



International Civil Aviation Organization

MIDANPIRG MIDAD Task Force

Third Meeting (MIDAD TF/3)
(Kish Island, Iran, 29-30 August 2015)

MIDAD TF/3-WP/5
05/07/2015

Agenda Item 3: MIDAD Project Phase 2 - Detailed Study

FUNDING MECHANISM FOR THE MIDAD DETAILED STUDY

(Presented by the Secretariat)

SUMMARY

The aim of this paper is to discuss and propose option(s) for the MIDAD Detailed Study funding mechanism, for review and decision by the MAEP SC/2 meeting.

Action by the meeting is at paragraph 3.

REFERENCES

- DGCA-MID/3 Report
- MIDANPIRG/15 Report

1. INTRODUCTION

1.1 Taking into consideration the outcomes of the MSG/4, MAEP SC/1 and MIDAD TF/2 meetings, DGCA-MID/3 meeting (Doha, Qatar, 27-29 April 2015) agreed that there is a strong link between the funding mechanism of the MIDAD project and the legal framework (signature of contract, collection of contributions, etc.). Accordingly, the meeting agreed that the MIDAD Project (Detailed Study, implementation, operation, etc.) be managed as a TCB project under the MAEP framework. The meeting agreed that the final decision on the funding mechanism of the MIDAD Project should be addressed by the MIDAD TF/3 and MAEP SC/Board meetings.

1.2 Based on the above, the DGCA-MID/3 meeting agreed to the following Conclusion:

DGCA-MID/3 CONCLUSION 3/4 – MIDAD PROJECT

That,

- a) the MIDAD Project be managed as a TCB project under the MAEP framework;*
- b) the final decision on the funding mechanism of the MIDAD Project be addressed by the MIDAD TF and MAEP SC/Board;*
- c) States committed to the MIDAD Project ensure that their representatives to the upcoming MIDAD TF and MAEP SC/Board meetings have the authority to decide on the funding of the MIDAD Detailed Study; and*
- d) a progress report on the MIDAD Project be presented to the DGCA-MID/4 meeting.*

2. DISCUSSION

2.1 The meeting may wish to recall that the MIDANPIRG/15 meeting (Bahrain, 8-11 June 2015) was apprised of the outcome of the MIDAD TF/2 meeting related to the funding mechanism for the MIDAD Detailed Study and agreed that the following should be considered:

- a) the MIDAD Project Memorandum of Agreement (MOA) as signed by the MIDAD Participating States;
- b) the contribution of States be based on their economic figures; the volume of traffic and the Gross Domestic Product per capita (GDP);
- c) proposals received from States (formal proposal, discussions, etc.) and in particular from the GCC States;
- d) the method of collection of contributions;
- e) the political/security stability of the committed States and their ability to pay contributions;
- f) possibility of advance contribution from a number of State with a possibility for recovery;
- g) late joining of additional States;
- h) possible delays in the payment/collection of contributions;
- i) legal/institutional framework;
- j) initial thoughts about a cost-recovery mechanism.

3. ACTION BY THE MEETING

3.1 The meeting is invited to discuss and propose option(s) for the MIDAD Detailed Study funding mechanism, for review and decision by the MAEP SC/2 meeting (Cairo, Egypt, 20-22 October 2015).