



International Civil Aviation Organization

# AFI Flight Procedures Programme

## Seminar/Workshop preparation session

# Funding and Contribution Arrangements

Dakar, 24-25 March 2014



- **In-kind contributions**

- AFI-FPP team consist of experts in the domains of PBN flight procedures design process
- Options for in-kind contributions are
  - Secondment of qualified personnel
  - Tools and expertise (software, instructor, technical materials, etc.)
- Expertise needed for the FPP include
  - PBN Operational Training
  - Airspace and Flight Procedures
  - Design including PBN procedures
  - Operational approval of air operators
  - Data collection and validation



- **In-kind Contributions will be appreciated and recorded.**
  - In-kind contributions reduce annual operating expenses
  - Reflected in the programme report, but not necessarily financial report
  - Steering Committee will review in-kind contributions annually and may consider waiving financial contributions committed by Active Participating States (APS).

# FUNDING and CONTRIBUTIONS REQUIREMENTS



- **Financially**, the AFI-FPP is envisioned as a **not-for-profit** programme. AFI FPP
- **Accountable Incomes (AI)** consists of:
  - Annual monetary contribution from Active Participating States (C)
  - Donations (D)
  - Activity-derived revenues (R)
  - $D + R + C = AI$
- **Accountable Expenses (AE)** consists of:
  - Office operating expenses
  - Mission expenses
    - Travel cost
    - Expert cost
- **Not-for-profit programme normally implies  $AI - AE = 0$ ;**
  - However, Positive cash-flow will enhance financial health and security of the Programme

# FUNDING and CONTRIBUTIONS REQUIREMENTS



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- Accountable Expenses (AE) estimated at **USD 250k** annually
  - Based on current scope of activities and 2014 Work Plan
- Balanced financial structure needed
  - $AI \geq AE$
  - $D + R + C \geq AE = 250k$



- **Donation (D)**
  - Support activity of the AFI-FPP activity;
  - Estimated **USD 80k** Annually starting 2015
  - Annual global donation; or
  - Donation to support a specified activity
    - Workshop
    - Training sessions
    - Activity Project to respond to one State's demand



- **Activity-derived revenues (R)**
  - Estimated minimum **USD 70k** starting 2015
  
  - Status advantages
    - Specified activities are included in the annual contribution for Active Participating States
    - Activities are chargeable to other Participating States
  
  - Activities
    - Assistance for PBN implementation Plan and regulations
    - Assistance for aeronautical data collection and validation
    - Assistance for ground and flight validation
    - Assistance for operational approval
    - Training courses for ATC/ATM and air operators about PBN flight procedures
    - Design PBN flight procedures and assist in implementation process



- Active Participating States (APS) support the Programme **by annual monetary contribution (C)**
  - Active Participating States are Members of Steering Committee
  - Level of contribution (L) for each Active Participating State is approved by Steering Committee annually
  - $C = L \times \text{Number of Active Participating States (NAPS)}$

**More participation** → Higher NAPS → **Lower L** → **Each Active Participating State pays less**



- **Constraints**
  - Max Contribution per APS (max L) = USD 10k
  - Minimum Number of APS (min NAPS) = 5
  - Given current scope and resources, anticipated Maximum Activity-derived Revenue (R) = USD 120k
  - Account should at least be balanced; AI = AE

## Go/No-Go Scenario – 5 APS

Annual Accountable Expenses (AE)	Number of APS (NAPS)	Monetary Contribution by Each APS (L)	Overall Contribution by APS (C = L * NAPS)	Donation (D)	Activity-derived Revenue (R)	Annual Accountable Income (AI = C+D+R)	Implication
250k	5	10k	50k	80k	120k	250k	Balanced



## Realistic Scenario – 10 APS

Annual Accountable Expenses (AE)	Number of APS (NAPS)	Monetary Contribution by Each APS (L)	Overall Contribution by APS (C = L * NAPS)	Donation (D)	Activity-derived Revenue (R)	Annual Accountable Income (AI = C+D+R)	Implication
250k	10	10k	100k	80k	70k	250k	Balanced

- Positive Effect as compared Go/No-Go Scenario
  - More APS facilitates
    - increase in overall contribution for APS
    - Reduces the pressure on activity-derived revenue
  - Lowers the overall risk on the cash-flow



## Preferable Scenarios – 20 APS

Annual Accountable Expenses (AE)	Number of APS (NAPS)	Monetary Contribution by Each APS (L)	Overall Contribution by APS (C = L * NAPS)	Donation (D)	Activity-derived Revenue (R)	Annual Accountable Income (AI = C+D+R)	Implication
250k	20	5k	100k	80k	70k	250k	Balanced, reduction of contribution from each APS
350k	20	10k	200k	80k	70k	350k	Balanced, increased support possible
280k	20	8k	160k	80k	70k	310k	Positive saving within the Programme, Some increase in support possible

How about 10k each?





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Thank you

**AFI-FPP, the Flight Procedure Programme for you and with you**