



ASSEMBLY — 37TH SESSION

ADMINISTRATIVE COMMISSION

Agenda Item 75: Other issues to be considered by the Administrative Commission

THE ESTABLISHMENT OF THE SAFETY FUND (SAFE)

(Presented by the Council of ICAO)

EXECUTIVE SUMMARY

The Council decided to establish the Safety Fund (SAFE) with the objective of improving the safety of civil aviation through the use of a performance-based approach to the provision of assistance which will limit administrative costs while ensuring that voluntary contributions to the Fund are used in a responsible, useful and timely manner.

A draft Resolution on the Safety Fund is proposed to the Assembly for adoption.

Action: The Assembly is invited to:

- a) adopt the Assembly Resolution; and
- b) urge Contracting States, international organizations and public and private parties associated with international civil aviation to make voluntary contributions to SAFE.

<i>Strategic Objectives:</i>	Strategic Objective A: Safety – <i>Enhance global civil aviation safety.</i>
<i>Financial implications:</i>	Minimal, as the SAFE will be funded through voluntary contributions.
<i>References:</i>	C-WP/13555 C-DEC 190/6 C-DEC 189/4

1. INTRODUCTION

1.1 The Council of ICAO has established a Fund for Aviation Safety (SAFE). The SAFE is to provide a funding mechanism which will:

- a) allow for the collection and use of voluntary contributions from ICAO Member States, international organizations and public and private parties associated with international civil aviation to support ICAO safety initiatives in a consistent and transparent manner;
- b) support projects which are consistent with the ICAO Strategic Objective on Safety and which may include short-term assistance to States; and
- c) provide a contingency to allow ICAO to act immediately and effectively on urgent and unforeseen activities.

2. APPROACH AND OVERSIGHT

2.1 The SAFE will accept both general and specified contributions. General contributions will be used for safety-related projects that would generally improve safety without a specific earmark, while specified contributions from donors will be earmarked for a specific project or result. These would not be assessed contributions and therefore any contribution would be subject to an administrative agreement between the donor entity and ICAO, including, among other things, agreement as to the amount to be donated, the duration of the donation and any requirements with respect to accountability.

2.2 Contributions will be accepted which support projects that are consistent with the ICAO Strategic Objective on Safety and that provide an international safety benefit. Donations will not impose additional costs on, or divert activity away from, activities supported by the Regular Programme. The types of projects that could benefit from the SAFE include safety-related projects in the Business Plan that are unfunded, projects identified through existing mechanisms used at the global and regional levels and safety-related projects for which States cannot otherwise provide or obtain the necessary financial resources.

2.3 SAFE assistance will be used principally to remedy or mitigate safety-related deficiencies identified through the ICAO Universal Safety Oversight Audit Programme Continuous Monitoring Approach (USOAP-CMA) as an element of the Global Aviation Safety Plan (GASP). Emphasis will be put on providing sustainable solutions through the provision of assistance to regional or sub-regional groupings of States.

2.4 A SAFE website will be established to provide information about projects and their progress. Regular reports on the performance of the Fund will be posted on this website, which will be accessible to the Council Representatives. This will allow the Council to monitor the activities of the SAFE. In addition, the Council will be informed of any funded project that is at risk.

3. ASSEMBLY RESOLUTION ON THE SAFETY FUND

3.1 A draft Assembly Resolution has been prepared which sets out the objectives of the Fund and the purpose for its creation. It also encourages all ICAO Member States, international organizations and public and private parties associated with international civil aviation to contribute to the development of the SAFE.

Resolution 75/xx: The Safety Fund (SAFE)

Whereas under Article 44 of the *Convention on International Civil Aviation* the aims and objectives of ICAO inter alia are to foster planning and development of international air transport so as to ensure the safe and orderly growth of international civil aviation, meet the needs of the people of the world for safe, regular and economical air transport, and promote safety of flight in international air navigation;

Whereas Articles 69 to 76 of the Convention provide that the Council may make arrangements as appropriate with a view to finding means for the improvement of air navigation facilities of Contracting States as required so as to ensure safe, regular, efficient and economical operation of international air services;

Whereas, under Article 70 of the Convention, the Council may, in the circumstances arising under the provision of Article 69, make arrangements with Contracting States relating to the financing of air navigation facilities;

Considering that, in some cases, Contracting States may not have access to the necessary resources for improvements to their air navigation facilities, in particular for the remedy of safety-related deficiencies identified through the ICAO Universal Safety Oversight Audit Programme (USOAP);

Whereas most developing States experience difficulties in gaining access to many financial market sources, particularly foreign capital markets, for funding their airport and air navigation services infrastructure, including safety-related components of that infrastructure;

Whereas the High-level Safety Conference (HLSC) 2010 identified several States and regions of the world that are in need of assistance in the development of sustainable levels of aviation safety, and particularly in the development of funding models that would guarantee sustainability in the provision of infrastructure and services for adequate air transport activity;

Whereas the HLSC 2010 made a recommendation that ICAO should work with States and Regional Organizations requiring assistance to develop appropriate funding models to ensure the sustainable provision of infrastructure and services based on the level of activity for adequate air transport activity;

Whereas the Council decided to establish the Safety Fund (SAFE) with the objective of improving the safety of civil aviation through the use of a performance-based approach which will limit administrative costs and will not impose any costs on the Regular Programme Budget of the Organization, while ensuring that voluntary contributions to the fund are used in a responsible, useful and timely manner;

The Assembly:

1. *Expresses appreciation* to Contracting States and international organizations for their contributions to ICAO Funds associated with improving the safety of civil aviation;
2. *Urges* Contracting States, international organizations and public and private parties associated with international civil aviation to make voluntary contributions to SAFE;
3. *Requests* that the Council support the smooth functioning of the SAFE through consistent monitoring of progress made by the SAFE in funding safety-related projects; and
4. *Requests* that the Council make every effort to attract contributions to the SAFE from States and other contributors.

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