



International Civil Aviation Organization

MID Region Flight Procedure Programme Steering Committee

Second Meeting (MID FPP SC/2)
(Abu Dhabi, UAE, 15 - 16 June 2022)

Agenda Item 3: Programme Sustainability

MID FPP BUDGET AND FINANCIAL STATUS FOR Y2022 AND Y2023

(Presented by the MID FPP Manager)

SUMMARY

This paper presents the current financial status of the MID FPP Project (RAB18801) as well as the estimated budget for years 2022 and 2023.

Action by the meeting is at paragraph 3.

REFERENCES

- MID FPP Project financial Status report (as of 31 May 2022)
- Summary of Discussion (SoD) of MID FPP Steering Committee (SC/1)
- MID FPP ProDoc

1. INTRODUCTION

1.1 The MID FPP is planned to be a self-sustained programme; its budget is composed of Resources/Revenues and Expenses/Expenditures. The roles and responsibilities of the Steering Committee, in accordance with the MID FPP Project document (ProDoc), include the review and approval of the annual budget of the MID FPP.

1.2 In order to assist the Steering Committee in its decisions related to the sustainability of the project, it is important to have a clear idea on the financial status of the project, with an estimate of the budget for Y2022 and Y2023, based on the expected expenditures and incomes (contribution by Active States, revenue generation, resource mobilization (voluntary contributions)).

2. DISCUSSION

2.1 The meeting may wish to note that, according to the MID FPP Project financial Status Report (as of 31 May 2022) received from ICAO HQ, the balance of the funds available in the MID FPP account managed by ICAO (RAB18801) is **USD 215,449**.

2.2 At the start of the project (on 1st January 2022) the available amount to launch the project was **USD 287,976**. The expenditures up-to 31 May 2022 are related mainly to the boarding of the Project Manager, his salaries and entitlements and the administrative fees (sundry and overhead).

2.3 Based on the Draft MID FPP Work Plan, the incomes from the Training activities to be conducted by the MID FPP (PBN Implementation Workshop, PBN Oversight and OPS Approval Course, PBN Navigation Database Course (Path Terminator, coding rules) and Inter-relationship PBN Design – Coding – Chart Naming Convention/AIP Course) are estimated to be around USD 15,000 and the incomes from assistance/consultancy projects (Kuwait RNAV 1 routes project) are estimated to be around USD 20,000, which means that the total incomes for 2022 are estimated to be around USD 35,000.

2.4 Based on the above, the financial status of the MID FPP project by 31 December 2022 is estimated to be as follows:

Available funds as of 31 May 2022	Estimated expenditures until 31 Dec. 2022	Estimated incomes until 31 Dec. 2022
USD 215,449	Salaries and administrative fees: USD 70,000	USD 35,000
	Miscellaneous (meetings, travel, etc): USD 10,000	
	Estimated funds as of 31 Dec. 2022: USD 170,449	

2.5 With regard to the year 2023, the expenditures will be still mainly related to the Project Manager salaries and entitlements, the administrative fees and miscellaneous expenses (meetings, travel, training, etc.). Therefore it is expected that the Total expenditures will be around **USD 160,000**.

2.6 Although the Work Plan for 2023 has not yet been developed, the expected MID FPP incomes for Y2023 will be as follows:

Estimated expenditures	Expected Incomes	
	Pessimistic scenario	Optimistic scenario
Training Courses/Workshops/Seminars	USD 15,000	USD 30,000

Flight Procedure Design (FPD) and Ground Validation (GV)	USD 10,000	USD 20,000
Assistance/Consultancy projects (others than FPD)	USD 10,000	USD 30,000
Annual contribution by Active States	(2 States): USD 60,000	(5 States): USD 100,00
Voluntary contributions/Resource mobilization	USD 20,000	USD 60,000

2.7 Based on the above, the Table below reflects the total expenditures for 2023 as well as the estimated incomes for both the pessimistic and optimistic scenarios:

Estimated expenditures for Y2023	Expected Incomes for Y2023	
	Pessimistic scenario	Optimistic scenario
USD 160,000	USD 115,000	USD 240,000

2.8 The meeting may wish to note that, the main incomes of the MID FPP project are coming from the Active States financial contributions and the revenues generated from the services provided by the MID FPP. Therefore, in order to ensure the sustainability of the MID FPP, it is very important that a maximum number of States join the programme as Active State; and this will have also as direct consequence an increase in the services provided by the MID FPP, which will be beneficial to the concerned States and to the MID FPP. In this respect, it is to be highlighted that the amount which was secured through voluntary contributions mainly by Qatar, Saudi Arabia and UAE (USD 287,976) allowed the launch of the MID FPP and will be used to cover the Y2022 expenditures; however, although it is expected to have a reserve (remaining amount) of USD 170,449 by 31 Dec. 2022, it is important that we preserve this amount for emergency/contingency situations.

3. ACTION BY THE MEETING

3.1 The meeting is invited to:

- a) review and discuss the information contained in this working paper; and
- b) agree on the best way forward to ensure the sustainability of the MID FPP.