



**THE 8TH NAFISAT SUPERVISORY COMMITTEE MEETING
MAHE SEYCHELLES 25-26 MARCH 2013**

Agenda Item 7: Matters Arising

**7.3 Implementation of APIRG/18 Conclusions and Recommendations of Relevance to
NAFISAT Network**

Future of NAFISAT Post 2015 - Proposals

(Presented by Kenya)

SUMMARY

<p>The working paper presents the Kenya proposal on the future of NAFISAT post 2015 and suggests Institutional changes.</p>

1. Introduction

The current arrangement under which NAFISAT operates is due to expire in 2015. In view of the fact that it took nearly two years to prepare the ground work for NAFISAT it is high time we made some concrete decisions.

We appreciate the service offered by ATNS and recognize the significant contribution of NAFISAT towards the resolution of the many deficiencies we used to have with Communication circuits.

2. Discussion

2.1. 7th Supervisory committee meeting resolution

In the 7th supervisory committee meeting in 2012 ATNS proposed a solution for NAFISAT post 2015. Members were receptive to most of the ideas but proposed that they be circulated to States for comments before the next meeting. Unfortunately this was not done.

Kenya recollected some of the ideas proposed and following internal consultations has developed the position below.

3. Way forward for NAFISAT: KCAA proposals

ITEM	CURRENT POSITION	ATNS PROPOSAL	KENYAN POSITION
Objective	<ul style="list-style-type: none"> • ATS-DS • AFTN/AMHS and later ATN • FDPS • Operational Meteorological data • Operational Aeronautical services exchange • Aeronautical administrative support • ADS-B data exchange • Any other agreed on service 	Unchanged	Unchanged.
Documents	<ul style="list-style-type: none"> • MOU • TOR of Supervisory committee 	Registration document.	<ul style="list-style-type: none"> • Registration document • Joint venture agreement- document.
Participating States (eligible States)	<ul style="list-style-type: none"> • Djibouti • Egypt • Eritrea • Ethiopia • Kenya • Libya • Somalia • Sudan • Tanzania • Uganda • Seychelles • Saudi Arabia • Yemeni 	Add South Sudan	Add South Sudan
Implementation	Parties agreed to jointly implement NAFISAT	To be jointly implemented under auspices of current arrangement.	ICAO brings together CAAs at the level of DGs to discuss and form an agreement.
Network Provider	Members assigned ATNS and IATA to manage, operate and maintain the Network.	ATNS to manage Network indefinitely (perpetual right of first refusal)	Competitively sourcing for Network Provider.

<p>Institutional Framework</p>	<ul style="list-style-type: none"> • MOU to define relationships • Supervisory committee to make decisions on implementation, financing, performance as per TOR with ICAO as Secretariat. 	<ul style="list-style-type: none"> • New company registered in investor friendly country • ATNS as Network Provider 	<ul style="list-style-type: none"> • Register a company Inter-Governmental Agency/Company based in Kenya. • Procure Network Provider. • Network Provider to serve as Agent of registered company.
<p>Funding</p>	<ul style="list-style-type: none"> • Network Provider funded setup • Cost recovery based on IFR crossings • Two States funded their own VSAT Terminals and are not part of cost recovery 	<ul style="list-style-type: none"> • Member States to cede residual NAFISAT terminals • ATNS to cede retained earnings • Enlist States as joint shareholders with shareholding proportionate to FIR crossings • IATA to collect revenue indefinitely from Users 	<ul style="list-style-type: none"> • Member States to cede residual NAFISAT terminals to Inter Governmental Agency/Company • ATNS surrender retained earnings and depreciation accrued over project period to Inter Governmental Agency/Company. • Enlist States as joint shareholders with shareholding proportionate to FIR crossings. • IATA to collect revenue indefinitely from Users • For incorporated Agency, it could have a structure with Network Provider acting on its behalf • For unincorporated Agency the States can delegate responsibility to one State or to the Network Provider • Agency will Source funding and collect revenue in most economical manner.

Entry into force	Signing of MOU.	Not stated	<ul style="list-style-type: none"> • Form company with shareholding from Member States /CAAs • Appoint Network Provider at appropriate time • Transitional arrangements to be worked out.
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4. Conclusion

The major changes proposed are change in institutional arrangement and competitive sourcing of the Network Provider.

We also support the ICAO proposal that they facilitate a meeting of CEOs of CAAs of States participating to decide on the way forward as soon as possible.

5. Action to be taken by the Meeting

The Supervisory board is requested to review above proposals amongst others and use them to prepare a position paper to be used to make a decision on the future of NAFISAT post 2015.
