



WORKING PAPER

ASSEMBLY — 40TH SESSION

EXECUTIVE COMMITTEE

Agenda Item 22: Resource Mobilization and Voluntary Funds

REPORT ON RESOURCE MOBILIZATION AND VOLUNTARY FUNDS

(Presented by the Council of ICAO)

EXECUTIVE SUMMARY

In 2016, the 39th Session of the ICAO Assembly adopted Resolution A39-26: *Resource Mobilization*. The Resolution sets the objectives in building a resource mobilization capacity that aims to achieve adequate, more predictable and sustainable voluntary contributions to realize the Organization's mission by broadening the donor base and facilitating the consolidation of available and projected resources within an integrated business plan for the Organization. This paper provides a report on the progress related to resource mobilization, as well as a proposed revision to Resolution A39-26 contained in Appendix D to this working paper, for consideration by the Assembly

Action: The Assembly is invited to:

- a) express its appreciation for the voluntary contributions received from Member States, donors and relevant stakeholders;
- b) urge Member States, international organizations, industry, donors, relevant stakeholders and financial institutions to continue to contribute to ICAO voluntary funds to realize ICAO's mission to support the *No Country Left Behind* initiative, supplement ICAO's work programmes that are not covered or are under-funded by the Regular Programme Budget, and assist States in enhancing their air transport systems; and
- c) adopt the revised Assembly Resolution which is contained in the Appendix to this paper.

<i>Strategic Objectives:</i>	This working paper relates to all Strategic Objectives and all Supporting Implementation Strategies (SIS).
<i>Financial implications:</i>	The activities referred to in this paper will be undertaken subject to the resources available in the 2020-2022 Regular Programme Budget and/or from extra budgetary contributions.
<i>References:</i>	Resolution A39-26, Resource Mobilization A40-WP/47, Update on the Feasibility Study - Pacific Small Island Developing States (PSIDS) Aviation Needs Analysis A40-WP/4, Report on ICAO's Technical Assistance Programme C-WP/14788, Draft ICAO Business Plan for 2020-2021-2022 Doc 10075, <i>Assembly Resolutions in Force</i> (as of 6 October 2016) C-DEC 207/1

1. BACKGROUND

1.1 The ICAO Work Programme continues to expand and is prioritized to respond to the needs of States. At the same time, the capacity of the ICAO Regular Programme Budget is limited and does not accommodate all the ICAO funding needs. This paper presents a consolidated report for the years 2016-2017-2018 on the financial voluntary contributions to ICAO Voluntary Funds. These extra-budgetary resources supplement the Regular Programme Budget for the Organization to realize its mission, strategic objectives and to assist States in enhancing their civil aviation systems under the ICAO Resource Mobilization Policy, adopted by the Council in March 2016 (C-WP/14398 Revised and C-DEC 207/11 refer).

1.2 Taking into account the increasing assistance needs of States and the finite capacity of the Regular Programme Budget, various Assembly Resolutions have called on ICAO to urge States, international organizations and financial institutions to establish partnerships, mobilize resources for technical assistance and make voluntary contributions to ICAO Funds (Doc 10075 – *Assembly Resolutions in Force (as of 6 October 2016)*, (Assembly Resolutions A39-12, A39-14, A39-16, A39-18, A38-7, A37-16, A36-18, A35-15, A33-1, A33-9, A29-13 and A22-19 refer).

2. FINANCIAL VOLUNTARY CONTRIBUTIONS TO ICAO VOLUNTARY FUNDS

2.1 ICAO wishes to express its appreciation to all of its voluntary funding resource partners for making 2016-2018 a record-breaking period for resource mobilization. Voluntary contributions that are not earmarked for a specific use provide ICAO with greater flexibility to prioritize the funding needs of activities in ICAO's Work Programme that are either unfunded or underfunded. For 2016-2018, all the ICAO voluntary funds cumulatively received contributions in the amount of CAD 32.4 million, which represents a 123 per cent increase from 2013-2015 (CAD 14.5 million). During 2016-2018, CAD 21.2 million (65.4%) was contributed by States and CAD 11.2 million (34.6%), by others. The top 3 State contributors on voluntary funds are the United States (CAD 5.1 million); China (CAD 3.8 million) and Canada (CAD 3.4 million).

2.2 ICAO is also grateful for the invaluable in-kind contributions received from States between 2016 and 2018. During this period of time, 70 per cent of States (133 Member States) supported ICAO through the deployment of gratis personnel, including short or long term secondees, and/or the organization of conferences, events, summits, meetings and workshops. In some cases, the mission travel costs of ICAO staff involved in such activities was either paid for by the State or undertaken on a cost-recovery basis, thus minimizing the impact on the ICAO travel budget. A list of Member States hosting ICAO meetings and events between 2016-2018 is available in Appendix C and at <https://www.icao.int/Meetings/Pages/Home.aspx>.

2.3 ICAO wishes to acknowledge and thank Member States who host ICAO Offices, from Headquarters to Regional Offices, namely Canada, Mexico, Peru, France, Egypt, Senegal, Kenya, Thailand and the Sub-Regional Office - China, for their invaluable contribution.

2.4 A description of each of the funds is described below. The details on allocation of the funds to specific technical assistance projects and programmes aimed at providing capacity building in concerned States and assistance results are found in A40-WP/4. More details on each of the voluntary funds contributions and expenditures are included in Appendices A and B to this paper.

2.5 **Aviation Safety Fund (SAFE)**

2.5.1 During the reporting period, States, organizations and industry partners contributed a total of approximately CAD 4.5 million, either as earmarked or non-earmarked contributions. The SAFE fund has been used to assist a number of States facing challenges in building capacity, as well as rectifying imminent safety risks such as significant safety concerns (SSCs). The number of SAFE funded technical assistance projects that have been implemented or are being implemented stands at twenty-two. All information on SAFE is available at <http://www.icao.int/SAFE>.

2.6 **AFI Plan Fund (AFI PLAN)**

2.6.1 The Comprehensive Regional Implementation Plan for Aviation Safety in Africa (AFI Plan) Fund supplements the existing ICAO regular budget in support of Regional Office Safety Team (ROST) missions and implementation of various projects with a view to assisting African States to improve their Effective Implementation (EI) of the critical elements in all safety-related areas, with priority given to resolving Significant Safety Concerns (SSCs). The fund received contributions of CAD 795 000 during the period. Detailed information is available at <http://www.icao.int/safety/afiplan/Pages/afiplan-fund.aspx>.

2.7 **Aviation Security Fund (AVSEC)**

2.7.1 Voluntary contributions to the Aviation Security (AVSEC) Fund are used primarily for aviation security assistance and capacity building activities in accordance with the Global Aviation Security Plan (GASeP) and the ICAO *No Country Left Behind* Initiative. Additionally, voluntary contributions have been used to cover ICAO Headquarters and Regional Office positions that are not funded under the Regular Programme Budget, as well as aviation security audits under the Universal Security Audit Programme Continuous Monitoring Approach (USAP CMA).

2.7.2 Voluntary contributions are also used to fund Technical Co-operation Programme projects, such as the Cooperative Aviation Security Programmes in the Asia Pacific and Middle East Regions (CASP-AP and CASP-MID, respectively). Earmarked contributions to the Comprehensive Regional Implementation Plan for Aviation Security and Facilitation in Africa (AFI SECFAL) Plan that support its activities and missions are also managed under the AVSEC Fund by the ESAF Office. The Fund received contributions of approximately CAD 9.8 million during this reporting period.

2.8 **Environment Fund (ENV)**

2.8.1 The Voluntary Environment Fund (ENV) supports specific environmental protection activities arising from the decisions of the ICAO Assembly and/or the ICAO Council for which there has been no budget provisions to support these activities. Most of the ENV Fund is directed to support a specific project or initiative (i.e., funds are earmarked). Two funding sources for specific assistance projects by the European Union and UNDP/GEF (Appendix A refers) are ongoing. Such projects are implemented with respect to the donors' rules on quality assurance and audits. Approximately CAD 10.6 million has been collected during this reporting period.

2.9 **Human Resources Development Fund (HRDF)**

2.9.1 The Human Resources Development Fund (HRDF) serves to support opportunities for capacity building in civil aviation in African States and to assist these States to better meet the human resources needs for operational efficiency and continuous implementation of ICAO Standards and Recommended Practices (SARPs) and other programme activities. A little over CAD 1 million has been

collected during this reporting period. Further information is available at <https://www.icao.int/annual-report-2014/Pages/supporting-implementation-strategies-human-resources-capacity-building-initiatives.aspx>.

2.10 **Voluntary Air Transport Fund (TRAF)**

2.10.1 The Voluntary Air Transport Fund (TRAF), was recommended by the Sixth Worldwide Air Transport Conference (ATConf/6) and serves to support ICAO's work in the air transport field in a consistent, transparent, efficient and timely manner.

2.10.2 No contributions have been received during this reporting period. The Secretariat continues to seek contributions on an on-going basis through promotion of the Fund on-line and during events, and through cooperation with other international organizations and UN agencies. Detailed information can be found at <http://www.icao.int/sustainability/Pages/TRAF.aspx>.

2.11 **ICAO Programme for Aviation Volunteers Fund (IPAV)**

2.11.1 The ICAO Programme for Aviation Volunteers Fund (IPAV) provides a framework for the deployment of aviation professionals, working as volunteers, to respond to emergencies affecting the aviation system in a State; assist States in addressing shortcomings identified during ICAO safety and security audits (USOAP and USAP); assist States in achieving high levels of EI; develop capabilities in the implementation of ICAO SARPs; and foster self-reliance and growth. During the reporting period, the IPAV Fund received external contributions in the amount of CAD 170 000. Detailed information can be found at <http://www.icao.int/secretariat/TechnicalCooperation/Pages/icao-programme-for-aviation-volunteers-ipav.aspx>.

2.12 **Resource Mobilization Fund (RMF)**

2.12.1 The Resource Mobilization Fund (RMF) was created in 2017 and is distinct from other funds in that it receives voluntary funds which cut across all Strategic Objectives (C-WP/14591 refers). Furthermore, it presents the only option for un-earmarked contributions towards the *No Country Left Behind* (NCLB) initiative. For the period 2016-2018, the Resource Mobilization Fund received approximately CAD 5.6 million in contributions, including funding towards the Pacific Small Islands Developing States Aviation Needs Analysis, which has now entered its implementation stage (A40-WP/47 refers). Furthermore, between 2016 and 2018 an additional CAD 6.1 million has been pledged but not yet received. In June 2019, Saudi Arabia pledged USD 1 million in voluntary contributions for the NCLB initiative.

2.13 **ICAO Secretariat Project Review Committee**

2.13.1 The ICAO Secretariat Project Review Committee for ICAO Voluntary Funds (PRC-IVFs) was introduced to increase efficiency, enhance coordination and improve oversight and transparent management of voluntary funds. Since its establishment, the PRC-IVFs met 6 times in person and consulted twice virtually. To foster the effectiveness of allocating voluntary funds, the PRC-IVFs created an approach whereby Bureaus and Offices submit proposals, which are reviewed against PRC-IVFs approved criteria and assessed by the PRC-IVFs members. Based upon this process, recommendations are made to the Secretary General for funding decisions.

2.14 **Resource Mobilization Tools**

2.14.1 A number of tools have been created to support the Resource Mobilization (RM) activities of ICAO. The ICAO Business Plan has evolved over the past triennium and has now become one of the primary tools used to plan, prioritize and resource the work programme of the Organization. The triennial operating plan (Appendix B to the Business Plan) provides the means for the Secretariat to continuously track the work of the Organization, including those Key Activities that are either under-funded or unfunded. In turn, this information will be used as a key basis to guide RM efforts.

2.14.2 The ICAO RM Platform was developed to streamline and facilitate joint RM efforts across the Organization. The Platform houses agreements for contributions made to the RMF, pipeline projects from across all Bureaus and Regional Offices (RO) for which resources are to be mobilized and, crucially a repository of attempts made to mobilize resources for a particular project, thus promoting coordination within ICAO.

3. **ASSEMBLY RESOLUTION**

3.1 Assembly Resolution A39-26 sets out ICAO's objectives in strengthening its RM capacity. This Resolution encourages existing donors to continue providing their voluntary contributions to ICAO and urges all Member States as well as other donors, including financial institutions to support the implementation of assistance activities. The draft updated Assembly Resolution is presented in Appendix D and updates A39-26, by encouraging States to engage with financial institutions in order to prioritize the aviation sector for funding to implement assistance and national projects.

4. **CONCLUSION**

4.1 ICAO highly appreciates the voluntary financial contributions made by States and other donors. These voluntary contributions have become an important means to meet the international civil aviation needs.

4.2 ICAO continues to expand its RM capacity, encourages existing donors to continue providing their voluntary contributions to ICAO, and urges all Member States as well as other donors to contribute to ICAO voluntary funds.

APPENDIX A
VOLUNTARY CONTRIBUTION FUNDS RECEIVED FROM 2016 TO 2018*

(in thousands of Canadian dollars)

	AFI Plan Fund	AVSEC Activities **	Environment Funds	Human Resource Development Fund	ICAO Programme For Aviation Volunteers	Resource Mobilization Funds	Safe Funds	TOTAL
MEMBER STATES								
Australia						33		33
Benin				10				10
Burkina Faso				10				10
Cameroon				10				10
Canada		3 399						3 399
Central African Republic				10				10
Chad				10				10
Chile		38	27			7	38	110
China	197	193	193	193		2 521	475	3 773
Comoros				10				10
Congo				10				10
Côte d'Ivoire				10				10
Democratic Republic of Congo (Financed by the World Bank)							2 610	2 610
Denmark			20					20
Dominican Republic			3					3
Equatorial Guinea				281				281
France							53	53
Gabon				10				10
Guinea-Bissau				10				10
Indonesia	319							319
Italy			152					152
Japan		210					110	321
Kenya					1		4	5
Madagascar				10				10
Malaysia	68	204						272
Mali				10				10
Mauritania				10				10
Mauritius			13					13
Netherlands			715					715
Niger				10				10
Nigeria				150				150
Oman								0
Qatar						1 000		1 000
Pakistan					4			4
Philippines			3					3
Republic of Korea	66	131					321	518
Russian Federation							471	471
Saudi Arabia	134	202		202	134	538	134	1 344
Senegal				10				10
Seychelles				26				26
Singapore						13		13
Sweden			30					30
Switzerland			5				40	45
Togo				10				10
Uganda		67						67
United Arab Emirates						69		69
United Kingdom								138
United States		4 961				131		5 092
OTHERS:								
Aviation Working Group							124	124
Airbus							40	40
Boeing							40	40
CEEAC/CEMAC/PASTA						1 299		1 299
Concordia University		213						213
European Commission	10		7 230					7 240
Transfer from RP					30			30
UNDP - Global Aviation			2 178					2 178
Total	795	9 757	10 568	1 014	170	5 610	4 462	32 375

* Includes donations under Grant and other Agreements.

**Includes contributions for AFI-SECFAL: CAD 370K

Details may not add to totals due to rounding

APPENDIX B

STATEMENT FOR VOLUNTARY CONTRIBUTION FUNDS									
CONTRIBUTIONS/INCOME, EXPENSES FOR 2016 TO 2018									
AND FUND BALANCE AS AT 31 DECEMBER 2018									
(in thousands of Canadian dollars)									
	AFI Plan Fund	Aviation Security Trust Funds (AVSEC)**	Environment Funds	Human Resource Development Fund	ICAO Programme For Aviation Volunteers	Resource Mobilization Funds	Safe Funds	2016 - 2018	
FUND BALANCE AS AT BEGINNING OF THE YEAR 2016	1 180	7 790	1 054	41			2 878	12 943	
Transfers (to)/from other funds		496	48		1	(66)	159	638	
Refund of contribution		(25)	(2)					(26)	
CONTRIBUTIONS/INCOME									
Contributions for project agreements									
Voluntary contributions*	795	9 757	10 568	1 014	170	5 610	4 462	32 375	104
Other income	147	887	889	81	14	198	601	2 817	601
TOTAL CONTRIBUTIONS/INCOME	942	10 643	11 457	1 094	184	5 808	5 167	35 295	
EXPENSES									
Staff salaries and employee benefits	9	3 882	2 766	254		455	626	7 992	
Supplies, consumables and others		1	1 586				30	1 617	
General operating expenses		240	212			19	300	772	
Travel	664	2 563	624			459	1 953	6 263	
Meetings	104	37	105			525	204	974	
Grants and other transfers	78	11			95	144	375	704	
Administrative overhead charges	55	436	442	71		378	308	1 691	
Other expenses	131	1 199	269	47	10	9	686	2 351	
TOTAL EXPENSES	1 042	8 370	6 005	372	105	1 988	4 482	22 364	
NET SURPLUS/(DEFICIT) FOR THE YEAR 2016 TO 2018	(100)	2 274	5 452	723	78	3 820	685	12 931	
NET FUND BALANCE AT 31 DECEMBER 2018	1 080	10 536	6 551	764	79	3 753	3 723	26 486	

Details may not add to totals due to rounding
 * Including a presentation adjustment for a contribution recognized in previous years
 ** AFI SEC/FAL plan balance as at the end of 2018: CAD 650K

APPENDIX C
List of States that hosted conferences, events, summits,
meetings and workshops between 2016-2018

Albania	Dominican Republic	Latvia	Saudi Arabia
Algeria	Ecuador	Malaysia	Senegal
Angola	Egypt	Maldives	Seychelles
Antigua and Barbuda	El Salvador	Mauritius	Sierra Leone
Argentina	Equatorial Guinea	Mexico	Singapore
Armenia	Estonia	Moldova	Slovakia
Australia	Ethiopia	Mongolia	Slovenia
Austria	Fiji	Montenegro	South Africa
Azerbaijan	Finland	Morocco	Sri Lanka
Bahamas	France	Mozambique	Sudan
Barbados	Gabon	Myanmar	Suriname
Belarus	Georgia	Namibia	Swaziland
Belgium	Germany	Nepal	Sweden
Benin	Ghana	Netherlands	Switzerland
Bolivia (Plurinational State of)	Greece	Nicaragua	Tajikistan
Botswana	Grenada	Niger	United Republic of Tanzania
Brazil	Guatemala	Nigeria	Thailand
Burkina Faso	Guinea	North Macedonia	Togo
Cabo Verde	Guyana	Norway	Trinidad and Tobago
Cambodia	Haiti	Oman	Tunisia
Cameroon	Honduras	Panama	Turkey
Canada	Hungary	Paraguay	Uganda
Chad	Iceland	Peru	Ukraine
Chile	India	Philippines	United Arab Emirates
China	Indonesia	Portugal	United Kingdom
Colombia	Iran (Islamic Republic of)	Qatar	United States
Congo	Ireland	Republic of Korea	Uruguay
Costa Rica	Jamaica	Republic of Moldova	Vanuatu
Côte d'Ivoire	Japan	Romania	Venezuela (Bolivarian Republic of)
Cuba	Jordan	Russian Federation	Viet Nam
Curaçao	Kazakhstan	Rwanda	Zambia
Cyprus	Kenya	Saint Kitts and Nevis	
Czechia	Kuwait	Saint Lucia	
Denmark	Kyrgyzstan	Saint Maarten	

APPENDIX D
DRAFT ASSEMBLY RESOLUTION

40-xx: Resource Mobilization

Recognizing that air transport is a catalyst for sustainable development and that despite its socio-economic significance, it receives limited funds from existing international funding mechanisms to support its development;

Recognizing that the successful implementation of the *No Country Left Behind* (NCLB) initiative will rely on an increased level of funding and investments supported by all Member States;

Considering that, in some cases, Member States may not have access to the necessary resources to remedy the deficiencies identified through ICAO audit programmes and to enhance their air transport systems;

Whereas most developing States experience difficulties in gaining access to many financial market sources, particularly foreign capital markets, for funding sustainable development of civil aviation;

Whereas the Council has established, based on ICAO Strategic Objectives, thematic and multi-donor trust funds with the objective of assisting Member States in enhancing civil aviation;

Recalling that several Assembly resolutions, including A39-12, A39-14, A39-16, 39-18, ~~A38-2, A38-5, A38-7, A38-15, A37-16, A36-17, A36-18, A35-15, A33-1, A33-9, A29-13 and A22-19~~, urge States, international organizations and financial institutions to establish partnerships, mobilize resources for technical assistance and make voluntary contributions to ICAO Funds;

Acknowledging Member States, international and regional organizations and other donors' significant contributions to ICAO Funds associated with the fulfilment of the objectives of ICAO;

Recognizing that a holistic and purposeful resource mobilization capacity has the potential for increasing ICAO's support to States in facilitating access to funds to enhance their civil aviation systems;

Whereas ICAO has a Resource Mobilization Policy aimed at achieving adequate, more predictable and sustainable voluntary contributions to realize the Organization's mission, to complement the ICAO Regular Programme Budget, and to assist States in facilitating access to funds to enhance their safety, efficient, secure, economically viable and environmentally sound air transport system;

The Assembly:

1. *Directs* the Council and Secretary General, within their respective competencies, to ensure that ICAO continue its role as an advocate for aviation by raising awareness among Member States, the United Nations system, international and regional organizations, financial institutions, the private sector and the donor community about the benefits of mobilizing resources for and investing in the sustainable development of air transport systems of all Member States;
2. *Urges* Member States, the industry, international and regional organizations, financial institutions, donors and other stakeholders to support the implementation of assistance activities

- in line with the global and regional aviation plans and priorities established by ICAO while avoiding duplication of efforts;
3. *Requests* the Secretary General to develop guidance material to assist States in including and elevating the priority of the aviation sector into their national development plans and developing robust air transport sector strategic plans and civil aviation master plans;
 4. *Urges* Member States to work with financial institutions, to prioritize the aviation sector for funding to implement assistance and national projects, in support of the NCLB Initiative;
 5. *Urges* Member States to secure national funding for the sustainable development of air transport and *encourages* them to seek assistance from ICAO when appropriate;
 6. *Urges* all Member States providing Official Development Assistance (ODA) to recognize the significant contributions of aviation to sustainable development by considering commitments and disbursements of financial flows to the enhancements of air transport of States in need and *encourages* the Secretary General to assist them in realizing this endeavour;
 7. *Urges* all Member States, the industry, international and regional organizations, financial institutions, donors and other stakeholders able to do so to continue making voluntary contributions to ICAO Funds and to partner with States in need with a view to providing financial and technical resources to assist in enhancing their civil aviation systems, including their oversight capabilities;
 8. *Directs* the Council and Secretary General, with their respective competencies, to continue fostering ICAO's partnership with financial institutions seeking the prioritization or inclusion of aviation in their agendas and work programmes in order to facilitate States' access to fund or finance their aviation development projects;
 9. *Directs* the Secretary General to develop strategies and means to mobilize resources among Member States, the UN system, international and regional organizations, financial institutions, the private sector and related mechanisms to assist States in need, especially Least Developed Countries (LDCs), Landlocked Developing Countries (LLDCs) and Small Island Developing States (SIDS), in enhancing their air transport systems when appropriate and consistent with the NCLB initiative;
 10. *Directs* the Secretary General to work with international organizations to ensure that aviation priorities and opportunities are properly represented in global and regional initiatives related to the mobilization of resources for the development of air transport;
 11. *Directs* the Secretary General to work with international organizations to ensure that ICAO Resource Mobilization initiatives are harmonized and integrated in relevant funding and development frameworks; and
 12. *Declares* that this resolution supersedes A39-26 on Resource Management.