

## 30<sup>th</sup> COSCAP-SA STEERING COMMITTEE MEETING

### PROGRAMME BUDGET AND FUNDING – 2022 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 31 December 2022.

#### 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 3.6 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 All Member States 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). Afghanistan joined the COSCAP SA as a new Member State as of 5 August 2020, following on the decision of the 27th Steering Committee Meeting. Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka signed the Addendum to the Programme Document for the Phase V which introduces Afghanistan as a new Member State and provides a revised contribution level for all Member States.
- 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 V:

Status of Contribution Payment for Phases IV and V as at December 2022												
	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	
Afghanistan											80,381	80,381
Bangladesh	75,499	78,550	80,907	82,525	83,350	20,838	83,155	85,222	66,190	84,543		740,779
Bhutan	26,250	27,300	28,119	28,681	28,968	7,222	28,913	29,589	22,981	29,353		257,376
India	107,898	112,214	115,580	117,892	119,071	29,768	119,083	121,693	94,506	120,723		1,058,428
Maldives	26,250	27,300	28,119	28,681	28,968	7,242	28,943	29,589	22,981	29,353		257,426
Nepal	75,492	78,512	80,832	82,525	83,300	20,828	83,364	85,222	66,190	84,543		740,808
Pakistan	87,886	91,403	94,162	96,046	97,022	24,221	96,981	99,144	76,994	98,393		862,252
Sri Lanka		79,672	82,062	83,704	84,541	21,135	84,519	86,403	67,107			589,143
	399,275	494,951	509,781	520,054	525,220	131,254	524,958	536,862	416,949	446,908		4,506,212

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 A outlines the budget based on latest review, which will permit the operation of the Programme until the last quarter of 2023 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 B provides the Statement of Estimated Fund Balance as at 30 November 2022 (report for balance as at 31 December 2022 will be available in February 2023).
- 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 important that Members make timely payments, as has been happening most of the time.
- 3.5 The following table sets out the proposed revised annual contribution<sup>1</sup> from each Member State during the five year cycle of the Programme from 1 January 2019 to 31 December 2023 as stipulated in the Addendum to the Programme Document for the Phase V:

	2019	2020	2021 <sup>2</sup>	2022	2023	Total
Afghanistan	-	note <sup>3</sup>	note <sup>4</sup>	80,380	30,032	<b>110,412</b>
Bangladesh	83,155	85,222	66,190	84,543	86,498	<b>405,608</b>
Bhutan	28,913	29,589	22,981	29,353	30,032	<b>140,868</b>
India	119,083	121,693	94,506	120,723	123,561	<b>579,566</b>
Maldives	28,943	29,589	22,981	29,353	30,032	<b>140,898</b>
Nepal	83,364	85,222	66,190	84,543	86,498	<b>405,817</b>
Pakistan	96,981	99,144	76,994	98,393	100,669	<b>472,181</b>
Sri Lanka	84,519	86,403	67,107	0	173,412 <sup>5</sup>	<b>411,441</b>
<b>Grand Total</b>	<b>524,958</b>	<b>536,862</b>	<b>416,949</b>	<b>527,289</b>	<b>660,734</b>	<b>2,666,791<sup>6</sup></b>

#### 4.0 Action by the Steering Committee:

4.1 Programme Members are encouraged to make their respective annual fund contributions in time.

4.2 Encourage Donors and Safety Partners to continue their contributions to COSCAP-SA, as these are vital to the successful implementation of the Annual Work Programme.

<sup>1</sup> Note: for years 2019 2020, 2021, and 2022 the contribution amounts from the Addendum have been replaced with actuals.

<sup>2</sup> Note: for year 2021, a 20% reduction was agreed due to the impact of the COVID-19 pandemic situation

<sup>3</sup> Note: Contribution Afghanistan for 2020 settled in 2022.

<sup>4</sup> Note: Contribution for Afghanistan for 2021 settled in 2022.

<sup>5</sup> Includes outstanding contribution for 2022

<sup>6</sup> Grand total in the table is different from the Addendum to reflect actuals of 2019, 2020, 2021, 2022 and 20% discount for 2021.