



## **ASSEMBLY — 36TH SESSION**

### **EXECUTIVE COMMITTEE**

#### **Agenda Item 20: Transition to a New Policy on Technical Co-operation**

#### **UPDATE OF THE NEW POLICY ON TECHNICAL CO-OPERATION**

(Presented by the Council of ICAO)

#### **EXECUTIVE SUMMARY**

The 35th Session of the Assembly, upon consideration of the Report of the Executive Committee (A35-WP/341) on the Transition to a New Policy on Technical Co-operation, adopted Resolutions A35-20 (Update of the New Policy on Technical Co-operation) and A35-21 (Expansion of ICAO Technical Co-operation Activities), and directed the Council to report to its next ordinary Session on the progress made in the implementation of the new policy.

This paper provides an update on the implementation of the ICAO policy on technical cooperation. It explains how the core staff concept has become an important tool to control operating costs of the Technical Co-operation Bureau and informs of the measures proposed by the Secretary General to respond to the new challenges resulting from the shift in the Organization's focus from development of standards to implementation and support. The paper reports on the use made by donors of the ICAO Objectives Implementation Funding Mechanism in support of technical cooperation projects, as well as on the provision of assistance to non-State entities in the traditional technical cooperation areas. It also informs of the actions taken as a follow-up to Resolution A33-9 which requested that quality assurance of technical cooperation projects be carried out by an independent office of ICAO, and reports on quality assurance services offered to third parties. The paper reports on how the Technical Co-operation Programme supports ICAO's Strategic Objectives and informs the Assembly of the actions taken by the Secretary General for the apportionment of costs between the Administrative and Operational Services Cost (AOSC) Fund and the Regular Programme Budget.

In Appendix A, the paper proposes a consolidated resolution concerning all technical cooperation activities and programmes for adoption by the Assembly.

**Action:** The Assembly is invited to adopt the new draft consolidated Resolution in the Appendix.

<i>Strategic Objectives:</i>	This working paper relates to all Strategic Objectives.
<i>Financial implications:</i>	Not applicable.
<i>References:</i>	A36-WP/49, EX/14 Doc 9848, <i>Assembly Resolutions in Force</i> (as of 8 October 2004)

## **1. INTRODUCTION**

1.1 Increased efficiency and effectiveness and improved productivity in the operation of the Technical Co-operation Bureau (TCB) in the past decade are directly linked with the 1990's restructuring of the Bureau as recommended by the United Nations Joint Inspection Unit (JIU) and the Associate Administrator of the United Nations Development Programme (UNDP) as well as the implementation of the New Policy on Technical Co-operation.

1.2 The New Policy was endorsed by the 31<sup>st</sup> Session of the Assembly (Resolution A31-14) in 1995 with a view to increasing the size of the Technical Co-operation Programme and maximizing its implementation, while minimizing its operational costs. At its inception, the New Policy was based on the progressive implementation of the core staff concept, the integration of TCB into the Organization's structure through the transfer of certain functions and costs to the Regular Programme and the reorganization of the Bureau, and the establishment of the ICAO Objectives Implementation Funding Mechanism.

1.3 In line with the JIU's recommendations, with a view to eliminating the AOSC annual deficits accumulated from 1983 to 1995, a major exercise was carried out for the restructuring of TCB through the elimination of posts and the progressive transfer of certain non-core functions.

1.4 With the implementation of the new policy and the new organizational structure adopted for TCB, costs were significantly reduced, the programme increased and greater efficiency was realized in the operations of the Bureau. As a result, the cumulative deficit experienced by the AOSC Fund was eliminated (A36-WP/49, EX/14 refers) and small annual surpluses were achieved during the past decade. The Technical Co-operation Programme increased from US\$53.8 million in 1995 to an US\$169.9 million in 2006. It is to be noted that all technical cooperation activities carried out by the Organization continue to be based on the principle of cost recovery.

1.5 Other policy elements introduced by the 35<sup>th</sup> Session of the Assembly include the expansion of ICAO technical cooperation, upon request, to non-State entities (public and private) and the provision of quality assurance services by TCB for the supervision of projects implemented by third parties outside the Technical Co-operation Programme. An update on the implementation of these elements is provided in paragraphs 2.11 and 2.12.

1.6 As a follow-up to Resolution A33-9, an update is provided on the introduction of a quality assurance function to be carried out by an independent office of ICAO with regard to large-scale technical cooperation projects and projects related to deficiencies identified by the Universal Safety Oversight Audit Programme (USOAP) – (paragraph 2.13 refers).

## **2. UPDATE OF THE NEW POLICY ON TECHNICAL CO-OPERATION**

### **2.1 Core Staff Concept**

2.1.1 Considering the fluctuating nature of the ICAO Technical Co-operation Programme which affects the results of operations over the years, the core staff concept offers the necessary flexibility for TCB to successfully control its operating costs. Working with a core staff has allowed for important cost savings to be realized over the years by ensuring that an adequate balance can be kept between the actual Technical Co-operation Programme size (income) and the number of staff in TCB (expenditures). This balance is maintained with a view to avoiding both a deficit and a high surplus in the implementation of the Technical Co-operation Programme. This is achieved by maintaining in TCB only the minimum staff required for the development and implementation of the programme, and instead utilizing the

services of temporary staff and consultants on short-term assignments to perform specific tasks, as required. In addition to the core staff, as of 1 January 2007, there are 23 additional posts outside TCB which are funded by the AOSC Fund.

## **2.2 Secretary General's Proposal for the Restructuring of the ICAO Secretariat**

2.2.1 As indicated in Resolution A35-20, Contracting States increasingly call upon ICAO to provide advice and assistance to implement SARPs and to develop their civil aviation administration, infrastructure and human resources. In consequence, the Assembly reaffirmed that the Technical Co-operation Programme is a permanent priority activity of the Organization that complements the role of the Regular Programme in providing support to States, and stressed the importance of technical cooperation to the global implementation of ICAO SARPs and ANPs, the fostering of which is one of the most prominent Strategic Objectives of ICAO. The Assembly further noted that TCB is one of the main instruments of ICAO to assist States in remedying the deficiencies identified through ICAO's audit activities. The Assembly also reaffirmed that the Technical Co-operation Programme should be strengthened at Regional Office and field level to increase its efficiency and effectiveness.

2.2.2 In order to respond more effectively to new and rapidly evolving challenges and to the shift in the Organization's focus from standardization to implementation and support, the Secretary General has introduced measures for an improved system for effective implementation of ICAO SARPs by States requiring assistance for the rectification of safety and security deficiencies. Strengthened coordination between TCB and other ICAO assistance programmes will be achieved through clear delineation of the scope of activities and enhanced cooperation for the avoidance of duplication and redundancy.

## **2.3 Apportionment of Costs between the Administrative and Operational Services Cost (AOSC) Fund and the Regular Programme Budget**

2.3.1 Due to financial constraints in the Regular Programme Budget, the progressive transfer to the Regular Programme of 15 posts in the Finance and Human Resources Branches funded by the AOSC Fund, as recommended by Resolutions A31-14, A32-21, A33-21, was discarded by the 35<sup>th</sup> Session of the Assembly. Instead, the Assembly recommended that the question of sharing of costs between the Regular Programme and the Technical Co-operation Programme be reported to the Council for review.

2.3.2 The areas of the Organization in which cross-funding existed were identified by making a best estimate of Regular Programme activities funded by AOSC resources and of the support provided to the Technical Co-operation Programme by the Regular Programme. With the intention to eliminate cross-funding as much as possible, actual expenditures for 2005 and 2006 previously charged to the Regular Programme Budget but specifically identifiable to supporting the Technical Co-operation Programme were reflected in the financial results of the AOSC Fund in these years. In the same line, costs previously charged to the AOSC Fund, which are specifically identifiable to the Regular Programme were reflected in the financial results of the Regular Programme. Accordingly, in the 2004-2006 triennium, total costs of US\$544 684 were transferred to the Regular Programme from the AOSC Fund and total costs of US\$880 512 were transferred to the AOSC Fund from the Regular Programme. The net impact of this transfer was increased costs of US\$335 828 to the AOSC Fund as compared to prior years. In addition, the AOSC Fund funded 17, 20 and 21 posts outside TCB in 2004, 2005 and 2006, amounting to US\$1.0 million, US\$1.2 million and US\$1.4 million, respectively. Therefore, the total costs borne by TCB for services provided by the Regular Programme in the triennium amounted to US\$3.9 million.

2.3.3 As requested by the Council, a pilot project will be established under the joint management of TCB, the Finance Branch and the Human Resource Branch to develop a system which facilitates better long-term planning of expenditures, more flexible staffing arrangements and a more simple and transparent method of apportioning costs. The pilot project will run for two years and the Secretariat will report to Council in 2010 with a proposal for a new ICAO policy on cost recovery.

2.3.4 One of the goals of a new Integrated Resources and Information System (IRIS) for ICAO will be the proper tracking and charging of support costs to the AOSC Fund. It can reasonably be assumed that the introduction of the new system will necessitate changes to organizational structures and processes that could have an impact on how resources are deployed in the Organization.

2.3.5 However, it is to be noted that, in view of the volatility of extra-budgetary funding in support of the Technical Co-operation Programme, it cannot be assumed that the Programme would be able to generate additional income, on a yearly basis, to cover significant net increases in costs. It is also to be noted that administrative overheads are charged on the basis of cost-recovery and that agreements signed between ICAO and other stakeholders cannot be changed at mid-point. If recurring deficits occur, temporary staff and ultimately core staff in TCB would have to be terminated in order to maintain a balanced AOSC budget. Deficits in TCB operations would be chargeable to the AOSC Fund, the balance of which amounted to US\$6.1 million as at 31 December 2006, after provision of US\$2 million for the new ICAO financial system. However, end-of-service benefit entitlements for TCB staff are estimated at US\$4.0 million as of the same date. Once the accumulated AOSC funds are exhausted, the Regular Programme would be called to provide support to the Technical Co-operation Programme to cover such deficits (Resolution A35-20 refers). Recurring deficits would unquestionably adversely affect TCB operations. As a result, ICAO may not be able to fulfil its mission in providing technical assistance to States in support of Regular Programme activities.

## **2.4 ICAO Objectives Implementation Funding Mechanism**

2.4.1 The 31<sup>st</sup> Session of the Assembly approved the establishment of the ICAO Objectives Implementation Funding Mechanism as one of the basic elements of the new policy on technical cooperation, which aims at fostering the safety, security and efficiency of international civil aviation. The main purpose of the mechanism is to encourage the funding of technical cooperation projects in line with ICAO objectives in order to mobilize additional resources to support the implementation of SARPs and the facilities and services listed in the ANPs, as well as the rectification of identified deficiencies.

2.4.2 The Mechanism includes a variety of funding modalities to suit particular requirements of donors who may opt to contribute to the general fund, a specific project or ICAO priority. While there has never been any substantial contribution to the general fund, the project-driven mechanism, where the call for funds is made on a project-by-project basis, was more attractive to donors.

2.4.3 Contributions to the general fund in the 2004-2006 triennium totalled US\$445 944. Other extra-budgetary contributions were also provided by donors to specific project funds, including voluntary contributions in kind. It should be recalled that other ICAO funds and mechanisms exist outside TCB to which donor States contribute to promote safety and security of international civil aviation, such as the AVSEC Plan of Action. In addition, extensive bilateral assistance is provided by donor States. The proliferation of funding options and mechanisms for donor States and other development partners to assist in civil aviation development may explain the comparatively limited use of the Mechanism.

2.4.4 Increased involvement of regional and sub-regional organizations, funding institutions and the aviation industry was realized particularly in the funding of Cooperative Development of Operational Safety and Continuing Airworthiness Programme (COSCAP) and Cooperative Aviation

Security Programme (CASP) projects implemented on a regional or sub-regional basis. The potential future role of regional development banks and other international financing institutions such as the World Bank in the financing of ICAO civil aviation projects should also be noted, as well as the role of the International Financial Facility for Aviation Safety (IFFAS). Closer coordination of the Technical Co-operation Programme and other ICAO mechanisms, such as the Unified Strategy (USP) and Coordinated Assistance and Development (CAD) Programmes, in the mobilization of extra-budgetary resources are expected to avoid duplication and redundancy, and thus result in more efficient use of the funds to be made available for supporting civil aviation activities.

## **2.5 Expansion of technical cooperation activities**

2.5.1 Despite the recognized contribution of civil aviation to the economic development of States and its potential impact on the effectiveness of United Nations humanitarian and other developmental efforts, UNDP core funding of civil aviation projects has steadily decreased, representing today less than 1 per cent of the total ICAO Technical Co-operation Programme. In the 2004-2006 triennium, ICAO continued to advocate that UNDP's role as a central coordinating mechanism for the channelling of funds for development assistance should take into account civil aviation development programmes which, although being a high Government priority, generally are not included in UNDP Country Programmes, and therefore are not accorded priority in the allocation of resources by UNDP.

2.5.2 In view of the continuing decrease in UNDP core funds and the consequent need for ICAO to undertake further mobilization of financial resources for implementation activities, the 35<sup>th</sup> Session of the Assembly recognized that greater operational flexibility should be accorded to TCB with the appropriate oversight and control over technical cooperation activities.

2.5.3 In this regard, and in furtherance of ICAO objectives, pursuant to Resolution A35-20, ICAO assistance has been extended to non-State entities directly involved in the provision of civil aviation activities that were traditionally provided by the government and were privatized, since the State remains responsible for the quality of the services provided and their compliance with ICAO Standards. In addition, the Assembly (Resolution A35-21) resolved to expand the provision of technical cooperation services, upon request, to non-State entities (public and private) that are implementing projects in Contracting States in the field of civil aviation aiming at enhancing the safety, security and efficiency of international air transport with particular regard to project compliance with ICAO SARPs. Only limited use has been made of these services to date.

## **2.6 Quality Assurance services provided by TCB**

2.6.1 Recognizing that States implementing civil aviation projects by themselves and/or with the assistance of third parties may wish to have independent quality assurance over project activities, Resolution A35-20 encouraged States to make use of the quality assurance services offered by TCB, on a cost-recovery basis, for the supervision of projects implemented by third parties outside the ICAO Technical Co-operation Programme. No request for the new quality assurance services per se was received by ICAO in the 2004 -2006 triennium. However, assistance was provided at the request of some States in the review and monitoring of aviation projects implemented by third parties to ensure compliance with ICAO SARPs.

## **2.7 Quality Assurance of Technical Co-operation Projects**

2.7.1 Resolution A33-9 (Resolving Clauses 5 and 6), requests the Secretary General to develop the concept of a quality assurance function with regard to large-scale ICAO technical cooperation projects and to all technical cooperation projects related to deficiencies identified by USOAP audits to be carried

out by an independent office of ICAO. As a follow-up action, the Council agreed that the Office for Programmes Evaluation, Audit and Management Review (EAO), during 2006 and within its existing budgetary resources, conduct an audit of TCB's technical cooperation project development, monitoring and evaluation processes with the aim of ensuring that the recommendations of the External Auditor have been implemented and that, henceforth, EAO should conduct a periodic audit of TCB's processes at least every second year. The Council agreed that the above action constitutes a response in practice to the above request by the Assembly. It is to be noted that in 2006, an audit on TCB's processes was conducted by EAO.

### **3. TECHNICAL CO-OPERATION AND ICAO'S STRATEGIC OBJECTIVES**

3.1 In adapting to the new focus of the Organization expressed through its Strategic Objectives for the 2005-2010, the Technical Co-operation Programme complements the role of the Regular Programme in respect of the Organization's high priority activities aimed at ensuring the safety, security and efficiency of international civil aviation.

3.2 The ICAO Business Plan translates the Strategic Objectives into expected results to be accomplished through the coordination of the activities of all ICAO Bureaux, including the Regional Offices. The Technical Co-operation Programme's contribution to the realization of ICAO Strategic Objectives is reflected in the Business Plan. Activities that may be carried out by TCB through the implementation of technical cooperation projects are related to, *inter alia*, the following Strategic Objectives: safety (A5, A6, A8 and A9), aviation security (B6, B8 and B9), environmental protection (C1), efficiency of aviation operations (D1, D3 and D4), continuity (E2) and rule of law (F2 and F7).

3.3 However, the link between the estimated Technical Co-operation Programme for the 2008-2010 triennium and ICAO's Strategic Objectives cannot be determined with precision. The estimated Programme relates to potential technical cooperation projects to be funded by States or other donors, the objectives of which will depend on particular requirements of governments, and the extent of their implementation linked to the resources made available under the respective technical cooperation projects.

### **4. DRAFT CONSOLIDATED ASSEMBLY RESOLUTION**

4.1 In response to a request of the Assembly, a new draft consolidated Resolution concerning all technical cooperation activities and programmes has been prepared and is presented in the Appendix.

— — — — —

## APPENDIX

### DRAFT ASSEMBLY RESOLUTION 20/1

<b>Resolution 20/1: Consolidated Statement of ICAO Policies on Technical Cooperation</b>
--

*Whereas* measures towards a new technical cooperation policy have been applied and A33-21, reconfirmed by A35-20, directed the Council to prepare for its consideration a consolidated resolution regarding all technical cooperation activities and programmes;

*The Assembly:*

1. *Resolves* that the Appendices attached to this resolution constitute the consolidated statement of ICAO policies on technical cooperation, as these policies exist at the close of the 36<sup>th</sup> Session of the Assembly;
2. *Declares* that this resolution supersedes A16-7, A24-17, A26-16, A27-18, A27-20, A35-20 and A35-21.

## Appendix A

### The ICAO Technical Co-operation Programme

*Whereas* the growth and improvement of civil aviation can make an important contribution to the economic development of States;

*Whereas* civil aviation is important to the technological, economic, social and cultural advancement of all countries and especially of developing countries and their subregional, regional and global cooperation;

*Whereas* ICAO can assist States in advancing their civil aviation and at the same time promote the realization of its Strategic Objectives;

*Whereas* Resolution 222 (IX)A of 15 August 1949 of the United Nations Economic and Social Council, approved by the General Assembly in its Resolution of 16 November 1949 and endorsed by the ICAO Assembly in its Resolution A4-20, entrusted all Organizations of the United Nations system to participate fully in the Expanded Programme of Technical Assistance for Economic Development, and that ICAO, as the United Nations specialized agency for civil aviation, began the execution of technical cooperation projects in 1951 with funding from the United Nations Special Account for Technical Assistance, established pursuant to the above Resolution;

*Whereas* the large deficits experienced from 1983 to 1995 required the definition of a new policy on technical cooperation and a new organizational structure for the Technical Co-operation Bureau;

*Whereas* the implementation of the New Policy on technical cooperation, endorsed by the 31<sup>st</sup> Session of the Assembly, based on the progressive implementation of the core staff concept, the integration of the

Technical Co-operation Bureau into the Organization's structure, and the establishment of the ICAO Objectives Implementation Funding Mechanism, as well as the new organizational structure for the Technical Co-operation Bureau implemented in the 1990s, significantly reduced costs and substantially improved the financial situation of the Technical Co-operation Programme;

*Whereas* the objectives of the New Policy emphasized the importance of the Technical Co-operation Programme in the global implementation of ICAO Standards and Recommended Practices (SARPs) and Air Navigation Plans (ANPs) as well as the development of the civil aviation infrastructure and human resources of developing States in need of assistance from ICAO;

*Whereas* A35-21 encouraged the Council and the Secretary General to adopt a structure and mechanism that would use commercially oriented practices to allow fruitful partnerships with funding partners and recipient States;

*Whereas* the Council agreed that greater operational flexibility should be accorded to the Technical Co-operation Bureau with the appropriate oversight and control over technical cooperation activities;

*Whereas* all technical cooperation activities of the Organization continue to be based on the principle of cost recovery and measures should be taken to minimize administrative and operational costs to the extent possible; and

*Whereas* the Organization's focus has shifted from standardization to implementation and support to Contracting States;

*The Assembly:*

*Technical Co-operation Programme*

1. *Recognizes* the importance of the Technical Co-operation Programme for promoting the achievement of the Strategic Objectives of the Organization;
2. *Reaffirms* that the Technical Co-operation Programme, implemented within the rules, regulations and procedures of ICAO, is a permanent priority activity of ICAO that complements the role of the Regular Programme in providing support to States in the effective implementation of SARPs and ANPs as well as in the development of their civil aviation administration infrastructure and human resources;
3. *Reaffirms* that, within the existing financial means, the ICAO Technical Co-operation Programme should be strengthened, at Regional Office and field level, in order to allow the Technical Co-operation Bureau to play its role more efficiently and effectively;
4. *Reaffirms* that the Technical Co-operation Bureau is one of the main instruments of ICAO to assist States in remedying their deficiencies in the field of civil aviation;
5. *Affirms* that improved coordination of ICAO's technical cooperation activities should be achieved through clear delineation of each Bureau's mandate and activities, and enhanced cooperation, as well as closer coordination of the Technical Co-operation Programme and other ICAO assistance programmes for the avoidance of duplication and redundancy;
6. *Reaffirms* that, in the event that the Administrative and Operational Services Cost (AOSC) operation for any given financial year ends in a financial deficit, such deficit should first be met from the accumulated surplus of the AOSC Fund and a call for support from the Regular Programme Budget would be the last resort;



*ICAO as the recognized agency for civil aviation*

7. *Recommends* to donor States, financing institutions and other development partners, including the aviation industry and the private sector, wherever appropriate, to give preference to ICAO for the identification, formulation, analysis, implementation and evaluation of civil aviation projects in the field of technical assistance, and *requests* the Secretary General to continue communication with such entities and with potential recipient States, with a view to allocating funds for the development of civil aviation, using ICAO as executing agency;

8. *Recommends* to Contracting States with bilateral or other government-sponsored aid programmes to consider the value of using the ICAO Technical Co-operation Programme in helping to implement their programmes of assistance to civil aviation;

*Expansion of ICAO Technical Co-operation Activities*

9. *Reaffirms* that in adopting commercially oriented practices for the Technical Co-operation Bureau, there is a need to ensure that the good reputation of ICAO is maintained;

10. *Reaffirms* the need to expand the provision of technical cooperation by ICAO to the non-State entities (public or private) directly involved in civil aviation, in furtherance of ICAO Strategic Objectives, such assistance to encompass, *inter alia*, those activities that were traditionally provided by national civil aviation administrations and are being privatized to some degree, where the State shall, nonetheless, continue to be responsible under the Chicago Convention for the quality of the services provided and their compliance with ICAO SARPs, and *requests* the Secretary General to inform in advance the civil aviation authority concerned in such cases;

11. *Reaffirms* that ICAO should expand the provision of technical cooperation services, upon request, to non-State entities (public and private) that are implementing projects in Contracting States in the field of civil aviation that aim at enhancing the safety, security and efficiency of international air transport, and *directs* the Secretary General to consider, on a case-by-case basis, the requests of such entities for ICAO assistance in the traditional technical cooperation areas, with particular regard to project compliance with ICAO SARPs;

*Technical Co-operation Agreements*

12. *Reaffirms* that ICAO, within the framework of its Technical Co-operation Programme, uses Trust Fund Agreements (TF), Management Services Agreements (MSA), the Civil Aviation Purchasing Service (CAPS) and other framework agreements and funding arrangements as may be necessary to provide maximum assistance to stakeholders implementing civil aviation projects; and

13. *Views* with satisfaction the initiative of States to make greater use of these arrangements to obtain technical and operational assistance in the field of civil aviation;

**Appendix B****Funding of the Technical Cooperation Programme**

*Whereas* funds available for technical assistance in the field of civil aviation are insufficient to meet the needs of civil aviation, especially in the developing countries;

*Whereas* civil aviation administrations of Least Developed Countries are, in particular, those needing the most support while, at the same time, relying most on financial institutions and sector industry to fund their technical cooperation projects;

*Whereas* UNDP funding is directed mainly to development sectors other than civil aviation, and its financial contribution to civil aviation activities has considerably decreased to a level where it represents less than one per cent of the ICAO Technical Co-operation Programme, but UNDP continues to provide administrative support to ICAO at the country-level;

*Whereas* rapid technical development in civil aviation requires from developing States substantial expenditures in aviation ground facilities to match that development, and continues to increase requirements for training of national aeronautical personnel that are beyond their financial resources and training facilities;

*Whereas* the Assembly introduced the ICAO Objectives Implementation Funding Mechanism with a view to mobilizing additional resources for technical cooperation projects identified as required to support the implementation of SARPs and the facilities and services listed in the ANPs, as well as the implementation of ICAO audit-related recommendations and the rectification of identified deficiencies;

*Whereas* funding institutions expect from those implementing the projects they finance, expedient and effective project execution as well as detailed and real-time information on project activities and finances;

*Whereas* the Assembly established the International Financial Facility for Aviation Safety to encourage voluntary contributions for projects aiming at the rectification of safety-related deficiencies;

*The Assembly:*

1. *Recognizes and encourages* the action taken by the Council in the field of technical cooperation, which has been effectively provided with the limited funds available and making use of all available appropriate funding sources and facilities;
2. *Requests* financing institutions, donor States and other development partners, including the industry and the private sector, to give higher priority to the development of the air transport sub-sector in developing countries and *requests* the President of the Council, the Secretary General and the Secretariat to intensify their contacts with UNDP to increase its contribution to ICAO's technical cooperation projects;
3. *Draws the attention* of financing institutions, donor States and other development partners to the fact that ICAO is the Specialized Agency of the United Nations concerned with civil aviation and, as such, is accepted by the United Nations as the specialist authority for carrying out technical cooperation to developing countries in civil aviation projects;
4. *Urges* Contracting States that are associated with funding sources to draw the attention of their representatives to these organizations to the value of providing assistance to civil aviation projects, particularly where these are necessary for the provision of the vital air transport infrastructure and/or the economic development of a country;
5. *Urges* Contracting States to give high priority to civil aviation development, and, when seeking external assistance for this purpose, to stipulate to financing institutions through an appropriate level of government that they wish ICAO to be associated as executing agency with civil aviation projects that may be funded;

6. *Encourages* the actions of developing countries in seeking funds for the development of their civil aviation from all appropriate sources to complement funds available from national budgets, financial institutions, donor States and other development partners so that such development may progress at the maximum feasible rate;
7. *Recognizes* that extra-budgetary contributions from donors<sup>7</sup> will allow the Technical Co-operation Programme to expand its services to States in relation to safety, security and efficiency in civil aviation, thus further contributing to the achievement of the Strategic Objectives, in particular to the implementation of SARPs and the rectification of deficiencies identified by audits;
8. *Authorizes* the Secretary General to receive, on behalf of the ICAO Technical Co-operation Programme, financial and in-kind contributions to technical cooperation projects, including voluntary contributions in the form of scholarships, fellowships, training equipment and funds for training, from States, financing institutions and other public and private sources and to act as an intermediary between States regarding the granting of scholarships, fellowships and provision of training equipment;
9. *Urges* those States which are in a position to do so to provide additional funds to the ICAO Technical Co-operation Programme for the provision of civil aviation fellowships in cash or in kind;
10. *Encourages* States and other development partners, including the industry and the private sector, to contribute to the ICAO Objectives Implementation Funding Mechanism which allows them to participate in the implementation of ICAO's civil aviation projects;
11. *Requests* the Council to advise and assist developing countries to secure the support of financing institutions, donor States and other development partners in implementing ICAO regional and sub-regional safety and security programmes, such as the Co-operative Operational Safety and Continuing Airworthiness Programme (COSCAP) and Cooperative Aviation Security Programme (CASP);

## **Appendix C**

### **Implementation of the Technical Cooperation Programme**

*Whereas* the aim of ICAO is to ensure the safe and orderly growth of international civil aviation throughout the world;

*Whereas* the implementation of technical cooperation projects complements the Regular Programme efforts towards the achievements of ICAO's Strategic Objectives;

*Whereas* Contracting States increasingly call upon ICAO to provide advice and assistance to implement SARPs and develop their civil aviation through the strengthening of their administration, the modernization of their infrastructure and the development of their human resources;

*Whereas*, on an urgent basis, there is a need for effective follow-up and remedial action as a result of the ICAO Universal Safety Oversight Audit Programme (USOAP) and Universal Security Audit Programme (USAP) audits in order to provide support to States in addressing the identified deficiencies;

*Whereas* extra-budgetary funding provided to the Technical Co-operation Programme allows ICAO, through its Technical Co-operation Bureau, to provide initial support to States requiring assistance to address the deficiencies identified in the USOAP and USAP audits;

*Whereas* implementation of projects in compliance with ICAO SARPs by the Technical Co-operation Bureau or any other third party outside ICAO results in substantially enhanced safety, security and efficiency of civil aviation worldwide;

*Whereas* non-State entities (public and private) implementing projects for Contracting States in the field of civil aviation increasingly call upon ICAO, through the Technical Co-operation Bureau, to provide advice and assistance in the traditional technical cooperation fields and ensure project compliance with ICAO SARPs;

*The Assembly:*

1. *Draws the attention* of Contracting States requesting assistance to the advantages to be derived from well-defined projects based on civil aviation master plans;
2. *Draws the attention* of Contracting States to the assistance provided through sub-regional and regional projects executed by ICAO, such as COSCAPs and CASPs and *urges* the Council to continue to give high priority to management and implementation of such projects through the Technical Co-operation Programme in view of the great benefit such projects represent;
3. *Urges* States to give high priority to the training of their national civil aviation technical, operational and management personnel through the development of a comprehensive training programme and *reminds* States of the importance of making adequate provision for such training and of the need to provide suitable incentives to retain the services, in their respective fields, of such personnel after they have completed their training;
4. *Encourages* States to concentrate their efforts upon the further development of existing training centres and to support Regional Training Centres which are located in their area for the advanced training of their national civil aviation personnel where such training is not available nationally, so as to promote a self-reliant capability within that region;
5. *Urges* States receiving assistance through ICAO to avoid project implementation delays by ensuring timely decisions regarding experts, training and procurement components in accordance with the terms of the project agreements;
6. *Draws the attention* of Contracting States to the Civil Aviation Purchasing Service (CAPS), which is a facility provided by ICAO to developing countries to purchase high value items of civil aviation equipment and to contract for technical services;
7. *Requests* that Contracting States, in particular, developing countries, encourage fully qualified technical experts to apply for inclusion in ICAO's Technical Co-operation Programme roster of experts; and
8. *Encourages* States to make use of the quality assurance services offered by the Technical Co-operation Bureau, on a cost-recovery basis, for the supervision of projects implemented by third parties outside the Technical Co-operation Programme of ICAO, including the review of their compliance with ICAO SARPs.