

TERMS OF REFERENCE FOR THE SAFETY FUND (SAFE)

1. BACKGROUND

1.1 The concept of the Safety Fund (SAFE) was first proposed to the Council of ICAO during its 189th Session (C-WP/13501 refers).

1.2 The Council established the SAFE during its 190th Session (C-DEC 190/6). The SAFE provides a platform for the collection and use of voluntary contributions from States and other donors in a responsible, consistent, transparent, efficient and timely manner while minimizing administrative costs. The SAFE does not affect Regular Programme activities.

1.3 Further, the Council suggested that the SAFE cover the activities of International Financial Facility for Aviation Safety (IFFAS), with IFFAS contributors being strongly encouraged by the Council to leave the remaining funds with ICAO for transfer to the SAFE.

2. OBJECTIVE

2.1 The objective of the SAFE is to improve the safety of civil aviation by:

- a) supporting safety projects, including assistance to States, which are consistent with the ICAO Strategic Objective on Safety but which cannot be fully funded through the Regular Programme Budget; and
- b) providing contingency funding to allow ICAO to act immediately and effectively on urgent safety issues and in response to unforeseen events.

3. PROJECTS

3.1 Types of Project

3.1.1 Three types of projects can be funded through the SAFE:

- a) safety-related projects for which States cannot otherwise provide or obtain the necessary financial resources. The principal area of application of assistance shall be to remedy or mitigate safety-related deficiencies identified through the ICAO Universal Safety Oversight Audit Programme (USOAP) as an element of the GASP;
- b) projects identified through existing mechanisms used at the global level (e.g. the Monitoring and Assistance Review Board (MARB), Global Aviation Safety Plan (GASP), Global Air Navigation Plan (GANP) or Business Plan) and the regional level (e.g. planning and implementation regional groups (PIRGs) and regional aviation safety groups (RASGs)); and
- c) safety-related projects in the Business Plan that are currently unfunded.

3.2 **Prioritization**

3.2.1 The prioritization of States and RSOOs to receive assistance shall be set by the Secretariat based on information available through existing mechanisms (including the USOAP continuous monitoring approach (CMA), MARB, GASP, GANP, RASGs and PIRGs). Special attention for assistance will be given to Least Developed Countries (LDCs).

3.3 **Implementation**

3.3.1 The Secretary General shall be primarily responsible for implementing projects funded by the SAFE. The Air Navigation Bureau shall be responsible for developing and implementing short-term assistance projects (duration of under two weeks) for States and RSOOs, and for implementing any contingency and emergency measures.

3.3.2 The development and implementation of long-term projects funded by the SAFE shall be undertaken by the Technical Cooperation Bureau (TCB) and reporting to the Council shall be done through the Secretary General and the SAFE restricted website.

4. **CONTRIBUTIONS**

4.1 **Contributors**

4.1.1 The SAFE shall be funded by voluntary contributions made by ICAO Member States, international and regional organizations, as well as from other stakeholders in international civil aviation, including airports, air navigation service providers, airlines, manufacturers of airframes, engines, avionics and other aircraft components, other members of the aerospace industry, and civil society.

4.2 **Types of contributions**

4.2.1 As specified in the Voluntary Fund Guidelines, two types of contributions are possible under the SAFE:

- a) un-earmarked contributions for safety-related projects that will be identified by ICAO; and
- b) earmarked contributions that are intended for a specific new or existing safety-related project.

4.2.2 When requested by a contributor, contributions to the SAFE shall be subject to an administrative agreement between the contributing entity and ICAO. This document shall include, among other things, agreement as to the amount to be contributed, the duration of the contribution and any requirements with respect to accountability.

4.3 **Limitations**

4.3.1 Contributions to the SAFE shall only be accepted to support projects which are consistent with the ICAO Strategic Objective on Safety and which provide a safety benefit for international civil aviation. Contributions shall not impose additional costs on, or divert activity away from activities supported by the Regular Programme, with the exception of urgent safety issues and actions in response to unforeseen events.

4.3.2 Contributions shall not be accepted if they are of a nature that might cause concern to any State with respect to its sovereignty or that might be politically sensitive.

5. ADMINISTRATION AND GOVERNANCE

5.1 The Secretary General of ICAO is ultimately responsible for the management and administration of the SAFE. A Project Review Committee (PRC) shall be established by the Director, Air Navigation Bureau, to advise the Secretary General.

5.2 Annual reports on the activities of the SAFE shall be made to the Council while information shall be available on an ongoing basis through a SAFE restricted website. Further to this requirement, the SAFE is governed according to the following principles:

- a) the SAFE website shall provide information about projects and their progress. Any new information related to the SAFE shall be posted on this website, which shall be accessible to the Secretariat and Council Representatives. This web-based mechanism shall allow the Council to monitor the performance of the SAFE including, at a minimum, the ability to see when funds are committed to a project and the status of any given project;
- b) the Council shall be informed of any funded project that is at risk; and
- c) the SAFE shall operate under ICAO's Voluntary Funds Guidelines and the ICAO Financial Rules and Regulations while also being subject to all administrative and programme controls.

— END —