summary of each one of the projects developed to follow up the actions recommended at the Global Aviation Safety Roadmap Workshop (Bogota, Colombia, 19 to 23 May 2008).

Several financing alternatives and resource utilization for the implementation of the projects are proposed for the consideration of the Meeting.

References:

- Global Aviation Safety Plan – GASP.
- Global Aviation Safety Roadmap – GASR.
- Report of the Global Aviation Safety Roadmap Workshop (Bogota, Colombia, 19 to 23 May 2008).

1. Background

1.1 The Global Aviation Safety Roadmap Workshop (Bogota, Colombia, 19 to 23 May 2008) used the GASR methodology to analyze three focus areas.

1.2 The result of the analysis of GSI 3 on Impediments to reporting errors and incidents, reflected maturity level 2 which means that improvement opportunities have been identified in order to be implemented. In this regard, 10 recommendations were established, which could be resumed in: (1) development and implementation of legislation and standards, (2) implementation of reporting tools; (3) training activities and (4) regional cooperation.

1.3 The result of the analysis of GSI 12 also reflected maturity level 2. Three recommended actions were established, the **first** one aimed at the access to information and assistance and successful experiences on the use of technology available to improve safety, the **second** one addressed to facilitate access to guidance and assistance material for the development of cost/benefit studies and to manage financing for the implementation of new technologies to improve safety and the **third** recommendation aimed at the development of a regional plan for the implementation of new technologies.

1.4 These recommendations were analyzed by the first Meeting of the Interim Steering Committee for the creation of the Regional Aviation Safety Group (Pan American) Mexico D.F., Mexico, 4 and 5 August 2008, where it was agreed to initiate implementation activities with three action plans or projects.

1.5 The initial activities of these projects can be implemented without additional resources. However, for further activities of each project the utilization of funds will be required.

1.6 It is very important that RASG-PA could have the necessary financing available to implement these activities.

2. Financing alternatives and administrative tools

2.1 ICAO has several administrative mechanisms to move funds for the implementation of projects, among which the following options can be mentioned:

2.1.1. Direct Deposit to ICAO Regional Offices account

2.1.1.1 This mechanism permits ICAO Regional Offices to receive financing for the development of any specific activity within its work programme. The donor could require subscribing a Memorandum of Understanding before the deposit of funds. Once the activity is completed a detail of all the expenses incurred and the surplus is returned to the donor.

2.1.1.2 This mechanism is extremely dynamic and has the advantage that it has no additional administrative charges. However, in case funds from several sources are received, a mechanism for the use of these resources would have to be clearly defined establishing the specific activities of each project to be supported by the donor.

2.1.2 Establishment of an ICAO regional technical cooperation project

2.1.2.1 This mechanism permits the reception of funds from different sources to finance the activities of the projects that RASG-PA may approve. Its implementation is a little more complicated than the previous one and has an extra charge for administrative costs of ICAO Technical Cooperation Bureau, which is usually approximately 10%.

2.1.2.2 The development of a project document to be signed by the States and/or organizations that wish to participate in its financing. The project document is also signed by ICAO's Secretary General.

2.1.2.3 It is very important to clearly specify in the project document the coordination and implementation mechanisms for the activities.

2.1.3 Request for a subsidy from the International Financial Facility for Aviation Safety (IFFAS)

2.1.3.1 The IFFAS is a non-profit fund of voluntary contributions administered by ICAO that works as a mechanism to grant financial assistance to safety-related projects for which the States do not have other source to provide or obtain the necessary financial resources. The assistance is applied mainly to projects meant to resolve or mitigate safety-related deficiencies identified through ICAO Universal Safety Oversight Audit Programme (USOAP) as an element of the ICAO Global Aviation Safety Plan (GASP).

2.1.3.2 The donors interested to support RASG-PA projects could make their contributions to the IFFAS. On its side, the RASG-PA will make the subsidy requests for the corresponding projects to the IFFAS programme.

2.1.3.3 This mechanism does not apply administrative costs. ICAO's participation in the administration of the IFFAS programme is financed on cost recovery basis and allows the possibility to operate independently or jointly with the financing alternative of paragraph 2.1.1 above.

3. Suggested action

3.1 The First Regional Aviation Safety Group – Pan America Meeting (RASG-PA/01) is invited to:

- a) Take note of the information provided in this working paper.
- b) Analyze the different financing options of RASG-PA projects and decide for one of them.