



International Civil Aviation Organization

MID Region Flight Procedure Programme Steering Committee

Third Meeting (MID FPP SC/3)
(Virtual, 25 - 26 January 2023)

Agenda Item 4: Programme sustainability

MIDFPP BUDGET AND FINANCIAL REPORT FOR Y2022

(Presented by the Manager MID FPP)

SUMMARY

This paper presents the current financial status of the MID FPP Project (RAB18801) for year 2022.

Action by the meeting is at paragraph 3.

REFERENCES

- MID FPP Project financial Status report (as of 30 Nov 2022)
- Report of the Second Meeting of the MID Region Flight Procedure Programme Steering Committee (MID FPP SC/2)
- MID FPP Project Document (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 monitoring and evaluation of the Programme activities since the previous meeting.

1.2 The Programme sustainability should be seen as a combination of the following sources:

- Revenue generation services and activities (fee schedule services & trainings).
- Active States' & Donor contributions.
- Voluntary contributions and donations (sponsorship, in-kind & financial contributions, experts).

1.3 The SC/2 meeting agreed on the MID FPP services charging schema that proposes an attractive “discount” model based on the type of services i.e., training course/workshop/seminar, Flight Procedure Design (FPD) activities and consultancy services by considering a gradual “discount” centred on the Participant State status within the Programme i.e., Active, Donor, User and Other.

1.4 The MID FPP fee services model is effective 1 January 2023 and has been determined following an in-depth analysis of the market as well as in harmonization with the business model of APAC and Africa FPPs.

2. DISCUSSION

2.1 Considering that the MID FPP business model is based on cost-recovery mechanism (non-profit), the MID FPP SC/2 meeting agreed that the main sources of income for the Programme are the annual financial contributions by the Active States, the revenues generated from the services, and the financial and/or in-kind contributions by Donor States/Organizations.

2.2 Furthermore, the MID FPP funding mechanism is centred on the engagements that are generating revenues by leveraging the potential expertise of the Programme resources, mainly on educational and practical side around PBN concept i.e., trainings portfolio and projects assistance and consultancy services.

2.3 The meeting may wish to note that MID FPP SC/2 approved the Programme funding mechanism, decided on the amount for the Active States annual contribution i.e., USD 20,000 from which 50% may be used by the Active State against MID FPP services and encouraged Donors (States/Industry) to support the MID FPP through financial and/or in-kind contributions.

2.4 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 30 Nov 2022 were related mainly to the boarding of the Project Manager, his salaries, entitlements, relocation, and the administrative fees (sundry and overhead).

2.5 The meeting may wish to note that, according to the MID FPP Project Financial Status Report (as of 30 November 2022) received from ICAO HQ, the balance of the funds available in the MID FPP account (RAB18801) is **USD 64,678**.

2.6 The above-mentioned balance of the funds is estimated by taken into account the followings:

- Actuals as at 30-Nov-22.
- Outstanding commitment: Dec 2022 to 16 Jan 2023 salary + non-recurring costs i.e., repatriation travel, accrued leave, etc.

2.7 However, based on the approved Work Plan 2022 by the SC/2 meeting (Abu Dhabi, UAE, 15-16 June 2022), MID FPP has conducted various services (PANS OPS & PBN related trainings, project consultancy) and has received financial annual contribution from one (1) Donor organization (United ATS) respectively.

2.8 The meeting may wish to note the MID FPP incomes during 2022 from training/consultancy activities as well as from the Programme contributors as consolidated in the Table below:

MID FPP Services	Amount (USD)	Status	
		Paid	Pending
Trainings *	52,000	21,500	30,500
Consultancy Projects	28,000	---	28,000
Active States Annual contribution (Iran, Kuwait)	40,000	---	40,000
Donor organization Annual contribution (United ATS)	20,000	20,000	---
TOTAL	140,000	41,500	98,500

* Note: For status on the training fees payment, refer to **Appendix A** to this WP.

2.9 To be noted that all MID FPP incomes resulted from trainings and consultancy fees as well as the annual contributions have been invoiced by the ICAO TCB and the (to date) payments situation is reflected in the column “Status” above as well as detailed in the **Appendix A** to this WP.

2.10 Based on the above, the financial status of the MID FPP project by 16 January 2023 (end of Project Year 1) is estimated to be as follows:

Available Funds (USD) as of 16 Jan 2023	
Actual Balance	Balance with all payments from 2022
64,678 (As of 30 Nov 22) + 41,500 (Paid) - 13,980* =	92,198 (Actual) + 98,500 (Pending payments) =
92,198	190,698

* *Note: The amount of USD 13,980 constitutes the training fees for a 7-week PANS OPS course that has been already paid and recognized by TCB in the calculation of the balance of the funds available in the MID FPP account (RAB 18801) as of 30 Nov 2022 – refer to paragraph 2.4 above.*

2.11 In order to ensure the proper MID FPP operations and as a “lesson learned” from the first Y2022, it is very important that, besides the increased number of States (actively) joining the Programme and the dynamic participation into the training courses, the MID FPP revenues must be recognized by ICAO TCB during the actual year.

2.12 Therefore, it is to be stressed that States are urged to consider the invoice payment for respective MID FPP services (training, consultancy, etc.) to be fulfilled in a most expeditious and effective manner.

3. ACTION BY THE MEETING

3.1 The meeting is invited to:

- a) discuss and evaluate the MID FPP budget and financial report for 2022; and
- b) note the actual balance and agree with the recommendation in paragraph 2.12.

Status on Training Fees Payment Year 2022

Training activity	Participants	State	Invoice		Payment		Fees
			Yes	No	Yes	No	
PANS OPS (GCAA) (7 weeks)	2	Iraq	Y	--	Y	--	\$14K
PANS OPS (APAC, module 3 + 4)	4	Iran (3)	Y	--	---	N	\$9K
		ICAO MID (1)	Y	--	Y	--	\$3K
PBN Navigation DB Coding	2	Oman (1)	Y	--	--	N	\$2.5K
		Sudan (1)	N	--	Y	--	\$2.5K (cash)
PBN Inter-Relation Design – Coding – Charting/AIP	6	Iraq (5)	Y	--	--	N	\$10K
		Sudan (1)	N	--	Y	--	\$2K (cash)
PBN Oversight & OPS Approval	6	Iraq (3)	Y	--	--	N	\$4.5K
		Oman (1)	Y	--	--	N	\$1.5K
		Sudan (2)	N	--	--	N	\$3K (cash)
TOTAL	20				21.5K	30.5K	\$52K

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