



ASSEMBLY — 41ST SESSION

ADMINISTRATIVE COMMISSION

Agenda Item 45: Budgets for 2023, 2024 and 2025

**DRAFT BUDGET OF THE ORGANIZATION
FOR 2023-2024-2025**

(Presented by the Council of ICAO)

EXECUTIVE SUMMARY

This paper contains the budget proposal of the Organization for the 2023-2024-2025 triennium.

This results-based budget encompasses five Strategic Objectives, one Transformational Objective and Supporting Strategies for the 2023-2024-2025 triennium and builds upon the ICAO Business Plan for 2023-2024-2025. The budget estimates are presented by Strategic Objective, Transformational Objective, Supporting Strategy and their associated Outputs.

The Draft Budget of the Organization totals to CAD 357.6 million.

Action: The Assembly is invited to:

- a) note the Council's message to adopt the Budget of the Organization for 2023-2024-2025;
- b) approve retaining Operational Reserve in the amount of CAD 7.1 million as one of the funding sources for the Regular Budget of the Organization for 2023-2024-2025; and
- c) approve the draft Assembly Resolution, as presented in the Appendix to this paper.

<i>Strategic Objectives:</i>	This working paper relates to all Strategic Objectives, Transformational Objective and all Supporting Strategies.
<i>Financial implications:</i>	Authority provided to the Secretary General for a total budget for the 2023-2024-2025 triennium of CAD 357.6 million.
<i>References:</i>	ICAO Business Plan for 2023-2024-2025 Doc 10125, <i>Budget of the Organization 2020-2021-2022</i>

**LETTER OF TRANSMITTAL
OF THE
DRAFT BUDGET OF THE ORGANIZATION 2023-2024-2025
FROM THE PRESIDENT OF THE ICAO COUNCIL
TO THE FORTY FIRST SESSION OF THE ASSEMBLY**

1. In accordance with Article 61 of the Convention, the Regular Budget of the Organization for the financial years 2023, 2024 and 2025 is submitted to the Assembly for approval.
2. The document is comprised of the Council's Message that provides an outline, *inter alia*, of the significant elements of the Budget, draft Resolution for adoption by the 41st session of the Assembly, and breakdown of the Budget of the Organization.
3. Consistent with the current triennium, the Regular Budget is presented in a results-based format and is drawn from the ICAO Business Plan for 2023-2024-2025.
4. The Budget for the next triennium is using the cap of Member States' 2022 assessments as the baseline, adding CAD 15.0 million one-time increase to assessments to fund the high priority Transformational Objective initiatives. This one-time increase in Member States' assessments should be treated as a non-consolidated amount and will not form part of the baseline used for preparing budget estimates for the 2026-2027-2028 triennium.
5. Reimbursement from the Administrative and Operational Services Costs (AOSC) fund for costs incurred by the Regular Programme in providing support to the Technical Cooperation Programme will remain the same as for the current triennium, at CAD 3.6 million for the next triennium, without a provision for inflation. Following the transfer of the Procurement function from the Technical Cooperation Bureau (TCB) to the Bureau of Administration and Services (ADB), an additional CAD 2.0 million reimbursement is anticipated from the AOSC fund for procurement services based on volume and efforts estimate.
6. The Ancillary Revenue Generation Fund (ARGF) contribution to the Regular Budget has been set at 2020-2021-2022 triennium levels, for a total of CAD 24.2 million. A one-time transfer of accumulated surplus of CAD 4.7 million in the 2020-2021-2022 triennium is no longer available for the 2023-2024-2025 triennium.
7. The pay-as-you-go funding approach for After Service Health Insurance (ASHI) is maintained through the next triennium. Due to the increasing liability, this matter remains a potential risk to the Organization, even if the issue of ASHI funding is common throughout the UN system. As of 31 December 2021, the liability amounts to CAD 160.7 million (2018: CAD 133.6 million).
8. In the course of the forthcoming triennium, and well in advance of the preparation of the 2026-2027-2028 Budget, the Council will need to consider options related to ensuring the long-term sustainability and viability of the Organization, and to this end, shall be supported by the Secretariat in the undertaking of this exercise.
9. I look forward to our discussions at the upcoming Session of the Assembly.



Salvatore Sciacchitano

INTERNATIONAL CIVIL AVIATION ORGANIZATION

**DRAFT BUDGET
OF THE ORGANIZATION
FOR**

2023 - 2024 - 2025

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Table of Contents

COUNCIL’S MESSAGE ON THE BUDGET OF THE ORGANIZATION FOR 2023-2024-2025	1
DRAFT RESOLUTION FOR ADOPTION BY THE 41ST SESSION OF THE ASSEMBLY	3
INTRODUCTION	5
Background	5
Strategic Framework and Prioritization	5
Results Based Management	6
FINANCIAL OVERVIEW	8
Budget at a Glance	8
Funding of the 2023-2024-2025 Budget Estimates	9
Assessments from States	9
Transfer from the ARGF Surplus	9
Operational Reserve	9
Reimbursement from the AOSC Fund	10
Miscellaneous Income and Incentive Scheme	10
Assumptions	10
Inflation	10
Budget Currency and Exchange Rate	10
Staff Cost Drivers	11
New Costs	11
Key Considerations	11
Prioritization and Efficiencies	12
Budget Structure	12
Strategic Objectives	12
Transformational Objective	13
Supporting Strategies	13
Constraints	16
NARRATIVES BY STRATEGIC OBJECTIVES	17
SAFETY	20
AIR NAVIGATION CAPACITY AND EFFICIENCY	26
SECURITY AND FACILITATION	33
ECONOMIC DEVELOPMENT	40
ENVIRONMENTAL PROTECTION	47
NARRATIVES BY TRANSFORMATIONAL OBJECTIVE	53
NARRATIVES BY SUPPORTING STRATEGIES	59
EXTRA-BUDGETARY FUNDS	73
ANNEX	79

Note: rounding differences may occur throughout the document

Figures

Figure 1 ICAO's Strategic Framework	5
Figure 2 Overview of the Strategic Objectives, Transformational Objective and Supporting Strategies	6
Figure 3 ICAO's Results Framework.....	7
Figure 4 Budget at a Glance.....	8
Figure 5 Budget Estimates by Objectives/Strategies.....	8
Figure 6 Strategic Objectives at a Glance (Tables and Figures)	18
Figure 7 Transformational Objective at a Glance (Tables and Figures)	54
Figure 8 Supporting Strategies at a Glance (Tables and Figures)	60
Figure 9 Structure of the ICAO Secretariat	90

Tables

Table 1 Estimated 2023-2024-2025 Budget – Sources of Funds	9
Table 2 Strategy-related services	13
Table 3 Percentages applied to resources under the Bureau of Administration and Services	13
Table 4 Estimated 2023-2024-2025 Budget by Objectives/Strategies - Detail.....	14
Table 5 Estimated 2023-2024-2025 Budget by Strategic Objective and Location.....	19
Table 6 Safety Estimated Resource Requirements	20
Table 7 Safety Indicators	25
Table 8 Air Navigation Capacity and Efficiency Estimated Resource Requirements	26
Table 9 Air Navigation Capacity and Efficiency Indicators.....	31
Table 10 Security and Facilitation Estimated Resource Requirements	33
Table 11 Security and Facilitation Indicators.....	38
Table 12 Economic Development Estimated Resource Requirements.....	40
Table 13 Economic Development Indicators	46
Table 14 Environmental Protection Estimated Resource Requirements	47
Table 15 Environmental Protection Indicators	52
Table 16 Transformational Objective Indicators	58
Table 17 Supporting Strategies Indicators.....	68
Table 18 Estimated Administrative and Operational Services Cost (AOSC) for 2023-2024-2025	74
Table 19 Mapping of Objectives and Strategies to the Organizational Structure	80
Table 20 Estimated Budget for 2023-2025 by Organizational Structure	85
Table 21 Post Movement between 2022 and 2025 (ZNG component).....	85
Table 22 Estimated 2023-2025 Budget Summary by Budget Block.....	86
Table 23 Estimated 2023-2025 Budget – Staff Costs.....	87
Table 24 Estimated 2023-2025 Budget – Capital Investment Items	87
Table 25 Estimated 2023-2025 Budget – Discretionary Staff-related Cost	88
Table 26 Estimated 2023-2025 Budget – by Location	89

ACRONYMS AND ABBREVIATIONS

ACS	Assembly and Council Support
ADB	Bureau of Administration and Services
AFAC	African Civil Aviation Commission
AFI	Aviation Safety in Africa
AFI SECFAL	Aviation Security and Facilitation in Africa
ANB	Air Navigation Bureau
AOSC	Administrative and Operational Services Costs
APAC	Asia and Pacific
APAC-RSO	Asia and Pacific Regional Sub-Office
ARGF	Ancillary Revenue Generation Fund
ASA	Aviation Security Audit Section
ASBU	Aviation System Block Upgrades
ASIPs	Aviation Security Improvement Plans
ASHI	After-Service Health Insurance
ASTC	Aviation Security Training Centre
ATB	Air Transport Bureau
ATC	Air Transport Committee
ATM	Air Traffic Management
AVSEC	Aviation Security
CAD	Canadian dollars
CAEP	Committee on Aviation Environmental Protection
CAPS	Civil Aviation Purchasing Service
CAPSCA	Cooperative Arrangement for the Prevention of Spread of Communicable Disease through Air Travel
CAR/SAM	Caribbean and South American Region
CERT	CORSIA CO2 Estimating & Reporting Tool
CMA	Continuous Monitoring Activities
CNS	Communications, Navigation, and Surveillance
COG	Committee on Governance
COM	Communications
CORSIA	Carbon Offsetting and Reduction Scheme for International Aviation
COSCAP	Cooperative Development of Operational Safety and Continuing Airworthiness Programmes
CSG	Conference, Security and General Services
CyAP	Cybersecurity Action Plan
DMS	Document Management System
EBT	Evidence Based Training
ECAC	European Civil Aviation Conference
EGR	Equitable Geographical Representation
EI	Effective Implementation
ENV	Environment Branch
EQA	External Quality Assessment
ERP	Enterprise Resource Planning
ESAF	Eastern and Southern African
EU	European Union
EUR/NAT	European and North Atlantic
FAL	Facilitation
FDP	Financial Disclosure Programme
FIC	Finance Committee
FIN	Finance
GANP	Global Air Navigation Plan
GASP	Global Aviation Safety Plan
GS	General Service Category
HLCC	High Level Conference on COVID-19
HQ	Headquarters
HR	Human Resources
HRC	Human Resources Committee
ICAO	International Civil Aviation Organization
ICSC	International Civil Service Commission
ICT	Information and Communication Technology

IFSET	ICAO Fuel Savings Estimation Tool
IP	International Professional Category
IPCC	Intergovernmental Panel on Climate Change
IPPF	International Professional Practices Framework
IPP	Individual Procurement Plan
IPSAS	International Public Sector Accounting Standards
ISD	Instructional Systems Design
ISO	International Organization for Standardization
IT	Information Technology
ITU	International Telecommunication Union
JSC	Joint Support Committee
KPIs	Key Performance Indicators
LEB	Legal Affairs and External Relations
LPB	Language and Publications Branch
MBM	Market-based Measure
MET	Aeronautical Meteorology
MID	Middle East
NACC	North American, Central American and Caribbean
NAM	North American Region
NAT	North Atlantic Region
NCLB	No Country Left Behind
OIO	Office of Internal Oversight
OIOS	Office of Internal Oversight Services
PACE	Performance and Competency Enhancement
PIRG	Planning and Implementation Regional Group
PKD	Public Key Directory
PPE	Property Plant and Equipment
PPM	Project Portfolio Management
PRO	Procurement
RASGs	Regional Aviation Safety Groups
RBB	Results-based Budgeting
RBM	Results-based Management
RSOs	Regional Safety Oversight Organizations
SAM	South American
SARPs	Standard and Recommended Practices
SDGs	Sustainable Development Goals
SOs	Strategic Objectives
SPCP	Sustainable Planning, Coordination and Partnerships
SSP	State Safety Programme
SSPIA	Safety Programme Implementation Assessment
TCB	Technical Cooperation Bureau
TCP	Technical Cooperation Programme
TO	Transformational Objective
TRIP	Traveller Identification Programme
UN	United Nations
UNEG	United Nations Evaluation Group
UNSWAP	UN System-Wide Action Plan
USAP	Universal Security Audit Programme
USD	United States dollars
USOAP	Universal Safety Oversight Audit Programme
WACAF	Western and Central African
ZNG	Zero Nominal Growth
ZRG	Zero Real Growth

COUNCIL'S MESSAGE ON THE BUDGET OF THE ORGANIZATION FOR 2023-2024-2025

1. In compliance with the Article 61 of the Convention on International Civil Aviation and the Financial Regulation 4.6, the Council is pleased to submit to the Assembly the budget estimates for the 2023-2024-2025 triennium.

2. The Council highlighted the following focus areas in the preparation of this Regular Budget:

2.1 *Prioritization:* The funding of the Organization's core business concentrates on Standards and Recommended Practices (SARPs), oversight activities and implementation support. Funding for the Organization's work on the five Strategic Objectives (Safety, Air Navigation Capacity and Efficiency, Security and Facilitation, Economic Development of Air Transport and Environmental Protection) continues to be the priority. In addition to the Organization's core activities, innovation and organizational transformation have been added as specific priorities for the 2023-2024-2025 triennium, in both the Business Plan and the budget.

2.2 *One ICAO Vision:* This focus area refers to the need for the Organization to continually seek further efficiencies and cost-savings by streamlining activities within Headquarters, and further enhancing synergies between Headquarters and the Regional Offices, and between Regional Offices.

2.3 *Resource Mobilization:* The Regular Budget of ICAO cannot fully finance the Business Plan of the Organization. Demands on the Organization, as a consequence of the ever-evolving nature of international civil aviation, have been increasing, competing for limited resources. In order to meet the needs of Member States, ICAO must intensify its efforts to mobilize alternative resources such as voluntary contributions, secondments and other revenue sources to cover unfunded and partially unfunded activities in the Business Plan for 2023-2024-2025, including additional funding required for the full implementation of the Transformational Objective.

2.4 *Transformational Objective:* The Transformational Objective is an important new element in the 2023-2024-2025 Business Plan. Selected transformational outputs include new costs that are unavoidable and not controllable, in particular expenditures related to the implementation of the new Ethics Framework of the Organization and the Information Security roadmap. The introduction of high-priority Transformational Objective initiatives has resulted in a one-time increase of Member States' assessments in the Regular Budget to an amount of CAD 15.0 million, to be spread over the 2023-2024-2025 triennium. This top-up is to be treated as a non-consolidated amount and will not form part of the baseline used for the purpose of preparing the budget estimates for the 2026-2027-2028 triennium. Wording to this effect has been included in the Assembly Resolution.

3. While the Regular Budget, including the top-up for Transformational Objective in combination with the extra-budgetary resources, should meet requirements for the triennium 2023-2024-2025, certain risks and challenges remain, among others:

3.1 The significant rise in inflation rates in 2022 and unpredictable global situation largely induced by the COVID-19 pandemic, pose new risks to the Organization by heightening the uncertainty in terms of the ability to fully fund and implement all planned activities. The Organization needs to continuously monitor these factors. The Secretariat shall report to the Council should their impacts have significant effect on the Organization's ability to implement activities.

3.2 Member States' assessments in combination with other funding sources such as the contribution from the Ancillary Revenue Generation Fund (ARGF), reimbursement from the Administrative and

Operational Services Costs (AOSC) Fund and miscellaneous income, still leave a funding gap resulting from a significant adjustment in the inflation assumption for the next triennium and funding needed for the Transformational Objective that is not fully covered by the one-time additional increase in Member States' assessments. This funding gap will be bridged through the Operational Reserve that was created by the Council during the 2020-2021-2022 triennium, as reflected in the action points for approval in the Assembly working paper.

3.3 ARGF contribution to the Regular Budget has been set at 2020-2021-2022 triennium levels. Any surplus of the ARGF depends on the operating results of the Organization's revenue-generating activities, which cannot be predicted with certainty. Thus, the forecast ARGF contribution to the Regular Budget relies heavily on the successful performance of the Organization in revenue generating activities.

3.4 Similar to the 2020-2021-2022 triennium, the after-service health insurance (ASHI) liability of the Organization remains mostly unfunded. The issue of ASHI liability is common in the UN system, but remains a potential risk to the Organization given the increasing liability. As of 31 December 2021, the liability amounts to CAD 160.7 million.

4. The Council concluded that in the course of the forthcoming triennium, and well in advance of the preparation of the 2026-2027-2028 Budget, the Council would need to consider options related to ensuring the long-term sustainability and viability of the Organization, and to this end, would be supported by the Secretariat in undertaking such an exercise.

5. The Council presents this draft Budget for 2023, 2024 and 2025 to the Assembly, for its consideration and approval.

DRAFT RESOLUTION FOR ADOPTION BY THE 41ST SESSION OF THE ASSEMBLY

Resolution 41/1:

Budgets for 2023-2024-2025

A. *The Assembly*, with respect to the Budget 2023-2024-2025, *notes* that:

1. in accordance with Article 61 of the Convention, the Council has submitted and the Assembly has considered budget estimates for the Regular Budget and indicative budget estimates for the Administrative and Operational Services Costs (AOSC) Fund of the Technical Cooperation Programme for each of the financial years 2023, 2024 and 2025;

2. in accordance with Articles 49 (e) and 61 of the Convention, the Assembly approves the budgets of the Organization.

B. *The Assembly*, with respect to the **Regular Budget**:

Recognizes the importance of the new Transformational Objective and its initiatives.

Specifies that the funding through Assessments on States of an amount of CAD 14 977 000 for selected high priority Transformational Objective initiatives, for the 2023-2024-2025 triennium, is an extra-ordinary one-time contribution that shall be treated as a non-consolidated amount and shall not form part of the baseline used for preparing budget estimates for the 2026-2027-2028 triennium.

Resolves that:

1. amounts presented in the following table, in Canadian dollars (CAD) for the financial years 2023, 2024 and 2025 are hereby authorized for expenditure in accordance with the Financial Regulations, and subject to the provisions of this Resolution:

2023-2024-2025 Budget Estimates				
(in CAD)				
	2023	2024	2025	Total
Strategic Objective				
SAFETY	32,825,000	34,178,000	34,881,000	101,884,000
AIR NAVIGATION CAPACITY AND EFFICIENCY	21,460,000	22,241,000	22,630,000	66,331,000
SECURITY AND FACILITATION	14,906,000	15,491,000	16,064,000	46,461,000
ECONOMIC DEVELOPMENT OF AIR TRANSPORT	4,952,000	5,113,000	5,256,000	15,321,000
ENVIRONMENTAL PROTECTION	6,877,000	6,983,000	7,351,000	21,211,000
Transformational Objective	8,041,000	4,642,000	5,326,000	18,009,000
Support to Strategic Objectives	13,909,000	14,398,000	16,215,000	44,522,000
Management & Administration	14,062,000	14,658,000	15,101,000	43,821,000
TOTAL PROPOSED APPROPRIATION	117,032,000	117,704,000	122,824,000	357,560,000
Operational	116,413,000	117,116,000	122,225,000	355,754,000
Capital	619,000	588,000	599,000	1,806,000

2. the annual Total Authorized Appropriation be financed as presented in the table below, in accordance with the Financial Regulations:

2023-2024-2025 Funding Sources				
(in CAD)				
	2023	2024	2025	Total
a) Assessments from States	103,920,000	104,566,000	109,665,000	318,151,000
b) Transfer from ARGF Surplus	8,082,000	8,082,000	8,081,000	24,245,000
c) Operational Reserve	2,364,000	2,364,000	2,364,000	7,092,000
d) Reimbursement from AOSC Fund	1,829,000	1,856,000	1,877,000	5,562,000
e) Miscellaneous Income	780,000	780,000	780,000	2,340,000
f) Incentive Scheme	57,000	56,000	57,000	170,000
TOTAL:	117,032,000	117,704,000	122,824,000	357,560,000

C. *The Assembly*, with respect to the AOSC Fund indicative budget estimates for the **Technical Cooperation Programme**:

Recognizing that the Administrative and Operational Services Cost (AOSC) Fund is mainly financed by fees from implementation of projects assigned to ICAO for execution using funds from external funding sources such as Governments and other sources;

Recognizing that the Technical Cooperation Programme cannot be determined with a high degree of precision until such time as the Governments of donor and recipient countries have decided on the relevant projects and the amount to be implemented in a given year;

Recognizing that due to the situation cited above, the annual AOSC net budget figures shown below in Canadian dollars (CAD) for the years 2023, 2024 and 2025 represent indicative budget estimates only:

	2023	2024	2025
Estimated Expenditures	9,300,000	9,570,000	9,780,000

Recognizing that technical cooperation is an important means of fostering the development and safety, security, efficiency and sustainability of civil aviation;

Recognizing the circumstances facing the Technical Cooperation Programme of the Organization and the necessity to take continuing management measures; and

Recognizing that in the event that the AOSC operation for any given financial year ends in a financial deficit, such deficit should first be met from the accumulated surplus of the AOSC Fund, and a call for support from the Regular Budget would be the last resort.

Resolves that the Indicative budget estimates of the Administrative and Operational Services Costs of the Technical Cooperation Programme are hereby approved on the understanding that subsequent adjustments to the Indicative budget estimates shall be made within the framework of the annual AOSC budget estimates in accordance with the provisions of Article IX of the Financial Regulations.

INTRODUCTION

Background

1. The results-based Budget of the Organization for 2023-2024-2025 (also referred to as the Regular Budget) encompasses five Strategic Objectives, one Transformational Objective and Supporting Strategies and builds upon the ICAO Business Plan for the same triennium.
2. The Draft Budget of the Organization document provides descriptions of outputs, priorities, and challenges, as well as financial and human resources requirements for Strategic and Transformational Objectives and Supporting Strategies. The budget document also includes an indicative budget for the Administrative and Operational Services Costs (AOSC) Fund of the Technical Cooperation Programme (TCP) for each of the financial years 2023, 2024 and 2025 and description of the Ancillary Revenue Generation Fund (ARGF) for the revenue generating activities of the Organization. Annexes complement the budget document and provide further details on the organizational structure and financial information.
3. The budget document preparation and review process followed the Council approved methodology (2017, C-DEC 210/1 refers).

Strategic Framework and Prioritization

4. The ICAO Business Plan for the triennium 2023-2024-2025 sets a strategic framework, a triennial Operating Plan and the Performance Monitoring Framework. The ICAO strategic framework is defined by its Vision, Mission and the Strategic Objectives endorsed by the ICAO Council:

Figure 1 ICAO's Strategic Framework



5. The ICAO Business Plan includes five Strategic Objectives (SO), a newly established Transformational Objective (TO), Supporting Strategies (SS) and associated outputs and activities, irrespective of the source of funding. The Regular Budget of the Organization remains the main funding source of the Business Plan and is appropriated for the priority areas.

6. Prior to finalization of the ICAO Business Plan, the Secretariat conducted a cross-organizational review of activities with an aim to introduce a prioritization based on agreed upon criteria, which was undertaken in two stages: 1) priorities identified by Senior Management for their respective areas, 2) corporate analysis performed by the Senior Executive Management to validate the identification of priorities based on alignment, risk and importance. The Operating Plan activities were also considered in the context of the Air Navigation Commission (ANC) prioritization, High Level Conference on COVID-19 (HLCC) Safety and Facilitation recommendations, and the available Regular Budget funding envelope.

7. The ICAO Business Plan is a living adaptable document that may be updated to reflect emerging issues, new priorities and activities that may arise during the triennium. Any new unplanned activities to be undertaken during the 2023-2024-2025 triennium will be evaluated for priority before being added to the Operating Plan.

Results Based Management

8. ICAO follows the results-based management (RBM) methodology for planning, budgeting, monitoring, and reporting. The results-based budget is divided into the five Strategic Objectives, Transformational Objective and Supporting Strategies, further segregated by outputs that replaced the Programmes of the Business Plan and Budget in the triennium 2020-2021-2022. The focus shifted from the budget fitting within the organizational structure, to the more RBM approach using Outputs for resource allocation.

9. To best support its Member States to recover from this unprecedented crisis, ICAO’s Business Plan 2023-2024-2025, revolves around transformation, innovation, efficiency and effectiveness in delivery and reporting on ambitious results, while considering lessons learnt from the COVID-19 pandemic and building on the outcomes of the High-level Conference on COVID-19 (HLCC 2021).

10. For each Strategic Objective and Transformational Objective, the “Narrative” sections of this budget document provide financial overview, key performance indicators, priorities, challenges, emerging needs and opportunities, and description of outputs.

11. The following two diagrams include an overview of the five Strategic Objectives, Transformational Objective, Supporting Strategies and their respective outputs.

Figure 2 Overview of the Strategic Objectives, Transformational Objective and Supporting Strategies

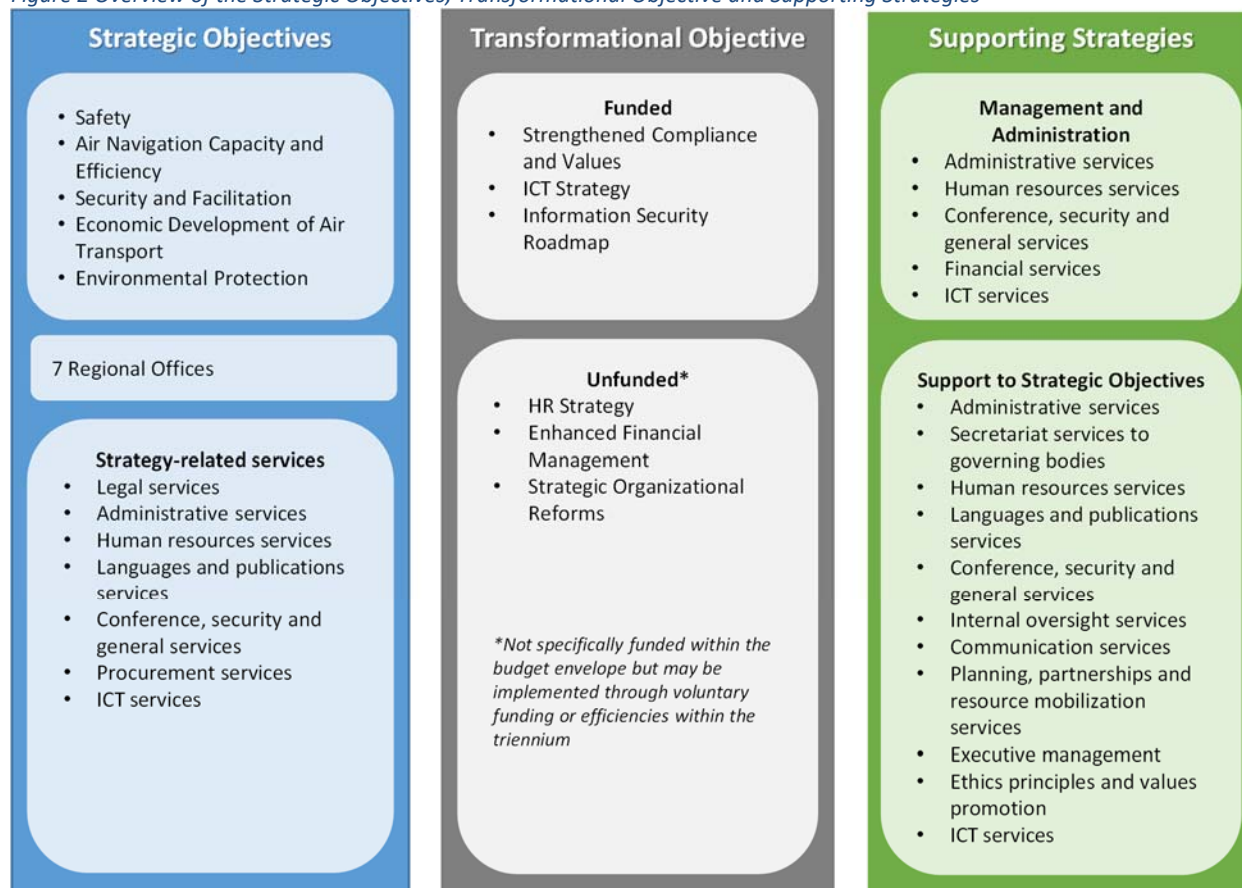
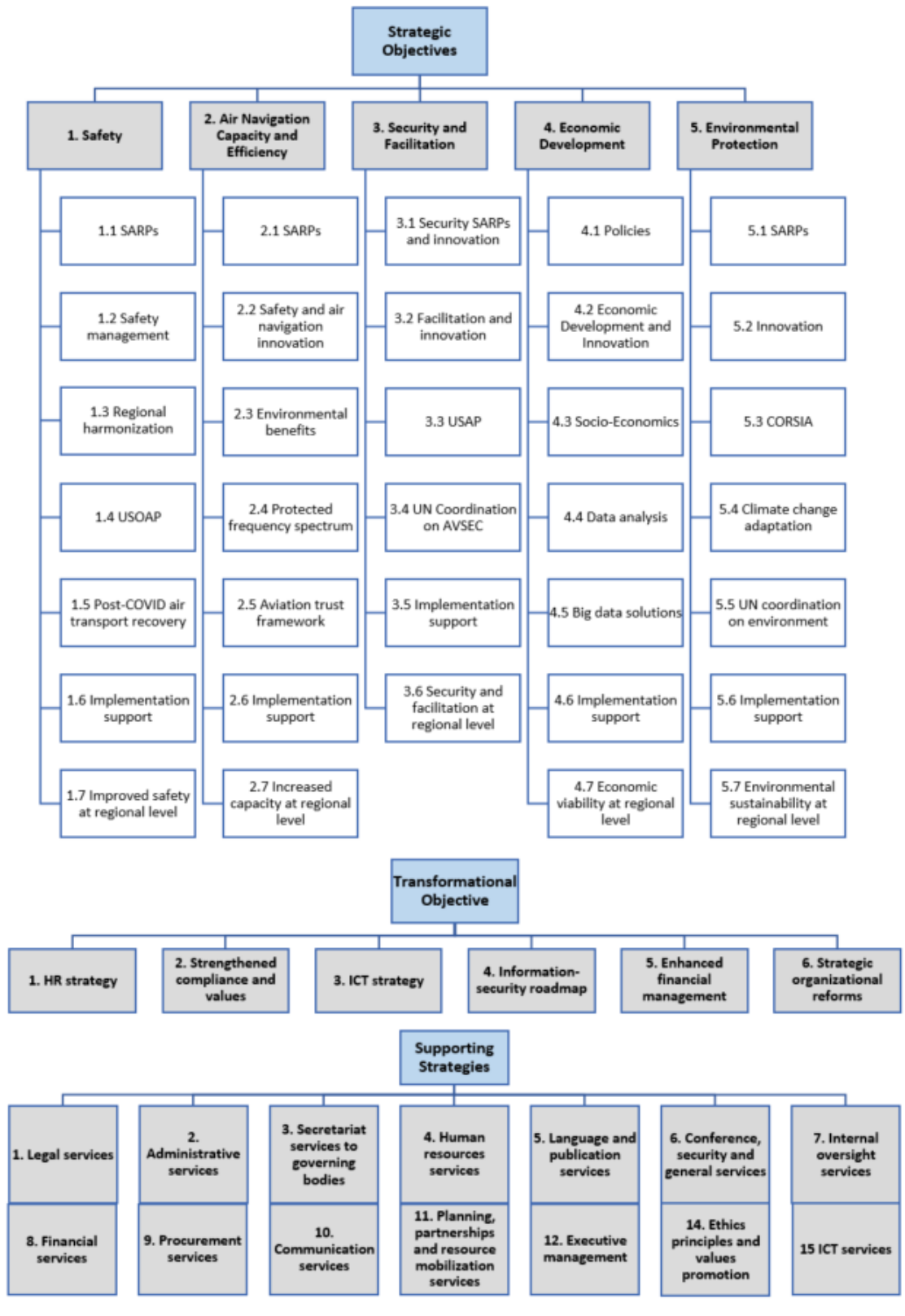


Figure 3 ICAO's Results Framework



Note: The chart focuses on the outputs contributing directly to, and being funded by the Regular Budget and, thus, may omit some Strategic Objectives' Outputs and Supporting Strategies included in the ICAO Business Plan which are funded from extra-budgetary resources.

FINANCIAL OVERVIEW¹

Budget at a Glance

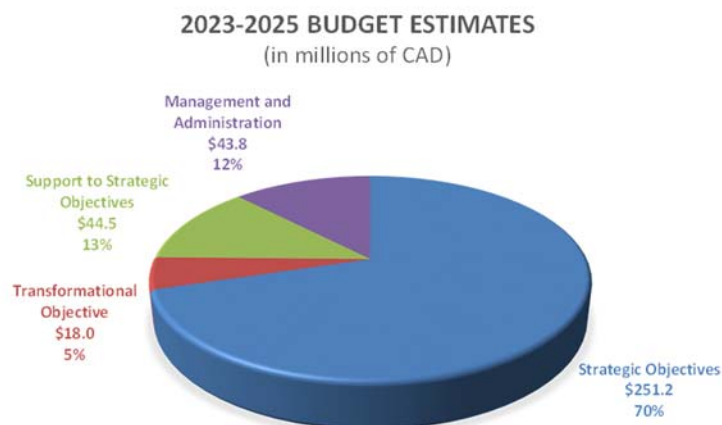
Figure 4 Budget at a Glance



12. In nominal terms, the triennium budget estimates for Strategic Objectives and Supporting Strategies show an increase of CAD 16.8 million over the Approved 2020-2022 budget (5.2 per cent). However, in real terms, the Regular Budget for the triennium 2023-2024-2025 absorbs the reduction impact of CAD 22.4 million (6.2 per cent), resulted from the exclusion of a one-time contribution from ARGF surplus (CAD 4.7 million) available in the 2020-2022 triennium, inflation impact as well as new costs that cannot be controlled or influenced by management actions.

13. The impact of the effective budget reduction is reflected in the net reduction of 26 posts as well as CAD 17.3 million reduction of non-staff costs as compared with the 2020-2021-2022 approved budget. The net reduction of existing established posts poses the need for an additional budget requirement for possible staff termination indemnities, which was minimized by achieving the reduction in posts through not filling existing vacancies and those coming from retirements, resignations, and/or transfer of functions between existing posts. In addition, budget estimates include CAD 18.0 million aimed at supporting the outputs related to the Transformational Objective to invest in organizational improvements. The breakdown of the proposed budget for the 2023-2024-2025 triennium by Strategic Objectives, Transformational Objective, and Supporting Strategies is presented below.

Figure 5 Budget Estimates by Objectives/Strategies



¹ Throughout the documents, amounts may vary due to rounding

Funding of the 2023-2024-2025 Budget Estimates

14. The budget estimates are mainly financed by assessments from Member States complemented by the reimbursement from the AOSC Fund, transfer from the ARGF surplus, Incentive Scheme, Operational Reserve and Miscellaneous Income. **Table 1** below provides the comparison of the funding sources of the Regular Budget between the two triennia.

Table 1 Estimated 2023-2024-2025 Budget – Sources of Funds

(in '000 CAD)

Funding Sources	Approved		Estimates				
	Total 2020-22	% of Total	2023	2024	2025	Total 2023-25	% of Total
Assessments from States	288,605	89.4%	103,920	104,566	109,665	318,151	89.0%
Transfer from ARGF Surplus	28,946	9.0%	8,082	8,082	8,082	24,245	6.8%
Operational Reserve	-	0.0%	2,364	2,364	2,364	7,091	2.0%
Reimbursement from AOSC Fund	3,606	1.1%	1,830	1,856	1,877	5,563	1.6%
Miscellaneous Income	1,558	0.5%	780	780	780	2,340	0.7%
Incentive Scheme	-	0.0%	57	57	57	170	0.0%
Total	322,715	100%	117,032	117,704	122,824	357,560	100%

Assessments from States

15. Assessments from Member States remain the main funding source of the Regular Budget. As per the Council directives, the budget estimates have been prepared following the Zero Nominal Growth (ZNG) approach using the 2022 assessments as the baseline, according to which Member States' assessments fixed at CAD 303.2 million. Furthermore, the Member States' assessments include additional one-time contribution in the amount of CAD 15.0 million, to fund the selected high priority Transformational Objective initiatives, bringing the total Assessments from Member States to CAD 318.2 million.

Transfer from the ARGF Surplus

16. Transfer from the ARGF surplus to the Regular Budget is projected to be maintained at CAD 24.2 million for the triennium. A one-time transfer of accumulated surplus of CAD 4.7 million in the 2020-2022 triennium is no longer available for the 2023-2024-2025 triennium. Given the projected continuing financial constraints of the ARGF due to the prevailing global economic situation, this contribution will not provide for an inflation increase. Effectively, this means a reduction in the Regular Budget funding as the contribution cannot match the inflation-related increases.

17. The Secretariat reaffirms its commitment to continuously conducting revenue-generating activities to meet the annual net surplus target to the best of its ability. Equally important is the Council's consistent support to the conduct of the revenue-generating activities by the Secretariat with a view to ensuring the sustainability of the proposed level of the ARGF contribution to the Regular Budget.

18. While every effort will be made to meet the net surplus targets for increased contribution to the Regular budget as outlined, there is a need for further safeguards to sustain the work programme and meet the Organization's commitments to Member States. Should the revenue-generating activities fail to generate sufficient net surplus to transfer the required amount to the Regular Budget, this shortfall would be supplemented by the Working Capital Fund, and if still insufficient, the shortfall would have to be met by Member States.

Operational Reserve

19. In the 223rd Session, the Council approved the creation of an Operational Reserve as the mechanism available to put aside funds approved for spending in future years (C-DEC 223/11, June 2021). During the budgeting process, a funding gap was identified, primarily as a result of increasing inflation projections and inclusion of Transformational Objective initiatives. To bridge the funding gap, the amount of CAD 7.1 million from the 2020, 2021 and 2022 unutilized appropriations have been proposed for transfer to the Operational Reserve, to be utilized, as an additional (and new) funding source to the Regular Budget for the 2023-2024-2025 triennium.

Reimbursement from the AOSC Fund

20. The Reimbursement from AOSC Fund is based on the annual recovery amount of CAD 1.2 million approved by Council during the 200th session (C-DEC 200/2, November 2013), for administrative services provided to the Technical Cooperation Bureau (TCB) without taking into consideration any inflation. The amount for the 2023-2024-2025 triennium remains at CAD 3.6 million. The Council during the 216th session (C-DEC 216/8, March 2019) agreed that it would only consider the issue of applying the cost increase factor to the annual recovery amount if the Regular Budget proposal is based on zero-real growth (ZRG).

21. The transfer of the Procurement function (PRO) from TCB to the Bureau of Administration and Services (ADB) took effect in December 2021 (C-DEC 222/8 refers), and therefore the costs of PRO have been incorporated in full in the 2023-2024-2025 Regular Budget estimates. Thus, in addition to the reimbursement for administrative services, additional CAD 2.0 million reimbursement is anticipated from the AOSC fund for procurement services based on volume and efforts estimate, for a total Reimbursement from the AOSC fund of CAD 5.6 million for the triennium².

Miscellaneous Income and Incentive Scheme

22. Miscellaneous Income is composed mostly of investment income which includes interest income expected from the investment of funds in the Working Capital fund. Under Assembly Resolution A26-23, "in preparing the Budget, provision should only be made for interest income which is expected to be earned from investment of unutilized Working Capital Funds. No provision should be made for other interest income which would be dependent on the timing of contribution payments by Contracting States, since the timing of contribution payments is outside the Organization's control." Other miscellaneous income includes, like previous triennia, administrative fee from the Joint Financing funds; profits on sale of used Property, Plant and Equipment and Intangible Assets; profits on sale of recycled paper; and other incidental receipts. Miscellaneous Income for 2023-2024-2025 is estimated at CAD 1.6 million, same as in the triennium 2020-2021-2022.

23. In addition to the miscellaneous income from investments and fees, the upcoming triennium will see an additional CAD 0.7 million of rental income from the European Civil Aviation Conference (ECAC). Following the separation of ECAC from ICAO (C-DEC 221/8 refers), a lease agreement between ICAO and ECAC has been signed, whereby ICAO provides the required office space and meeting rooms to ECAC in the EURNAT Regional Office. The amount is based on the current lease agreement, and with the assumption that the same arrangement will continue until 2025. This brings the total miscellaneous income to CAD 2.3 million for the triennium.

24. The balance of CAD 0.2 million under the Incentive for Settlement of Long-Outstanding Arrears Account (Incentive Scheme), created to finance any new or unforeseen projects, is transferred to the Regular Budget for the 2023-2024-2025 triennium, as one of the funding sources.

Assumptions

Inflation

25. Preparation of budget estimates has been affected by the substantial increase in the highly volatile inflation rates and unpredictable global situation. Following the need to smoothen the curve from possible adjustments, budget estimates incorporated a sliding inflation scale for the three years: 4.1 per cent for 2023, 3.0 per cent for 2024 and 2.5 per cent for 2025.

Budget Currency and Exchange Rate

26. ICAO's functional currency is Canadian dollars (CAD) and all figures in the budget document are presented, and later reported on, in CAD. The Regular Budget estimates are prepared in CAD using a budget exchange rate of CAD 1.00 to USD 1.00. ICAO applies the concept of a split assessment system to its Member States' assessment, a dual currency system, in order to reduce the exchange risks. Accordingly, Member States are assessed in Canadian

² For additional cross-funding arrangements between the AOSC fund and the Regular Budget, refer to Narrative and Annexes on Extra-Budgetary Funds

dollars (CAD) and United States dollars (USD) – the two currencies most utilized by ICAO. Approximately 65 per cent of the budget is in CAD.

Staff Cost Drivers

27. ICAO is a specialized agency of the United Nations and as such, it follows the guidelines and practices of the International Civil Service Commission (ICSC) when it comes to the level of remuneration, benefits and entitlements payable to staff members of the Organization. While ICAO is a technical organization, its main asset are experts in the field of aviation, thus the majority of its budget is allocated to Staff Costs (79.8 per cent).

New Costs

28. A number of new costs that are beyond the control of the Organization were included in the budget estimates. The costs below have been included in the ZNG component of the budget:

29. Cost Sharing Arrangements with the Government of Canada (output SS-6, CAD 1.5 million): the Supplementary Agreement signed in 2016 by the Government of Canada and ICAO, requires ICAO to contribute 20 per cent of normal operating costs and major repairs of a non-capital nature in respect of the HQ building. Since the inception of the Supplementary Agreement, Canada billed ICAO for 20 per cent of the normal operating costs only. The estimated amount for this component was included in the Regular Budgets for 2017-2019 and 2020-2022 accordingly. In July 2021, the Government of Canada informed ICAO that effective 2023, in addition to ongoing payments of operating costs, ICAO will be requested to cover its share of non-capital repair costs estimated at CAD 0.57 million per year i.e., CAD 1.7 million for the triennium. Even though this matter is under negotiation with the Government of Canada (status as of May 2022), an additional Regular Budget allocation of CAD 1.5 million has been provisionally included as part of the output SS-6.

30. Mechanism for the reporting and handling of cases of misconduct (output TO-2, CAD 1.3 million): with the implementation of the revised ICAO Framework on Ethics, ICAO has engaged an investigative entity within the United Nations system to establish a mechanism for the reporting and handling of all cases of misconduct. The arrangement with UN's Office of Internal Oversight Services (OIOS) engages the independent investigation services on cases involving ICAO personnel, the Secretary General of ICAO and the President of the ICAO Council, as well as allegations of proscribed practices implicating ICAO vendors. The additional cost of engaging OIOS is estimated at CAD 1.3 million and included in the Regular Budget allocation as part of TO-2.

Key Considerations

31. The following focus areas, as highlighted by the Finance Committee and the Council, are incorporated in the budget estimates or will be considered during the triennium:

- a) *Prioritization* allowing funding allocation for the Organization's core business, focusing on standards-making (SARPs), oversight activities and implementation support, allocation to the Strategic Objectives over allocation to Supporting Strategies, and considering prioritization while identifying the Regular Budget funding allocation.
- b) *One-ICAO approach* enabling the Organization to continually seek further efficiencies and cost-savings by streamlining activities within Headquarters, and further enhancing synergies between Headquarters and the Regional Offices, and between Regional Offices.
- c) *Transformational Objective* costs were included in the budget to the extent possible, recognizing that funding for the TOs will be a one-time allocation to invest in organizational improvements and should not overlap with the ongoing activities of the Organization. ICAO will continue to seek alternate sources of funding, which will be collected in a new dedicated fund to support activities relating to the TOs.
- d) *A number of additional costs* with impact on the budget estimates, including results of cost of living and salary surveys, could not be included in the budget. Analysis of data is under-way by the International Civil Service Commission (ICSC) and the results will be known toward the end of 2022. As such, the Organization may have to reprioritize its budget allocation within the triennium to be able to meet the contractual obligations and payments to staff. Should the funding requirement for these items exceed the budget, the

Secretariat will 1) attempt to identify efficiencies through reprioritization of activities, freezing of the vacant posts and not undertaking certain activities, or 2) reach out to the Member States for guidance.

- e) *Lessons learnt* from the budget preparation exercise will be carefully analysed and considered while planning for the triennium 2026-2028 budget cycle.

Prioritization and Efficiencies

32. The Secretariat has been achieving economies and efficiencies in its operations throughout the previous triennia as the budgets for these triennia have been built based on a net reduction ZNG funding envelope. Efficiency gains derived from the COVID-19 pandemic lessons learnt provided improvement of operational efficiency and the reduction of operation costs of the Organization.

33. The following examples of operational efficiency are attained by many areas of the Organization through leveraging available existing resources and utilizing advanced technology consequently the same or more results are delivered in terms of quality and/or quantity with the same or less resources:

- a) More support and deliverables for the governing bodies with the reduced resources,
- b) Cross-utilization of internal resources: increased reliance on internal human resources and leveraging on existing expertise continues to be optimized,
- c) Business process re-engineering: continuous process improvements with a goal to strengthen controls, provide better quality and reduce reliance on manual tasks, prone to errors and/or dependencies on individual resources,
- d) Continuous reliance on hybrid meeting, training and travel arrangements: to the extent possible and feasible, in-person meetings, trainings and travel have been replaced by online modalities,
- e) Printing reduction: with more online publications, the Organization targets to maintain the printing levels as during the COVID-19 pandemic times, while creating paper smart environment and reducing reliance and necessity on printing materials.

34. All bureaus/offices carried out a review of their organizational structure and staffing with a view to make an assessment of the resource requirements, taking into account the new priorities, retirement of the incumbents and natural attrition. This review process will continue throughout the triennium.

Budget Structure

35. The ICAO Financial Regulation 4.4 instructs the Regular Budget estimates to be subdivided into Strategic Objectives, Supporting Strategies and may include any other objective or strategy related to the results-based management structure of the Business Plan. New for the 2023-2024-2025 triennium, the Regular Budget estimates include the Transformational Objective, following the revised ICAO Business Plan structure.

Strategic Objectives

36. Budget estimates are presented for each Strategic Objective and its associated outputs. Each of the five Strategic Objectives has one output dedicated to the regional activities, resources for which are allocated to the respective Regional Office. The resources, by Strategic Objective, for each regional office can be found in Table in the **Narratives by Strategic Objective** section.

37. Furthermore, budget estimates for each of the Strategic Objectives include allocation for the *Strategy-related services*, to reflect Supporting Strategy costs directly contributing to the delivery of Strategic Objectives based on the estimated efforts. This is equivalent to the *Programme-related services* of the 2020-2021-2022 triennium approved Regular Programme Budget. These services pertain to information and communication technology; languages and publications; legal and external relations; conference, security, and other general services; procurement and travel; printing and distribution. The allocation to the respective Strategic Objective(s) for which these services relate and support can be seen in **Table 2**:

Table 2 Strategy-related services

(in '000 CAD)

Strategy-related services	Safety	Air		Security and Facilitation	Economic Development of Air Transport	Environmental Protection	Total
		Navigation Capacity and Efficiency					
Legal services	3,495	2,275		1,594	526	728	8,617
Administrative services	1,301	847		593	196	271	3,209
Human resources services	1,500	977		684	226	312	3,699
Language and publications services	10,417	6,782		4,751	1,567	2,169	25,686
Conference, security and general services	2,585	1,683		1,179	389	538	6,374
Procurement services	1,739	1,132		793	261	362	4,287
ICT services	5,398	3,514		2,462	812	1,124	13,310
Total Strategy-related services	26,435	17,211		12,055	3,975	5,504	65,181

38. Description of the *Strategy-related services* are reflected in the **Narratives by Supporting Strategies** section.

Transformational Objective

39. The Transformational Objective has been introduced in the 2023-2024-2025 Business Plan, consisting of six outputs proposed for the implementation in the triennium. Due to limited funding, the Regular Budget will partially cover three of them related to implementation of the revised ICAO Framework on Ethics, ICT Strategy and Action Plan aspects for Digital Transformation, and Information Security Roadmap. Financial overview, description, priorities, challenges, emerging needs and opportunities as well as description of outputs and key performance indicators can be found in the **Narratives by Transformational Objective** section.

Supporting Strategies

40. The budget estimates for Supporting Strategies are split into three components: (i) *Strategy-related Services* (directly contributing to the work and operations of Strategic Objectives), (ii) *Support to Strategic Objectives* (indirectly contributing to the work and operations of Strategic Objectives) and (iii) *Management and Administration*. More detailed information for each Supporting Strategy is presented in the **Narratives by Supporting Strategies** section.

41. *Strategy-related services* (explained in paragraph 37) and all corporate costs incurred in Headquarters such as maintenance for the premises, reimbursement to UN bodies, contribution to joint UN activities, staff welfare, training, information technology, etc. form part of the resources for the functional entities under the Bureau of Administration and Services. Thus, these budget estimates are allocated to both Strategic Objectives and Supporting Strategies. The percentage applied, based on managers' experience and best estimates, are as follows:

Table 3 Percentages applied to resources under the Bureau of Administration and Services

Functional Entity	Strategic Objectives					Supporting Strategies		Total
	Strategy-related services					Support to Strategic Objectives	Management and Administration	
	Safety	Capacity	Security	Development	Environment			
Administration and Services Management (D/ADB)	15.0%	9.8%	6.8%	2.3%	3.1%	14.0%	49.0%	100%
Assembly and Council Support (ACS)						100.0%		100%
Conference, Security and General Services (CSG)	20.3%	13.2%	9.2%	3.0%	4.2%	20.0%	30.0%	100%
Human Resources (HR)	7.3%	4.8%	3.3%	1.1%	1.5%	9.0%	73.0%	100%
Information and Communication Technology (ICT)	24.3%	15.8%	11.1%	3.7%	5.1%	10.0%	30.0%	100%
Languages and Publications (LP)	25.6%	16.6%	11.7%	3.8%	5.3%	37.0%		100%
Procurement Services (PRO)	40.6%	26.4%	18.5%	6.1%	8.4%			100%

42. **Table 4** shows the breakdown of resources by Strategic Objectives, Transformational Objective, and Supporting Strategies, further broken down by Outputs. The **Annex** at the end of this document provides a mapping of the Strategic Objectives, Transformational Objective and Supporting Strategies vis-a-vis the corresponding organizational unit/office responsible.

FINANCIAL OVERVIEW

Table 4 Estimated 2023-2024-2025 Budget by Objectives/Strategies - Detail

(in '000 CAD)						
Objective/Strategy	Approved 2020-2022 Budget	2023	2024	2025	Total	% of Total
STRATEGIC OBJECTIVES						
SAFETY						
SAF 1 SARPs		5,290	5,555	5,611	16,456	
SAF 2 Safety management		667	701	723	2,091	
SAF 3 Regional harmonization		854	897	925	2,676	
SAF 4 USOAP		4,150	4,312	4,450	12,913	
SAF 5 Post-COVID air transport recovery		855	903	931	2,689	
SAF 6 Implementation support		1,361	1,367	1,390	4,119	
SAF 7 Improved safety at regional level		11,116	11,634	11,755	34,505	
Strategy-related services*		8,531	8,809	9,095	26,435	
Sub-Total SAFETY:	97,833	32,825	34,178	34,881	101,883	28.5%
AIR NAVIGATION CAPACITY AND EFFICIENCY						
CAP 1 SARPs		4,867	5,095	5,091	15,053	
CAP 2 Safety and Air Navigation Innovation		200	212	218	630	
CAP 3 Environmental benefits		59	62	64	185	
CAP 4 Protected frequency spectrum		695	729	752	2,177	
CAP 5 Aviation trust framework		109	113	115	337	
CAP 6 Implementation support		1,263	1,261	1,267	3,792	
CAP 7 Increased capacity at regional level		8,712	9,034	9,201	26,947	
Strategy-related services*		5,554	5,735	5,921	17,211	
Sub-Total AIR NAVIGATION CAPACITY AND EFFICIENCY:	62,278	21,460	22,241	22,630	66,331	18.6%
SECURITY AND FACILITATION						
SECF 1 Security SARPs and Innovation		1,647	1,726	1,781	5,154	
SECF 2 Facilitation and Innovation		1,212	1,273	1,322	3,806	
SECF 3 USAP		2,309	2,416	2,492	7,216	
SECF 4 UN coordination on AVSEC		786	820	847	2,453	
SECF 5 Implementation support		1,558	1,638	1,697	4,894	
SECF 6 Security and facilitation at regional level		3,503	3,602	3,778	10,883	
Strategy-related services*		3,891	4,017	4,148	12,055	
Sub-Total SECURITY AND FACILITATION:	43,807	14,906	15,491	16,064	46,461	13.0%
ECONOMIC DEVELOPMENT OF AIR TRANSPORT						
DEV 1 Policies		351	369	382	1,103	
DEV 2 Innovation		494	518	534	1,546	
DEV 3 Socio-Economics		351	369	382	1,103	
DEV 4 Data Analysis		601	634	658	1,893	
DEV 5 Big Data solutions		500	529	551	1,580	
DEV 6 Implementation support		495	523	540	1,558	
DEV 7 Economic viability at regional level		876	847	841	2,564	
Strategy-related services*		1,283	1,325	1,368	3,975	
Sub-Total ECONOMIC DEVELOPMENT OF AIR TRANSPORT:	15,311	4,952	5,113	5,256	15,321	4.3%
ENVIRONMENTAL PROTECTION						
ENV 1 SARPs		967	906	1,073	2,945	
ENV 2 Innovation		58	60	61	179	
ENV 3 CORSIA		1,690	1,676	1,736	5,101	
ENV 4 Climate change adaptation		127	136	142	405	
ENV 5 UN coordination on environment		697	733	761	2,191	
ENV 6 Implementation Support		236	246	254	735	
ENV 7 Environmental sustainability at the regional level		1,327	1,393	1,431	4,151	
Strategy-related services*		1,776	1,834	1,894	5,504	
Sub-Total ENVIRONMENTAL PROTECTION:	17,243	6,877	6,983	7,351	21,212	5.9%
TOTAL STRATEGIC OBJECTIVES:	236,471	81,019	84,007	86,183	251,209	70.3%

Table 4 Estimated 2023-2024-2025 Budget by Objectives/Strategies - Detail (Continued)

(in '000 CAD)							
	Approved 2020-2022 Budget	2023	2024	2025	Total	% of Total	
TRANSFORMATIONAL OBJECTIVE							
Transformational Objective							
TO 1	HR strategy	-	-	-	-	-	
TO 2	Strengthened compliance and values	-	1,047	1,060	1,069	3,176	
TO 3	ICT strategy	-	6,286	2,162	1,220	9,668	
TO 4	Information-security roadmap	-	708	1,420	3,037	5,165	
TO 5	Financial management	-	-	-	-	-	
TO 6	Strategic organizational reforms	-	-	-	-	-	
TOTAL TRANSFORMATIONAL OBJECTIVE		-	8,041	4,642	5,326	18,009	5.0%
SUPPORTING STRATEGIES							
Support to Strategic Objectives							
SS 2	Administrative services	959	389	400	425	1,214	
SS 3	Secretariat services to governing bodies	1,793	656	694	719	2,069	
SS 4	Human resources services	-	599	617	633	1,849	
SS 5	Multilingualism services	14,910	4,931	4,998	5,156	15,085	
SS 6	Conference, security and general services	2,277	826	852	872	2,550	
SS 7	Internal oversight services	3,882	1,261	1,325	1,372	3,959	
SS 10	Communication services	2,055	698	734	761	2,194	
SS 11	Planning, partnerships and resource mobilization services	3,030	1,080	1,139	1,181	3,400	
SS 12	Executive management	8,707	2,568	2,684	4,112	9,364	
SS 14	Ethics principles and values promotion	1,318	197	208	215	620	
SS 15	ICT services	2,376	704	745	770	2,218	
Sub-Total SUPPORT TO STRATEGIC OBJECTIVES:		41,307	13,909	14,398	16,214	44,521	12.5%
Management and Administration							
SS 2	Administrative services	3,115	1,362	1,399	1,488	4,249	
SS 4	Human resources services	18,248	4,833	5,022	5,056	14,911	
SS 6	Conference, security and general services	3,416	1,238	1,278	1,308	3,824	
SS 8	Financial services	13,029	4,518	4,722	4,940	14,180	
SS 15	ICT services	7,129	2,111	2,235	2,309	6,655	
Sub-Total MANAGEMENT AND ADMINISTRATION:		44,937	14,063	14,657	15,100	43,820	12.3%
TOTAL SUPPORTING STRATEGIES:		86,244	27,972	29,055	31,314	88,341	24.7%
TOTAL		322,715	117,032	117,704	122,823	357,559	100.0%

* Strategy-related Services include: Legal services, Administrative services, Human resources services, Languages and publications services, Conference, security and general services, Procurement services, ICT services

Note: The following adjustments have been made to align presentation of the Approved 2020-2022 Budget and the 2023-2025 Budget Estimates: a) Administrative Support to the ANC restated from Supporting Strategies to Strategic Objectives, b) Printing and Distribution Services combined with SS-2 Administrative Services, c) SS-14 Ethics Principles and Values Promotion restated from Management and Administration to Support to Strategic Objectives, d) After-service Health Insurance amounts under SS-4 distributed between SO/SS as applicable.

Constraints

43. The Organization, as well as Member States, have been affected by the recent global crisis induced by the COVID-19 pandemic, which has been having a detrimental effect on the global economy, situation in the aviation industry, as well as ICAO inability to implement all of the planned activities. The dire global economic situation is further exacerbated by the regional crises and soaring prices, which continue having a negative impact on inflation and rate of exchange, which require close monitoring.

44. The ICAO Business Plan includes outputs and activities, irrespective of the source of funding. Even though the Regular Budget of the Organization is the main funding source of the Business Plan, it is evident that it cannot cover all high priority areas and thus, the efforts to actively seek alternative resources like voluntary contributions for unfunded and partially funded activities should be intensified. This is particularly important in light of the funding for the Transformational Objective, where many initiatives remain unfunded. A partially funded Transformational Objective risks delayed implementation, increased costs, and reduced benefits.

45. The triennium Regular Budget confirms the funds for three years in advance, being based on a Business Plan that is prone to change. While the Business Plan may be adjusted to reflect the new realities and priorities, budgetary flexibility is limited in this regard.

46. Canada has undergone the United Nations' International Civil Service Commission (ICSC) Cost-of-Living Survey end of 2021, results of which were not yet available, and thus have not been incorporated into the Regular Budget estimates. Even though the adjusted inflation assumption will mitigate the impact, the actual results may further widen the funding gap, caused by this increased cost which is not within the control of the Organization, and, which depending on the extent of impact, may be absorbed within the total Regular Budget adopted by the Assembly, with possible consequential reducing impact on the regular budget available for implementing the Business Plan outputs, and/or supported by the Council who may exercise the Financial Regulation 5.2 that states that "...the Council may, in respect of a given financial year, approve appropriations in excess of the budget voted by the Assembly" up to certain percentage specified in the same Regulation.

47. ICAO fulfils its obligations in respect of the financing of health insurance for retired staff on a pay-as-you-go basis. Although currently CAD 1.5 million has been set aside to meet this long-term financial liability, the liability of ICAO as of 31 December 2021 amounts to CAD 160.7 million (2018: CAD 133.6 million). A number of United Nations organizations are facing the same issue of funding after-service staff liabilities. With regard to the possible funding of these liabilities, the Secretariat will continue to follow the on-going development of this matter in the framework of the UN System and will report updates to the Council.



NARRATIVES BY STRATEGIC OBJECTIVES

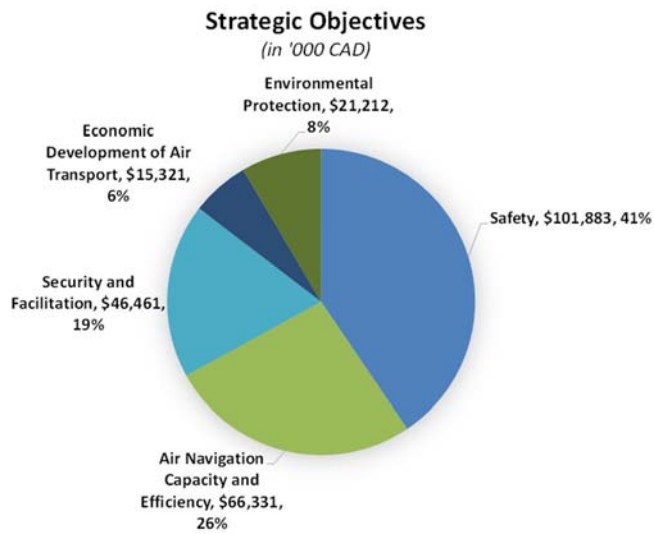


STRATEGIC OBJECTIVES AT A GLANCE

Figure 6 Strategic Objectives at a Glance (Tables and Figures)

ESTIMATED 2023-2025 BUDGET BY STRATEGIC OBJECTIVE BY YEAR
(in '000 CAD)

Strategic Objective	Approved Budget 2020-2022	2023	2024	2025	Total 2023-2025	% of Total
Safety	97,833	32,825	34,178	34,881	101,883	40.6%
Air Navigation Capacity and Efficiency	62,278	21,460	22,241	22,630	66,331	26.4%
Security and Facilitation	43,807	14,906	15,491	16,064	46,461	18.5%
Economic Development of Air Transport	15,311	4,952	5,113	5,256	15,321	6.1%
Environmental Protection	17,243	6,877	6,983	7,351	21,212	8.4%
Total Strategic Objectives	236,471	81,019	84,007	86,183	251,209	100%



ESTIMATED 2023-2025 BUDGET BY STRATEGIC OBJECTIVE (STAFF & NON-STAFF)
(in '000 CAD)

Strategic Objective	Staff	Non-Staff	Total
Safety	87,135	14,748	101,883
Air Navigation Capacity and Efficiency	57,037	9,294	66,331
Security and Facilitation	39,473	6,989	46,461
Economic Development of Air Transport	13,205	2,116	15,321
Environmental Protection	17,864	3,347	21,212
Total Strategic Objectives	214,715	36,494	251,209

PROPOSED 2023-2025 POSTS BY STRATEGIC OBJECTIVE
(2025 snapshot, person-years)

Strategic Objective	P	G	Total
Safety	80.8	48.2	128.9
Air Navigation Capacity and Efficiency	51.8	36.7	88.5
Security and Facilitation	34.2	25.3	59.4
Economic Development of Air Transport	11.0	9.8	20.7
Environmental Protection	16.1	8.2	24.3
Total Strategic Objectives	193.8	128.1	321.9

Excludes posts allocated to the strategy-related services

Table 5 Estimated 2023-2024-2025 Budget by Strategic Objective and Location

(in '000 CAD)

Strategic Objective / Year	HQ	APAC	ESAF	EURNAT	MID	NACC	SAM	WACAF	Total
SAFETY									
2023	21,709	1,773	2,336	1,749	1,269	1,047	1,316	1,627	32,825
2024	22,543	1,869	2,448	1,816	1,222	1,103	1,381	1,796	34,178
2025	23,126	1,903	2,510	1,844	1,211	1,135	1,312	1,840	34,881
Total:	67,378	5,544	7,293	5,409	3,701	3,285	4,009	5,263	101,883
AIR NAVIGATION CAPACITY AND EFFICIENCY									
2023	12,747	1,639	729	1,551	869	1,499	1,270	1,156	21,460
2024	13,207	1,729	669	1,611	887	1,582	1,265	1,291	22,241
2025	13,429	1,761	660	1,636	900	1,623	1,298	1,323	22,630
Total:	39,384	5,128	2,058	4,799	2,656	4,704	3,833	3,770	66,331
SECURITY AND FACILITATION									
2023	11,403	579	551	387	363	508	477	638	14,906
2024	11,890	611	567	398	383	537	403	703	15,491
2025	12,286	621	581	402	392	550	512	719	16,064
Total:	35,579	1,811	1,698	1,187	1,138	1,595	1,393	2,061	46,461
ECONOMIC DEVELOPMENT OF AIR TRANSPORT									
2023	4,076	50	186	221	49	51	86	232	4,952
2024	4,266	52	116	229	52	53	91	255	5,113
2025	4,415	53	93	234	53	55	92	260	5,256
Total:	12,758	156	395	685	154	158	269	747	15,321
ENVIRONMENTAL PROTECTION									
2023	5,550	75	186	536	107	133	136	155	6,877
2024	5,590	79	193	559	112	140	137	174	6,983
2025	5,921	80	198	570	115	144	146	178	7,351
Total:	17,061	234	577	1,664	334	416	419	506	21,213
TOTAL									
2023	55,485	4,116	3,988	4,444	2,656	3,238	3,286	3,807	81,019
2024	57,497	4,340	3,992	4,613	2,656	3,414	3,277	4,218	84,007
2025	59,177	4,418	4,041	4,687	2,671	3,507	3,360	4,321	86,184
Total:	172,160	12,874	12,021	13,743	7,984	10,158	9,923	12,346	251,209

SAFETY

Table 6 Safety Estimated Resource Requirements

(Posts: person-years, Amounts: '000 CAD)

Output / Year	Staff			Non-Staff					Total Cost
	IP	GS	Staff Cost	Consultancy/ Outsourcing	Travel	Meetings	Other	Non-Staff Cost	
SAF 1 - SARPs									
2023	17.0	9.2	4,993	234	31	22	10	296	5,290
2024	16.9	9.0	5,258	232	32	23	10	297	5,555
2025	16.6	8.2	5,312	232	33	23	10	298	5,611
Sub-Total			15,564	698	96	68	30	891	16,456
SAF 2 - Safety management									
2023	2.2	1.2	636	-	31	-	-	31	667
2024	2.2	1.2	669	-	32	-	-	32	701
2025	2.2	1.2	690	-	33	-	-	33	723
Sub-Total			1,995	-	96	-	-	96	2,091
SAF 3 - Regional harmonization									
2023	3.1	0.8	823	-	31	-	-	31	854
2024	3.1	0.8	865	-	32	-	-	32	897
2025	3.1	0.8	893	-	33	-	-	33	925
Sub-Total			2,580	-	96	-	-	96	2,676
SAF 4 - USOAP									
2023	10.5	6.2	3,158	104	873	11	5	992	4,150
2024	10.5	5.9	3,290	107	899	11	5	1,022	4,312
2025	10.5	5.9	3,402	110	921	12	5	1,048	4,450
Sub-Total			9,850	321	2,693	34	15	3,063	12,913
SAF 5 - Post-COVID air transport recovery									
2023	2.9	1.0	824	-	31	-	-	31	855
2024	2.9	1.0	871	-	32	-	-	32	903
2025	2.9	1.0	899	-	33	-	-	33	931
Sub-Total			2,593	-	96	-	-	96	2,689
SAF 6 - Implementation support									
2023	4.9	1.2	1,249	-	-	-	113	113	1,361
2024	4.6	1.2	1,251	-	-	-	116	116	1,367
2025	4.6	1.1	1,271	-	-	-	119	119	1,390
Sub-Total			3,770	-	-	-	349	349	4,119
SAF 7 - Improved safety at regional level									
2023	42.4	30.7	9,797	22	347	211	738	1,319	11,116
2024	41.8	30.3	10,189	23	358	218	847	1,445	11,634
2025	41.1	30.0	10,274	24	367	223	868	1,481	11,755
Sub-Total			30,260	69	1,071	652	2,453	4,245	34,505
Strategy-related services									
2023	19.8	18.8	6,616	573	20	29	1,294	1,916	8,531
2024	19.3	18.6	6,841	589	21	30	1,328	1,968	8,809
2025	18.1	18.6	7,066	603	21	31	1,374	2,029	9,095
Sub-Total			20,522	1,765	63	90	3,996	5,913	26,435
TOTAL - All Outputs									
2023	102.6	69.1	28,096	933	1,364	273	2,159	4,729	32,825
2024	101.1	67.9	29,233	951	1,405	282	2,307	4,945	34,178
2025	98.9	66.7	29,806	969	1,440	289	2,376	5,074	34,881
TOTAL			87,135	2,853	4,209	844	6,842	14,748	101,883

Enhance global civil aviation safety

1. Managing and improving the safety of the global air transport system is ICAO’s guiding and most fundamental strategic objective. The Organization works constantly to address and enhance global aviation safety through the following coordinated activities:

- a) Policy and standardization;
- b) Monitoring of key safety trends and indicators;
- c) Safety analysis;
- d) Specific programmes to address safety issues; and
- e) Implementation support.

2. The ICAO Global Aviation Safety Plan (GASP) presents the strategy in support of the prioritization and continuous improvement of aviation safety. The GASP sets the goals, targets, and outlines key Safety Enhancement Initiatives (SEIs) aimed at improving safety at the global, regional, and national levels. In addition to the safety-related challenges and operational safety risks, the GASP supports the safe implementation of the Global Air Navigation Plan, which addresses the appropriate infrastructure to support the provision of the essential services.

Outcome Statement

3. By 2025, continue to work with the aviation community towards the aspirational goal of “zero fatalities by 2030 and beyond”, by achieving a reduction in operational safety risks; strengthening States’ safety oversight capabilities and the effective implementation of State safety programmes; increasing collaboration at the regional level and with industry.

Key Performance Indicators

- Accident rate
- Fatal accident rate
- Percentage of States having achieved the GASP targets related to improved EI score
- Percentage of States having an SSP that is “present”, based on the maturity levels established in the ICAO SSPIA

Priorities

4. In support of this SO: Safety, the Global Aviation Safety Plan (GASP) goals and targets, and the No Country Left Behind (NCLB) initiative, the ICAO key priorities are to:

- a) continuously increase global civil aviation safety, while embracing and integrating the new and evolving public health safety measures, new airspace entrants, new technology and innovation, as well as trends in ownership, business, operating and oversight models;
- b) modernize and improve the process for the development and maintenance of the robust global civil aviation regulatory framework, and the associated safety oversight audit programme, helping to underpin State and Industry actions for continued growth and development of a safe and resilient global air navigation system within Member States’ economic and sustainability expectations;
- c) continue to prioritize standardization and implementation efforts as agreed by States and Industry in the GASP; hold the trust and confidence of the global community to provide advice and lead the

coordination, consultation and collaboration with all stakeholders in safety, focusing on timely standardization and harmonized, effective, scalable and affordable implementation for States and Industry; enhance the regional cooperation; and narrow the gaps between States; and

- d) provide the organizational framework that will allow stakeholders to participate and contribute within the standard-setting process to enhance the capability of ICAO to deliver targeted solutions for sustainable improvement of safety.

Challenges, emerging needs & opportunities

5. The main challenges being faced are related to the recovery of the aviation sector from the pandemic. The NCLB initiative is more important than ever as the pandemic has served to further highlight the inequities between States. The standards and recommended practices (SARPs) development process has always been driven by Member States with the resources to support ICAO expert groups. However, our improved capability to hold virtual and hybrid meetings has the potential to increase participation and contribution by almost all States. We have also seen that States with a State Safety Programme (SSP) have been able to adapt to address the new risks more easily than others, further emphasizing the importance of making progress in implementation of this important goal, highlighted in the GASP, to build resilience. Furthermore, the new airspace entrants will require dedicated experts and capacity to guide the new technology and innovation, and development of oversight model requirements.

6. Opportunities exist to improve monitoring of States' performance by evolving USOAP CMA and to enhance the currency of information on States' performance. Regional cooperation is increasingly important as States are facing tremendous economic challenges during the recovery from the pandemic, and harmonizing efforts at the regional level will support a stable operational environment for the industry.

7. Specific efforts to support the recovery from the pandemic will continue to take place, leveraging the opportunity offered by the lessons learned, to support a more resilient and flexible oversight of the aviation system. The development and delivery of implementation support is being recognized as an important element of ICAO's mandate. During the next triennium, one of the challenges will be to establish mechanisms to prioritize and resource this work.

Safety Outputs

SAF 1 Enhanced standards and recommended practices (SARPs) and development process that continuously improve aviation safety

8. ICAO SARPs are constantly evolving. They are our primary regulatory risk control. The complexity of oversight continues to increase due to a number of new business models and cross-border operations, including short-term aircraft interchange operations. Due to resource challenges, ICAO must also find new ways to enhance the SARPs development process to ensure that it remains relevant, timely and effective at mitigating safety risks. During 2023-2025, the focus will be on the development of: 1) a cooperative oversight framework; 2) mechanisms to leverage available expertise; 3) a robust and inclusive coordination for processing amendment proposals to ensure that "No Country is left behind"; and 4) performance based SARPs where practicable and cost effective. Information from Universal Safety Oversight Audit Programme (USOAP) activities will help to identify areas where ICAO SARPs are not well implemented, and the protocol questions will be reviewed and updated to remain relevant.

SAF 2 Enhanced capacity of the aviation community to proactively manage aviation safety

9. The global aviation system is in a period of intense change. The key to safely managing these changes is building upon proven strategies for improving safety, like the investigation of accidents and incidents and safety management. Advanced methodologies suitable for complex socio-technical systems are essential to address the introduction of new technologies, new business models, increasing automation and unpredictable disruptions like the COVID-19 pandemic. For 2023-2025, ICAO will focus on the evolution of ICAO SARPs, the development of complementary guidance material, the collection and sharing of practical examples, and tools to support a more proactive, predictive, and integrated approach to risk and resilience management. In recognition of the new competencies required across the aviation community, additional content for webinars, workshops, training, tools, and implementation packages (iPacks) will also be developed. Focus areas will include accident investigation, advanced risk assessment methodologies, change management, safety intelligence and human performance.

SAF 3 Increased regional harmonization and cooperation in regulatory oversight

10. Many States still struggle in properly implementing ICAO SARPs and ensuring adequate oversight of their service providers, due to insufficient resources and ever-growing industry and emergence of new technologies. As recognized by Assembly resolutions and HLCC 2021 recommendations, ICAO should support various forms of cooperation on safety issues on regional level, in particular Regional Safety Oversight Organizations (RSOOs), Regional Accident and Incident Investigation Organizations (RAIOs) and Cooperative Development of Operational Safety and Continued Airworthiness Programme (COSCAPs). The experiences of the COVID-19 pandemic have proven the added value of regional organizations in assisting States, harmonizing regional measures, and creating a stable operational environment for the industry. For 2023-2025 ICAO will support regional organizations and other mechanisms through programmes and activities such as 1) GASOS Assessments, 2) RSOO and RAIO Cooperative Platforms and 3) input for technical assistance to States when regional organizations are available.

SAF 4 Improved ICAO monitoring function and enhanced information currency related to safety oversight and safety management implementation at the State and regional levels

11. Planning and prioritization efforts are better served with improved and up-to date information addressing safety oversight and safety management implementation at the State and regional levels. This information is critical for ICAO standard-making and assistance functions. For States, it is also critical to have a baseline on the status of these responsibilities to implement corrective actions addressing deficiencies and/or progressing its safety responsibilities. The main strategy for change encompasses improving the monitoring function of ICAO by implementing the recommendations of the Group of Experts for a USOAP CMA Structured Review (GEUSR) and the USOAP CMA Advisory Group (USOAP-AG), as agreed by the Council, as well as the self-improvements introduced by its quality system. The conduct of USOAP CMA activities strives at continuously updating its data. The result of these actions will result in an enhanced USOAP CMA yielding improved information related to safety oversight and safety management implementation at the State and regional levels.

SAF 5 Continued support for post-COVID pandemic air transport recovery which includes improved ICAO provisions based on lessons learnt

12. From the onset of the COVID-19 pandemic crisis, the aviation system has faced a severe disruption to its operations and economic viability. ICAO has a leadership role in bringing the aviation community together to develop and promote harmonized and cooperative efforts for the aviation system recovery. This can be achieved through the implementation, monitoring and ongoing update of multi-layered risk mitigation strategies. For 2023-2025, the focus will be on identifying, amending, improving, and developing the content for initiatives to support ICAO

Member States through the recovery process. In addition, a review of relevant ICAO SARPs and guidance material will be conducted to reflect the lessons learned from the COVID-19 pandemic in support of a more resilient aviation system. This will include developing a global common framework to assess and mitigate risks (including human performance risks) supported by appropriate mitigation measures in accordance with HLCC Safety stream recommendations. This will also include provisions related to the renewal and extension of medical assessments, licences and other certificates, guidance for mitigating the transmission of disease, granting, and lifting exemptions/alleviations and guidance for the conduct of remote oversight activities.

SAF 6 Increased access to aviation safety implementation support that addresses States' prioritised needs

13. Implementation support refers to the ICAO actions in managing the programmes, projects and activities which support and assist the implementation efforts of States through the provision of products and services. Implementation support packages content and material generated as part of other safety (SAF) outputs, finds funding for those activities, distributes responsibilities among actors and ensures the support is provided to the States in need. This output ensures that: 1) a needs-based approach is adopted in the development and deployment of implementation support, 2) that deployment is adequately prioritized, 3) that common methodology is used throughout all implementation support, 4) that support is coordinated and 5) that there is financial transparency and accountability among all actors.

SAF 7 Strengthened safety of civil aviation at the regional level

14. The evolution of air traffic and the challenges imposed by the COVID-19 pandemic restate the importance of increasing the safety compliance to global requirements and the sustainability of the measures taken by the States in ensuring their safety management framework. In this sense, the efforts adopted by the Regional Offices aim to enhance States' ability to implement SARPs, provisions of Global plans and directives of the Council and Secretariat in a sustainable and measurable manner.

15. The Regional Offices will continue to support States to enhance Safety levels by increasing effective implementation of State oversight systems (validated through USOAP CMA) and provide the necessary assistance for the implementation of Safety Management processes, through capacity building activities. Additionally, the Regional Offices will assist States in the identification of emerging safety challenges and the implementation of necessary safety improvements, as well as foster cooperation among stakeholders and measure progress on the implementation of the GASP and the regional priorities, through the RASGs.

Table 7 Safety Indicators

	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
SAF 1	Enhanced standards and recommended practices (SARPs) and development process that continuously improve aviation safety	Percentage of SARPs where a performance-based approach has been considered as part of the development process	This indicator measures how often a performance-based approach to the SARPs are considered during the SARPs development process
SAF 2	Enhanced capacity of the aviation community to proactively manage aviation safety	Percentage of SSP-related SARPs which have at least 3 practical examples or tools posted on the Safety Management Implementation (SMI) website	This indicator measures the information and tools shared across the aviation community on proactively managing safety
SAF 3	Increased regional harmonization and cooperation in regulatory oversight	No. of Protocols completed for strengthened regional harmonization	This indicator measures the improvement of the capacity and harmonization of safety oversight and accident and incident investigations activities by States
SAF 4	Improved ICAO monitoring function and enhanced information currency related to safety oversight and safety management implementation at the State and regional levels	i) Number of activities conducted by the USOAP CMA providing enhanced information related to safety oversight and safety management implementation at the State and regional levels	The indicator measures the number of States with an updated EI status and/or SSP maturity levels
		ii) % of improvements implemented to enhance the currency, reliability and value of the USOAP CMA outputs	The indicator measures the progression in the evolution of the programme
SAF 5	Continued support for post-COVID pandemic air transport recovery which includes improved ICAO provisions based on lessons learnt	Percentage of actioned HLCC Safety Stream Recommendations related to COVID-19 addressed to ICAO	ICAO's efforts to support the COVID-19 recovery based on lessons learned per HLCC Recommendations
SAF 6	Increased access to aviation safety implementation support that addresses States' prioritised needs	Percentage of Developing States (SIDS, LDC and LLDC) having had at least one implementation support activity delivered in the area of Safety	The indicator measures the coverage of the implementation support programs
SAF 7 RO	Strengthened safety of civil aviation at the regional level	i) Effective implementation of the Universal Safety Oversight Audit Programme	This indicator measures effective implementation of the Universal Safety Oversight Audit Programme
		ii) Level of implementation of State Safety Program (SSP)	This indicator measures the level of implementation of SSP
		iii) % of Aerodrome Certification	This indicator measures the percentage of international aerodrome certification listed in the Regional Air Navigation Plan

AIR NAVIGATION CAPACITY AND EFFICIENCY

Table 8 Air Navigation Capacity and Efficiency Estimated Resource Requirements

(Posts: person-years, Amounts: '000 CAD)

Output / Year	Staff			Consultancy/ Outsourcing	Non-Staff			Non-Staff Cost	Total Cost
	IP	GS	Staff Cost		Travel	Meetings	Other		
CAP 1 - SARPs									
2023	16.1	7.5	4,596	208	31	22	10	271	4,867
2024	16.0	7.2	4,816	214	32	23	10	279	5,095
2025	15.3	7.0	4,805	220	33	23	10	286	5,091
Sub-Total			14,217	642	96	68	30	835	15,053
CAP 2 - Safety and Air Navigation Innovation									
2023	0.6	0.0	169	-	31	-	-	31	200
2024	0.6	0.0	180	-	32	-	-	32	212
2025	0.6	0.0	186	-	33	-	-	33	218
Sub-Total			534	-	96	-	-	96	630
CAP 3 - Environmental benefits									
2023	0.1	0.0	28	-	31	-	-	31	59
2024	0.1	0.0	30	-	32	-	-	32	62
2025	0.1	0.0	31	-	33	-	-	33	64
Sub-Total			89	-	96	-	-	96	185
CAP 4 - Protected frequency spectrum									
2023	2.3	1.0	664	-	31	-	-	31	695
2024	2.3	1.0	698	-	32	-	-	32	729
2025	2.3	1.0	720	-	33	-	-	33	752
Sub-Total			2,081	-	96	-	-	96	2,177
CAP 5 - Aviation trust framework									
2023	0.0	0.9	78	-	31	-	-	31	109
2024	0.0	0.9	81	-	32	-	-	32	113
2025	0.0	0.9	83	-	33	-	-	33	115
Sub-Total			242	-	96	-	-	96	337
CAP 6 - Implementation support									
2023	4.0	1.4	1,119	-	31	-	113	144	1,263
2024	3.7	1.4	1,113	-	32	-	116	148	1,261
2025	3.6	1.2	1,115	-	33	-	119	152	1,267
Sub-Total			3,348	-	96	-	349	444	3,792
CAP 7 - Increased capacity at regional level									
2023	30.9	27.3	7,538	20	305	188	662	1,174	8,712
2024	30.1	26.6	7,746	20	314	193	760	1,288	9,034
2025	29.9	26.6	7,881	21	322	198	779	1,320	9,201
Sub-Total			23,165	60	940	579	2,202	3,782	26,947
Strategy-related services									
2023	12.9	12.3	4,307	373	13	19	842	1,247	5,554
2024	12.6	12.1	4,454	383	14	20	865	1,281	5,735
2025	11.8	12.1	4,600	393	14	20	894	1,321	5,921
Sub-Total			13,361	1,149	41	59	2,602	3,850	17,211
2023	66.8	50.2	18,500	601	504	229	1,627	2,960	21,460
2024	65.4	49.1	19,117	618	519	236	1,752	3,124	22,241
2025	63.6	48.8	19,420	633	532	241	1,803	3,210	22,630
TOTAL			57,037	1,852	1,555	706	5,182	9,294	66,331

Increase the capacity and improve the efficiency of the global civil aviation system

16. The crisis caused by the COVID-19 pandemic in 2020 highlighted the importance of resilience of the aviation system, not only as a performance requirement but also as a fundamental principle, in terms of economic sustainability. ICAO serves as a global forum that brings together the aviation community to define a common strategy for the evolution of the global air navigation system to improve capacity and efficiency within the GANP.

17. To support the evolution of the global air navigation system, ICAO develops new and enhanced existing global provisions. ICAO ensures the timely availability of its provisions through its technical air navigation work programme. ICAO also provides tools and identifies which stakeholders need to be involved in the implementation of operational improvements. At the regional level, ICAO coordinates the review and updating of regional air navigation plans. ICAO also coordinates the activities of the PIRGs to ensure their alignment with the GANP. At the national level, ICAO facilitates access to resources and technical assistance and promotes capacity-building in different areas of expertise. During 2023-2025, ICAO will:

- a) look for innovative ways to develop new or improve existing provisions;
- b) provide a framework to promote an air navigation system that contributes to the environmental protection;
- c) integrate innovation and provide access to all users to the air navigation system;
- d) protect ITU frequency spectrum required for aeronautical services;
- e) develop a trust framework to enable the evolution of the air aviation system; and
- f) improve mechanisms to support implementation and leverage available expertise.

Outcome Statement

18. By end of 2025, to improve safety, security, access and equity, resilience and environment, the 11 performance ambitions in the GANP, by providing the essential services for international civil aviation, using state-of-the-art emerging technologies for the provision of operational improvements as well as developing and implementing regulatory frameworks and oversight mechanisms to facilitate and encourage innovation; in an interoperable system underpinned by a functioning international aviation trust framework.

Key Performance Indicators

- Number of ANS-related accidents and ANS-related serious incidents
- Number of disruptive events that interrupt service provision and significantly affect the performance of the system
- Number of aviation community members with the capability to fly that have not been accommodated into the system
- % of CO₂ emissions due to ANS-induced inefficiencies that can be addressed to support the global ICAO aspirational goals for CO₂ emissions.

Priorities

19. In support of the air navigation capacity and efficiency Strategic Objective, the Global Air Navigation Plan (GANP) performance ambitions, and the NCLB initiative, the ICAO key priorities are to:

- a) improve the efficiency of the global air navigation system performance, while embracing and integrating new airspace entrants, new technology and innovation;

- b) develop and maintain the global civil aviation regulatory framework, helping to underpin State and Industry actions for continued growth and development of a safe, efficient and resilient global air navigation system within Member States' economic and sustainability expectations;
- c) continue to prioritize standardization and implementation efforts as agreed by States and Industry in the GANP; hold the trust and confidence of the global community to provide advice and lead the coordination, consultation and collaboration with all stakeholders in air navigation capacity and efficiency, focusing on timely standardization and harmonized, effective, scalable and affordable implementation for States and Industry; enhance the regional cooperation; and narrow the gaps between States; and
- d) ensure the organizational framework that will allow stakeholders to participate and contribute within the standard making process to enhance the capability of ICAO to deliver targeted solutions for the improvement of air navigation capacity and efficiency.

Challenges, emerging needs & opportunities

20. The aviation industry is facing a variety of challenges. Air traffic is expected to continue to grow in the long-term and the sustainability and resilience of the system should be ensured. At the same time, new demands on the aviation system, emerging technologies, innovative ways of doing business and the shifting human role are bringing not only challenges but also opportunities that call for an urgent transformation of the global air navigation system so that aviation can continue to boost social well-being worldwide. During 2023-2025, ICAO will address the following challenges and transform them into opportunities:

- a) Accommodation of increasing demand and new types of demand;
- b) Harmonious integration of new technology and innovation;
- c) Use of advanced technologies;
- d) Human capability and capacity;
- e) Emerging, new and adapted business models; and
- f) Expectations of the aviation community.

Air Navigation Capacity and Efficiency Outputs

CAP 1 Enhanced standards and recommended practices (SARPs) and development process to increase air navigation systems operational efficiency, interoperability, and harmonisation

21. Many States struggle in effectively implementing ICAO SARPs. The reason being insufficient understanding, insufficient necessary expertise or reduced access to new technologies that sometimes come with high costs for deployment without a clear benefit that depends on the level of maturity and/or development of the State implementing them. ICAO should improve the SARPs development process to provide a scalable approach to allow an expedite deployment of new technologies and concept of operations in different operational scenarios. Closer regional coordination will help the deployment at regional and national levels. In 2023-2025 ICAO will support the development of performance-based standards that can be applied by States with different levels of maturity and density of traffic.

CAP 2 Enhanced gateway for receiving, reviewing, progressing, and integrating innovation initiatives including new entrants, technology, and processes

22. New entrants are evolving at a very rapid pace and the numbers of such aircraft requesting access to airspace increases steadily. States need to implement new regulations, provide oversight, and determine the type and extent of new services needed to safely manage this part of aviation. This activity is separate and additional to facilitating access by RPA to non-segregated airspace. To ensure that ICAO decision makers have information related to innovations well ahead of the need to act on them at a policy level, ICAO needs to keep abreast of all innovations that have been identified to the organization. Under this part of the programme, innovations will be assessed at high level and information will be forwarded to the GANP or GASP Study Groups. This output is complementary to the existing mechanisms in the GASP and GANP to identify innovations related to their respective areas.

CAP 3 Improved guidance for the quantification of potential environmental benefits attainable through the implementation of new ICAO provisions

23. Every single technology or concept of operations available for implementation affects different key performance areas, including environment. Considering the importance of the environment key performance area in the global discussions, in 2023-2025 ICAO will focus on improved guidance on how to derive the environment benefits of new technology or concepts of operations being developed and implemented.

CAP 4 Protected ITU frequency spectrum required for aeronautical services

24. Frequency spectrum is a valuable and limited commodity, managed by States' Spectrum Regulatory Authorities through the ITU World Radio communication Conferences (WRC) process. This process culminates in the WRCs held every four years. Aviation uses approximately 15 per cent of the most valuable spectrum for the provision of safety critical CNS functions and is only one of many spectrum users, all of which participate in the WRC process on an equal footing. ICAO represents aviation interests, providing a common co-ordinated voice and agenda. Currently preparations are underway for WRC-23 (Nov-Dec 2023), which will be followed by WRC-27 (2027). Each four-year WRC cycle consists of the following main activities:

- a) ICAO Position developed and approved by Council for upcoming WRC;
- b) Support of technical studies and preparations in ITU-R; and
- c) Advocacy for ICAO Position and aviation requirements in preparatory activities and during WRC, to ensure favourable outcome with no negative impact on aviation.

CAP 5 Advanced development of an international aviation trust framework for air navigation services and infrastructure

25. As the aviation industry moves towards more automation, digitalization and IP connectivity, there is a need to reduce the vulnerabilities to cyber-attacks brought by operations in the cyber space. This reduction can be done through the operation in a more controlled environment where all stakeholders are identified, and the messages exchanged can be trusted. For this to happen, a framework must be in place to guarantee the confidentiality, integrity and availability of the information while stored or in transit and the deployment of an international aviation trust framework aims to provide that environment. In 2023-2025, ICAO will provide:

- a) a concept of operations;
- b) an information security framework including information security provisions;

- c) a dedicated block of IPv6 addresses for aviation, an integrated approach to information security and safety; and
- d) a dedicated certificate policy for the aviation community.

CAP 6 Increased access to air navigation implementation support that addresses States' prioritized needs

26. Implementation support refers to the ICAO actions in managing the programmes, projects and activities which support and assist the implementation efforts of States through the provision of products and services. Implementation support packages content and material generated as part of other air navigation capacity and efficiency (CAP) outputs, finds funding for those activities, distributes responsibilities among actors and ensures the support is provided to the States in need. This output ensures that:

- a) A needs-based approach is adopted in the development and deployment of implementation support;
- b) that deployment is adequately prioritized;
- c) that common methodology is used throughout all implementation support;
- d) that support is coordinated; and
- e) that there is financial transparency and accountability among all actors.

CAP 7 Enhanced efficiency and increased capacity at the regional level

27. The development of a seamless airspace and interoperable air navigation communications and management frameworks stem from regional and interregional collaboration and coordination. The Regional Offices leading role in promoting the integration of the planning efforts, in line with the global provisions, is key to ensure the implementation of the air navigation plans in an orderly manner, supporting the proper planning, investment and capacity building by the States.

28. The Regional Offices will support States to enhance their capabilities to access, develop, implement, and use technologies in air navigation systems to meet current and future demands and provide assistance for the implementation of ICAO policies and provisions. Additionally, the Regional Offices will continue to lead and coordinate response to airspace crises and contingencies. Through the support to the PIRGs, the Regional Offices will continue to monitor and report the status of implementation by States of the required air navigation facilities, services, and procedures, as well as of the GANP and the regional priorities, for the continuous, interoperable, and harmonized improvement of air navigation systems.

Table 9 Air Navigation Capacity and Efficiency Indicators

	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
CAP 1	Enhanced standards and recommended practices (SARPs) and development process to increase air navigation systems operational efficiency, interoperability and harmonization	% ANB Work Programme elements delivered by the SME group that have been processed by ICAO	ICAO ensures the timely availability of its provisions through its technical air navigation work programme. This indicator measures the processing capacity of ICAO.
CAP 2	Enhanced gateway for receiving, reviewing, progressing, and integrating innovation initiatives including new entrants, technology, and processes	i) New or expanded guidance material and training courses promulgated by ICAO addressing unmanned aircraft systems (UAS), UAS traffic management (UTM) or advanced air mobility (AAM)	States are continuously requesting more material to support their need to regulate new entrants (count the number of new or expanded documents we add to the online Unmanned Aviation website as well as training courses we produce in collaboration with GAT). This indicator will measure the number of new or expanded documents
		ii) Percentage of innovations identified to ICAO that are fully covered by the work of the expert groups	In order to ensure that ICAO decision makers have information related to innovations well ahead of the need to act on them at a policy level, ICAO needs to keep abreast of all innovations that have been identified to the organization. The fact that an innovation is not fully covered by the work of the expert group would indicate that we might miss the mark
CAP 3	Improved guidance for the quantification of potential environmental benefits attainable through the implementation of new ICAO provisions	Number of focus areas, performance objectives and key performance indicators defined within the environment KPA	This indicator measures the resources available to measure environment benefits from operational improvements
CAP 4	Protected ITU frequency spectrum required for aeronautical services	Percentage of required/pre-identified work programme successfully performed, to maintain and safeguard aeronautical frequency spectrum for CNS Safety Services. Resolution A38-6 Refers (on an ITU Cycle)	Four yearly percentage of identified internal and external (ITU-R, Regional Telecomms...) activities supported and deliverables finalized to protect safety critical CNS spectrum resources -- World Radio communication Conferences every four years (WRC-23, WRC-27...) -- Preparatory activities of ITU-R -- Preparatory activities of Regional Telecom Orgs -- Preparatory activities of ICAO Regional Offices -- Provide workshops for aeronautical spectrum colleagues

	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
CAP 5	Advanced development of an international aviation trust framework for air navigation services and infrastructure	Number of deliverables implemented related to the IATF	The indicator measures the progress of ICAO regarding the development of an international aviation trust framework (IATF). Deliverables include: - a concept of operations, - an information security framework including information security provisions, a dedicated block of IPv6 addresses for aviation, an integrated approach to information security and safety; and - a dedicated certificate policy for the aviation community
CAP 6	Increased access to air navigation implementation support that addresses States' prioritized needs	Percentage of Developing States (SIDS, LDC and LLDC) having had at least one implementation support activity delivered in the area of Air Navigation	The indicator measures the coverage of the implementation support programs
CAP 7 RO	Enhanced efficiency and increased capacity at the regional level	i) Average Regional percentage of GANP ASBU modules/elements implemented by states according to the Regional ANP	This indicator measures the maturity of ASBU implementation in the Regions. This indicator measures the AVG GANP ASBU applicable implementation. Participants refers to States.
		ii) Number of Air Navigation Deficiencies	This indicator measures the number of air navigation deficiencies

SECURITY AND FACILITATION

Table 10 Security and Facilitation Estimated Resource Requirements

(Posts: person-years, Amounts: '000 CAD)

Output / Year	Staff			Non-Staff				Non-Staff Cost	Total Cost
	IP	GS	Staff Cost	Consultancy/ Outsourcing	Travel	Meetings	Other		
SECF 1 - Security SARPS and innovation									
2023	4.8	3.5	1,510	23	39	75	-	137	1,647
2024	4.8	3.5	1,585	23	41	78	-	142	1,726
2025	4.8	3.5	1,636	24	42	79	-	145	1,781
Sub-Total			4,730	70	122	232	-	424	5,154
SECF 2 - Facilitation and Innovation									
2023	3.9	1.7	1,058	49	41	63	-	154	1,212
2024	3.9	1.7	1,114	51	42	65	-	158	1,273
2025	3.9	1.7	1,159	52	44	67	-	162	1,322
Sub-Total			3,331	152	127	195	-	475	3,806
SECF 3 - USAP									
2023	6.0	5.0	1,898	28	373	10	-	410	2,309
2024	6.0	5.0	1,993	29	384	10	-	423	2,416
2025	6.0	5.0	2,059	29	393	10	-	433	2,492
Sub-Total			5,950	86	1,150	31	-	1,266	7,216
SECF 4 - UN coordination on AVSEC									
2023	1.9	2.0	718	-	54	-	14	68	786
2024	1.9	2.0	750	-	55	-	15	70	820
2025	1.9	2.0	775	-	57	-	15	72	847
Sub-Total			2,243	-	165	-	45	210	2,453
SECF 5 - Implementation support									
2023	5.2	2.8	1,459	11	78	10	-	100	1,558
2024	5.2	2.8	1,535	12	80	11	-	103	1,638
2025	5.2	2.8	1,592	12	82	11	-	105	1,697
Sub-Total			4,586	35	239	32	-	307	4,894
SECF 6 - Security and facilitation at regional level									
2023	12.5	10.5	3,001	8	133	82	279	502	3,503
2024	12.0	10.4	3,055	9	137	85	317	547	3,602
2025	12.5	10.2	3,217	9	140	87	325	561	3,778
Sub-Total			9,273	26	409	254	921	1,610	10,883
Strategy-related services									
2023	9.0	8.9	3,017	261	9	13	590	874	3,891
2024	23.9	20.9	3,120	269	10	14	606	898	4,017
2025	23.9	20.8	3,222	275	10	14	627	925	4,148
Sub-Total			9,359	805	29	41	1,822	2,697	12,055
2023	43.2	34.4	12,661	381	726	255	883	2,245	14,906
2024	57.6	46.3	13,151	392	748	262	938	2,340	15,491
2025	58.1	46.0	13,661	401	767	269	967	2,404	16,064
TOTAL			39,473	1,174	2,241	786	2,788	6,989	46,461

Enhance global civil aviation security and facilitation

29. Although the global civil aviation system is more secure than ever, vulnerabilities and threats to civil aviation security, cybersecurity and border integrity persist, affecting States across all regions. Such challenges must be addressed through constant and proactive preventive efforts, including systematic collaboration, coordination and communication amongst States, industry, and international organizations. It is important to ensure that the implementation of both security and facilitation requirements be improved, thereby enabling air passenger and cargo traffic to grow in a secure, seamless, resilient, and efficient manner.

30. The goal of this Strategic Objective is to enhance civil aviation security and air transport facilitation worldwide by advancing the regulatory framework to meet evolving needs and by taking into account lessons learned from the COVID-19 pandemic while building on the outcomes of the High-level Conference on COVID-19 (HLCC 2021). This objective is achieved by a) minimizing the risk of unlawful interference with civil aviation and ensuring appropriate responses when incidents occur; b) minimizing border integrity risks; and c) maximizing efficiency in border clearance operations to promote trade, tourism, and economic development.

31. The delivery of the results with respect to this Strategic Objective will contribute to reducing the level of global aviation security, cybersecurity, and border integrity risks, facilitating movement of people and movement of goods by air, and enhancing the efficiency of the global civil aviation system.

Outcome Statement

32. By 2025, aviation and border management will be more secure, aviation traffic levels will recover from the COVID-19 pandemic impacts, accompanied by high levels of SARPs, GASep, TRIP and CyAP implementation and more States will have improved policies and regulatory frameworks, more efficient and effective security oversight, passenger experience will be facilitated and increasingly contactless.

Key Performance Indicators

- Rate of effective implementation (EI) of CEs and Annex 17 and Annex 9 SARPs - incl. Sustainability & Compliance Indicators from USAP-CMA results) in assisted States
- Number of States with API implementation
- Number of States downloading information from the PKD to verify electronic documents
- Number of States with PNR implementation

Priorities

33. The continuous risk of unlawful interference with civil aviation, whether from attack or by using it as a means of transportation, requires ICAO to increase its efforts to raise the profile of aviation security, including border and cybersecurity in States, through the UN System and the counter-terrorism community. Conversely, the seamless and contactless crossing of borders through enhanced facilitation standards, mechanisms and tools needs to be further supported and promoted. ICAO will prioritize work as follows:

- a) improve the quality of the standard-setting process to better help States develop effective and applicable regulations;
- b) develop and coordinate the management of implementation and assistance programmes and plans (Traveller Identification Program (TRIP) Strategy, Global Aviation Security Plan (GASep), Cybersecurity Action Plan (CyAP), Public Key Directory (PKD)); and
- c) secure the resources and improve the processes for the continuous monitoring and oversight of States' implementation of security-related standards.

Challenges, emerging needs & opportunities

34. The COVID-19 pandemic highlighted the disparities between the control measures, travel restrictions and management capabilities in place in the different regions and States. There is a need to develop a global and harmonized strategic approach in close coordination with the World Health Organization (WHO) to assure a safe, efficient, and secure staged return to normal air transport operations. Enhanced capacities to ensure the resilience of international border management to future challenges, whether related to public health emergencies or other challenges, must also be sought. Improved capabilities to facilitate the seamless and contactless crossing of borders through enhanced facilitation standards, mechanisms and tools needs to be further supported and promoted as part of this work. The continuous risk of unlawful interference with civil aviation, whether by attacking it or using it as a means of transportation, requires ICAO to increase its efforts to raise the profile of aviation security, including border and cybersecurity in States, through its active role in the UN's Global Counter-Terrorism Coordination Compact and multilateral counter-terrorism efforts.

35. ICAO will prioritize Support to States in implementing the Recommendations of the High-level Conference on COVID-19 (HLCC 2021) as approved by the Council to ensure a quick recovery of the air transport system and its resilient development. However, budget limitations will deter the efforts to implement the recommendations such as supporting States in digital issuance of health proofs, which is not funded. It will also be challenging to achieve implementation of new corporate priorities such as innovation in the area of facilitation. Organizational alignment around such cross-sectoral activities to exploit synergies and assure efficiencies must be sought. External funding will be necessary and must be sought to retain existing activities and develop new ones in priority areas.

Security and Facilitation Outputs

SECF 1 Enhanced policies including but not limited to standards and recommended practices (SARPS) and guidance material aimed at improving civil aviation security, border management and cybersecurity while monitoring innovation in these areas

36. Various attacks against civil aviation infrastructure across the globe, along with the continuous intent and growing capability of terrorist groups to exploit vulnerabilities in the system, prove that international civil aviation remains a prime target for a variety of motives. Safeguarding civil aviation against acts of unlawful interference requires measures that are proactive, yet flexible, and must be able to respond rapidly to new and emerging threats. These measures must be sustained over time, providing an acceptable level of security regardless of the threat environment. This output aims to help ensure that:

- a) ICAO and its Member States ensure the development and implementation of risk-based measures to reflect the evolving threat picture;
- b) innovation in the areas of aviation security and cybersecurity is carefully monitored and duly considered in the development and update of policies, standards, recommended practices and guidance material;
- c) there is continued capacity for ICAO to support its deliberative bodies and expert groups in identifying threats, addressing, and navigating risks and reducing vulnerabilities by making every effort to create a sustainable aviation security system; and
- d) a coordinated and comprehensive approach continues to be implemented for all elements of the aviation sector i.e., safety, air navigation, facilitation, and counterterrorism to benefit from shared knowledge, strengthened efforts and improved aviation security.

SECF 2 Enhanced capabilities of States to facilitate the movement of people and goods by air, and uniquely identify individuals, including through implementation of innovations, leading to improved efficiency in border management operations and increased resilience to future challenges

37. Efficient movement of people and goods by air requires effective national organization and harmonized adoption of best practices and technologies to facilitate cross-border processes. ICAO's facilitation activities involve provision of a) regulatory material and guidance to ensure that national structures, facilities, and capabilities are appropriately established and maintained; b) development of technical specifications and guidance to drive adoption of aligned capabilities to effect more seamless travel; and c) the offering of implementation and capacity building support to ensure comprehensive global capability development. Together, this work allows States to adapt to changing circumstances over time and take advantage of new operational and technical innovations and developments while ensuring no country is left behind. In the period from 2023-2025, ICAO will focus on advancing its regulatory framework to meet evolving needs, particularly taking into account lessons learned from the COVID-19 pandemic and building on the outcomes of the High-level Conference on COVID-19, while taking advantage of innovations and advancing specifications and assistance to States to drive more seamless and contactless travel.

SECF 3 Enhanced Member States' aviation security oversight capabilities and compliance with Annex 17 standards and security-related Standards of Annex 9 through the conduct of USAP-CMA Activities

38. The ICAO USAP-CMA is the only global programme that measures States' aviation security performance, including the sustainability of such systems and an indicative compliance with Annex 17 Standards and security-related Standards of Annex 9. This output aims to help improve the sustainability and effectiveness of the global aviation security system by:

- a) enabling states to implement corrective actions in a timely manner to address identified deficiencies;
- b) enabling the targeting of assistance activities and the functioning of regional and global programmes, such as the AFI SECFAL and GASeP, which rely on USAP data; and
- c) creating sound policy based on the first-hand experience of USAP-CMA auditors.

39. For the 2023-2025 triennium, the intent is to increase the number of USAP-CMA activities ICAO can undertake, while maintaining the quality of audit reports and continuing to improve the audit methodology.

SECF 4 Strengthened ICAO's leadership and mandate in aviation security, cybersecurity and facilitation globally, in partnership with other UN bodies and international organizations

40. Within the framework of the United Nations Global Counter-Terrorism Strategy and relevant Security Council resolutions on counter-terrorism, ICAO will continue to collaborate with the United Nations Offices, Directorates and Specialized Agencies (and other international organizations) to fulfil the commitments defined in the UN Global Counter-Terrorism Strategy to further strengthen and enhance cooperation and information-sharing relating to border management, aviation security, and counter-terrorism. ICAO will also work with other UN and international organizations to develop comprehensive multi-dimensional frameworks to handle future crises in aviation, such as those related to health. ICAO-UN collaboration will include implementation of joint activities and collaborative preparation of documents and tools, leveraging of expertise and optimization of resources to maximize the quality of deliverables to Member States. Such activities are related to aviation security and facilitation, notably

in relation to identity, and border control management as described in UN Security Council resolutions 1373 (2001), 1624 (2005), 2178 (2014), 2309 (2016), 2341 (2017), 2395 (2017), 2396 (2017) and 2482 (2019).

SECF 5 Increased access to civil aviation security and facilitation implementation support that addresses States' prioritised needs

41. Although the civil aviation system is more secure than ever, vulnerabilities and threats to aviation security and border integrity persist, affecting States across all regions. It is important to ensure that the implementation of security and facilitation requirements be improved, enabling passenger and cargo traffic to grow securely and efficiently. Such challenges must be addressed through active preventive efforts, including systematic collaboration, coordination and communication amongst States and industry. This output aims to enhance aviation security and facilitation worldwide by a) minimizing the risk of acts of unlawful interference while ensuring appropriate responses when incidents occur, b) minimizing border integrity risks and, c) maximizing efficiency in border control operations to promote the movement of people and goods by air. This output will deliver results through:

- a) Assistance and capacity-building projects and programmes
- b) Training programmes
- c) Regional programmes and partner collaboration
- d) GASeP and TRIP Strategy implementation support activities

SECF 6 Strengthened security and facilitation of civil aviation at the regional level

42. The expected aviation recovery from the COVID-19 and increased air connectivity in the next years harness the challenges to manage and mitigate the security risks, without affecting the intrinsic swiftness of civil aviation. In this sense, the implementation of the security and facilitation measures demand the Regional Offices to liaise with various international, regional, and national entities to champion the collaboration among the stakeholders to ensure sustained political commitment and technical capacity for the States to implement the global requirements.

43. The Regional Offices will continue to support States to improve the effective implementation of the aviation security SARPs (validated through USAP-CMA), in a sustainable manner, keeping a balanced approach based on risk management and considering the growth of air passenger and cargo traffic. The Regional Offices will foster cooperation among stakeholders and measure progress on the implementation of the GASeP and the regional priorities, through the Regional AVSEC/FAL Groups. Additionally, the Regional Offices will coordinate with ICAO HQ for the provision of capacity-building activities and support the ICAO ASTCs in the delivery of AVSEC/FAL trainings.

STRATEGIC OBJECTIVE – SECURITY AND FACILITATION

Table 11 Security and Facilitation Indicators

	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
SECF 1	Enhanced policies including but not limited to standards and recommended practices (SARPS) and guidance material aimed at improving civil aviation security, border management and cybersecurity while monitoring innovation in these areas	Number of amendments to Annex 17, guidance and policy documents produced (new or updated)	This indicator measures the capability of ICAO to continuously refine and harmonize the global aviation security policy and regulatory framework, including mechanisms to quickly adapt to new and evolving threats, risks and vulnerabilities.
		Number of meetings organized by, and/or in coordination with the Secretariat to support the enhancement of aviation security, (border management) and cybersecurity policies	This indicator provides the level of outreach activities designed to further promote the enhancement and effective implementation of aviation security, (border management) and cybersecurity policies.
SECF 2	Enhanced capabilities of States to facilitate the movement of people and goods by air, and uniquely identify individuals, including through implementation of innovations, leading to improved efficiency in border management operations and increased resilience to future challenges	ii) Number of policy documents, SARPs, technical specification documents and guidance documents related to Facilitation under development and/or updated in a defined time period	This indicator measures the capability of ICAO Facilitation to maintain and evolve regulatory and guidance material in a field subject to rapid change
		ii) Number of States participating in ICAO Facilitation training, or international or regional events organized by ICAO related to facilitation in a defined time period, as well as the average feedback score from participants of such events	This indicator measures state engagement in ICAO Facilitation activities and their level of satisfaction with the value of such activities in their work
		iii) Number of States participating in the ICAO PKD and the number of active PKD participants	This indicator measures the number of States that have invested in community efforts to share data associated with electronic travel documents in order to enhance global harmonization and interoperability and boost international facilitation of aviation
SECF 3	Enhanced Member States' aviation security oversight capabilities and compliance with Annex 17 Standards and security-related Standards of Annex 9 through the conduct of USAP-CMA activities	i) Number of activities conducted	This indicator measures the volume of activities
		ii) % of reports produced within time limits	This indicator measures the output of the audit programme
		iii) Level of State satisfaction with oversight activities	This indicator measures the minimum required level of States' satisfaction

	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
SECF 4	Strengthened ICAO's leadership and mandate in aviation security, cybersecurity and facilitation globally, in partnership with other UN bodies and international organizations	Number of activities conducted with UN bodies and international organizations, in which ICAO's work and achievements on aviation security, cybersecurity, and air transport facilitation are shared	This indicator measures the level of Secretariat outreach activities to enhance recognition of ICAO's achievements and leadership on aviation security, cybersecurity and air transport facilitation issues
SECF 5	Increased access to civil aviation security and facilitation implementation support that addresses States' prioritised needs	Number of States assisted using the ASIP process per year	This indicator measures the level of assistance activities (ASIPs).
SECF 6 ROs	Strengthened security and facilitation of civil aviation at the regional level	i) EI USAP	This indicator measures results of the effective implementation under the Universal Security Oversight Programme
		ii) Number of States with National Air Transport Facilitation Committees (NATFC) established	This indicator measures the percentage of States that have established national air transport facilitation committees

ECONOMIC DEVELOPMENT

Table 12 Economic Development Estimated Resource Requirements

(Posts: person-years, Amounts: '000 CAD)

Output / Year	Staff			Non-Staff					Total Cost
	IP	GS	Staff Cost	Consultancy/ Outsourcing	Travel	Meetings	Other	Non-Staff Cost	
DEV 1 - Pollides									
2023	1.0	1.0	322	-	10	19	-	30	351
2024	1.0	1.0	339	-	11	20	-	31	369
2025	1.0	1.0	350	-	11	21	-	32	382
Sub-Total			1,010	-	32	60	-	92	1,103
DEV 2 - Economic Development and Innovation									
2023	1.4	1.0	466	-	17	-	11	28	494
2024	1.4	1.0	489	-	18	-	11	29	518
2025	1.4	1.0	505	-	18	-	11	30	534
Sub-Total			1,459	-	54	-	33	87	1,546
DEV 3 - Sodo-Economics									
2023	1.0	1.0	322	-	10	19	-	30	351
2024	1.0	1.0	339	-	11	20	-	31	369
2025	1.0	1.0	350	-	11	21	-	32	382
Sub-Total			1,010	-	32	60	-	92	1,103
DEV 4 - Data Analysis									
2023	1.8	2.0	500	68	14	19	-	101	601
2024	1.8	2.0	529	70	14	20	-	105	634
2025	1.8	2.0	551	72	15	21	-	107	658
Sub-Total			1,580	210	43	60	-	313	1,893
DEV 5 - Big Data solutions									
2023	1.8	2.0	500	-	-	-	-	-	500
2024	1.8	2.0	529	-	-	-	-	-	529
2025	1.8	2.0	551	-	-	-	-	-	551
Sub-Total			1,580	-	-	-	-	-	1,580
DEV 6 - Implementation support									
2023	1.8	0.0	428	10	17	39	-	67	495
2024	1.8	0.0	454	11	18	40	-	69	523
2025	1.8	0.0	470	11	18	41	-	70	540
Sub-Total			1,352	32	54	120	-	206	1,558
DEV 7 - Economic viability at regional level									
2023	2.8	3.2	741	2	36	23	73	134	876
2024	2.4	3.1	698	2	37	24	86	149	847
2025	2.3	2.8	688	2	38	25	89	153	841
Sub-Total			2,127	5	111	72	248	436	2,564
Strategy-related services									
2023	3.0	2.8	995	86	3	4	195	288	1,283
2024	2.9	2.8	1,029	89	3	5	200	296	1,325
2025	2.7	2.8	1,063	91	3	5	207	305	1,368
Sub-Total			3,086	265	9	14	601	889	3,975
2023	14.4	13.0	4,273	166	109	125	279	679	4,952
2024	14.0	12.9	4,404	171	112	129	297	709	5,113
2025	13.7	12.6	4,528	175	115	132	307	729	5,256
TOTAL			13,205	513	335	386	882	2,116	15,321

Foster the development of a sound and economically viable civil aviation system

44. A sound and economically viable civil aviation provides the freedom to travel affordably, a fair and equal opportunity for States and air transport users to benefit financially, a business environment where firms can operate profitably and a basis for sustainable economic development globally. A post-COVID-19 recovery of national and international economies will rely on the recovery of aviation. As such, maximizing aviation's contribution to economies, uniting efforts among States and the international communities will be required beyond the civil aviation sector.

45. Removing impediments to economic sustainability of air transport and overcoming the low priority given to aviation in financing are the ultimate goals of this Strategic Objective. States can use aviation as an effective development tool by pursuing liberalization efforts and placing aviation in the centre of the national/regional development framework and international financing for development flows, resulting in a) improving air connectivity; b) creating more competitive business opportunities in the marketplace; c) increasing consumer's benefits and choices; and at the same time d) reducing financial burden and costs in performing their regulatory oversight functions. These efforts shall be underpinned by quality data, analysis and forecasting for data-driven decision-making, operational improvement and, to the extent possible, the prediction of the various aspects of civil aviation development.

46. The delivery of the results with respect to this Strategic Objective will be essential for the aviation system's recovery from the COVID-19 crisis, for building its resilience beyond the recovery and for contributing to the growth of civil aviation activities and the efficiency of the air transport, and hence to the global economy, and the expansion of trade and tourism.

Outcome Statement

47. By the end of 2025, air transport will re-attain its pre-pandemic levels of enhancing economic viability and efficiency, through improved air connectivity, more competitive business opportunities, increased consumers' benefits and choices, and more sustainable funding and financing for infrastructure development, while leveraging advanced aviation data and analytical capabilities for informed decision making.

Key Performance Indicators

- Percentage of States observing ICAO air transport policies and guidance materials
- Increased use of aviation as a development tool
- Percentage of member States maintaining a benchmark reporting official aviation statistics to ICAO
- Percentage of passengers travelling by air as compared to pre-COVID-19 pandemic levels (2019)

Priorities

48. The evolving nature of civil aviation necessitates that ICAO be prepared for any significant shifts that may occur now and in the future. States' long-term policy agendas, including: a) improving air connectivity; b) creating more competitive business opportunities in the marketplace; c) increasing consumers' benefits and choices; d) promoting increased use of aviation as a development tool; and, e) removing impediments to sustainability of air transport, require continuous, holistic and coordinated efforts by States and the international communities. ICAO will prioritize its work as follows:

- a) Develop and update air transport policy and guidance related to economic regulatory frameworks;
- b) Finalize a draft multilateral convention on foreign investment in airlines;

- c) Evaluate economic contribution and benefits of aviation by using refined methodologies;
- d) Collect, analyse and disseminate aviation data/statistics under the Enterprise Data Management (EDM) framework;
- e) Update long-term traffic forecasts and harmonize databases in support of aviation development, air navigation planning and environmental economics work;
- f) Implement and manage aviation-related big data solutions and conduct joint projects related to ICAO's big data, including business intelligence dashboards;
- g) Facilitate States' air services negotiations and provide an exchange forum for States and aviation stakeholders to reduce regulatory costs;
- h) Provide support to States in the recovery from the COVID-19 crisis, including following up to and implementing CART recommendations and HLCC Declaration, and recommendations as well as raising awareness of ICAO's air transport policies and guidance and developing State/Regional Action Plans.

Challenges, emerging needs & opportunities

49. The COVID-19 pandemic has had a devastating economic impact on the aviation industry worldwide, risking its viability and financial sustainability. The deterioration in potential future economic viability of the sector could affect the balance of the aviation ecosystem, the repercussion of which might have far-reaching impact on the broader economies at all levels. Therefore, aviation stakeholders should urgently take bold and immediate steps to bolster their financial position and mitigate the impact from the massive revenue shortfall. It is also equally important that States take appropriate actions to stabilize and support the beleaguered aviation industry; and so aviation can continue its pivotal role in providing connectivity, driving national economy, and supporting jobs, and as an enabler in the overall economic recovery. In the context of the current crisis, the following challenges, needs and opportunities have been identified under the Strategic Objective.

- a) Leading the post-COVID-19 economic recovery of aviation. In the aftermath of the COVID-19 pandemic, re-establishing the economic viability of air transport will be vital to deliver its socio-economic benefits in a sustainably and environmentally conscious manner. This will be achieved through the Strategic Objective's regulatory and analytical agenda as well as through the follow-up and implementation of CART recommendations and the Ministerial Declaration of the High-Level Conference on COVID-19 (HLCC).
- b) Digital transformation of air cargo: Implementation of a cross-sector, integrated approach to the digitalization of air cargo and the global supply chain to increase the sector's speed, safety, security, and efficiency and to promote global trade and commerce.
- c) Aviation infrastructure/system financing: Promotion of diversified funding and financing sources, through the elevation of a role of the private sector and the effective use of domestic resources and international development funding, to develop and modernize quality aviation infrastructure/system commensurate with the level of predicted traffic growth and based on ICAO's Global Plans.
- d) Big data analytics for aviation: Leveraging and unlocking the potential value of big data to improve safety and operational efficiency of aviation, allow States and the industry to make more informed decisions and policymaking, and strengthen the customer relationship and commitments.

Economic Development Outputs

DEV 1 Enhanced capabilities of States to improve air connectivity, to create competitive business environment, and to perform economic regulatory oversight functions

50. Pursuing the continuous liberalization of international air transport benefits all stakeholders and the economy at large by providing for sustainable air connectivity, effectively supporting trade and tourism, and creating significant opportunities for local citizens, businesses, and producers to access foreign markets in addition to creating a competitive business environment, in which consumers benefit from more and improved choices and protection. In the context of the COVID-19 pandemic and recovery from it, emphasis will be on the need to strike an appropriate balance among the respective interests without prejudice to fair competition and market access or compromising safety, security and environmental commitments.

51. This output aims to reinforce ICAO's cornerstone role in this area by building better understanding of the benefits and challenges of liberalization, enhancing exchange of information and States' practices, developing, and updating air transport policy and guidance related to air transport, finalizing of a draft multilateral convention on foreign investment in airlines, developing new guidance on air cargo and e-commerce and leading the cooperation with the international community in this field.

DEV 2 Strengthened leadership of ICAO for addressing subjects related to the development of a sound and economically viable aviation system including addressing the economic and regulatory aspects of innovation in aviation

52. The dynamic nature of civil aviation necessitates that ICAO be prepared for any significant changes that may occur to effectively support States and the civil aviation system in the development of sustainable air transport, aligned with national and regional policy objectives and the NCLB initiative. The significant pace and uptake of various innovative technologies and processes, as well as the extended pool of conventional and unconventional innovators, across the aviation ecosystem requires ICAO to keep pace with the progress, monitor the developments and establish globally harmonized approaches where and if applicable.

53. Furthermore, the attainment of the UN SDGs relies on advances in sustainable air transport, which is a driver of sustainable development. Many of the SDGs are directly and indirectly connected to sustainable air transport. This output aims to support States in the strategic development of air transport at national, regional, and global levels to enable the sector's socio-economic potential by safely and efficiently accommodating the recovery and eventual increase in air traffic demand and taking full advantage of innovative ideas and solutions. In this regard, ICAO will continue to work closely with the other international organizations to deliver and promote results of economic analyses on emerging issues of global importance and various aspects of air transport.

DEV 3 Enhanced capabilities of States to use aviation as an effective means to achieve economic development, in particular, increase accessibility to funding and financing for aviation infrastructure development and improvement of air connectivity

54. To maximize the benefits of aviation in the economy, the priorities of the aviation sector should be integrated and reflected in State's economic and social development planning with an appropriately balanced development of transport modes, including multi-modal and urban planning initiatives. In addition, States should support sustainable funding and take pragmatic measures to build a transparent, stable, and predictable investment climate for aviation infrastructure development, which in turn contributes to the socio-economic development. This output aims to promote aviation's socioeconomic benefits, its cross-cutting nature, and multiple links to other economic sectors and to support the desired level of funding and financing for quality aviation infrastructure development and modernization, including through enhancing adherence to ICAO policies and guidance, engaging multi-stakeholders, diversifying funding sources and elevating the role of the private sector.

DEV 4 Enhanced capabilities of States to maximize the utility of aviation data/statistics and long-term traffic forecasts

55. Comprehensive and reliable aviation data, analysis and forecasts are the basis for States and the industry to make well-informed decisions and align the regulatory and financing regimes with the projected growth of air traffic demand. These enable States to act proactively to avoid inefficiencies and impediments, reduce risks and uncertainty, monitor progress and performance, evaluate the return on investments, and promote financing for air transport development. Under this output, ICAO will continue its extensive work on aviation data and statistics, analysis tools, long-term traffic forecasts and harmonizing databases in support of aviation development, air navigation planning and environmental economics work. In addition, ICAO will continue its efforts in the development of methodologies and data sources for establishing a global aviation competitiveness index.

DEV 5 Enhanced skills of States to implement and manage aviation-related big data solutions and take stock of innovations in support of data-driven policies

56. Aviation is at the cusp of data transformation with velocity and quantity of data growing and new technologies evolving to analyze such data. In tandem with the pace of the industry development, States need to improve capabilities and capacity to manage the trove of information and use advanced analytics to reap the tremendous value through developing data-driven strategies. This output aims to guide States in addressing and adopting emerging technologies and solutions for the development of data-driven policies and strategies. By providing advanced business analysis tools, implementing, and managing aviation-related big data solutions and conducting related projects, including advanced COVID-19 analyses, ICAO will reinforce its position to assist and contribute to States' efforts.

DEV 6 Increased access to economic development implementation support that addresses states' prioritized needs

57. Access to adequate resources is vital for the development and improvement of all aspects of the air transport, including enhanced crises response readiness. In addition, ICAO serves a pivotal role to promote air transport bilateral, plurilateral and multilateral relations. This output aims to reinforce ICAO's role in this area by raising awareness of existing ICAO's policies and guidance and developing new ones, providing tools to enhance transparency of the air transport regulatory framework, facilitating States' air services negotiations through exchange fora, and assisting States and other stakeholders in addressing other issues.

DEV 7 Enhanced economic viability and resilience of civil aviation at the regional level

58. The Regional Offices, in close coordination with ICAO HQ, will continue to support the sustainable development of an economically viable civil aviation system and the liberalization of air transport, through the promotion of ICAO policies and guidelines. Moreover, the Regional Office will enhance their capabilities in supporting the States for all ICAO Strategic Objectives with the provision of business intelligence, facilitated by ICAO HQ.

Table 13 Economic Development Indicators

	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
DEV 1	Enhanced capabilities of States to improve air connectivity, to create competitive business environment, and to perform economic regulatory oversight functions	Number of transitional and fully liberalized air services agreements registered with ICAO in proportion to all ASAs registered	This indicator measures the number of transitional and fully liberalized air services agreements registered with ICAO in proportion to all ASAs registered. It provides an analysis of air services agreements registered and monitoring of liberalization trends in ASAs
DEV 2	Strengthened leadership of ICAO for addressing subjects related to the development of a sound and economically viable aviation system including addressing the economic and regulatory aspects of innovation in aviation	Delivery of data and other reports annually to the UN in support of the UN SDG 9.1.2	Continuous cooperation and coordination with the UN towards achieving UN SDG indicator 9.1.2. This indicator measures the delivery of data and other reports to the UN in support of the UN SDG 9.1.2.
DEV 3	Enhanced capabilities of States to use aviation as an effective means to achieve economic development, in particular, increase accessibility to funding and financing for aviation infrastructure development and improvement of air connectivity	Level of implementation of ICAO's Policies and Guidance related to aviation infrastructure management	This indicator measures the global average levels of implementation/observance by States of ICAO air transport policies and guidance materials, i.e., Doc 9082, Doc 9562 and Doc 9161.
DEV 4	Enhanced capabilities of States to maximize the utility of aviation data/statistics and long-term traffic forecasts	Level of coverage of reporting of official aviation statistics by Member States to ICAO	This indicator measures the provision of official statistics, studies, ICAO data analytics tools and forecasts to all Member States for data-driven decision making
DEV 5	Enhanced skills of States to implement and manage aviation-related big data solutions and take stock of innovations in support of data-driven policies	i) ICAO big data analytics and related methodologies made accessible to States on an annual basis	This indicator measures the provision of ICAO big data analytics (ADS-B, MIDT) and methodologies to Member States and aviation stakeholders
		ii) Number of States engaged in the development and adoption of an ICAO Global Aviation Competitiveness Index	This indicator measures the contribution of States to the development of an ICAO Global Competitiveness Index and its adoption when available (New indicator requested by ADAP/3). This indicator measures the development/advancements of the Index and eventual implementation
DEV 6	Increased access to economic development implementation support that addresses States' prioritized needs	Utilization rate of opportunities provided by ICAO to facilitate access to economic development implementation support	This indicator measures the percentage of States effectively participating and engaging in exchange fora and other opportunities by ICAO to facilitate access to economic development implementation support
DEV 7 ROs	Enhanced economic viability and resilience of civil aviation at the regional level	Level of coverage of reporting of official aviation statistics by Member States to ICAO at a regional level	This indicator measures the percentage of States providing required air transport data by ICAO Statistical region

ENVIRONMENTAL PROTECTION

Table 14 Environmental Protection Estimated Resource Requirements

(Posts: person-years, Amounts: '000 CAD)

Output / Year	Staff			Consultancy/ Outsourcing	Non-Staff			Non-Staff Cost	Total Cost
	IP	GS	Staff Cost		Travel	Meetings	Other		
ENV 1 - SARPs									
2023	2.9	1.0	800	23	18	126	-	167	967
2024	2.4	1.0	734	24	18	130	-	172	906
2025	2.4	1.0	759	24	19	271	-	314	1,073
Sub-Total			2,292	71	54	528	-	653	2,945
ENV 2 - Innovation									
2023	0.0	0.0	-	23	18	17	-	58	58
2024	0.0	0.0	-	24	18	18	-	60	60
2025	0.0	0.0	-	24	19	18	-	61	61
Sub-Total			-	71	54	54	-	179	179
ENV 3 - CORSIA									
2023	6.5	0.8	1,608	47	18	17	-	82	1,690
2024	6.0	0.8	1,592	48	18	18	-	84	1,676
2025	6.0	0.8	1,649	49	19	18	-	86	1,736
Sub-Total			4,849	145	54	54	-	253	5,101
ENV 4 - Climate change adaptation									
2023	0.6	0.0	109	-	-	17	-	17	127
2024	0.6	0.0	118	-	-	18	-	18	136
2025	0.6	0.0	124	-	-	18	-	18	142
Sub-Total			352	-	-	54	-	54	405
ENV 5 - UN coordination on environment									
2023	2.3	1.5	628	23	18	17	11	69	697
2024	2.3	1.5	662	24	18	18	11	71	733
2025	2.3	1.5	689	24	19	18	11	73	761
Sub-Total			1,979	71	54	54	33	212	2,191
ENV 6 - Implementation Support									
2023	0.4	0.8	178	23	18	17	-	58	236
2024	0.4	0.8	186	24	18	18	-	60	246
2025	0.4	0.8	193	24	19	18	-	61	254
Sub-Total			557	71	54	54	-	179	735
ENV 7 - Environmental sustainability at the regional level									
2023	4.5	4.3	1,144	4	47	28	104	183	1,327
2024	4.5	4.2	1,193	4	49	29	118	200	1,393
2025	4.5	4.2	1,226	4	50	30	121	205	1,431
Sub-Total			3,563	12	146	87	344	588	4,151
Strategy-related services									
2023	4.1	3.9	1,377	119	4	6	269	399	1,776
2024	4.0	3.9	1,424	123	4	6	277	410	1,834
2025	3.8	3.9	1,471	126	4	6	286	422	1,894
Sub-Total			4,273	367	13	19	832	1,231	5,504
2023	21.2	12.2	5,844	261	140	247	385	1,033	6,877
2024	20.1	12.1	5,909	269	144	255	406	1,074	6,983
2025	19.9	12.1	6,111	276	148	399	419	1,241	7,351
TOTAL			17,864	806	431	901	1,209	3,347	21,212

Minimize the adverse environmental effects of civil aviation activities

59. In light of the COVID-19 pandemic and the climate crisis, and particularly with the latest scientific evidence from the Intergovernmental Panel on Climate Change (IPCC), rapid action is required now from all sectors to reduce anthropogenic CO₂ emissions. Defining and monitoring the achievement of ambitious goals for aviation to contribute to addressing climate change is a priority. Ambitious means and processes to do that need to be put in place. For aviation, all stakeholders must take significant action and ensure that no country is left behind and it is crucial that ICAO maintains its leadership to address the climate impacts of international aviation.

Outcome Statement

60. By 2025, global aviation will define and start implementing green transition pathways, advanced policies, SARPs and guidance/tools to encompass green technologies/innovations and achieve ambitious environmental results, through enhanced support for State Action Plans on aviation CO₂ reduction measures with focus on clean energy (e.g. Sustainable Aviation Fuels (SAF)), and wider participations of States and robust implementation of CORSIA, with a mechanism to monitor and take stock of progress toward realization of collective ICAO global aspirational goals.

Key Performance Indicators

- The number of States reporting the Sustainable Aviation Fuel (SAF) initiatives (through their State Action Plans)
- The number of States that have volunteered to participate in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)
- The number of State Action Plans on CO₂ emissions reduction activities, with a quantified long-term CO₂ reduction target.

Priorities

61. To enhance and advance Environment protection, all aviation stakeholders must collaboratively take significant action and it is crucial that ICAO maintains its leadership in the development and implementation of globally harmonized policies and frameworks, SARPs and guidance to address the climate impacts of international aviation. Technological advancements and Innovation will play a crucial part in building green transition pathways for a resilient international aviation sector, and progress will be closely monitored toward the achievement of global aspirational goals. ICAO will prioritize work as follows:

- a) monitor environment-driven innovations and take stock of CO₂ emissions reduction;
- b) develop and update the ICAO policies, legal frameworks, SARPs and guidance to facilitate the innovative solutions for aircraft technologies, operational improvements, sustainable fuels and clean energy sources, toward realization of collective aspirational goals by States;
- c) ensure the continued implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA);
- d) encourage and support States to develop, regularly update, and implement their State action plans and roadmaps on aviation CO₂ emissions reduction, in light of new green innovations and ICAO global aspirational goals;
- e) address other important and emerging areas, such as climate adaptation and infrastructure resilience, as well as recycling and circular economy; and
- f) enhance leadership of ICAO for addressing all aviation environmental issues.

Challenges, emerging needs & opportunities

62. Environment is a fast-evolving subject in terms of new emerging areas and innovations (from noise to local air quality, to climate change, and clean energy, and climate adaptation), posing challenges but also providing opportunities for ICAO, subject to available resources, to keep pace with the progress and establish globally harmonized approaches. While the COVID-19 pandemic significantly impacts aviation, it also provides opportunities to consider the means to build back better for green transition, taking on board the latest environmental innovations (e.g., certification of new green technologies), developing pathways that guide the sector to a decarbonized future, and creating solid grounds for investments and facilitating access to green funding.

63. Further opportunity also exists to strengthen ICAO leadership, for example, by increasing States' voluntarily participation in CORSIA (88 States in 2021, and 107 States so far in 2022) and robust CORSIA implementation by all States, as well as enhancing State Action Plans to reduce aviation CO₂ emissions by facilitating States' access to green finance, feasibility studies and technology transfer. Various emerging and evolving areas face significant resource challenges, such as for Long-term Aspirational Goal (LTAG), State Action Plans (SAP), ENV Tools, CORSIA Capacity Building, and Climate Adaptation.

64. In particular, the ICAO's work on aircraft noise including the development and maintenance of Annex 16, Volume I and ICAO's work on supersonic aircraft will be impacted. This will also impact the overall environment-related Annex 16 SARPs development work of the Organization, due to the interdependency of work between aviation noise and emissions.

Environmental Protection Outputs

ENV 1 Advanced ICAO policies, legal frameworks, SARPs and guidance for implementation of innovative solutions toward realization of collective aspirational goals by States

65. To facilitate the realization of collective aspirational goals by States, ICAO will undertake various activities, for example, studies and development of necessary ENV-related policies, SARPs and guidance, for new innovative green technologies, such as evolutionary and revolutionary aircraft technologies. As per the CAAF/2 outcome, the 2050 ICAO Vision for Sustainable Aviation Fuels (SAF) will be elaborated through the stocktaking process and convening of CAAF/3 conference, with quantified 2050 goals and relevant ICAO policies and guidance to facilitate SAF development and deployment by States. ENV assistance projects in partnerships with external organizations will be established to facilitate financing for the implementation of specific aviation CO₂ reduction measures, in particular clean energy/SAF, as well as provide capacity-building activities and tools for States. It is also crucial to maintain and enhance ICAO tools, such as ICAO Carbon Emissions Calculator and other tools (e.g., IFSET, EBT, CERT) to respond to the needs of States and public, including enhancing transparency on environmental performance, and develop new tools, as necessary. ICAO will continue to update SARPs, and guidance related to Aircraft Noise, Local Air Quality and Aircraft CO₂ (Annex 16, Volumes I, II, III and Environmental Technical Manual, Volumes I, II, III, etc.).

ENV 2 Enhanced monitoring of environment-driven innovations and taking stock of CO₂ reduction information

66. It is important for ICAO to enhance the monitoring of the global progress on the achievement of climate aspirational goals, including through the development of integrated ICAO monitoring tools for environment-driven innovations on aviation technologies, operations, and fuels, as well as through annual ICAO stocktaking events to collect data on aviation CO₂ reduction information from environment-driven innovations and the pace by which it is being implemented. Such monitoring activities will also be supported by the assessment on the contributions of submitted State Action Plans on aviation CO₂ reduction activities, as well as the following-up and review of scientific aspects of aviation's contribution to the global climate (e.g., IPCC). Developing and implementing relevant policies

that incentivize and scale-up action for addressing CO₂ emissions from international aviation and facilitating a level playing field to access energy and green funding are crucial to achieve the climate objectives. The Secretariat will also provide support to the relevant technical work of CAEP, and regular updates to the Council and its standing bodies related to the assessment of ICAO global aspirational goals.

ENV 3 Active implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

67. Advancing the robust implementation of CORSIA, with active engagement of Member States, is crucial to maintain the continued leadership of ICAO on climate change, including the support to encourage increasing number of States that participate in CORSIA on a voluntary basis. ICAO will update SARPs, and guidance related to CORSIA (Annex 16, Volume IV and Environmental Technical Manual, Volume IV), and relevant CORSIA implementation elements such as CORSIA CO₂ Estimation and Reporting Tool (CERT) and CORSIA eligible fuels, and CORSIA eligible emissions units, including support to CAEP and TAB. ICAO will also maintain and update CORSIA Central Registry (CCR) and compile data submitted by States and publish necessary information. In addition, Secretariat will continuously monitor the implementation and assess the economic impacts and environmental benefits of the Scheme, with a view to supporting any subsequent review of the Scheme, as necessary. Continued support to States will be provided for the implementation of CORSIA through ICAO ACT-CORSIA (Assistance, Capacity-building, and Training for CORSIA) programme, including buddy partnerships among States, training seminars, outreach materials, CORSIA website update.

ENV 4 Increased focus on other important and emerging environmental areas such as climate change adaptation and infrastructure resilience

68. To address emerging environment areas, such as climate change adaptation, ICAO will facilitate the exchange of best practices for aviation climate change adaptation measures implemented by States, such as seminars and workshops, in cooperation with other UN bodies and international organizations.

69. ICAO will develop necessary guidance for States for the development and implementation of climate change adaptation measures to aviation operations and infrastructure resilience, including support to CAEP work. ENV assistance projects in partnerships with external organizations will be established to facilitate capacity building and financing for the implementation of specific aviation climate adaptation measures by States. ICAO will also undertake studies and develop necessary guidance on other ENV-related emerging areas, such as circular economy, environment management practices, and carbon capture and storage (CCS).

ENV 5 Enhanced leadership of ICAO for addressing all aviation environmental issues

70. To enhance leadership of ICAO in addressing all aviation environmental issues, ICAO will actively develop and disseminate material on its activities and achievements on environment (e.g., environment reports, newsletters, symposia, and seminars) to Member States, aviation industry, civil society, and youth representatives. ICAO will also closely follow-up and provide input to the UNFCCC process, including statements, submissions, and side events, on issues relevant to international aviation (e.g., climate goals, CORSIA, State Action Plans, climate finance), as well as enhance cooperation with other relevant UN bodies and international organizations, including the provision of ICAO input to their conferences and events. ICAO will also manage and coordinate its contribution to UN-wide environmental initiatives and groups (e.g., UN Climate Summits, UN Environment Management Group, UN Climate Neutral Initiative) including the use of ICAO Carbon Calculator and other tools.

ENV 6 Enhanced support to development, update and implementation of State Action Plans and roadmaps, in light of new green innovations and ICAO global aspirational goals

71. ICAO will provide enhanced support for the development, update, and implementation of State Action Plans (SAP), including the update of relevant ICAO guidance, tools, and website, as well as through seminars and exchange of best practices to support the SAP development and update to include new green innovations and roadmaps. ENV assistance projects in partnerships with external organizations will be established to facilitate financing for the implementation of specific aviation CO₂ reduction measures, as well as provide capacity-building activities and tools for States. Assessment of the submitted State Action Plans on aviation CO₂ reduction activities, will also support the monitoring of environment driven innovations and the achievement of ICAO global aspirational goals.

ENV 7 Strengthened environmental sustainability of civil aviation at the regional level

72. The sustainable growth of the aviation system in the Regions is increasingly dependent on the adoption of environmentally sound measures by the States to meet global agreements and national commitments. The outcome of the 41st Assembly to meet the global needs will demand a coordinated and effective action by ICAO to engage the States in political and technical levels.

73. The Regional Offices, in close coordination with ICAO HQ, will identify States' needs for the implementation of ICAO provisions and policies related to Environment and facilitate the provision of required capacity-building activities, including for supporting States to join voluntarily join CORSIA in its first Phases. In addition, the Regional Offices will support States to implement the CORSIA and other future requirements, as well as engage them in the process of development and update of their State Action Plans on CO₂ emissions reduction, and implementation of their selected mitigation measures.

Table 15 Environmental Protection Indicators

	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
ENV 1	Advanced ICAO policies, legal frameworks, SARPs and guidance for implementation of innovative solutions, toward realization of collective aspirational goals by States	Number of ICAO policies, legal frameworks, SARPs and guidance under development and updated	This indicator measures the level of Secretariat support for the development and update of ICAO policies, legal frameworks, SARPs and guidance
ENV 2	Enhanced monitoring of environment-driven innovations and taking stock of CO2 reduction information	Cumulative number of environment- driven innovations tracked by ICAO	This indicator measures the level of Secretariat support for the monitoring of environment-driven innovations and collection of CO2 reduction information
ENV 3	Active implementation of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)	i) Increase in the number of States that have volunteered to participate in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)	This indicator measures the level of State's engagement in CORSIA, and the CO2 emissions reduction and environmental integrity of CORSIA
		ii) % of CORSIA volunteer States that receive capacity building support	This indicator measures the level of Secretariat support for the implementation of CORSIA
ENV 4	Increased focus on other important and emerging environmental areas such as climate change adaptation and infrastructure resilience	The number of States that implement climate change adaptation measures on aviation operations and infrastructure	This indicator measures the increasing number of States that implement climate change adaptation measures on aviation operations and infrastructure
ENV 5	Enhanced leadership of ICAO for addressing all aviation environmental issues	Number of meetings and events of other UN bodies and international organizations, in which the ICAO's activities and achievements on aviation environmental issues are communicated	This indicator measures the level of Secretariat outreach activities to enhance recognition of ICAO's achievements and leadership on aviation environmental issues
ENV 6	Enhanced support to development, update and implementation of State Action Plans and roadmaps, in light of new green innovations and ICAO global aspirational goals	Number of State Action Plans on CO2 emissions reduction activities (new and updated) submitted by States to ICAO	This indicator measures the level of Secretariat support for the development and update of State Action Plans
		Number of State Action Plans on CO2 emissions reduction activities, with quantified data, on their contributions to the realization of ICAO global aspirational goals	This indicator measures the level of States' voluntary contributions to the realization of ICAO global aspirational goals, reflected in their State Action Plans
ENV 7 ROs	Strengthened environmental sustainability of civil aviation at the regional level	i) Number of States that have developed SAP	This indicator measures the number of states that have developed SAP
		ii) Increase in the number of States that have volunteered to participate in the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)	This indicator measures the level of State's engagement in CORSIA, and the CO2 emissions reduction and environmental integrity of CORSIA



NARRATIVES BY
TRANSFORMATIONAL
OBJECTIVE

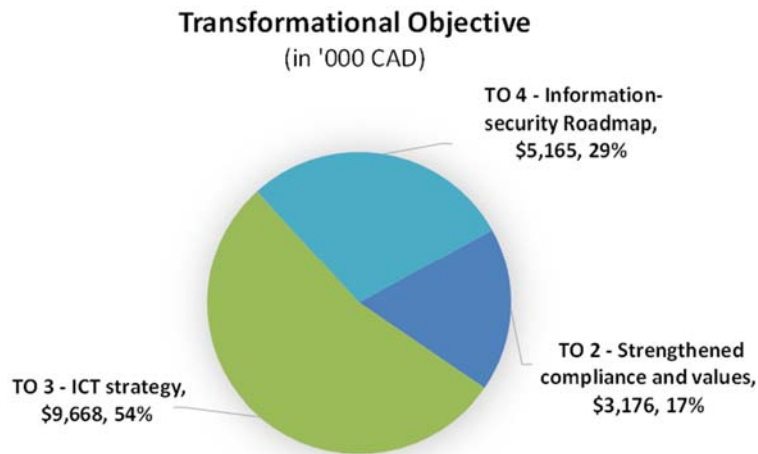


TRANSFORMATIONAL OBJECTIVE AT A GLANCE

Figure 7 Transformational Objective at a Glance (Tables and Figures)

ESTIMATED 2023-2025 BUDGET BY TRANSFORMATIONAL OBJECTIVE OUTPUT BY YEAR
(in '000 CAD)

Transformational Objective		2023	2024	2025	Total
TO 1	HR strategy	-	-	-	-
TO 2	Strengthened compliance and values	1,047	1,060	1,069	3,176
TO 3	ICT strategy	6,286	2,162	1,220	9,668
TO 4	Information-security Roadmap	708	1,420	3,037	5,165
TO 5	Enhanced financial management	-	-	-	-
TO 6	Strategic organizational reforms	-	-	-	-
Total		8,041	4,642	5,326	18,009



ESTIMATED 2023-2025 BUDGET AND PROPOSED POSTS BY TRANSFORMATIONAL OBJECTIVE OUTPUT
(Posts: 2025 snapshot, person-years, Amounts: in '000 CAD)

Transformational Objective	Posts		Amount			
	P	G	Staff	Non-Staff	Total	
TO 1	HR strategy	-	-	-	-	
TO 2	Strengthened compliance and values	1.0	-	776	2,400	3,176
TO 3	ICT strategy	-	-	1,858	7,810	9,668
TO 4	Information-security Roadmap	-	-	-	5,165	5,165
TO 5	Enhanced financial management	-	-	-	-	-
TO 6	Strategic organizational reforms	-	-	-	-	-
Total		1.0	-	2,634	15,375	18,009

*Staff required mostly in 2023-2024, therefore no FTE shown despite Staff Cost budget

Description

1. ICAO's Strategic Objectives continue to embody the main outcomes that address the priorities of the civil aviation system. However, to continue to deliver this mandate, there is a preeminent necessity for ICAO to drive a number of corporate change management and innovation initiatives to obtain efficiency gains in the Organization to manage its processes and resources. It has become evident that to implement reforms and to make ICAO fit-for-purpose requires focussed attention and dedicated resources. It is for this reason that a new corporate transformational objective is included in the Business Plan to support those reform activities and to account for the shifts needed to evolve towards efficient internal working methods, strengthened accountability, and increased transparency.
2. In this sense, the Transformational Objective forms a supplement to the Supporting Strategies that identifies a number of high priority items that are change enablers promoting the improvements in the Organization, focusing on its planning and management methods, providing transformation in organizational culture, the provision of reliable and secure technological systems, and the engagement and development of its human talent and outreach to partners and donors. The outputs for the Transformational Objective take into consideration the mandate of the Council to the Secretariat, audit recommendations, staff surveys and the risk registry, as well as the priorities identified by Bureaus and Regional Offices of ICAO.
3. The Transformational Objective will demand organization-wide involvement that will only be successful with the proper allocation of resources and the engagement all Bureaus and Regional Offices.

Priorities

4. The Transformational objective include the following priorities:
 - improved organizational culture and performance by implementing a results-oriented Human Resources strategy including improved internal communications to support a culture of trust, teamwork and outstanding performance;
 - strengthened adherence and compliance by staff to ethics principles and values taking in due consideration best practices of other organization of the United Nations system;
 - improved ICT Strategy and Services;
 - strengthened information security systems;
 - improved financial management mechanisms;
 - good management implemented through robust RBM, strategic planning, ERM, a sound accountability framework, efficient and effective programme management, an adequate organizational structure, as well as enhanced partnerships and resource mobilization efforts

Challenges, emerging needs and opportunities

5. The necessary involvement of the various Bureaus and Regional Offices in the implementation of the activities related to the Transformational Objective will be concurrent to the current demands placed on the human and financial resources available, which are focused on accomplishing the core activities set by the Strategic Objectives. The managerial and resource allocation challenges call for adaptation and training of human talent, improvement and enhancement of processes and activities, engagement in partnerships that can enhance the Organization's capacity, among other actions.
6. The emerging issues and new technologies will continue to affect the way the aviation system carries its operations, the areas of expertise of the personnel involved, the investment priorities in its infrastructure and ultimately how the civil aviation authorities have to update their regulations and processes to timely address and respond to the evolving industry needs. In this regard, ICAO should establish means to support the States and

respond to the sector's development, promoting an organization-wide transformation to expedite and improve the development of standards and guidelines, and to provide assistance.

7. The main opportunities arise from the interactions and shared experiences of its Member States, industry partners and from other UN and international entities, as well as leveraging from the inputs provided by the various backgrounds and experience of the Organization's team members. In this sense, as the culture of any organization is the result of the interaction of its members, ICAO must ensure that diversity is one of its key strengths and not an element of dissention. This opportunity emerges as long as the Organization provides a healthy and safe work environment, where the individual and shared responsibilities are clear and a strong and reliable accountability.

8. The Regular Budget will be mainly focused on the following selected initiatives within the three Transformational Objective output, with the remaining initiatives yet to be implemented, as and if the funding is available:

- Output 2: Strengthened adherence and compliance by staff to ethics principles and values taking in due consideration best practices of other organizations of the United Nations system;
- Output 3: A comprehensive digital transformation achieved resulting in enhanced and modernized ICAO operations; and
- Output 4: Strengthened Information Security posture achieving the target level of 2.5 based on industry-standard ISO 27001:2013 and the Capability Maturity Model Integration (CMMI) maturity model at the end of the implementation of the three-year Information Security Roadmap.

TO 2 – STRENGTHENED COMPLIANCE AND VALUES

Strengthened adherence and compliance by staff to ethics principles and values taking in due consideration best practices of other organizations of the United Nations System

9. With an objective to address the need to strengthen and streamline the programme of activities of ICAO relating to ethics principles and values, this Transformational Objective output will accelerate the efforts of the Organization by initiating a set of changes and undertakings using existing and additional resources. The Organization will invest to improve coordination, strengthen the cooperation and harmonize the activities of all relevant actors in ICAO who play a key role in upholding ethics principles and values in ICAO. The Organization and its personnel will benefit considerably in a stronger informal conflict resolutions mechanisms in order to allow early solution of work-related dispute, including through access to different sources of support and guidance such as the Ombudsperson, designating Respectful Workplace Advisors/Ethical Ambassadors, and staff counselling services.

10. ICAO will also take stock on the progress of implementation of activities relating to handling of allegations of misconduct, including the efficiency of the services of the investigative entity to ICAO as well as the effectiveness of a revitalized procedural framework outlined in the Rules of Procedures for the Appeals Board.

11. This Transformational Objective is bolstered by a robust communication and training strategy to support the implementation of a plan of training and outreach activities to promote staff understanding and application of the necessary values, actions and personal characteristics to uphold the ethics principles and values of the Organization, including strict demonstration of ethical leadership at the senior management level.

TO 3 – ICT STRATEGY

A comprehensive digital transformation achieved resulting in enhanced and modernized ICAO operations

12. Digital Transformation encompasses all aspects of the organization’s work, activities and operations. It includes a thorough assessment of the mission and future of the organization, how it operates today, and which changes are necessary to move to the next level, in terms of not only efficiency or effectiveness of its processes but in delivering lasting value to its stakeholder communities. It is imperative to start now as it is the first step in a series of actions necessary to improve transparency, modernize the organization and assure its continued relevance. With the backdrop of competing priorities and pressures on available resources, modernizing the organization will facilitate its ability to leverage alternative opportunities while broadening its support to Member States at the same time. It will also enable the organization to keep abreast of technological development, adopt emerging technologies and act as a catalyst for its stakeholder communities to understand and follow its path.

13. The appetite and receptiveness of the organization to rely on technology and collaboration tools for its work have changed significantly for the better due to the lessons learned from remote working during the pandemic. As a result, with the appropriate support, faster outcomes are achievable even with a reduced focus on change management. There is significant technology debt to overcome for many areas, but the initial mapping of the business capabilities has been completed. Several projects need to run concurrently with an adequately resourced Project Management Office. Key elements and projects include wider adoption of Cloud Technologies for ICT services, implementation of (To Be) business architecture as well as new enterprise tools and systems.

TO 4 – INFORMATION-SECURITY ROADMAP

Strengthened Information Security posture achieving the target level of 2.5 based on industry standard ISO 27001:2013 and the capability maturity model integration (CMMI) maturity model at the end of the implementation of the three-year information security roadmap

14. For the last three years, ICAO has worked on enhancing its security posture through a holistic risk-based and maturity-based information security strategy, covering both organizational security and operational security. To that end, the Organization’s security posture must achieve the target level of 2.5 minimum based on the industry-standard ISO 27001 and the Capability Maturity Model Integration (CMMI) maturity model. ICAO is aiming to be ISO 27001 compliant in terms of its Information Security initiatives at the end of its three-year Information Security Roadmap implementation.

Table 16 Transformational Objective Indicators

Output Code	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
TO 2	Strengthened adherence and compliance by staff to ethics principles and values taking in due consideration of best practices of other organizations of the United Nations system	i) Percentage of trained staff on all ethics-related training courses	Percentage of trained staff on all ethics-related training courses as all ethics related training courses are expected to be mandatory
		ii) Existence of informal conflict resolution mechanisms including required resources	Necessary actions are taken to establish the positions required in informal conflict resolutions mechanisms at ICAO
		iii) Percentage of cases annually of allegations of misconduct processed within the timelines established in the MoU signed with the investigative entity	The efficiency of liaison with the investigative entity in handling of allegations of misconduct
TO 3	A comprehensive digital transformation achieved resulting in enhanced and modernized ICAO operations	i) Complete implementation and Service Level Agreements (SLA)-compliant operations of required Enterprise systems and platforms	This indicator measures the extent to which the ICT platforms and systems that are crucial for digital transformation have been successfully implemented and are operating as planned. They reflect the ability of the organization to meet its digital transformation goals for automating and digitalizing work processes. They include systems that are integral to the business capabilities of ICAO's core mission as well as those that address common business needs of all organizational units. Without the full implementation and operation of these systems, resource usage and efforts tracking cannot be optimised.
		ii) Cloud adoption for key ICT services	This indicator measures the extent to which the organization adopts or leverages Cloud services in line with its Cloud adoption strategy, i.e., wherever it is appropriate, necessary and offers the best business value.
		iii) Improved business processes for (a) Reference Business Architecture for ICAO core business, SLA-compliant operations (b) alignment and integration of reference data used across applications landscape, including for reporting (with dashboards) across applications landscape.	This indicator measures the extent to which a holistic view (and management) of the ICT architecture required for all ICAO business capabilities exists. The reference business architecture maps ICT platforms and systems to the core missions and activities of ICAO in an architectural schema. An understanding of the future state and current gaps is important for digital transformation and attendant change programme. It also helps to ensure alignment of ICT activities with the organizations goals, possible synergies and proper prioritization of ICT funding.
TO 4	Strengthened Information Security posture achieving the target level of 2.5 based on industry-standard ISO 27001:2013 and the Capability Maturity Model Integration (CMMI) maturity model at the end of the three-year information security roadmap	i) Information Security Roadmap implementation milestones delivered in time	This indicator measures the implementation of the milestones of the information security roadmap. See presentation to the Council related to the Information Security Roadmap
		ii) Levels of CMMI achieved towards the target level	This indicator measures the level of CMMI achieved towards the target level
		iii) Number or level of cyber risks related to insider threats	This indicator measures the number of initiatives to lower the Human factor cyber risks related to the Human Firewall Strategy.



NARRATIVES BY SUPPORTING STRATEGIES



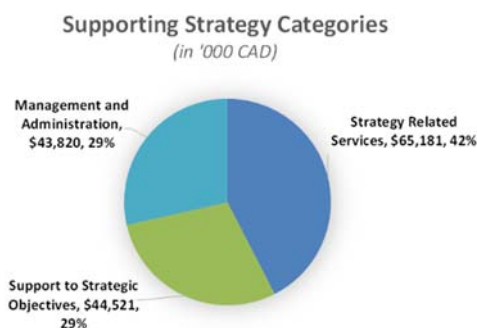
SUPPORTING STRATEGIES AT A GLANCE

Figure 8 Supporting Strategies at a Glance (Tables and Figures)

ESTIMATED 2023-2025 BUDGET BY SUPPORTING STRATEGY BY YEAR
(in '000 CAD)

Supporting Strategy	Approved Budget 2020-2022	Budget Estimates			
		2023	2024	2025	Total
SS 1 Legal services	7,557	2,754	2,883	2,981	8,617
SS 2 Administrative services	4,793	2,779	2,856	3,037	8,672
SS 3 Secretariat services to governing bodies	1,793	656	694	719	2,069
SS 4 Human resources services	18,248	6,631	6,874	6,954	20,459
SS 5 Language and publication services	40,297	13,328	13,509	13,934	40,771
SS 6 Conference, security and general services	11,386	4,128	4,261	4,359	12,748
SS 7 Internal oversight services	3,882	1,261	1,325	1,372	3,959
SS 8 Financial services	13,029	4,518	4,722	4,940	14,180
SS 9 Procurement services	1,488	1,372	1,435	1,480	4,287
SS 10 Communication services	2,055	698	734	761	2,194
SS 11 Planning, partnerships and resource mobilization services	3,030	1,080	1,139	1,181	3,400
SS 12 Executive management	8,707	2,568	2,684	4,112	9,364
SS 13 Revenue generation services*	4,714	-	-	-	-
SS 14 Ethics principles and values promotion	1,318	197	208	215	620
SS 15 ICT services	23,764	7,037	7,451	7,695	22,183
Total	146,061	49,007	50,775	53,740	153,522

**Included under SS-2 in the 2023-2025 triennium*



ESTIMATED 2023-2025 BUDGET BY SUPPORTING STRATEGY CATEGORY BY YEAR
(in '000 CAD)

Category	Approved Budget 2020-2022	Budget Estimates			
		2023	2024	2025	Total
Strategy Related Services	59,817	21,035	21,720	22,425	65,181
Support to Strategic Objectives	41,307	13,909	14,398	16,214	44,521
Management and Administration	44,937	14,063	14,657	15,100	43,820
Total	146,061	49,007	50,775	53,740	153,522

ESTIMATED 2023-2025 BUDGET AND PROPOSED POSTS BY SUPPORTING STRATEGY (POSTS AND BUDGET)

(Posts: 2025 snapshot, person-years, Amounts: in '000 CAD)

Supporting Strategy	Posts		Budget		
	P	G	Staff	Non-Staff	Total
SS 1 Legal services	8.0	5.0	8,073	544	8,617
SS 2 Administrative services	4.0	4.0	4,506	4,166	8,672
SS 3 Secretariat services to governing bodies	2.0	2.0	1,925	144	2,069
SS 4 Human resources services	8.0	16.0	16,875	3,584	20,459
SS 5 Language and publication services	38.0	33.0	38,343	2,428	40,771
SS 6 Conference, security and general services	2.0	5.0	2,584	10,164	12,748
SS 7 Internal oversight services	4.0	2.0	3,959	-	3,959
SS 8 Financial services	10.0	20.0	12,941	1,240	14,180
SS 9 Procurement services	3.0	7.0	4,232	55	4,287
SS 10 Communication services	2.0	1.0	1,809	385	2,194
SS 11 Planning, partnerships and resource mobilization services	4.0	-	3,400	-	3,400
SS 12 Executive management	6.0	3.0	6,922	2,442	9,364
SS 14 Ethics principles and values promotion	0.6	-	534	85	620
SS 15 Information technology services	12.0	15.0	12,471	9,713	22,183
Total	103.6	113.0	118,572	34,950	153,522

SS 13 - RGA included under SS 2 in the 2023-2025 triennium

Description

1. Developed alongside the strategic objectives and the transformational objectives, the supporting strategies reinforce the desired sequence to achieve the overall goals and programmes of the organization for the years 2023, 2024, and 2025.
2. The supporting strategies establish the specific contributions of the organizational enablers towards accelerating the progress of the high-level priorities of ICAO.
3. The supporting strategies are change-driven and highlight how the organization will transform its business delivery and governance with a focus on operational responsiveness, transparency, accountability, versatility, efficiency, and resilience in varied settings.
4. Implementing the supporting strategies entails a robust results based framework, results based budgeting and risk management while keeping attuned to evolving threats, trends, and opportunities.
5. The supporting strategies afford the Organization better, more coordinated, and strengthened functioning of various operational components of the organization, including efficiency and accountability of systems, internal policies, and procedures with a purpose to achieve innovation, and to make new or improved solutions possible.
6. The implementation of supporting strategies advocates increased alignment of programmes and resources with the best practices in the industry, and the United Nations System of Organizations. Building on the lessons learned and emerging needs, the supporting strategies foster inclusive, up-to-date, and positive changes in cross-cutting administrative areas of operation of the Organization including, human resources management, ICT and information security management, language and conference services, security and building management, etc.
7. With the engagement of all relevant stakeholders in implementing the activities established under each supporting strategy, the Organization is expected to be on track in achieving the desired outcomes and to the greater extent, the impacts of its high-level and programmatic priorities, accompanied by tangible results such as innovations, new business models, integrated systems, and refined and modern policies.

Challenges, emerging needs & opportunities

8. Several factors may negatively impact the implementation of the supporting strategies. Based on the ongoing COVID-19 situation, it is evident that the sudden occurrence of a global crisis can require drastic changes in priorities and business delivery. Additional investments may be required in addition to the resources that have been made available. Required skills may change which may entail the acquisition of new skills or diversifying existing knowledge and capabilities.
9. Regular assessment of internal policies, procedures, and systems will be crucial to ensure up-to-date applicability and alignment with emerging trends and needs.
10. It is also imperative for the Organization to continue to take stock of experiences, lessons learned and the emergence of potential opportunities brought by unforeseen crises and uncertainty. Work structure and priorities may need to be modified or further strengthened taking into account, among other things, staff turnover due to resignations and other reasons of separation from service, and building on emerging concepts and approaches, systems, and tools in business delivery. Through the supporting strategies, the Organization is reassured of continued resilience and to be fully equipped to address any crisis and uncertainty.

SUPPORTING STRATEGIES OUTPUTS

SS 1 - LEGAL SERVICES

Enhanced common legal framework, governance and harmonious international relations on the basis of the rule of law

11. LEB is the vanguard of the legal work of the Organization, fostering the rule of law in international civil aviation and providing full-range legal advisory and legal resource services to ICAO's Governing Bodies, the President of the Council, the Secretary General, other Bureaus, and offices, as well as Member States. LEB also carries out ICAO treaty depositary functions and has been recently tasked with managing the appointment process for the external auditor. Additionally, LEB manages the processes for the system of internal administration of justice and performs external relations and protocol functions to maintain effective and harmonious relations with the Host Government and Member States. LEB is also responsible for providing comprehensive Secretariat services required for the administration of formal settlement of differences pursuant to Article 84 of the Chicago Convention, which when compared to historical data, are in increasingly greater demand. Focus areas in the next triennium are anticipated to include emerging technologies, interdisciplinary endeavors in the fields of cyber-security, data, automated mobility and space travel, and subject matter support for other ICAO policy priorities; settlement of disputes between Member States; and modernization of LEB's document management system. However, the anticipated impact of inadequate staffing levels (officers, consultancy capacity, administrative support staff), not only to various emerging and evolving areas, but to LEB's core activities as well as its supporting activities across the organisation, is significant. The situation will further be exacerbated by increased demands with respect to the system of the internal administration of justice, which will remain seriously underfunded despite being a top priority item necessary for good governance. The foregoing situation may risk ICAO's work and reputation, and impact LEB's response and support to the Secretariat, Council and the Member States.

SS 2 - ADMINISTRATIVE SERVICES

Efficient, effective, transparent, and responsive administration services provided to the Secretariat, which facilitate the implementation of the Strategic Objectives

12. Areas of work under administration services are considered as organizational enablers for the Organization from human resources, language services, ICT and information security, conference and general services, business continuity and security, revenue, and product management, to providing support and strategic advice on management issues to ICAO governing bodies as well as to the Secretary General. Administration services are also crucial in leading operational committees of the Organization. Successful delivery of well-defined administration services is key to the implementation of the Strategic Objectives.

SS 3 - SECRETARIAT SERVICES TO GOVERNING BODIES

Efficient and effective management of secretariat services provided to the ICAO governing bodies, including support to the presiding officer of the Council, which facilitate discussion and decisions relating to the implementation of the Strategic Objectives

13. The Assembly and Council Secretariat provides substantive, procedural and logistical support that is essential to the smooth functioning of the meetings of the governing bodies, including the Assembly and the Council. A robust performance in this area of work is vital since it contributes to meeting the expectations of the Member States in the expeditious preparation and dissemination of documentation for the sessions of the governing bodies, such as the summaries of decisions (C-DECs) and summary records of the meetings (C-MINs), as well as the Assembly Resolutions in Force.

SS 4 - HUMAN RESOURCES SERVICES

Improved staff results orientation, continuous learning, transparency, and accountability as well as gender equality and equitable geographical representation

14. This output is focused on Human Resources Management. It covers the development of a modern human resources strategy as well as implementation of innovative HR practices, in order to enable the Organization to attract and retain a competent and diverse workforce, with the highest level of integrity, which are required to implement ICAO Strategic Objectives. Human Resources Management encourages staff development and facilitates the acquisition of new skills and competencies, develops the necessary policies and tools to improve transparency, accountability and performance management, which contribute to building a results-oriented culture. Human Resources Management also supports the implementation of the Organization's strategy on gender equality and equitable geographical representation through better workforce planning.

SS 5 – LANGUAGE AND PUBLICATION SERVICES

Efficient and timely provision of quality language and publication services in the six ICAO languages, as part of a comprehensive Multilingualism Strategy, which facilitates seamless international dialogue and communication on civil aviation matters, as well as the implementation of SARPS in all Member States

15. The efficient and timely provision of quality language and publication services in the six ICAO languages, through the implementation of a comprehensive Multilingualism Strategy, is key to facilitate seamless international dialogue and communication on civil aviation matters, underpinning the provision of quality language services, effective communication in all six official languages, and mobilization and partnerships. Under the Language Services Management System (LSMS) Project, the use of UN best practices and innovative technologies (computer-assisted translation tools and artificial intelligence) will play a major role in this endeavour.

16. The Multilingualism Strategy will cover the following areas:
- a) **Provision of language services** – this output ensures simultaneous interpretation for all approved meetings, as well as the timely processing and delivery of quality documentation and publications in support of ICAO Strategic Objectives;
 - b) **Human resources** – taking full advantage of and promoting the language skills of the Secretariat staff;
 - c) **Communication** – enhancing communication between ICAO and the rest of the world in all official languages;
 - d) **Mobilization** – promoting multilingualism as a universal value, including through partnerships; and
 - e) **Organizational responsibility** – through coordination between Secretariat, Council and Member States. Budget-wise, this would require action to streamline documentation, gain efficiencies and make language services less resource-intensive.

SS 6 - CONFERENCE, SECURITY AND GENERAL SERVICES

Efficient and effective conference and general services solutions available which are leveraging on emerging tools, trends, and technologies, supporting security and safety, business continuity and inclusion and greater participation of the Member States and civil aviation community

17. Events and meetings are at the core of ICAO's mandate. Meetings are the key to bringing together ICAO stakeholders, from experts to government decision makers. The focus will be on conference and general services solutions that leverage trends and technologies that support security, business continuity, in particular the experience drawn from the COVID-19 pandemic.

SS 7 - INTERNAL OVERSIGHT SERVICES

Improved use of oversight findings and recommendations for enhanced governance, organization learning, programme improvement and accountability

18. In line with its mandate, OIO will continue providing independent and objective assurance, advice, insight, and foresight through performing internal audits, evaluations, and other oversight assignments to the Secretary General and the Council. In this regard, OIO will assess and contribute to the improvement of governance, risk management, and control processes; and to the improvement of programme management and achievement of results, using a systematic and disciplined approach. In the triennium, OIO will conduct 18 audits and 6 evaluations. To ensure the quality and usefulness of its oversight reports, OIO will comply with IPPF and UNEG standards; use oversight manuals/ guidelines and implement External Quality Assessment (EQA) and Peer Review Recommendations. To improve the use of its oversight works, OIO will follow up the implementation of oversight recommendations, organize regular discussions with stakeholders and build the capacity of relevant staff and stakeholders, as necessary.

SS 8 - FINANCIAL SERVICES

Optimized management of the financial resources of the Organization through provision of financial and accounting services, transparent budgeting and enhanced financial reporting

19. The Finance Branch plays a key role in the custody and oversight over the appropriate use of financial resources, and the strengthening of ongoing compliance with the International Public Sector Accounting Standards (IPSAS). It has a portfolio of focus areas including but not limited to budget and financial management, provision of accounting services, development of financial-related policies and guidelines, statutory and specialized financial reporting, processing and control of transactions and provision of advice, operational guidance, and support to other Bureaus/(Regional) Offices on key budget and financial management areas.

SS 9 - PROCUREMENT SERVICES

Enhanced procurement services provided effectively and efficiently to all operations of the Organization in order to achieve best value for money in a fair and transparent manner

20. The Organization will undertake activities that will reinforce efforts on strict adherence to the ICAO Procurement Code as well as with ICAO's Financial Rules and Regulations. Proactive collaboration with the allotment holders to implement the Individual Procurement Plan (IPP) for all the significant procurement will be carried out to bolster the discipline of early planning of procurement activities. ICAO's solicitation documents will be harmonized with the best practices in the United Nations System, specifically in sustainability aspects. ICAO will also advocate further collaboration with other UN organizations through the use of common long term Agreements and/or joint procurement, amongst others. This will strengthen ICAO's cooperation under the concept of "Delivering as One" and other UN reform initiatives, which have accelerated efforts among UN entities to collaborate and cooperate on Supply Chain Management, including procurement. ICAO will also reinforce vendor performance monitoring to ensure ICAO suppliers always strive to provide the highest quality of services.

SS 10 - COMMUNICATION SERVICES

Increased engagement with sector and global audiences

21. ICAO will continue to adopt and leverage new technologies and capacities to increase public knowledge and appreciation of ICAO's role, to diversify the content offerings, and to grow its social media and digital platform audiences continuously. It will also actively seek out partnerships among other UN agencies, industry groups, and local global civil society stakeholders whenever ICAO messaging priorities may benefit from their joint efforts and participation. The ICAO brand will continue to be effectively promoted and aligned among internal and external stakeholders and will be up for a ten-year review and update during this triennium. News products will promptly and professionally announce all applicable ICAO achievements, official statements, and updates, subject to the continuing authority of the Secretary General and Council President and supported by continuous media monitoring and effective media support and relations.

SS 11 - PLANNING, PARTNERSHIPS AND RESOURCE MOBILIZATION SERVICES

Coordinated cross-organizational efforts to support governing bodies & OSG and advance innovation, gender equality, and aviation as an enabler of the SDGS, as well as facilitate contributions to UN and stakeholders' reports, documents, guidelines, policies & frameworks

22. Organization-wide coordination is inherent to Strategic Planning, Coordination and Partnerships (SPCP) Office's accountabilities as it directly supports the Office of the Secretary General on a variety of topics. The Office facilitates the organization and functioning of the Committee of Governance, the council small group on innovation as well the small group on gender, which requires the management and oversight of different actions and appropriate cross-organizational contributions. This coordination is essential to support efficient council procedures and decision-making. SPCP is also pro-active in organizing action and bringing cohesive, well-consulted inputs together into various products and tools to drive the Organization's accountabilities on innovation as well as gender equality which are of paramount importance. Furthermore, the Office coordinates ICAO-wide efforts to ideally position ICAO and aviation into discussions with the UN and stakeholders and related products and reports in support of the SDGs, and other UN-led global mechanisms, agendas, and frameworks.

SS 12 - EXECUTIVE MANAGEMENT

Optimized governance, management, and performance of the Secretariat to contribute to ICAO's Vision, Mission, and Strategic Objectives

23. The Office of the Secretary General (OSG) is responsible for the efficient and effective management of the Secretariat. The OSG will safeguard and promote the good reputation of ICAO through the delivery of high-quality services and products in the interest of the international aviation community. The OSG will promote an organizational culture of transparency, integrity, and accountability. OSG shall promote a change management culture with the objective of modernizing the working methods of the Organization to keep pace with innovation. OSG is responsible for the general direction of the work of the Secretariat. OSG is responsible for developing and updating the Organization's business plan and preparing budget proposals, for implementing the work programme, and ensuring the efficient, transparent, and effective use of financial resources of the Organization. OSG will search for efficiencies within the Secretariat under the transformational objectives.

SS 14 - ETHICS PRINCIPLES AND VALUES PROMOTION

Enhanced promotion and improvement of ethics principles and values

24. In accordance with its independent mandate, the Ethics Office will be responsible for providing counsel and confidential advice on ethics related matters to senior leadership and staff. The Ethics Office will also assist the Secretary General and the Council in nurturing a culture of ethics and accountability by providing guidance to reflect ethical considerations in policies, practices, and processes as well as through the promotion and enhancement of ethical awareness and a "speak up" culture through training and general outreach activities. This would assist in the prevention and early resolution of potential or actual conflicts among staff. At the same time, it will enable all ICAO

personnel (regardless of contract type and duration) to be properly informed about the expected behaviour to abide by the highest standard of conduct, including with reference to conflicts of interest, and to come forward without fear of retaliation.

SS 15 - INFORMATION TECHNOLOGY SERVICES

Enhanced ICT services that are aligned with the industry and UN best practices

25. Information technology plays a vital role in all aspects of the Organization's work. To meet its organizational objectives, ICAO must undertake fundamental ICT operations and projects, with impacts ranging from increased productivity and efficiency to lower operating costs. ICT plans for the Triennium and beyond, that its services reflect Digital Transformation initiatives and objectives for all identified business capabilities of the organization. ICT has evolved continuously and is adapting its operations to accommodate the coming seismic shifts in ICT service delivery, technology, solution sourcing and the positioning of ICT as a partner for sustainable growth within the organization.

Table 17 Supporting Strategies Indicators

Output Code	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
SS 1	Enhanced common legal framework, governance and harmonious international relations on the basis of the rule of law	% of legal advice and services provided within LEB established time standards	This indicator measures the percentage of legal advice and services provided within LEB established time standards. The LEB time standard is 80% of opinions published within 10 business days; however, specific LEB time standards may vary based upon the type of product or service and, in part, the degree of control that LEB exercises over timely completion
SS 2	Efficient, effective, transparent, and responsive administration services provided to the Secretariat, which facilitate the implementation of the Strategic Objectives	% of the performance monitoring framework's KPI milestones/targets under the direction of ADB achieved annually	This indicator measures the overall performance of ADB in achieving the KPIs in the Performance Monitoring Framework under its direction. These are all indicators under TO1, TO3, TO4, SS3, SS4, SS5, SS6 and SS9. The indicator measures the percentage of ADB-specific indicators that meet their established annual milestone/target
SS 3	Efficient and effective management of secretariat services provided to the ICAO governing bodies, including support to the presiding officer of the Council which facilitate discussion and decisions relating to the implementation of the Strategic Objectives	% Of compliance in the preparation and issuance of pre- session, in- session and post-session documentation in accordance with timelines indicated in the rules of procedure for the Council and Assembly. (C228, C229, C230 sessions)	This indicator measures the compliance in the issuance and circulation of documentation in accordance with timeline indicators outlined in the rules of procedure of the governing bodies. With recently revised approval processes, the intention is that performance against the established indicator would be improved over the course of the 2023-2025 triennium when compared in particular to the 2020-2021 period
SS 4	Improved staff results orientation, continuous learning, transparency, and accountability as well as gender equality and equitable geographical representation	i) % of all recruitments completed within established timelines	This indicator measures the efficiency of the recruitment process, the overall time taken to complete the recruitment process from the date of advertisement of the vacancy notice to date of appointment decision. The timely filling of posts and an efficient recruitment process (adherence to recruitment timelines) are important measures for accountability
		ii) Number of Unrepresented Member States in posts subject to Equitable Geographical Representation (EGR) status	In order to monitor the broader geographical representation of ICAO staff, this indicator measures the number of Unrepresented Member States in posts subject to Equitable Geographical Representation (EGR) status
		iii) % of professional and higher-level posts occupied by women	Gender equality and enhanced representation of women in Professional and higher-level posts is important. This indicator measures the percentage of professional and higher-level posts that are occupied by women

Output Code	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
		iv) % of Performance and Competency Evaluation (PACE) reports completed within three months of the performance cycle (i.e., by 31 March)	This indicator measures the percentage of completed PACE reports following the end of the performance cycle, which reflects management and staff engagement in the formal process of performance planning and evaluation
		v) % of female staff P4 and above that undertake targeted leadership training	This indicator measures the percentage of female staff P4 and above that undertake leadership development training. This is important to show the promotion of a healthy, dynamic and results- oriented work environment and is specifically targeting female leaders for management training promotes gender equality
SS 5	Efficient and timely provision of quality language and publication services in the six ICAO languages, as part of a comprehensive Multilingualism Strategy, which facilitates seamless international dialogue and communication on civil aviation matters, as well as the implementation of SARPs in all Member States	i) % of client satisfaction on simultaneous interpretation services available for all approved scheduled meetings, in all ICAO languages required	This indicator measures client satisfaction for the service of simultaneous interpretation available for all approved scheduled meetings, in all ICAO languages required. The indicator is indicative of the quality of service provided and is based on yearly capacity of interpretation sittings in all six languages. For in-person meetings, capacity of 1,344 sittings with a maximum of seven in-person meetings a week. For virtual meetings, capacity of 960 sittings with a maximum of five meetings a week
		ii) % of translations delivered within the established deadline for Deliberative Bodies, communications to States and other ICAO meetings	This indicator measures the percentage of translations delivered within the established deadlines for Deliberative Bodies, communications to States and other ICAO meetings. Annual translation capacity: 8.6 million words per year
		iii) Percentage of compliance with the established productivity standard for internal staff	This indicator measures the percentage of compliance with the established productivity standard for in- house staff (1,500 words per day)
SS 6	Efficient and effective conference and general services solutions available which are leveraging on emerging tools, trends, and technologies, supporting security and safety, business continuity and inclusion and greater participation of the Member States and civil aviation community	Number of ISO certifications renewed and associated implemented projects	This indicator measures the number of ISO certifications renewed and the number of implemented projects that contribute to efficiency and the ISO management system certifications are confirming the effectiveness of operations. Implementation of new technologies for logistics and administrative coordination of events (4 projects/year); annual renewal of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications.

Output Code	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
SS 7	Improved use of oversight findings and recommendations for enhanced governance, organizational learning, programme improvement and accountability	i) % of evaluation and audit recommendations implemented by management - this could be part of the TO on Good Management	This indicator assesses the use of evaluations and audits as OIO verifies the implementation of recommendations by checking the closing criteria
		ii) % of clients satisfied by the usefulness, quality and timeliness of evaluations and audits conducted by OIO	This indicator measures client satisfaction. OIO has developed client satisfaction index using the two surveys (one immediately after the completion of the audit/evaluation and another one a year after) to assess` the usefulness, quality and timeliness of oversight works to improve its planning and conducting oversight activities
SS 8	Optimized management of the financial resources of the Organization through provision of financial and accounting services, transparent budgeting and enhanced financial reporting	i) Audit opinion on the Organization's financial statements	This indicator provides external reasonable assurance over the accuracy of the financial statements
		ii) % Implementation rate for regular budget	This indicator refers to full year expenditure as a percentage of available regular budget for the year. Numerator: Full-year expenditure of regular budget (modified accrual). Denominator: Available regular budget for the year
		iii) % Assessment's collection rate	This indicator provides important information to the management and governing bodies on the collection rate of assessments. It is calculated as the amount of collected assessments (numerator) compared to the total assessments due in the current year (denominator) presented as a percentage
SS 9	Enhanced procurement services provided effectively and efficiently to all operations of the Organization in order to achieve best value for money in a fair and transparent manner	i) Number of days to produce Contract	This indicator measures the time between approval of award and contract presented to supplier for signature
		ii) Percentage of procurement completed as per IPP timelines	This indicator measures procurement completed as per IPP timelines
		iii) Percentage of supplier performance	This indicator measures supplier rating
SS 10	Increased engagement with sector and global audiences	i) Growth rate of ICAO audience on all platforms	This indicator measures the total number of ICAO followers and subscribers, per platform, indicating core level of public and sectoral interest in ICAO developments. The platforms that will be monitored for the purpose of this indicator to be confirmed
		ii) Number of views, comments and clicks-throughs, per ICAO post, by subscribers and others	This indicator measures the number of views, comments and click-throughs, per ICAO post, by both followers/subscribers and other. Some posts, for example, can engage hundreds of thousands in terms of engagement, but on platforms where we may have only tens of thousands of followers

Output Code	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
		iii) Number of new partnerships engaged in annually	Joint campaigns on social media; joint statements on appropriate message priorities; agreement from other UN or industry stakeholders to communicate on behalf of ICAO priorities; agreement by third parties to provide ICAO access to its audiences/platforms to improve the reach of related ICAO messaging
		iv) Percentage of external ICAO materials, products and services are consistent with ICAO branding	Percentage of materials conforming to brand requirements
		v) Percentage of prompt brand approvals to not obstruct or delay ICAO business owner processes and timelines	Percentage of feedback or approvals provided same day to business owners
SS 11	Coordinated cross-organizational efforts to support governing bodies & OSG and advance innovation, gender equality, and aviation as an enabler of the SDGS, as well as facilitate contributions to UN and stakeholders' reports, documents, guidelines, policies & frameworks	i) Number of States with the greatest exposure to natural disasters that receive access to the guidance and tools developed	This indicator measures the pro-activity of ICAO to coordinate between aviation stakeholders and humanitarian stakeholders and demonstrates that the guidance is being rolled out
		ii) Percentage of all risk mitigation actions completed by their due dates in the Corporate risk register	This indicator measures management commitment. A risk management metric will monitor the percentage of risk mitigation actions by their due dates
		iii) Number of Portfolio of ICAO products and services that facilitate the interface between innovators and ICAO and its Member States;	This indicator measures ICAO's internal commitment to work on innovation initiatives
		iv) Percentage of Staff engaged in innovations	This indicator measures staff perception on innovation in the organisation
		v) Percentage of compliance with ICAO Doc 8146 Rules of Procedure for Standing Committees of the Council	This indicator measures the efficient and effectiveness of support to the COG and other working groups
		vi) Preparation of the Implementation Plan of the ICAO Gender Equality Programme (2022-2024)	This indicator measures the Secretariat's commitment to its accountabilities towards implementation of the ICAO Gender Equality Programme and achievement of results
		vii) Level of implementation of the UN System-Wide Action Plan (UNSWAP) on gender equality % of the performance monitoring framework's KPI milestones/targets achieved annually	This indicator measures ICAO's level of implementation of the UN System-Wide Action Plan (UNSWAP) on gender equality

Output Code	OUTPUT	INDICATOR/S	WHAT IT MEASURES AND RATIONALE (assumptions)
SS 12	Optimised governance, management and performance of the Secretariat to contribute to ICAO's Vision, Mission, and Strategic Objectives	Percentage of the performance monitoring framework's KPI milestones and targets achieved annually	Secretariat performance is measured based on the performance of the Secretariat achieving the Outputs of the Strategic Objectives, Transformation and Supporting Strategies. This indicator measures the percentage of indicators that meet the established annual target. It covers the full set of KPIs for Outputs of the Strategic Objectives, the Transformational Objective and the Supporting Strategies funded by the approved regular budget.
SS 14	Enhanced promotion and improvement of ethics principles and values	Percentage of request for protection against retaliation reviewed in a timely and consistent manner	This indicator measures the implementation of one of the five areas of the mandate of the Ethics Office (administration of the policy on protection against retaliation)
		Launch and monitoring of the Annual Financial Disclosure Programme (FDP)	This indicator measures the implementation of one of the five areas of the mandate of the Ethics Office (administration of the FDP)
		Creation of targeted internal communications and outreach on ethical issues	This indicator measures the implementation of one of the five areas of the mandate of the Ethics Office (prevention and outreach through trainings and internal communication)
		Organisational requests for advice addressed within their deadline and other requests responded in 10 working days	This indicator measures the implementation of two of the five areas of the mandate of the Ethics Office (a) advice and guidance, and b) advice to the Secretary General and the Council on policies and procedures related to ethics issues)
SS 15	Enhanced ICT services that are aligned with the industry and UN best practices	% of the ICAO 5-year ICT Strategy/Plan implemented	<p>This indicator measures the proportion of the Plan that has been implemented. The Strategy and plan have defined deliverable and timelines. The ability to meet ICT goals of the organization and maturity targets for the outlined ICT domain areas:</p> <ul style="list-style-type: none"> • Governance and Strategy • Financial Management • Human Resources Management • Service planning and architecture • Infrastructure and operations • Data and Business Intelligence • Applications • Enterprise Architecture • Project and portfolio management • ICT Operations Risk Management • Cloud Adoption Framework and Cloud Adoption Strategy <p>A Key Assumption is the availability of Management support and funding</p>



EXTRA-BUDGETARY FUNDS



ADMINISTRATIVE AND OPERATIONAL SERVICES COSTS (AOSC) FUND

Fund	Administrative and Operational Services Costs (AOSC) Fund
Description	The AOSC Fund was established ³ to administer the cost of administration and management of the ICAO Technical Cooperation Programme, which earns income from technical cooperation projects it executes. The Fund is primarily financed from administrative overhead charges on technical cooperation projects.

Table 18 Estimated Administrative and Operational Services Cost (AOSC) for 2023-2024-2025

ESTIMATED ADMINISTRATIVE AND OPERATIONAL SERVICES COST (AOSC) FOR 2023-2024-2025 (in '000 CAD)

	2023	2024	2025	Total
TCB Management and Administration	9,300	9,570	9,780	28,650

1. The budgetary estimates for the AOSC Fund are for planning purposes and are indicative only⁴. They will be reviewed annually and submitted to the Council for approval in conjunction with updated forecasts of Programme levels for the coming year, and will be revised, if required. The figures presented herein include the cross-funding mechanism between the Regular Budget and the AOSC Fund:

- a) Yearly transfer of CAD 226,000 from the Regular Budget to the AOSC Fund for travel services provided by TCB to the Regular Programme
- b) Yearly transfers from the AOSC Fund to the Regular Budget of:
 - CAD 1.2 million for administrative services to TCB;
 - CAD 652,000 for procurement services to TCB
 - CAD 210,000 for support of the seven regional offices to TCB on technical assistance matters; and
 - CAD 100,000 for cost sharing (40%) of Ethics Officer.

2. The total reimbursement of the AOSC fund to Regular Budget for the support services (administrative and procurement) amount to CAD 5.6 million for the 2023-2024-2025 triennium, and this is shown as one of the funding sources of the Regular Budget.

³ Established under the provisions of Article IX of the ICAO Financial Regulations

⁴ "The required yearly Technical Cooperation Programme implementation volume to sufficiently cover the AOSC Fund expenditures is approximately USD 88M in the 2023-2025 triennium based on an average administrative overhead rate of 7.0 percent at the budgeted rate of exchange of 1 USD = 1.27 CAD, plus additional income of approximately CAD 1.6 to 2.0 million from other sources (including iPacks)."

Technical Cooperation Programme

3. To link with the ICAO Business Plan for 2023-2024-2025, the Technical Cooperation Programme is responsible for the following SO/Output:

Strategic Objective	Output
Safety	SAF 9 - Enhanced, accessible and efficient implementation of civil aviation technical assistance and cooperation projects and activities in safety
Air Navigation Capacity and Efficiency	CAP 9 - Enhanced, accessible and efficient implementation of civil aviation technical assistance and cooperation projects and activities in air navigation
Security and Facilitation	SECF 8 - Enhanced, accessible and efficient implementation of civil aviation technical assistance and cooperation projects and activities in security and facilitation
Economic Development	DEV 9 - Enhanced, accessible and efficient implementation of civil aviation technical assistance and cooperation projects and activities in the economic development of air transport
Environmental Protection	ENV 9 - Enhanced, accessible and efficient implementation of civil aviation technical assistance and cooperation projects and activities in environmental protection

4. Through its Technical Cooperation Programme, ICAO will guide and support Member States in undertaking projects and activities to build and strengthen their institutional capacities in full compliance with ICAO Standards and Recommended Practices (SARPs) and Procedures for Air Navigation Services (PANS). Assistance will be enhanced by developing new implementation products and services aimed at comprehensively addressing States' evolving needs. Increased harmonization, relevance, and consistency in outputs will be ensured across all projects and activities. Furthermore, improved effectiveness and efficiency in planning and implementation will be achieved by leveraging technology, standardizing, and streamlining processes, and enhancing due diligence and risk management. The optimal allocation of resources facilitated by strengthened collaboration with Bureaus and Regional Offices will lead to greater accessibility, affordability and added value in ICAO's support.

ANCILLARY REVENUE GENERATION FUND (ARGF)

Fund	Ancillary Revenue Generation Fund (ARGF)
Description	The ARGF was established in 2006 to record all revenues and expenditures relating to self-financing activities. The ARGF activities explore and leverage ICAO's revenue-generating opportunities by developing and promoting products and services, including the ICAO global aviation training and TRAINAIR Plus programme, which facilitate the implementation of the Business Plan objectives and strategies within ICAO; and developing, promoting, and protecting the intellectual property of ICAO.

5. The expected contribution of the ARGF to the Regular Budget amounts to a total of CAD 24.2 million for the 2023-2024-2025 triennium. To link with the ICAO Business Plan for 2023-2024-2025, the ARGF activities, are responsible for the following SO/SS/outputs:

Strategic Objective / Supporting Strategy	Output
Safety	SAF 8 - Enhanced, accessible and guided ICAO training in safety to Member States to achieve and maintain competency of aviation personnel in compliance with the ICAO Civil Aviation Training Policy
Air Navigation Capacity and Efficiency	CAP 8 - Enhanced, accessible and guided ICAO training in air navigation to Member States to achieve and maintain competency of aviation personnel in compliance with the ICAO Civil Aviation Training Policy
Security and Facilitation	SECF 7 - Enhanced, accessible and guided ICAO training in security and facilitation to Member States to achieve and maintain competency of aviation personnel in compliance with the ICAO Civil Aviation Training Policy
Economic Development	DEV 8 - Enhanced, accessible and guided ICAO training in the economic development of air transport to Member States to achieve and maintain competency of aviation personnel in compliance with the ICAO Civil Aviation Training Policy
Environmental Protection	ENV 8 - Enhanced, accessible and guided ICAO training in environmental protection to Member States to achieve and maintain competency of aviation personnel in compliance with the ICAO Civil Aviation Training Policy
Revenue Generation Services	SS 13 - Achieved revenue generation targets defined in annual ARGF budget and operating plan and protected the intellectual property of the Organization

Strategic Objective

6. As mandated by A40-25, ICAO will guide and support the training and learning opportunities offered to States to ensure quality, standardization, accessibility, effectiveness, and efficiency of the deliverables. It will do so by developing learning activities in Safety that support the implementation of Standards and Recommended Practices (SARPs) and ICAO programmes using competency-based training, an Instructional Systems Design (ISD) approach, and by leveraging on latest technologies and innovative approaches. ICAO will also support the implementation of human performance and talent management strategies through the of expansion strategic partnerships for training.

Supporting Strategy

7. The Revenue and Product Management Section manages the Ancillary Revenue Generation Fund (ARGF). The financial contribution of the ARGF to the Regular Budget is met by revenue generating products and services that develop and promote intellectual property, support Strategic Objectives, and generate revenues. In addition, affordable and timely print services are provided to programme activities and aviation stakeholders.

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ANNEX



ANNEX – REGULAR BUDGET BY ORGANIZATIONAL STRUCTURE

1. This Annex provides an overview of ICAO’s Budget requirements for 2023-2024-2025 by organizational structure.
2. A description of the Organization’s Bureaus, major Offices and their responsibilities is provided below, summarizing the linkage between the Strategic Objectives, Transformational Objective and Supporting Strategies to the organizational structure.

Table 19 Mapping of Objectives and Strategies to the Organizational Structure

Objectives / Strategies	Outputs	Organizational Structure Unit	Responsible Office
Strategic Objectives			
Safety	SAF 1 - SAF 6	Air Navigation Bureau	Strategy-related Services: Administration and Services Management Conference, Security and General Services Human Resources Information and Communication Technology Languages and Publications Procurement and Travel Services Legal services
	SAF 7	Regional Offices	
Air Navigation Capacity and Efficiency	CAP 1 - CAP 6	Air Navigation Bureau	
	CAP 7	Regional Offices	
Security and Facilitation	SECF 1 - SECF 5	Air Transport Bureau	
	SECF 6	Regional Offices	
Economic Development of Air Transport	DEV 1 - DEV 6	Air Transport Bureau	
	DEV 7	Regional Offices	
Environmental Protection	ENV 1 - ENV 6	Air Transport Bureau	
	ENV 7	Regional Offices	
Transformational Objective			
Transformational Objective	TO 2	Bureau of Administration and Services	Human Resources
	TO 3		Information and Communication Technology
	TO 4		Administration and Services Management
Supporting Strategies			
Support to Strategic Objectives	SS 2	Bureau of Administration and Services	Administration and Services Management
	SS 4		Human Resources
	SS 5		Language and Publications Branch
	SS 6		Conference, Security and General Services Section
	SS 15		Information and Communication Technology
	SS 3	Office of the Secretary General	Assembly and Council Services
	SS 7		Office of Internal Oversight
	SS 10		Communications Office
	SS 11		Strategic Planning, Coordination and Partnerships
	SS 12		Office of the Council President and SG
SS 14	Ethics Office		
Management and Coordination	SS 2	Bureau of Administration and Services	Administration and Services Management
	SS 4		Human Resources
	SS 6		Conference, Security and General Services Section
	SS 15	Information and Communication Technology	
	SS 8	Office of the Secretary General	Finance Branch

3. The **Air Navigation Bureau (ANB)** serves as the lead within the organization for supporting Safety and Air Navigation. It works both on core technical functions derived from the mandate contained in the Chicago Convention and on the global management of aviation as governed by the Global Aviation Safety Plan and Global Air Navigation Plan.

- a) The core functions include:
 - i. Responding to crises affecting international civil aviation, such as volcanic eruptions, the spread of communicable diseases and regional conflict; and

-
- ii. Addressing all technical aspects of aviation safety and air navigation including the following: Aerodromes, Accident Investigation, Air Traffic Management, Aviation Medicine, Meteorology, Aeronautical Information Management, Communication, Surveillance, Navigation, Operations, Airworthiness, Training, and Personnel Licensing;
- b) The tasks related to the management of aviation involves:
- i. Monitoring the overall health of the global and regional aviation systems;
 - ii. Identifying and analysing : deficiencies in implementation, gaps in Standards and Recommended practices of the organization, as well as emerging issues; and formulating strategies and plans to address the issues highlighted in the analysis;
 - iii. Assisting States in the achieving and maintaining of high levels of safety while achieving stable and sustainable growth in the international aviation sector by providing them with a comprehensive and complete set of regulatory tools including;
 - iv. A set of international Standards and Recommended Practices (SARPs) to ensure a safe and harmonized evolution of aviation
 - Annex 1 — *Personnel Licensing*
 - Annex 2 — *Rules of the Air*
 - Annex 3 — *Meteorological Service for International Air Navigation*
 - Annex 4 — *Aeronautical Charts*
 - Annex 5 — *Units of Measurement to be Used in Air and Ground Operations*
 - Annex 6 — *Operation of Aircraft*
 - Annex 7 — *Aircraft Nationality and Registration Marks*
 - Annex 8 — *Airworthiness of Aircraft*
 - Annex 10 — *Aeronautical Telecommunications*
 - Annex 11 — *Air Traffic Services*
 - Annex 12 — *Search and Rescue*
 - Annex 13 — *Aircraft Accident and Incident Investigation*
 - Annex 14 — *Aerodromes*
 - Annex 15 — *Aeronautical Information Services*
 - Annex 18 — *The Safe Transport of Dangerous Goods by Air*
 - Annex 19 — *Safety Management*
 - v. A set of Procedures for Air Navigation Services (PANS) to ensure harmonized application of SARPs:
 - Air Traffic Management Doc 4444
 - Aircraft Operations Doc 8168
 - ICAO Abbreviations and Codes Doc 8400
 - Training Doc 9868
 - Aerodromes Doc 9981
 - Aeronautical Information Management Doc 10066
 - vi. A set of manuals, workshops and other guidance to ensure that the SARPs and policies are properly understood; and
 - vii. A set of tools to provide the data, analysis and other information to assist States with making decisions at a regional, and sub-regional, level; and tools to track global implementation.
- c) In order to accomplish these tasks in an efficient and effective manner ANB fosters a network of Safety and AN resources through which it :

- i. Coordinates the work of over 600 experts from across the globe that serve on panels, study groups and taskforces to develop technical provisions;
- ii. Maintains a constant communication and coordination with international organizations representing all major sectors of (an increasingly devolving and diversifying) aviation system; and
- iii. Otherwise leverages the skills and experiences of States and entities involved in aviation by engaging in partnerships to provide training and tools amongst other things.

4. The **Air Transport Bureau (ATB)** carries out activities under ICAO's Strategic Objectives for *Security and Facilitation, Economic Development of Air Transport, and Environmental Protection*. It is responsible for the provision of expert assistance required by the Assembly, Council, Air Transport Committee (ATC), Aviation Security Committee (ASC), Climate and Environment Committee (CEC), Committee on Joint Support of Air Navigation Services (JSC), Committee on Aviation Environmental Protection (CAEP) and the specialized conference, divisional, panel and working group meetings related to these three Strategic Objectives. The Bureau is charged with developing and updating SARPs in Annexes 9, 16 and 17, air transport policies and guidance (such as air transport regulation, economics of airports and air navigation services, and financing of aviation infrastructure), the specifications for machine readable travel documents, as well as environment-related policies and measures. In addition, the Bureau implements the Global Aviation Security Plan (GASeP), the Universal Security Audit Programme Continuous Monitoring Approach (USAP-CMA), the ICAO Traveller Identification Programme (TRIP) Strategy, and the Global Market-based Measure (MBM) scheme in the form of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The work of the Bureau increasingly focuses on the No Country Left Behind (NCLB) initiative by providing assistance to States, for example, in rectifying deficiencies identified by the USAP-CMA, and implementing GASeP air transport policies and declarations, CORSIA and voluntary action plans for CO₂ emissions reduction activities. Furthermore, it maintains and provides access to aviation data/statistics, economic analysis, tools and forecasts. The Bureau works with other offices of the Organization including Regional Offices and academia, performs liaison and coordinates the above-mentioned issues with all the United Nations bodies and other international organizations, especially the United Nations Framework Convention on Climate Change (UNFCCC), the World Tourism Organization (UNWTO), World Customs Organization (WCO) and regional civil aviation organizations.

5. The **Legal Affairs and External Relations Bureau (LEB)** provides advice and assistance on legal and external relations matters generally and in support of ICAO's Strategic Objectives, to the ICAO Member States, Governing Bodies, President of the Council and the Secretary General, other ICAO Bureaus and Regional Offices. With regard to legal matters, the Bureau is responsible for: the provision of legal advice to the Governing Bodies and the Secretariat on any issue of law, and in particular on international law, and air law; the general development of air law; the review of all agreements and contracts; participation in the system of administration of justice; and the performance of the treaty depositary functions of the Organization. With regard to external relations matters, the Bureau is responsible for: maintaining close and harmonious working relations with Member States; serving as focal point for the Organization's relations with the Host Government; carrying out liaison and protocol functions; and monitoring and providing policy guidance and advice on current political events which might affect ICAO. The Bureau supports all Strategic Objectives and all Supporting Strategies.

6. The **Bureau of Administration and Services (ADB)** is responsible for providing the administrative support required by the Organization relating to the following: human resources; languages and publications; information and communication technology and web management; conference, security and general services; registry, archives and distribution; travel services; procurement services; revenue-generating activities; and Assembly and Council Secretariat. Each functional area is individually allocated across Strategic Objectives – strategy-related services and both Supporting Strategies – Support to Strategic Objectives and Management and Administration.

- a) ADB priorities in **human resources (HR) management** include, among others, diversity, staff engagement, high-performance culture, workforce and succession planning, talent focus, learning and development, duty of care, and modern and innovative HR products, processes, and policies. In addition, ADB provides crucial support in strengthening compliance and values in ICAO by contributing to activities relating to formal and informal conflict resolution mechanisms, and training and outreach to promote staff understanding and application of the values and actions to uphold the ethics principles of the Organization.
 - b) ADB also provides quality **language and publication services (LP)** in the six ICAO languages, through the implementation of a comprehensive Multilingualism Strategy. Activities in this area facilitate seamless international dialogue and communication on civil aviation matters, underpinning the provision of quality language services, effective communication in all six official languages, and mobilization and partnerships.
 - c) The Organization's work is also supported by ADB through the provision of fundamental **information and communications technology (ICT) services** that reflect digitalization initiatives for all identified business capabilities of ICAO. ICT operations continuously evolve to align with the industry and UN best practices positioning ICT as a partner for sustainable growth within the Organization.
 - d) In addition, ADB takes charge of **information security management** for the Organization to strengthen its information security posture to achieve the target level of 2.5 based on industry-standard ISO 27001 and the Capability Maturity Model Integration (CMMI) maturity model.
 - e) Through enhanced **procurement services (PRO)**, ADB supports the operations of the Organization by achieving best value for money in all procurement activities undertaken in accordance with the ICAO Procurement Code, the ICAO Financial Rules and Regulations, and following best practices in the UN system, specifically in sustainability aspects.
 - f) ADB also provides comprehensive **conference, security, and general services (CSG)** solutions to ICAO from events and meetings management, building management, security services, business continuity management, travel services, to property control, logistics, and commissariat management. These key services are delivered to support the daily operations of the Organization, particularly in managing the ICAO Conference Centre and virtual platforms as venues for important meetings that bring together ICAO stakeholders, from experts to government decision-makers.
 - g) ADB holds a central role in providing **Secretariat services to ICAO governing bodies**, through substantive, procedural, and logistical support that is essential to the smooth functioning of the meetings of the governing bodies, including the Assembly and the Council. ADB's responsibility in this area includes the preparation and dissemination of documentation for the sessions of the governing bodies, such as the summaries of decisions (C-DECs) and summary records of the meetings (C-MINs), as well as the Assembly Resolutions in Force.
 - h) Cognisant of the wide-ranging services delivered by ADB to cross-cutting areas of operation of the Organization, the Bureau of Administration and Services is an organizational enabler that keeps ICAO on track in achieving its overall goals and programmes.
7. The following offices report directly to the **Office of the Secretary General (OSG)**:
- a) The **Regional Offices (RO)**: The seven Regional Offices (located in Paris, Dakar, Nairobi, Lima, Mexico, Bangkok and Cairo) are primarily responsible for maintaining continuous liaison with the States to which they are accredited and with appropriate organizations, regional civil aviation bodies and United Nations Agencies and programmes. They ensure interregional coordination and promote the timely and harmonized implementation of ICAO policies, decisions, Standards and Recommended Practices and air navigation

plans. They also provide technical guidance and assist States with implementation. The first Regional Sub-Office (RSO), under the APAC Regional Office and located in Beijing, China, opened in June 2013. The Regional Offices fall under all the Strategic Objectives as a distinct Output.

- b) The **Communications Section (COM)** reports to the Office of the Secretary General and provides executive support to the Office of the Council President. It is primarily responsible for presenting ICAO to the world through its oversight of the Organization's public information and reputation and the ICAO brand. The COM Section also works to raise sectoral awareness of ICAO's priorities and achievements through speeches and articles on behalf of the President and Secretary General, in addition to overseeing media relations and producing news products, statements, and other organizational messaging for social and traditional media platforms to help the general public better appreciate ICAO's mission and role. The Section is under Supporting Strategies - Support to Strategic Objectives providing the *Communications Services*, but it performs functions and duties more commonly recognized as 'public information'-related in the UN system.
- c) The **Finance Branch (FIN)** is responsible for developing and applying budgetary, accounting and financial policies and procedures and for the financial management of the approved budget in accordance with the Financial Regulations and Rules and Assembly and Council directives. The banking and investment of the Organization's funds are undertaken by the Finance Branch. Chief, Finance Branch is the Secretary of the Finance Committee. As principal financial officer of the Organization, the Chief, Finance Branch maintains close liaison with the External Auditor and certifies all ICAO financial statements. FIN falls under Supporting Strategies - Management and Administration, providing Financial Services.
- d) The **Office of Internal Oversight (OIO)** is responsible for the systematic evaluation and audit of ICAO's programmes, projects and activities. OIO is also mandated to act as focal point for the Joint Inspection Unit (JIU) and is responsible for coordinating the preparation of the Secretariat Action Plan to implement the External Auditor's recommendations and for tracking and following up on the status of previously issued outstanding recommendations with the managers responsible for implementing them. OIO falls under Support to Strategic Objectives, performing *Evaluation and Internal Audit* function.
- e) Functioning on the principles of independence, impartiality and confidentiality, the **Ethics Office** is, inter alia, responsible for promoting ethical conduct and decision-making by all ICAO personnel, regardless of contract type and duration. In this context, the Ethics Office provides counsel and confidential advice on ethics related matters advice to senior leadership and staff. The Ethics Office also assists the Secretary General and the Council in nurturing a culture of ethics, transparency and accountability by providing guidance to reflect ethical considerations in policies, practices, and processes as well as through the promotion and enhancement of ethical awareness and a "speak up" culture through training and general outreach activities. The Office also administers the ICAO policy on protection against retaliation and the ICAO's financial disclosure and conflict of interest declaration programmes. This Office falls under Support to Strategic Objectives.
- f) The **Strategic Planning, Coordination and Partnerships Office (SPCP)** activities are under the direction of the OSG and coordinates high-level and cross-cutting strategies and priorities among the different Bureaus and Offices, including the Regional Offices, of the Organization. In particular, the SPCP is responsible for the developing and maintenance of the ICAO Business Plan, the ICAO Operating Plan, the Corporate Performance Management Framework, the Corporate Key Performance Indicators and the Risk Registry, which form the basis for resource allocation and assist the Secretariat to monitor its accountability and performance with respect to the implementation of initiatives. The SPCP is also focused on assisting Member States in enhancing their air transport systems by mobilizing resources to secure funding and development assistance in the form of financing, transfer of technology and expertise, leveraging strategic

partnerships with major development partners and in developing policies, procedures and guidelines to coordinate ICAO response to worldwide emergencies that threaten the safety, regularity or continuity of aviation operations.

8. The current organigram of the Organization can be found at the end of this section⁵.
9. The table below provides the breakdown of the 2023-2024-2025 budget estimates by Organizational Structure, comparing it to the 2020-2021-2022 Approved budget and the 2021 expenditure.

*Table 20 Estimated Budget for 2023-2025 by Organizational Structure
(in '000 CAD)*

Bureau	Expenditure*	Approved Budget				Estimates				
	2021	2020	2021	2022	TOTAL	2023	2024	2025	TOTAL	% of Total
ANB	18,430	19,307	20,188	21,042	60,538	20,371	21,207	21,539	63,116	17.7%
ATB	12,271	12,548	13,247	14,563	40,359	14,079	14,571	15,213	43,863	12.3%
LEB	2,743	2,446	2,497	2,615	7,557	2,754	2,883	2,981	8,617	2.4%
RO	20,289	24,665	25,290	25,800	75,755	25,534	26,510	27,006	79,049	22.1%
ADB	34,790	32,947	33,947	34,876	101,770	43,322	41,071	42,735	127,129	35.6%
OSG ¹	9,401	9,947	10,281	11,792	32,021	10,323	10,813	12,580	33,716	9.4%
RGA	342	1,451	1,495	1,768	4,714	650	650	769	2,069	0.6%
Total	98,266	103,312	106,946	112,457	322,715	117,032	117,704	122,823	357,559	100%

* at Budget Rate of Exchange; includes expenditure funded by carry-over of unutilized appropriations from prior year

¹ includes Office of the President

10. ADB is showing the highest growth primarily due to the integration of Procurement services in the Regular Budget from TCB, centralization of the after-service-health insurance (ASHI) under HR and the inclusion of the newly proposed Transformational Objective initiatives, falling primarily under the management of the Bureau of Administration and Services.

11. The post changes by organizational structure and post category are displayed in the table below: proposing establishment of 4 new posts (2 in the Bureau of Administration and 2 in the Regional Offices) and abolishment of 30 posts, mostly by attrition from existing vacancies and upcoming retirements. All efforts are being made to minimize the impact on staff or organization by focusing on abolishment of vacant posts and staff reassignment. A total of 10 posts were integrated into the Regular Budget from the Procurement Section to ADB from TCB as per Council Decision in 2021 (C-DEC 222/8 refers) and were excluded from the calculation of net post changes.

Table 21 Post Movement between 2022 and 2025 (ZNG component)

Category	Year 2022	Headcount Movement				Year 2025	Net Change excl. Transfers	Level Movement	
		New	Abolish	Integration*	Other**			Upgrades	Downgrades
D	25.0	-	2.0	-	1.0	24.0	- 1.0	1.0	-
P	279.8	2.0	12.4	3.0	2.0	274.4	- 8.4	21.0	6.0
G	251.0	2.0	15.4	7.0	3.2	241.4	- 16.6	13.0	8.0
	555.8	4.0	29.8	10.0	0.2	539.8	- 26.0	35.0	14.0

*Procurement move from TCB: The transfer of the Procurement function (PRO) from TCB to ADB, which was agreed by the Council at its eighth meeting during the 222nd Session (C-DEC 222/8 refers), took effect on 15 December 2021. Accordingly, 10 Procurement posts (3 Professional and 7 General Service posts) have been incorporated in full as part of the 2023-2025 Regular Budget. When calculating net variance resulting from the post movements, these posts have not been considered.

**Includes delayed recruitments, funding change and category movements

⁵ https://www.icao.int/DownloadDocsFix/Organigramme_en.pdf

12. The table below provides the breakdown of the 2023-2024-2025 budget estimates by major object of expenditures, which are termed “budget blocks”. Staff costs are presented separately for International Professional and General Service staff categories and include salaries, entitlements and allowances, after-service health insurance, and possible staff termination indemnities. Non-staff costs are broken down by: capital expenditures, discretionary staff-related costs, special implementation projects (SIP), consultancy, outsourcing, operational expenditures, meetings, travel on mission, and hospitality. Definitions of these terms are summarized in the paragraphs below.

Table 22 Estimated 2023-2025 Budget Summary by Budget Block

(in '000 CAD)

Object of Expenditure	Expenditure*	Approved Budget				Estimates					
		2021	2020	2021	2022	Total	2023	2024	2025	Total	% of Total
Staff											
IP Posts	60,846	63,645	66,456	69,290	199,391	72,878	75,725	76,887	225,490	63.1%	
General Service Posts	17,014	18,476	19,206	19,682	57,364	19,548	19,979	20,302	59,829	16.7%	
Sub-total Staff	77,860	82,121	85,662	88,973	256,756	92,426	95,704	97,189	285,319	79.8%	
Non-Staff											
Capital Expenditures	0	988	610	703	2,301	619	588	599	1,806	0.5%	
Discretionary Staff Related Costs	746	1,121	1,144	1,172	3,437	838	1,005	1,131	2,974	0.8%	
SIP	36	207	212	217	635	226	233	239	697	0.2%	
Consultancy	6,719	2,797	2,867	2,939	8,604	3,167	3,433	3,226	9,826	2.7%	
Outsourcing	6,166	2,106	2,140	2,175	6,421	7,154	2,593	2,578	12,324	3.4%	
Operational Expenditures	6,219	8,819	9,039	9,503	27,361	8,231	9,629	11,748	29,609	8.3%	
Meetings	699	1,140	1,132	2,572	4,844	1,188	1,223	2,736	5,147	1.4%	
Travel on Mission	818	3,957	4,082	4,144	12,183	3,124	3,236	3,317	9,677	2.7%	
Hospitality	4	56	58	59	173	58	60	62	180	0.1%	
Sub-Total Non-Staff	21,406	21,191	21,284	23,484	65,959	24,606	22,000	25,634	72,240	20.2%	
TOTAL:	99,266	103,312	106,946	112,457	322,715	117,032	117,704	122,823	357,559	100%	

* at Budget Rate of Exchange; includes expenditure funded by carry-over of unutilized appropriations from prior year

13. The ICAO’s budget is comprised 79.8 per cent of staff costs and 20.2 per cent of non-staff costs. When looking at the movements between the triennia on the major object of expenditure, the increase is spread out relatively evenly between the staff (11.1 per cent) and the non-staff costs (9.5 per cent). Budget estimates for capital expenditures, discretionary staff-related costs and travel on mission have seen a decrease between 13-21 per cent, mostly due to efficiencies resulting from the modified way of working using remote and hybrid work modalities. Budget estimates for the Transformational Objective initiatives are concentrated in the operational expenditures, outsourcing and consultancy that explain the increase in allocations in these three budget blocks.

14. Hereunder is an overall description of what is included under the major Objects of Expenditure, i.e., budget blocks as defined in ICAO’s ERP system:

Staff Items

- a) International Professional (IP) Posts: remuneration and other entitlements received by staff members under the Professional category, in particular salaries, post adjustment, dependency allowances, medical insurance, pension contribution of the Organization, education grants/travels, home leave travels, recruitment and separation entitlements such as settling-in grants, repatriation grants, removal costs, and accrued leave. The After Service Health Insurance for IP retirees (Organization’s portion), and the representational allowances for the Council President and the Secretary General are also included under this budget block.
- b) General Service Posts: remuneration and other entitlements received by staff members under the General Service category, in particular salaries, dependency allowances, language allowances, medical insurance and pension contribution of the Organization. The After Service Health Insurance for GS retirees (Organization’s portion) are also included under this budget block.

15. Budget estimates for staff costs are based on the standard costs for each category and level (Professional and General Service) both at HQ and in Regional Offices. Standard costs take into account rates per grade, annual step increments, mandatory cost increases resulting from inflationary and other factors determined by the United Nations International Civil Service Commission and staff entitlements based on ICAO's Staff Regulations. The following lists the major expenditure items under the IP and GS budget blocks:

Table 23 Estimated 2023-2025 Budget – Staff Costs

Description	Expenditure	(in '000 CAD)				Estimates				
		Approved Budget								
		2021	2020	2021	2022	Total	2023	2024	2025	Total
International Professional	60,846	63,645	66,456	69,290	199,391	72,878	75,725	76,887	225,490	79.0%
Salaries and Wages	28,717	30,506	31,628	33,173	95,307	32,726	33,296	33,739	99,760	35.0%
Post Adjustment	12,857	11,687	12,112	12,697	36,495	15,395	15,677	15,880	46,952	16.5%
Contributions, Joint Staff Pension Fund	8,401	8,466	8,769	9,185	26,419	10,025	10,196	10,343	30,564	10.7%
Medical Insurance	3,538	3,789	3,775	3,932	11,496	4,196	4,131	4,191	12,519	4.4%
Benefits and Entitlements	7,333	9,198	10,172	10,304	29,674	10,535	12,425	12,734	35,695	12.5%
General Service	17,014	18,476	19,206	19,682	57,365	19,548	19,979	20,302	59,829	21.0%
Salaries and Wages	12,375	13,284	13,846	14,188	41,319	13,875	14,175	14,423	42,473	14.9%
Contributions, Joint Staff Pension Fund	2,103	2,176	2,241	2,300	6,718	2,305	2,354	2,397	7,057	2.5%
Medical Insurance	1,656	1,794	1,865	1,911	5,570	1,939	2,011	2,052	6,001	2.1%
Benefits and Entitlements	879	1,222	1,253	1,283	3,759	1,429	1,440	1,430	4,298	1.5%
Total	77,860	82,122	85,661	88,972	256,756	92,426	95,704	97,189	285,319	100%

* at Budget Rate of Exchange; includes expenditure funded by carry-over of unutilized appropriations from prior year

Non-staff Items

- a) Capital Expenditures: purchases of items with a value greater than CAD 5 000 that has a useful life of more than a year. This includes provision for IT-related purchases such as servers, and for the purchase of non-IT office equipment such as photocopying and audio-visual devices, office furniture and fittings and vehicles. Most of the provisions relating to the purchases are for the replacement of obsolete and unserviceable items. For 2023-2025, the following capital items are foreseen to be purchased:

Table 24 Estimated 2023-2025 Budget – Capital Investment Items

		(in '000 CAD)			
Office	Description of Capital Items	2023	2024	2025	TOTAL
ESAF	Official Vehicle	52			52
EURNAT	Building refurbishment	52	54	55	161
MID	Heating/AC	11			11
	Furniture		11		11
	IT Equipment			11	11
CSG	Conference Equipment	31	35	32	98
ICT	IT Hardware and Software	474	488	500	1,462
Total		619	588	599	1,806

- b) Discretionary Staff-Related Costs: cost of staff training, staff welfare, staff security and other staff related costs. The budget estimates are centralized, under ADB-Human Resources.

Table 25 Estimated 2023-2025 Budget – Discretionary Staff-related Cost

ESTIMATED 2023-2025 BUDGET - DISCRETIONARY STAFF RELATED COSTS									
(in '000 CAD)									
Description	Expenditure	Approved Budget				Estimates			
	2021	2020	2021	2022	TOTAL	2023	2024	2025	TOTAL
Personnel Insurance	236	55	56	58	169	60	62	63	185
Training General	364	598	613	629	1,840	413	566	681	1,660
Staff Welfare	93	226	231	237	694	182	188	192	562
Gender Activities		92	94	96	282	-	-	-	-
Staff Security	42	103	100	102	305	106	110	112	329
Other Misc. Staff Costs	12	48	49	50	147	77	79	81	238
Total	746	1,121	1,144	1,172	3,437	838	1,005	1,131	2,974

* at UN Rate of Exchange; includes expenditure funded by carry-over of unutilized appropriations from prior year

- c) Special Implementation Projects (SIP): resources required for implementation of special projects for the purpose of advising States on the implementation of parts of Regional Plans, which have significant effect on safety and efficiency. These projects, although implemented in the regional offices, are managed by the Air Navigation Bureau.
- d) Consultancy and Outsourcing: remuneration paid to holders of special service agreements (SSA); fees of outsourcing of language and IT services; and other external contractual services.
- e) Operational Expenditures: includes, among others, the following:
- i. Information Technology Software/Hardware: The provisions under this item are for the acquisition and maintenance of information technology/office automation related hardware, software in respect of computers, information technology infrastructure and major systems applications that do not fit the description of a Capital item. The provision for equipment is mainly intended to replace obsolete equipment. Provision for software includes annual licence and maintenance fees, upgrades and replacements and the acquisition of more contemporary software.
 - ii. Buildings Rental, Maintenance and Security: This item includes maintenance and security costs of Headquarters premises in Montreal and building rental, maintenance and security costs of the premises of the seven ROs. In accordance with the Supplementary Agreement with the Host Government that came into effect 1 December 2016, ICAO is required to pay the Government of Canada 20 per cent of the operating costs and major repairs of a non-capital nature in respect of the Headquarters premises. The Government of Canada assumes, on a yearly basis, 100 per cent of the rent and 80 per cent of the operating costs and all of the property taxes. The operating costs are based on actual expenditures incurred by the Government of Canada. The premises for APAC, APAC-RSO, MID, WACAF and part of the premises for EUR/NAT are provided free of rent by the respective host governments, i.e. Thailand, China, Egypt, Senegal and France, respectively. The rental and maintenance costs of NACC and the SAM are partly subsidised by the Mexican and Peruvian governments, respectively.
 - iii. Communications Telecommunications Distribution: includes provision for telephone/cell phone services, smart phone services, long distance services, and facsimile and data phone long distance charges.
 - iv. Office Supplies and Services: includes provision for photocopy, stationery and office supplies as well as internal printing in the Regional Offices.
 - v. Contributions to United Nations common services: ICAO participates in and benefits from certain services, which are jointly provided by the United Nations System. The costs of these services are shared by all the participating organizations on the basis of a mutually

agreed cost-sharing formulae.

- vi. ARGF services: includes resources required by bureaus/offices to procure printing and distribution services from RGA.
- f) Meetings: resources required for internal meetings which can include salaries and allowances for temporary personnel including interpreters; travel costs of Secretariat staff; overtime; rental of conference rooms/audio-visual equipment; office and reproduction supplies; hospitality; and miscellaneous expenses.
- g) Travel on Mission: travel expenses and daily subsistence allowances on official travel. This includes:
 - i. missions to Member States in connection with the implementation of the work programme, which include conducting ICAO meetings and other events, consultations, provision of advice and assistance, and work in connection with oversight audits;
 - ii. missions to meetings, governmental or non-governmental, on aviation subjects to present the ICAO viewpoint or to maintain contact with technical developments;
 - iii. missions to represent ICAO at relevant meetings of the United Nations, the Specialized Agencies and other international organizations.
- h) Hospitality: provision for hospitality expenses.

16. Pursuing the analysis by location, the resources for 2023-2025 triennium for HQ in Montreal amount to 77.9 per cent (76.5 per cent for 2020-2021-2022) as compared to 22.1 per cent (23.5 per cent for 2020-2021-2022) for the Regional Offices, as shown in the below table.

Table 26 Estimated 2023-2025 Budget – by Location

ESTIMATED 2023-2024-2025 BUDGET - BY LOCATION
(in '000 CAD)

Location	Approved 2020-2021-2022	2023	2024	2025	Total
Headquarters	246,960	91,498	91,194	95,818	278,510
Regional Offices	75,755	25,534	26,510	27,006	79,050
TOTAL	322,715	117,032	117,704	122,823	357,560

Implications of IPSAS

17. The International Public Sector Accounting Standards (IPSAS) which are applied by ICAO in the preparation of the Financial Statements require that the budget be compared with actual amounts in the financial statements. In order to facilitate a fair comparison of the budget with actual amounts, which are accounted for and presented on an accrual basis as required by IPSAS, the Organization's budgets are also prepared on a modified accrual basis. This implies particularly that the budgets:

- are on the basis of services rendered and goods received during the financial year; and
- include separately, when applicable, a Capital Budget (full cost of the asset is included in the budget) to cover both tangible and intangible assets, (i.e., for acquisitions of equipment, vehicles, software etc.) with individual items of a value of CAD 3 000 and CAD 5 000 respectively or more (CAD 25 000 for leasehold improvements and internally developed intangible assets) that are foreseen in 2023 to 2025.

18. ICAO produces in its audited financial statements a Statement of Comparison of Budget and Actual Amounts, which compares approved appropriations with actual amounts for the General Fund of the Regular Budget. Additional information is included in the Council Working paper on the annual financial statement and comprises an explanation of material difference between the original and final appropriations and actual amounts.

Figure 9 Structure of the ICAO Secretariat

