

**26<sup>th</sup> COSCAP-SA STEERING COMMITTEE MEETING****PROGRAMME BUDGET AND FUNDING - 2017/2018  
Discussion Paper 5 (DP-5)****(Presented by the APAC ICAO)**

This Discussion Paper presents the current status of the COSCAP-SA Trust Fund and the Phase IV programme budget based on the funds available as of 30 September 2017.

**1.0 Background**

- 1.1 Article III, Paragraph 3.3 of the Memorandum of Understanding (MoU) signed by Member States stipulates that the COSCAP-SA Programme shall be funded primarily by the Member States through annual contributions in accordance with a cost-sharing formula which is approved by the Steering Committee.
- 1.2 Article III, Paragraph 3.4 of the MoU provides for the mobilization of grant funds from the donor community to supplement the Programme funds.
- 1.3 Article III, Paragraph 3.5 of the MoU stipulates that the Member States' annual contributions which is supplemented by donor-provided funds as may be available, shall constitute the general pool of the COSCAP-SA Trust Funds to be maintained by ICAO. The moneys from the Trust Fund shall be used for common benefits, functions and activities defined in Article II, Paragraph 2.1.1 of the MoU.
- 1.4 The Member States have also approved the Programme Document for the Phase IV which describes in detail the nature and scope of Programme's objectives, outputs and activities to be undertaken during the Phase IV (2013-2018).
- 1.5 Pursuant to Article IV, Paragraph 4.1 of the MoU, ICAO shall provide the services specified in the Programme Document in accordance with the established ICAO rules, policies, procedures and practices.
- 1.6 Article VII, Paragraph 7.4 of the MoU describes the duties and functions of the Steering Committee which include inter alia, the following:
  - a) Monitor and evaluate the Programme activities since the previous meeting;
  - b) Formulate policies and assign priorities for the activities of COSCAP-SA, taking into account the requirements of the MOU, and the provisions in the current phase of the COSCAP - SA Programme document and the availability of funds;

c) Review and approve the annual work programme and budget of COSCAP-SA.

## 2.0 Contributions

2.1 Appendix I provides the Table of Contributions received to date.

2.2 Contributions received from the Member States for Phase IV

<b>Status of Contribution Payment for Phase IV</b>						
<b>as at 03 January 2018</b>						
<b>Phase IV: 1 October 2013 - 30 September 2018</b>						
<b>State</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>Total</b>
	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	
Bangladesh	75,499	78,550	80,907	82,525	83,350	400,831
Bhutan	26,250	27,300	28,119	28,681	28,968	139,318
India	107,898	112,214	115,580	117,892	119,071	572,655
Maldives	26,250	27,300	28,119	28,681	28,968	139,318
Nepal	75,492	78,512	80,832	82,525	83,300	400,661
Pakistan	87,886	91,403	94,162	96,046	97,022	466,519
Sri Lanka		79,672	82,062	83,704	84,541	329,979
	<b>399,275</b>	<b>494,951</b>	<b>509,781</b>	<b>520,054</b>	<b>525,220</b>	<b>2,449,281</b>

2.3 Appendices IA and IB provide details on the use of specific-purpose funds received by the Programme from Airbus and the Boeing Company respectively.

2.4 The Boeing and Airbus contributions are tied to specific activities agreed to between Boeing, Airbus and the Programme.

## 3.0 Budget

3.1 Appendix II outlines the latest budget based on the funds available as of 30 September 2017 which will permit the operation of the Programme only until end-April 2021 with the present staffing. Normally Regional Programmes should have sufficient funding to allow programme operation for a rolling 12 month period to allow for contract extension of staff and necessary contracts for utilities and yearly/monthly miscellaneous expenses.

3.2 The budget does not include uncommitted specific-purpose funds kindly contributed by Airbus and Boeing Commercial Airplanes. Approved Donor expenditures are included in the record of actual expenses and contributions.

3.3 Appendix II provides the Statement of Estimated Fund Balance as at 30 September 2017.

- 3.4 Funding must be available in the trust fund before ICAO can make any contractual commitments. In order for the Programme to remain operational, it is important for Members to ensure payment of their annual contributions. This, in turn, will encourage donors to maintain their contributions, enabling the Programme to continue making a positive impact on safety oversight in the sub-region. It is therefore requested that Members with arrears make prompt payments. Contribution letters for funding Phase IV 2017/2018 were sent in May 2017 and prompt payment is required. (Table in paragraph 2.2 refers).
- 3.5 The following table set outs the proposed annual contribution from each Member State during the five year cycle of the Programme from 1 October 2013 to 30 September 2018 that was approved at the 22nd COSCAP-SA Steering Committee Meeting.

<b>Contribution Levels for Phase IV</b>						
	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>Total</b>
Bangladesh	75,529	78,550	80,907	82,525	83,350	<b>400,861</b>
Bhutan	26,250	27,300	28,119	28,681	28,968	<b>139,318</b>
India	107,898	112,214	115,580	117,892	119,071	<b>572,655</b>
Maldives	26,250	27,300	28,119	28,681	28,968	<b>139,318</b>
Nepal	75,529	78,550	80,907	82,525	83,350	<b>400,861</b>
Pakistan	87,936	91,453	94,197	96,081	97,042	<b>466,709</b>
Sri Lanka	76,608	79,672	82,062	83,704	84,541	<b>406,587</b>
	<b>476,000</b>	<b>495,039</b>	<b>509,891</b>	<b>520,089</b>	<b>525,290</b>	<b>2,526,309</b>

#### **4.0 Recommendations**

It is recommended that the Steering Committee:

- 4.1 Urge Members who have not yet made their contribution for 2017/2018 to make the necessary transfer of funds.
- 4.2 Urge Members with arrears to make payment as soon as possible so that the Programme may continue to implement the work programme and provide assistance.
- 4.3 Encourage its Donors and Safety Partners to continue their contributions to COSCAP-SA, as these are vital to the success of the Programme.