



A36-WP/333  
AD/24  
25/9/07

**ASSEMBLY — 36TH SESSION**  
**ADMINISTRATIVE COMMISSION**

**DRAFT TEXT FOR THE REPORT**  
**ON**  
**AGENDA ITEM 14**

The attached material on Agenda Item 14 is submitted for consideration by the Administrative Commission.

**Agenda Item 14: International Financial Facility for Aviation Safety (IFFAS)**

14.1 At its third meeting, the Commission considered A36-WP/25, EX/3 on activities related to the International Financial Facility for Aviation Safety (IFFAS). The Commission noted that this working paper has been referred to the Administrative Commission by the Executive Committee with a request that the Commission recommend the best methodology to be followed in setting the administrative charges levied on IFFAS. The opinion of the Administrative Commission will be reported to the Plenary for its consideration.

14.2 The Commission also noted that as per Article 3.3 of the Administrative Charter of IFFAS, IFFAS shall operate with complete independence from ICAO's Regular Budget. It was noted that the methodology used during this triennium for setting the administrative charges was based on actual time spent by staff serving IFFAS.

14.3 The Commission discussed the issue of the administrative charges to IFFAS and noted that the Council, when discussing the cost recovery for the Administration and Operational Services Costs (AOSC) Fund and the Regular Programme, directed the Secretariat to undertake a two-year pilot project study for the period 2008-2009 on the apportionment of cost and to report back annually to the Council with the results. It was noted that this study would identify what would be the most appropriate method of apportionment of the administrative costs between the Regular Programme and all the Funds financed by extra-budgetary resources, which would also include IFFAS. The Commission also noted that this apportionment of administrative costs would be in conformity with the International Public Sector Accounting Standards (IPSAS).

14.4 The Commission agreed to report to the Executive Committee that the apportionment of the administrative costs under IFFAS will be covered by the above-mentioned study to be undertaken in regard to the apportionment of the administrative costs between the Regular Programme and the AOSC Fund.