



International Civil Aviation Organization

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WORKING PAPER

ASSEMBLY — 39TH SESSION

ADMINISTRATIVE COMMISSION

Agenda Item 51: Contributions in arrears

USE OF FUNDS UNDER THE INCENTIVE SCHEME FOR LONG-OUTSTANDING ARREARS

(Presented by the Council of ICAO)

EXECUTIVE SUMMARY

This paper reports to the Assembly the action taken pursuant to Assembly Resolution A38-25 with respect to the distribution of funds in the special account wherein receipts of long-outstanding arrears are retained in accordance with Resolving Clause 3 of Assembly Resolution A38-25 and utilized to finance expenditure on aviation security activities, and new and unforeseen projects related to aviation safety, and/or to the enhancement of the efficient delivery of ICAO programmes, as approved by the Council.

There exists in this account, as of 31 December 2015, an unreserved surplus of approximately CAD 1.0 million.

Action: The Assembly is invited to approve the use of the CAD 1.0 million for budgetary support during the 2017-2018-2019 triennium.

<i>Strategic Objectives:</i>	This working paper relates to Supporting Implementation Strategy – Budget and Financial Management.
<i>Financial implications:</i>	Not applicable at this time.
<i>References:</i>	A38-WP/44 A37-WP/56 A36-WP/43 A35-WP/25 Doc 10022, <i>Assembly Resolutions in Force</i> (as of 4 October 2013)

1. INTRODUCTION

1.1 Resolving Clause 1 of Assembly Resolution A38-25 agreed to apply, on a non-recurring basis, the funds presently held pursuant to Resolving Clause 3 of Assembly Resolution A38-25, to finance specific activities of the Organization.

1.2 Resolving Clause 3 of Assembly Resolution A38-25 stipulates that with effect from 1 January 2005, only that portion of a payment from a Member State that is in excess of the sum of the three preceding years' assessments and all instalments due under agreements entered into under Resolving Clause 4 of Assembly Resolution A38-24 shall be retained in a separate "special account" to finance expenditure on aviation security activities, and new and unforeseen projects related to aviation safety, and/or to the enhancement of the efficient delivery of ICAO programmes, such action to be under the control of the Council and reported to the next ordinary session of the Assembly.

1.3 This paper reports on the application of funds in the special account during the current triennium.

2. APPLICATION OF FUNDS

2.1 The balance held in the special account as at 31 December 2013 amounted to CAD 1.0 million. During the years 2014 to 2015, no additional contributions and expenditures were made. Interest received and exchange gain increased the fund balance by 0.3 million. Therefore, the ending balance in the special account as at 31 December 2015 amounts to CAD 1.3 million which represents:

- a) CAD 0.1 million for use as approved by the Council in C-DEC 160/10 for safety oversight audits;
- b) CAD 0.2 million reserved for the enhancement of the efficient delivery of ICAO Programmes; and
- c) CAD 1.0 million as unreserved surplus.

3. PROPOSAL FOR UTILIZATION OF UNRESERVED SURPLUS FUNDS

3.1 It is proposed that the present unreserved surplus of approximately CAD 1.0 million in the special account be used for budgetary support during the 2017-2018-2019 triennium.