

**27<sup>th</sup> COSCAP-SA STEERING COMMITTEE MEETING****PROGRAMME BUDGET AND FUNDING - 2019****Discussion Paper 5 (DP-5)****(Presented by the ICAO)**

This Discussion Paper presents the current status of the COSCAP-SA Trust Fund and the Phase V Programme budget based on the funds available as of 30 November 2018.

**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 Four Member States (Bangladesh, India, Maldives and Pakistan) have signed the Programme Document for the Phase V which describes in detail the nature and scope of Programme's objectives, outputs and activities to be undertaken during the Phase V (1 January 2019-31 December 2023).
- 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 Phases IV and V

Status of Contribution Payment for Phases IV and V as at 3 January 2019												
	Phase IV: 1 October 2013 - 31 December 2018						Phase V: 1 January 2019 - 31 December 2023					
State	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018 Ext.	2019	2020	2021	2022	2023	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 5 Ext.	Year 1	Year 2	Year 3	Year 4	Year 5	
Bangladesh	75,499	78,550	80,907	82,525	83,350	20,838						421,669
Bhutan	26,250	27,300	28,119	28,681	28,968							139,318
India	107,898	112,214	115,580	117,892	119,071	29,768						602,423
Maldives	26,250	27,300	28,119	28,681	28,968	7,242						146,560
Nepal	75,492	78,512	80,832	82,525	83,300	20,828						421,489
Pakistan	87,886	91,403	94,162	96,046	97,022	24,221						490,740
Sri Lanka		79,672	82,062	83,704	84,541	21,135						351,114
	399,275	494,951	509,781	520,054	525,220	124,032						2,573,313

2.3 Appendices I A and I B provide details on the use of specific-purpose funds received by the Programme from Airbus and The Boeing Company respectively.

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

## 3.0 Budget

3.1 Appendix II outlines the latest budget based on the funds available as of 30 November 2018 which will permit the operation of the Programme until March 2021 with the budgeted 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 The Boeing Company. 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 November 2018.

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 V were sent together with the Programme Document in November 2018 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 January 2019 to 31 December 2023 that was approved at the 22nd COSCAP-SA Steering Committee Meeting.

<b>States Contribution Levels in USD</b>						
	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>Total</b>
BGD	83,364	85,222	87,285	89,189	91,253	<b>436,312</b>
BHU	28,943	29,589	30,305	30,966	31,683	<b>151,486</b>
IND	119,083	121,738	124,685	127,405	130,353	<b>623,264</b>
MDV	28,943	29,589	30,305	30,966	31,683	<b>151,486</b>
NEP	83,364	85,222	87,285	89,189	91,253	<b>436,312</b>
PAK	97,021	99,184	101,585	103,801	106,203	<b>507,794</b>
SRL	84,519	86,403	88,495	90,426	92,518	<b>442,361</b>
	<b>525,290</b>	<b>537,000</b>	<b>550,000</b>	<b>562,000</b>	<b>575,000</b>	<b>2,749,015</b>

#### **4.0 Afghanistan Level of Contribution**

In order to accommodate the introduction of Afghanistan as a Member State to the COSCAP SA, consideration must be given to the guidance provided within the IFAPM, the 21<sup>st</sup> COSCAP SA SCM decision on amended contributions, and Afghanistan's aviation activities as it related to services required from the COSCAP SA. An addendum to the DP5 (Appendix III) outlines those considerations.

#### **5.0 Actions of the Steering Committee:**

Actions of the Steering Committee are to:

- 5.1 Urge Members who have not yet made their contribution for the first year of Phase V (2019) to make the necessary transfer of funds.
- 5.2 Urge Members with arrears for Phase IV to make payment as soon as possible so that the Programme may continue to implement the work programme and provide assistance.
- 5.3 Encourage its Donors and Safety Partners to continue their contributions to COSCAP-SA, as these are vital to the success of the Programme.

- 5.4 Review the considerations outlined in the addendum to DP5 (Appendix III) for the introduction of Afghanistan into the COSCAP SA including level of contribution.
- 5.5 Decide on the Afghanistan level of contribution and inform the CTA. The CTA will inform ICAO TCB who will revise the COSCAP SA Phase V Programme Document to include Afghanistan as a Member and revise Member State contributions overall.