



A32-WP/3
EX/1
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INTERNATIONAL CIVIL AVIATION ORGANIZATION

ASSEMBLY - 32ND SESSION

EXECUTIVE COMMITTEE

Agenda Item 15.2: Progress of Implementation of the New Policy on Technical Co-operation

SUMMARY

This paper is a report on the state of follow-up action on A31-14, Transition to a New Policy on Technical Co-operation. It provides an update on: the progressive implementation of the core staff concept, the progressive integration of the Technical Co-operation Bureau into the Organization's structure and the utilization of ICAO's Objective Mechanism. The paper also presents a consolidated resolution regarding all technical co-operation activities and programmes.

References:

A31-14
A29-13
C-WP/10471
C-DEC 149/17
A31-WP/35, EX/6

1. INTRODUCTION

1.1 The 31st Session of the Assembly, after considering A31-WP/35, EX/6 - Transition to a New Policy on Technical Co-operation - adopted Resolution A31-14 in which it:

- a) endorsed the new policy on technical co-operation including its objectives which emphasize the global implementation of SARPs and ANPs and the development of civil aviation master plans;
- b) endorsed the establishment of the ICAO Objectives Implementation Funding Mechanism aimed at consolidating all other funding arrangements, and encouraged States to contribute to it; and

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- c) requested Council and the Secretary General to intensify their effort to urgently develop a comprehensive plan for the progressive implementation of the core staff concept and the integration of the Technical Co-operation Bureau into the Organization's structure.

1.2 In resolving Clause 4 of the Resolution, which is the subject of this paper, the Assembly directed the Council to report to the next ordinary Session of the Assembly regarding measures taken in the implementation of the above resolution and to prepare a consolidated resolution regarding all technical co-operation activities and programmes.

2. PROGRESSIVE IMPLEMENTATION OF THE CORE STAFF CONCEPT

2.1 One of the most important objectives of Resolution A31-14 is the implementation of the core staff concept which offers by its flexibility a viable alternative to the difficulties encountered by the Technical Co-operation Programme. A31-WP/35, EX/6 defined the core staff as "those staff who are in permanent employment at Headquarters and Regional Offices and who are required to support activities of ICAO's Technical Co-operation Programme". It was estimated that a core staff of about 40, including 16 Professional and 24 General Service (GS), would be required to perform the activities of ICAO's Technical Co-operation Programme to include advisory/regulatory activities as well as the implementation of a programme of US\$25 million. It must be emphasized that a larger TC Programme will always be pursued and the figure of US\$25 million represents an estimation of a minimum programme in a given year that concentrates on projects of a strategic nature to ICAO such as Safety Oversight, CNS/ATM, etc. Also a core staff of 40 represents the minimum staff required to undertake the above-mentioned activities with additional temporary staff being hired in case of a larger programme. Thus there will always be a balance between the programme size and the total number of staff, core and temporary, to ensure the quality and integrity of technical assistance provided on one hand, and that the income derived from the overhead covers TCB expenditures directly related to the implementation of the programme.

2.2 Paragraph 4.2.4.2 b) of A31-WP/35, EX/6 states that the core staff concept will be implemented progressively by staff reduction by way of attrition. It was also anticipated in the same paragraph that implementation should be completed by the end of the year 2001. The Council, in its 149th Session, considered C-WP/10471 (Update on the Progressive Implementation of the Core Staff Concept), which provided amongst other things a projection of the number of TCB staff as at the beginning of the Triennium 1999-2001. The Council, in C-DEC 149/17, decided that the required reduction to a core staff of 40, should take place progressively by attrition, and TCB staff in the Regional Offices would not be part of the core staff of the Bureau but rather be absorbed into the Regular Programme budget as of 1 January 1999. Consequently, the definition of core staff will no longer be valid and a new definition could be established as "those staff who are in permanent employment in the Technical Co-operation Bureau and are directly working in the development and implementation of ICAO's Technical Co-operation Programme".

2.3 The following table provides a comparison of posts filled in TCB by organizational unit as of December 1996, January 1999 and January 2002, on the assumption that posts which become vacant will not be filled.

ORGANIZATIONAL

<u>UNIT</u>	<u>DECEMBER 1996</u>			<u>JANUARY 1999</u>			<u>JANUARY 2002</u>		
	P	GS	Total	P	GS	Total	P	GS	Total
Staff in TCB	22	43	65	12	43	55	9	37	46
Staff in ROs funded by TCB	2	7	9	-	-	-	-	-	-
Staff in FIN and PER funded by TCB	1	12	13	-	12	12	-	12	12
Total	25	62	87	12	55	67	9	49	58

2.4 This table shows that, by strictly implementing a policy based on attrition to the end of the next Triennium, TCB's permanent staff will be 7 Professionals less and 25 GS more than what is required by the core staff concept. Furthermore, it is assumed that the 12 GS staff working in the Regular Programme will continue to be funded by the Administrative and Operational Services Cost (AOSC) budget. Implementation of the core staff concept with regard to staff reduction by way of attrition will obviously not be sufficient; therefore, other means such as the transfer of staff from TCB to posts that may become vacant in the Regular Programme as well as the transfer of the 12 GS staff working in the Regular Programme and funded by the AOSC budget to the Regular Programme budget.

3. INTEGRATION OF TCB INTO THE ORGANIZATION'S STRUCTURE

3.1 With relation to the progressive integration of TCB into ICAO's structure, Assembly Resolution A31-14 established the following:

- a) Technical Co-operation is a permanent priority activity of ICAO that should be integrated with the Organization's other activities.
- b) The advisory role of ICAO to Contracting States should be complemented and strengthened by the effective implementation of ICAO SARPs and ANPs by the Technical Co-operation Programme.
- c) The Council and the Secretary General are to intensify their efforts in further developing a comprehensive plan for the progressive integration of the Technical Co-operation Bureau into the Organization's structure.

It is clear from the above that the 31st Assembly, while instating the Technical Co-operation Programme as a permanent priority activity of the Organization, distinctly aligned this activity to the global implementation of ICAO's SARPs and ANPs. However, this did not mean that TCB would not respond to requests from States for technical assistance in activities of lower priority to the Organization.

3.2 The Council, while considering the subject of integration in its 149th Session, distinguished between the functional and financial aspects of integration.

3.2.1 **Functional integration** of TCB activities with those in the Regular Programme is an ongoing process which will also continue during the next Triennium. The objectives of functional integration on an Organization-wide basis are to eliminate redundancy, and increase co-ordination, efficiency and effectiveness

by ensuring that activities are carried out by the best suited organizational unit/staff without duplication or waste. Accordingly, during the past three years assistance was increasingly sought from other Bureaux and Offices of the Organization and was effectively provided in the implementation of the Technical Co-operation Programme, including co-ordination in the Flight Safety Oversight Programme between assessment activities of the Regular Programme and implementation activities of TCB. Similarly, co-operation between the Regional Offices and TCB in the development and implementation of technical co-operation projects was very effective. Furthermore, streamlining of accounting functions between the Programme Budget Office (PBO) and Accounting Services (ASV) Section in Finance Branch (FIN) was effected. Under this arrangement all accounting and reporting functions, including the preparation and recording of field projects' obligations as well as UNDP reporting requirements, were transferred to ASV. In this context, 3 staff from PBO were transferred to ASV to perform these functions. In addition to the benefit of streamlining, the post of C/PBO was frozen, resulting in a savings of approximately US\$100 000.

3.2.2 **Financial integration**, while taking into consideration that A31-14 instructed that it should be achieved progressively, the following progress is reported:

- a) Two Professional and 7 General Service posts in the Regional Offices will be transferred to the Regular Programme budget as of 1 January 1999. This should result in a savings in the AOSC budget of approximately US\$390 000.
- b) The post of C/ASV was transferred to the Regular Programme budget as of 1 June 1997, which resulted in a savings of US\$110 000 in the AOSC budget.

4. THE ICAO OBJECTIVE MECHANISM

4.1 In A31-14, the Assembly endorsed the establishment of a funding mechanism named "ICAO Objectives Implementation Mechanism" which would provide additional resources for the follow-up on Regular Programme activities as well as for technical co-operation projects identified as required to support the implementation of SARPs and ANPs. At the same time, the mechanism is to be strategically linked to ICAO's programme for the implementation of CNS/ATM and Safety Oversight and consolidated with all other funding arrangements. A31-14 also encourages Contracting States to make use of ICAO's Technical Co-operation Programme and contribute to the new funding mechanism.

4.2 The ICAO Objectives Implementation Funding Mechanism has two objectives. These are as follows:

- a) Contributions to the mechanism are to be utilized for funding of technical co-operation projects in line with ICAO's priorities for the global implementation of SARPs, particularly in the areas of CNS/ATM and Flight Safety. Due consideration should be given to the technical co-operation projects funded by recipient countries and/or donors. They are usually formulated and implemented to suit their own priorities which could be different from ICAO's priorities.
- b) Contracting States were encouraged to contribute to the new funding mechanism utilizing four different options that were explained in paragraph 4.3.6 of A31-WP/35, EX/6. It is to be mentioned that limited results were achieved since the total contribution to the mechanism was approximately US\$2.415 million, most of which (US\$2.375 million) was donated by the Government of Spain, and the remainder (US\$40 000) was donated by the Government of the Kingdom of the Netherlands.

4.3 With relation to consolidating all other funding arrangements into the new funding mechanism, no action was taken in this regard. Existing mechanisms and funding arrangements of ICAO continued to be disseminated creating the possibility of competition among them for the limited funds that were made available. This proliferation of mechanisms certainly contributed to the limited results of ICAO's Objective Mechanism. It is worth mentioning that the Conference of Directors General of Civil Aviation on Global Strategy for Safety Oversight recommended that ICAO look beyond the assessment phase to explore viable and sustainable solutions to overcome the difficulties faced by States; in particular, concerning the funding of projects for the purpose of alleviating deficiencies noted in the area of safety oversight.

5. PLANNING FOR THE PROGRESSIVE IMPLEMENTATION OF THE CORE STAFF CONCEPT AND THE INTEGRATION OF THE TECHNICAL CO-OPERATION BUREAU INTO THE ORGANIZATION'S STRUCTURE FOR THE TRIENNIUM 1999 - 2001

5.1 **Core Staff:** As mentioned in paragraph 2.4, establishing the core staff by way of attrition only will not be feasible as there would be a shortage of 7 Professional staff and a surplus of 25 GS, with a net 18 staff over the estimated staff of 40 required as a core. From a financial point of view, this may not represent a problem in the short term as it is anticipated that the estimated Technical Co-operation Programme size and income in the next two years, added to the accumulated surplus, would be sufficient to cover TCB's costs including its actual staff. However, technical co-operation activities can be volatile and may change in the future. In addition, the mandate given by the 31st Assembly is to progressively establish the core staff of 40 by the end of the Triennium 1999 - 2001. Accordingly, the following measures are proposed:

- a) Restructure and redistribute assignments and staff in TCB in order to establish a balance between the shortage of Professionals and surplus of General Service staff.
- b) The 12 staff members working in FIN and PER funded by TCB are to be transferred to the Regular Programme budget.
- c) GS staff in TCB qualified to fill vacant posts in the Regular Programme should be given priority.

5.2 **Integration of TCB into the Organization's structure:** Planning for the integration of TCB into the Organization's structure should be considered both functional and financial.

5.2.1 As stated in paragraph 3.2.1, functional integration should be guided by the elimination of duplication and the increase in co-ordination, efficiency and effectiveness in the work of organizational units in both the Regular Programme and TCB. For this, the following measures are proposed:

- a) Evaluate and analyse the work performed by the Field Personnel Section (FPS) with a view to integrating similar tasks performed by the Personnel Branch (PER).
- b) Increase co-operation between TCB and the other Bureaux of ICAO in the areas of evaluation of the qualifications of experts, equipment specifications and the fellowship training programme.

5.2.2 With relation to financial integration, it should be considered that, since the Assembly and the Council have already established that technical co-operation is a permanent priority, support services being provided to all other programmes of the Organization will be equally provided to the Technical Co-operation Programme without additional costs to the AOSC budget. This should be a matter of policy regardless of whether TCB is running a shortfall or surplus in the implementation of the TC Programme. Accordingly, a report on the financial impact of transferring the 12 staff working in the Regular Programme still funded by the AOSC to the Regular Programme budget should be prepared and presented to the next regular session of the Assembly.

6. ACTION BY THE ASSEMBLY

6.1 The Assembly is invited to adopt the new draft Resolution at Appendix A.

APPENDIX A

DRAFT ASSEMBLY RESOLUTION A32-X

A32-X: Progress in the Implementation of the New Policy on Technical Co-operation

WHEREAS the ICAO Technical Co-operation Programme has been in operation since 1951 and has made invaluable contributions to international civil aviation;

WHEREAS technical co-operation has been established as a permanent priority activity of ICAO but should be further integrated with the Organization's other activities;

WHEREAS the growth and improvement of civil aviation contributes significantly to the economic development of States;

WHEREAS ICAO, through its Technical Co-operation Programme, effectively assists States in advancing their civil aviation;

WHEREAS the persistent decline of funding from the United Nations Development Programme (UNDP) continues to affect the Technical Co-operation Programme;

WHEREAS, prior to Assembly Resolution A29-20, ICAO's Technical Co-operation Programme did not have financial support from the Regular Programme in the case of budget shortfalls;

WHEREAS the advisory/regulatory role of ICAO to Contracting States should be complemented and strengthened at the country and regional levels for the effective implementation by the Technical Co-operation Bureau of ICAO SARPs and ANPs, as well as ICAO's CNS/ATM and Flight Safety Oversight Programme;

WHEREAS the 31st Assembly endorsed the new policy on Technical Co-operation based on the progressive implementation of the core staff concept, the progressive integration of the TCB into the organizational structure, and the establishment of the ICAO Objectives Implementation Funding Mechanism, as well as the objectives of the new policy which emphasize the global implementation of SARPs and ANPs and the development of civil aviation master plans.

WHEREAS the implementation of the elements of the new policy on technical co-operation has already contributed and will continue to contribute to minimize staff costs and maximize the Technical Co-operation Programme and its implementation, and substantially improve the financial situation of the Technical Co-operation Bureau.

THE ASSEMBLY:

1. **NOTED** with satisfaction the progress made in the progressive implementation of the core staff and the related integration of the Technical Co-operation Bureau into the Organization's structure.

2. **URGES** the Secretary General to further promote ICAO's Technical Co-operation Bureau and its role in the implementation of ICAO's SARPs including the CNS/ATM and Flight Safety Oversight Programmes.
3. **ENCOURAGES** Contracting States to make use of the Technical Co-operation Programme of ICAO and to contribute to the ICAO Objectives Implementation Funding Mechanism of which all funds are mainly intended for SARPs implementation including the Flight Safety Oversight and the CNS/ATM Programmes.
4. **APPROVES** the following transitional measures for implementation during the 1999-2001 Triennium:
 - a) In case of a budget shortfall, the Regular Programme budget will continue to augment the support cost income earned from projects to support the Technical Co-operation Programme according to the proposal contained in the Programme Budget for the Organization for 1999, 2000 and 2001.
 - b) The Council and the Secretary General will further implement the core staff concept by attrition, restructuring and staff transfer.
 - c) The Council and the Secretary General will adopt further measures to integrate the Technical Co-operation Bureau into the Organization's structure.
5. **DIRECTS** the Council to report to the next ordinary session of the Assembly regarding the plan for further integration and the measures taken in the meantime, and to prepare for its consideration a consolidated Resolution regarding all technical co-operation activities and programmes.
6. **DECIDES** that this Resolution replaces and supersedes Resolution A31-14.

— END —