

ASSOCIATION OF AFRICAN AVIATION TRAINING ORGANIZATIONS (AATO)

BUSINESS PLAN FOR THE PERIOD THE FINANCIAL 2013/2014



“Committed to the provision and sustainability of aviation training excellence in Africa”

TABLE OF CONTENTS

FOREWORD	iii
ABBREVIATIONS	iv
CHAPTER ONE:	1
1. INTRODUCTION	1
1.1 BACKGROUND.....	1
1.2 OBJECTIVES AND FUNCTIONS OF AATO	2
1.3 CORPORATE STATEMENTS AND OBJECTIVES.....	2
1.3.1 Vision	2
1.3.2 Mission.....	2
1.3.3 Core Values	3
1.3.4 Strategic Goals	3
1.3.5 Strategic Objectives.....	3
1.4 KEY PEOPLE	3
CHAPTER TWO:	5
2.0 FUNCTIONS AND SERVICES.....	5
2.1 OVERVIEW.....	Error! Bookmark not defined.
2.2 HARMONISATION AND STANDARDISATION OF STANDARDS	5
2.3 ACCREDITATION SERVICES TO ATO	5
2.4 PROMOTION OF INTERESTS OF MEMBERS	5
2.5 PROMOTE COMPLIANCE TO STANDARDS BY ITS MEMBERS	5
2.6 FACILITATE COOPERATION AMONG ITS MEMBERS.....	6
CHAPTER THREE:	7
3.0 AVIATION MARKET ANALYSIS	7
3.1 GLOBAL TRAINING ENVIRONMENT	7
3.2 AVIATION TRAINING IN AFRICA	7
3.2.1. Current and forecasted demand for training in Africa.....	7
3.2.2. Capacity for Aviation Training In Africa	7
3.2.3. Regulatory approvals	8
CHAPTER FOUR:.....	9
4.0 IMPLEMENTATION OF BUSINESS PLAN ACTIONS	9
CHAPTER FIVE:	10
5.0 FINANCIAL PLAN.....	10
5.1 Assumptions.....	10
5.2 Budget Proposals.....	14

FOREWORD

This Business Plan is based on the AATO Strategic Plan for 2013-2015 and is aimed at guiding the establishment and operation of the Association of African Aviation Training Organisations (AATO) during the first year of the Plan. It was prepared by the Interim Council as mandated by the Aviation Training Organisations Assembly held in Nairobi on 2nd – 4th April 2012. The establishment of a functioning AATO is aimed at achieving Recommendation 5/8 of ICAO AFI/RAN meeting of 2008 held in Durban, South Africa for the establishment and implementation of a framework for harmonisation and standardization of aviation training in Africa. The implementation of harmonised and standardised training is necessary for the achievement and sustenance of high level of aviation safety in Africa.

The Business Plan represents a prioritization of important activities during 2013 as envisaged by the Interim Council. The implementation of the activities outlined in the Plan is expected to establish the foundation for the creation of an effective AATO to deliver its mandate. An implementation plan has been provided in the Plan detailing the activities, target dates, responsibility and budgets which provides the necessary clarity required for the execution of the Business Plan.

The key activities planned for implementation during the first year include the election of the Council, recruitment of the Secretariat, development of policy documents and establishment and operationalization of the AATO. During the first year, AATO is also expected to initiate the development of criteria for the accreditation of Aviation Training Organizations as Centres of Excellence.

The implementation of the Business Plan is mainly based on funding from membership, sponsorships and donations. It is therefore, envisaged that during the first half of the year limited activities will be carried out due to financial constraints as effort is made to grow the membership. This is however, expected to pick up progressively as more members join the Association to benefit from the accreditation services to be offered.

The Business Plan was prepared based on information collected and compiled by Training Experts Working Groups (TEWG) and from the meetings of the Assembly and Interim Council. While the information collected and analysed was limited, it is representative of the

situation in Africa and has been used to craft the Business Plan which will serve as a guide for the creation of AATO. Furthermore, the Interim Council recognises that the implementation of the Plan will be influenced by the leadership of the incoming elected Council and the dynamics of the aviation environment.

AATO will nurture the cordial relationship with the Aviation industry and would work together to improve and sustain higher levels of aviation safety and security in Africa. It is our commitment as AATO to ensure that quality human resources is available to drive the Aviation industry in Africa. We sincerely thank the members of the Aviation Training Organisations, members of the TEWGs and stakeholders who gave valuable comments during and after the various meetings. Your contributions enabled the timely crafting of the Business Plan. We thank you All.

ABBREVIATIONS

AATO	-	Association of African Aviation Training Organisations
ACI	-	Airport Company International
AFI	-	Africa Region
AFCAC	-	African Civil Aviation Commission
AFI RAN	-	Africa and Indian Ocean Regional Air Navigation
CAA	-	Civil Aviation Authority
COE	-	Centre of Excellence
EAC	-	East African Community
ICAO	-	International Civil Aviation Organisation
SADC	-	Southern African Development Corporation
SITA	-	Société Internationale de Télécommunications Aéronautiques
TEWG	-	Training Experts Working Group
UEMOA	-	West African Economic and Monetary Union

CHAPTER ONE:

1. INTRODUCTION

1.1 BACKGROUND

The African region comprises of 54 countries. Under ICAO regional grouping, Africa is part of the ICAO AFI region which also includes the Indian Oceanic Flight Information Region. ICAO audits and assessment of the region from the other industry organizations have revealed that throughout Africa there is lack of qualified personnel in crucial areas of civil aviation.

In order to improve the situation in Africa, during the AFI RAN special meeting held in Durban in November 2008, it was recommended that states work towards the establishment and implementation of a framework for harmonisation and standardization of aviation training in Africa. Pursuant to recommendation 5/8 of the AFI RAN meeting of 2008, several meetings have been held in Africa by the Aviation Training Organisations culminating to the establishment of the Association of African Aviation Training Organisations.

The Association is expected to assess the need of capacity building in Africa, in technical, operational and managerial areas. It will then develop and implement measures aimed at ensuring that the requirements for aviation human resources in Africa are achieved in order to have a safe and sustainable air transport system in the continent. AATO will work towards ensuring that a framework for harmonization and standardisation of aviation training in Africa is implemented. In doing this, AATO will be expected to ensure that a quality control system is put in place and the envisaged benefits of the framework achieved.

This Business Plan was prepared based on the information collected by various Technical Working Experts Groups (TWEGs) and the reports of the Training Coordination Conferences. The Plan is prepared by the Interim Council and may require review by the elected Council to accurately define the implementation schedule given emerging circumstances.

1.2 OBJECTIVES AND FUNCTIONS OF AATO

In accordance with Article 2 of its constitution, the objectives of the AATO are as follows:

- a) Promote Cooperation among its members;
- b) Promote the interests of its members and aviation training in Africa;
- c) Promote the harmonization and standardization of aviation training in Africa;
- d) Encourage the sharing of expertise among its members and other aviation organizations;

To achieve its objectives, the AATO is expected to perform among others, the following functions:

- a) Develop policy and guidelines for aviation training organizations in Africa in order to facilitate their compliance with international and national standards, and best practices in aviation training;
- b) Develop and advocate positions on issues of interests for its members and aviation training in Africa;
- c) Develop and implement a system of designation of Centres of Excellence;
- d) Support the accreditation of training organizations across borders;
- e) Ensure the development and implementation of standards, harmonized procedures, and guidelines for aviation training;

1.3 CORPORATE STATEMENTS AND OBJECTIVES

1.3.1 Vision

To create safer African skies through high quality standardized aviation training.

1.3.2 Mission

To promote harmonization and standardization of aviation training in Africa through cooperation, sharing of expertise and resources amongst members and other stakeholders

1.3.3 Core Values

- Integrity
- Transparency
- Fair representation
- Excellence
- Innovation

1.3.4 Strategic Goals

- a) Develop centres of excellence in all disciplines of the aviation industry in Africa
- b) Be the voice of the African training centres, representing their interests at national and international fora
- c) Promote compliance to national and international standards by its members
- d) Facilitate cooperation among its members across the African continent
- e) Develop and implement procedures and guidelines for aviation training.

1.3.5 Strategic Objectives

There are five Strategic Objectives that the Plan seeks to achieve:

- a) Establish functioning bodies of the organisation.
- b) Harmonise and standardise training policies and procedures.
- c) Establish AATO accredited Centers of Excellence
- d) Increase membership of AATO
- e) Establish, maintain and promote stakeholder partnerships.

1.4 KEY PEOPLE

The Business Plan will be driven by the Secretary General of AATO as the head of the AATO Secretariat and the staff. Two standing committees on technical and financial matters will provide support to the Secretary General to enable the Secretariat achieve its mandate.

The Council which is the executive body representing states will be responsible for the overall performance of the AATO. The highest decision making body is the Assembly and will provide the policy direction to AATO.

CHAPTER TWO:

2.0 FUNCTIONS AND SERVICES

2.1 HARMONISATION AND STANDARDISATION OF STANDARDS

AATO will work with member states to harmonise and standardise aviation training for its members. To achieve this, ATO will develop and implement a framework for harmonisation and standardisation to ensure that aviation curriculum is the same throughout the region. It will also ensure that the requirements for facilities, equipment and instructors are also standardised and a criteria developed for recognition of qualification from other African states.

2.2 ACCREDITATION SERVICES TO ATO

The completion of harmonisation and standardisation will enable AATO to effectively carry out accreditation services. Accredited institutions will have achieved the status of Centres of Excellence and will reflect adherence to quality standards which will enable them to deliver effective services and attract more clients.

2.3 PROMOTION OF INTERESTS OF MEMBERS

The promotion of members interests at national and international fora will enable AATO members to speak with one voice and will constitute a strong lobby group that can be listened to. This will help members to positively influence policy making and implementation, for the achievement of safe and secure aviation environment in Africa and for the benefit of its members.

2.4 PROMOTE COMPLIANCE TO NATIONAL AND INTERNATIONAL STANDARDS BY ITS MEMBERS

The existence of a third party to promote compliance to national and international standards will help members achieve certification faster. Currently only ICAO and member states are pushing for compliance with standards. It is in the best interest for

AATO to promote compliance as this will not only help improve the quality of human resource but will also enhance overall aviation safety and enable institutions to attract more students.

2.5 FACILITATE COOPERATION AMONG ITS MEMBERS

AATO will collect and maintain a data base for all aviation training institutions in Africa with a view to sharing the information among the countries. With a well-established data base of aviation training capacity of each member, AATO will be able to promote corporation and sharing of resources among the members. This will allow institutions to utilise their competitive advantages to offer courses best suited to them to a wider market more efficiently.

CHAPTER THREE:

3.0 AVIATION MARKET ANALYSIS

3.1 GLOBAL TRAINING ENVIRONMENT

ICAO estimates that the number of commercially operated aircraft will have jumped from 61,833 in 2010 to 151,565 in 2030, and the number of departures from around 26 million to almost 52 million. Its projection up to 2030 shows that more than 2 million jobs will be created for pilots, maintenance personnel and air traffic control as a result of retirement of professional staff and the anticipated growth of the industry. The industry growth is expected to more than double the requirements for pilots, maintenance and air traffic controllers.

A comparison by the ICAO study on the number of personnel who will require to be trained annually with the capacity of the existing training institutions shows that there is a shortfall of training capacity equivalent to 160 pilots, 360,000 maintenance personnel and 40,000 air traffic controllers. The global demand for aviation personnel is therefore expanding faster than the supply and this has adverse implications on global aviation safety if no action is taken to address the shortage on time.

3.2 AVIATION TRAINING IN AFRICA

3.1.1. Current and forecasted demand for training in Africa

The data collected by TWEG from 66 States civil aviation authorities and aviation services providers indicated that there is a high and increasing demand for aviation training throughout Africa and across all sectors of the industry.

3.1.2. Capacity for Aviation Training In Africa

Studies undertaken on 33 training organisations in Africa by WEG on the capacity of training showed that the training capacity currently available in the continent is not adequate to respond to the current and future demands for aviation training in Africa.

There is also a difference between the training capacity in the institutions and the minimum requirements for provision of adequate and quality training.

3.1.3. Regulatory approvals

There are differences of regulatory requirements between states making it difficult for training organizations to develop training programmes that comply with the varying requirements of states in Africa. The processes of approvals of training organizations, where they exist, vary between states. It is therefore difficult for a training institution to obtain approval as a training organization from other states other than the state of nationality. The capabilities of the training organizations are further constrained by the differences of regulatory requirements for recognition of credits, certificates, diplomas, or degrees among African States.

CHAPTER FOUR:

4.0 IMPLEMENTATION OF BUSINESS PLAN ACTIONS

Objective 1: Establish functioning bodies of the Organisation							
	Key Actions	Targets	2013/14				Actor
			Q1	Q2	Q3	Q4	
1	Recruitment of the secretariat	Interim appointment					Council/
		Substantive Appointment of SG					Council
2	Approval of Terms of reference of the standing committees	Approval of ToRs					Council
3	Office acquisition	Establishment of the office					Council/ Host country
4	Develop rules and regulations for staff	Approval of terms and conditions of service for Secretariat Staff					Council
5	Development of the Procedure Manual	Review and approval of the Procedure Manual					Council
6	Effective operation of the Secretariat	Adequate funding and support from members and stakeholders					Council
Objective 2: Harmonise and standardise training policies and procedures							
1	Review and approval of the training policy and requirements	Approval of training policy					Assembly
2	Review and approval of the criteria of CoE's	Approval of criteria of CoE's					Assembly
Objective 3: Establish AATO accredited Centre of Excellence							
1	Review and approve the CoE documentation	Approved CoE documentation					Technical Committee
2	Circulate the criteria of CoE accreditation and member benefits	Informed AATO membership					Secretariat
Objective 4: Increase AATO Membership							
1	Establish existing and potential members	Database					Council
2	Define member benefits and circulate	Completed circulation list					Council
3	Recruitment of members	Recruitment plan					Council
Objective 5: Develop, maintain and promote stakeholder relationships							
1	Identify communication channels	Communication Strategy					Council
2	Define and develop communication material	Communication pack					Council
3	Sign MoU/LoU with stakeholders	Sign at least 2 MoUs/LoUs with stakeholders during the year					Council
4	Manage relevant stakeholder expectations	Increasing trend in membership					Council
5	Develop AATO Advocacy Policy	AATO Advocacy policy and guidelines					Council

CHAPTER FIVE:

5.0 FINANCIAL PLAN

The successful implementation of the Business Plan will depend on how quickly AATO is able to have adequate resources at its disposal including finance, personnel and infrastructure to carry out the services. All the financial assumptions in the main Strategic Plan are applicable to the Business Plan.

Financial resources that are required for the implementation of the business plan are in three categories shown below:

- a) Establishment costs
- b) Operational costs
- c) Capital Costs

5.1 Assumptions

The following assumptions were used in the forecast of revenues and expenditures required to support the Strategic Plan.

5.1.1 General Assumptions

- (a) The State hosting the Secretariat will provide a furnished office including furniture and office equipment.
- (b) The financial year of AATO will run from 1st April to 31st March of each year.

5.1.2 Specific Assumptions

(a) Revenue

- (i) During the first three years the revenues for AATO will be from membership fees and annual subscription, support from partners and

sponsors during workshops and conferences. This will be supplemented by donations.

- (ii) Initial membership numbers will start at 15 for full members, 10 for the associate organizations members 10 Associate individual members and 5 for the corporate members and an envisaged growth of 10% per annum.
- (iii) The membership admission fees and annual subscription fees shall be approved by the Council.
- (iv) AATO will charge fees for the training on emerging concepts and registration fees during workshops, seminars and trainings.

(b) Start Up Cost

It is estimated that the startup cost will be based on non staff expenditures. It is assumed that 50% equivalent of the annual non staff costs will be required for the start up to take care of initial costs related to the establishment of AATO during the first quarter of the year.

(c) Recruitment Expenses

The recruitment of the Secretary General will be done as per the Human Resource Policy.

(d) Salaries and Allowances

- (i) The office will initially have 4 staff members, the Secretary General, Technical Officer, Technical Assistant and Administrative Officer.
- (ii) The salaries for the Secretary General and the Technical Officer will be based on the classification of salaries and benefits as provided for by the International Civil Service Commission (ICSC) and as recommended by the Finance Committee and approved by the Council.
- (iii) The salaries for the Technical Assistant and the Administrative Officer shall be paid by the host country as agreed with the Council.

(e) Staff Insurance

The cost of insurance for staff (which will cover life, death in service and medical) will depend on the location of the office and be undertaken by the Council.

(f) Training Costs

The training costs are allocated from the second year to cater for the training of staff members as may be required.

(g) Hospitality and Retreat

The hospitality and retreat costs are based on minimal allocations for the entertainment in the office of Secretary General.

(h) Travel Costs

- (i) The costs of mission travel for staff members shall be as contained in the approved Staff Rules. Travel costs for Council Members shall be met by the nominating States/organisations.
- (ii) The members of the technical and financial committees shall for the first year be met by the nominating states/organisations.
- (iii) The cost of travel for the Council from the second year assumes that the Council and the technical committees will each have three meetings of two days during the year.
- (iv) The Secretary General will make one mission travel of three days for each quarter.

(i) Communication Costs

These will cater for the telephones, distribution, internet, faxes and any other communications.

(j) Operating Expenditures

The costs are based on the experience of start up costs for a regional agency in Africa.

(k) Translation and Interpretation

The costs of translation, interpretation and hospitality are estimated based on the meetings mentioned in 5.1.2 (b) above and on costs of recent similar events.

(l) Motor Vehicle Insurance

The cost of insurance for motor vehicle for the SG is based on the average insurance cover for a 2000 capacity motor vehicle.

(m) Office facilities

While the host country will provide furnished offices to the Secretariat, allocations have been made for maintenance, operation and alterations that may be incurred during the period. The amounts allocated are based on earlier experience of a start up.

(n) Capital Cost

The only capital cost allocated is the purchase of a motor vehicle for the Secretary General. The cost is based on a 2000 capacity motor vehicle for the Secretary General.

(o) Depreciation

Depreciation is catered for the motor vehicle and office equipment and depreciated over a period of 5 years.

5.2 Budget Proposals

The main source of revenue for the Association is expected to be contributions by members. It is envisaged that contributions by Interim Council members will provide the funding required for the establishment of the AATO.

USD

Budget Item	Budget 2013/14	Q1	Q2	Q3	Q4
Revenue					
AATO Member Contributions	301,000	0	51,000	125,000	125,000
Donation by corporate Organisations	0	0	0	0	0
Other sources	0	0	0	0	0
Total Revenue	301,000				
Expenses					
Start Up Costs	20,000	10000	10000		
Recruitment Expenses	15,000				
Staff Costs					
Staff Salaries	459,500				
Training	0				
Hospitality Costs	3000	750	750	750	750
Travel Cost	0	0	0	0	0
Non Staff Costs					
Communication	1,000	250	250	250	250
Operating	26,500	2500	6000	6000	6000
Translation and Interpretation	15000	0	0	7500	7500
Repair and Maintenance					
Insurance	5,000	0	0	5,000	0
Office equipment	6,000	0	3,000	3 000	0
Depreciation	10,000				10,000
Total Expenses	561,000				
Surplus/(Deficit)	(260,000)				
Capital Costs	50,000			50,000	
Net Budget Surplus/Deficit	(310,000)				