
ICAO

International Civil Aviation Organization

COUNCIL — 201ST SESSION

Montréal, 24 February — 10 March 2014

SUMMARY MINUTES WITH SUBJECT INDEX



2014

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COUNCIL — 201ST SESSION

SUMMARY MINUTES OF THE FIRST MEETING

(THE COUNCIL CHAMBER, MONDAY, 24 FEBRUARY 2014, AT 1430 HOURS)

OPEN MEETING

President of the Council: Dr. Olumuyiwa Benard Aliu

Secretary: Mr. Raymond Benjamin, Secretary General

PRESENT:

Argentina	— Dr. N. Luongo (Alt.)	Malaysia	— Mr. Y.-H. Lim
Australia	— Ms. K. Macaulay	Mexico	— Mr. D. Méndez Mayora
Bolivia (Plurinational State of)	— Mr. J.G. Soruco	Nicaragua	— Mrs. E. A. Aráuz Betanco
Brazil	— Mr. J.L. Vieira (Alt.)	Nigeria	— Mr. M. E. Nwafor
Burkina Faso	— Mr. M. Dieguimde	Norway	— Mr. K.M. Skaar
Cameroon	— Mr. E. Zoa Etundi	Poland	— Mr. P. Olowski (Alt.)
Canada	— Mr. M. Allen	Portugal	— Mrs. M.H. Faleiro T. de Almeida
Chile	— Mr. W.H. Celedón	Republic of Korea	— Mr. Choi, D.
China	— Mr. Tao Ma	Russian Federation	— Mr. A.A. Novgorodov
Egypt	— Mr. A. Mahmoud	Saudi Arabia	— Mr. T.M.B. Kabli
France	— Mr. O. Caron	Singapore	— Mr. T.C. Ng
Germany	— Mr. U. Schwierczinski	Spain	— Mr. V.M. Aguado
India	— Mr. P.N. Sukul	United Arab Emirates	— Capt. A. Al Hamili
Italy	— Mr. A. Bardaro (Alt.)	United Kingdom	— Mr. M. Rodmell
Japan	— Mr. T. Koda	United Republic of Tanzania	— Mr. R.W. Bokango
Kenya	— Mr. H.K. Kioko	United States	— Mr. J.L. Novak (Alt.)
Libya	— Mr. M. Sayeh Eltayf	Venezuela (Bolivarian Republic of)	— Mr. D.A. Blanco Carrero

ALSO PRESENT:

Mr. P. de Moraes Jardim (Alt.)	— Brazil
Mr. A. Rebouças (Alt.)	— Brazil
Mr. M. Delisle (Alt.)	— Canada
Mr. E.Z. Sepúlveda (Alt.)	— Chile
Mr. Chunyu Ding (Alt.)	— China
Mr. M. Millefert (Alt.)	— France
Mr. D. Chakravarti (Alt.)	— India
Mr. M. Furuhashi (Alt.)	— Japan
Mrs. D. Valle Álvarez (Alt.)	— Mexico
Mrs. H. Jansson Saxe (Alt.)	— Norway
Mr. Hwang, S.-Y. (Alt.)	— Republic of Korea
Mr. Kang, M. (Alt.)	— Republic of Korea
Mr. D.V. Subbotin (Alt.)	— Russian Federation

SECRETARIAT:

Mr. D. Azema	— DC/OSG
Ms. N. Graham	— D/ANB
Dr. Fang Liu	— D/ADB
Mr. I. Galán	— D/TCB
Mr. B. Djibo	— D/ATB
Mr. R. Bhalla	— C/FIN
Mr. J. Augustin	— A/D/LEB
Mr. J. Marriott	— C/AVSEC
Mr. O. Myard	— C/EAO
Mr. J. Weich	— DD/HR-ADB
Ms. H. Jackson	— EAO
Dr. T. Hasegawa	— C/RGA
Mr. M. Romero	— C/CSG
Ms. M. Weinstein	— LEB
Mr. M. Leitgab	— ADADB
Mr. A. Larcos	— ACC

Representatives to ICAO

Afghanistan
Colombia
Cuba
Ecuador
Greece
Indonesia
Iran (Islamic Republic of)
Mozambique
Peru
Turkey

Opening of the Session

1. The President of the Council welcomed Council Representatives to the opening of the 201st Session. In doing so, he thanked the Government of Canada for hosting Council Representatives on an official visit to Ottawa in the preceding week. In this connection, the Representative of Canada was specifically thanked on behalf of the Council for his role in helping to facilitate the visit.

Minute of silence and condolences

2. The Council observed a minute of silence in memory of Mr. Nelson Mandela, the former President of South Africa, who passed away on 5 December 2013. It was noted that, on behalf of the Council and the ICAO Secretariat, the former President of the Council and the Secretary General had sent a letter of condolence to the Government of South Africa.

Welcome to new Representative on the Council

3. The President of the Council as well as all Council Representatives extended a warm welcome to Mr. Martins Emeka Nwafor, the newly-appointed Representative of Nigeria.

Subject No. 13: Work programmes of the Council and its subsidiary bodies

Schedule for consideration of items during the 201st Session of the Council

4. The Council noted the meeting schedule for the 201st Session presented in the President's memorandum PRES RK/2253 dated 29 November 2013, on the understanding that:

- the meeting of the Council that had been scheduled for Friday, 14 March 2014, would be cancelled in order to enable the Council to undertake a working visit to Mexico City from 14 to 21 March 2014.

5. The Council also noted the schedule for the consideration of items during the 201st Session of the Council as set out in the President's memorandum PRES OBA/2263 dated 3 February 2014, subject to the following changes:

- the Human Resources Committee (HRC) would present an oral report on its consideration of the JIU Reports entitled "*Review of Individual Consultancies in the United Nations System*" and "*Staff recruitment in United Nations system organizations: A comparative analysis and benchmarking framework: overview*", and;
- during the current session of the Council and subsequent to the informal briefing of the Council that was scheduled for Tuesday, 25 February 2014, the Secretary General would present, for Council consideration, a working paper on the proposed restructuring of the ICAO Secretariat.

6. Separately, in response to a question from the Representative of Venezuela (Bolivarian Republic of) concerning the proposed restructure of the ICAO Secretariat, the Secretary General confirmed that this item would be added to the work programme for the 201st Session and as a result a

working paper would shortly be circulated so that formal consideration of this item by the Council could be scheduled in the course of the current Session.

Subject No. 13: **Work programmes of the Council and its subsidiary bodies**

Subject No. 18.14: **Other finance matters for consideration by the Council**

**Report on the Evaluation of Results Based Management at ICAO
ICAO Performance Management Project**

7. At the proposal of the President of the Council, it was agreed that these two items would be considered together by the Council.

8. In introducing both items, the Chairperson of the Finance Committee (Representative of Mexico), indicated that in relation to the Report on the Evaluation of Results Based Management, the Finance Committee (FIC) at its first meeting on 22 January 2014, had considered this item. During that meeting, the Chief, Evaluation and Internal Audit Office (C/EAO), had presented an outline of initiatives taken by the Organization over the past decade to move towards effective results-based management (RBM) as well as shortcomings and priority areas where further progress could be made. The report of C/EAO had made five recommendations aimed at strengthening RBM at ICAO, relating to performance management, training and strategic planning.

9. The FIC had commended the Secretariat on the quality of the report from C/EAO. However, the FIC had also noted with concern the disconnect between the budget and business planning, the former of which should take into account the evolving needs and risks faced by the Organization. The FIC reiterated that the Business Plan already serves to highlight emerging needs to the Council, although without the costing of new activities. Committee members had supported the recommendations made in the report, noting that two out of five were fully accepted by management, out of which one was being addressed under the ICAO Performance Management Project. Committee members recognised that this was a long-term project and requested that the Secretariat elaborate a more detailed plan and timeline, noting that the deadlines for implementation are currently set for the end of 2015. Finally, the FIC had stressed that all the stakeholders involved, including the governing body and senior management, needed to demonstrate their full commitment to RBM in order to ensure effective implementation in bringing about a cultural change throughout the Organization.

10. With regard to the ICAO Performance Management Project, the Chairperson of the Finance Committee, indicated that this was also dealt with at the same FIC meeting on 22 January 2014. The FIC had noted that the information on this item presented an overview of performance management at ICAO. It highlighted the history of performance management, the activities taken up to date, and what would constitute a Corporate Performance Management (CPM) System. The information presented also outlined the next steps that should be undertaken by the ICAO Secretariat in this regard. The Committee took note of the information presented and conferred importance on this endeavour, while agreeing with the next steps. The FIC had noted that this initiative would represent a management change, which would require commitment on the part of the Council, the Secretary General, Directors and Senior Managers in order for it to succeed. The FIC had also requested that the Secretariat provide a detailed timetable of the Performance Management project for 2014 and 2015, to be posted on the Council website.

11. The Representative of the United Arab Emirates endorsed efforts to adopt a results-based management approach in ICAO and in particular, the recommendations of C/EAO in this regard. In particular, the recommendation aimed at strengthening the strategic planning function at ICAO should be

supported. She noted that this was a typical strategic planning process based on collecting information and implementation efforts could be supplemented by using SWOT (strengths, weaknesses, opportunities, threats) and PEST (political, economic, social and technological) analyses. Both represented useful strategic planning tools in order to identify strategic priorities and goals, which themselves would transform into major initiatives. Therefore, the UAE strongly supported using such management analysis tools.

12. In relation to the recommendation to introduce system changes to performance planning and management at ICAO, the Representative of the United Arab Emirates observed that this represented an important link to individual performance in achieving programmatic and organizational objectives. In this connection, she was of the view that this would represent an important initiative, since without this level of accountability of employee performance, it would be difficult to achieve Organizational objectives.

13. In relation to the overall quality of the reports presented on these two items, the Representative of Spain commended the Secretariat for the frank and credible nature of the content, which clearly indicated the existing gaps and deficiencies in ICAO. In this connection, he was certainly grateful for the openness of the manner in which ICAO management had approached this discussion. The Representative observed that since the recommendations related to the culture of the Organization, it probably would require some time before the benefits of changes were noted. Therefore, it would be useful to have a more detailed plan that clearly indicated the timelines of this approach. He also endorsed the intervention of the United Arab Emirates as regards to the recommendations pertaining to the strengthening of the strategic planning function through the use of a variety of management analysis tools.

14. The Representative of Venezuela (Bolivarian Republic of) likewise endorsed the intervention of the United Arab Emirates particularly as regards to the recommendations on the strategic planning function and the introduction of system changes to performance planning and management at ICAO.

15. The Secretary General indicated that in relation to the recommendation related to the strategic planning function, he was prepared to take into account the interventions of Council Representatives when moving forward with the results-based management approach. However, in relation to the separate recommendation relating to linkages between individual performance and the achievement of Organizational objectives, he remained unconvinced. The Secretary General stressed that in ICAO, accountability was not at the individual level but rather at the level of a Section or Branch. Therefore, it was not possible to link Organizational outcomes to an individual's performance or to hold individual staff members accountable in this context. In relation to the ICAO performance management project, the Secretary General also noted that a detailed timetable had already been posted on the Council website.

16. In concluding the discussion on these two items, the President of the Council observed that the option of performing a triennial SWOT analysis was worth further consideration if it could be linked to a rolling business plan. He noted that the Council would return to consider the issues of results-based management and the performance management project at future sessions so the Council would continue to have an opportunity to consider various related options in this regard.

Subject 18.14: Other finance matters for consideration by Council**Revenue-Generating Activities Policy**

17. This subject was documented for Council consideration in C-WP/14122 presented by the Secretary General, and a related oral report thereon by the Chairperson of the Finance Committee (FIC), which contained a revised Appendix to replace the proposed policy on revenue-generating activities contained in C-WP/14122.

18. In introducing the item, the Chairperson of the Finance Committee (Representative of Mexico) indicated that at its meeting on 22 January 2014, the Finance Committee (FIC) had considered the draft Revenue-Generating Activities Policy. In its consideration of this item the FIC had made several recommendations for amendments to the policy. It was suggested to add, inter alia, that the cost-recovery principle would apply for charges to National Delegations and for training activities to Member States; that all personnel in substantial functions in the regular programme should not be paid from the Ancillary Revenue Generation Fund (ARGF); and that financial results should be audited annually and be subject to review for risk management purposes.

19. The FIC had also suggested that the Council be more involved in the governance of revenue-generating activities, including the budget and business plan, but refrain from micro-managing revenue-generating activities. It was highlighted by the Committee that the valuable brand of ICAO required adequate protection that would have to be included in the policy to mitigate the reputational risk to the Organization. It was also recognized that revenue-generating activities were important for the Organization and the potential should be maximized.

20. The FIC had also discussed the scope of revenue-generating activities in particular when involving the private sector and the general public, as well as the status of the Commissariat and revenue-generating aspects of training activities. The Secretariat confirmed that the ARGF, its revenue target and main activities were already embedded in the Organization's budget and were subject to the Financial Regulations of the Organization.

21. In conclusion, the Committee agreed that a revised draft policy, as amended by the Secretariat, would be reviewed and endorsed by the Chairperson of the Finance Committee. The text of the revised draft policy was attached to the Chairperson's oral report for the consideration by the Council. The Chairperson of the FIC thus recommended to the Council to approve the Policy on Revenue-Generating Activities, as amended with proposals made by the Committee.

22. The Representative of the United Republic of Tanzania thanked the Secretariat for the policy, which he believed would provide overall direction and guidance to ICAO on revenue generation for the Organization. In this connection, the governing principles for such activities were important in ensuring the best results. In relation to the Appendix of C-WP/14122, the Representative expressed concern that the oversight function being proposed for the Revenue Generation Governance Committee (RGC) might not be practicable since the activities of the RGC also needed to be monitored. It was important therefore that any oversight function be carried out by the Council. He also indicated that the RGC should be maintained as a Committee as opposed to a Board, which was one suggestion alluded to by the FIC. The Representative also expressed support for proposals to strengthen the protection of the ICAO Brand, which was an issue of intellectual property. It was important that the pursuit of revenue generation should not be undertaken if it meant an adverse impact on the image of ICAO.

23. The President of the Council thanked the Representative of the United Republic of Tanzania for his intervention and took the opportunity to remind the Council that the draft policy that was the subject of Council's consideration was the revised policy attached to the oral report from the Chairperson of the Finance Committee.

24. The Representative of Spain thanked the Secretariat for the draft policy and in doing so, observed that it would represent an additional and useful policy for the Organization once it was being implemented. In relation to paragraph 4.3 of the policy, which dealt with governance principles, the Representative proposed that the word "endorsement" be added to the end of the first sentence so that it would read: "The budget and business plan for the ARGF for the following year shall be presented to the Council in the Autumn session for its review and endorsement", which would help to strengthen the role of the Council in this regard.

25. Separately, the Representative also proposed that in paragraph 4.5, the subparagraph "c) Approve the implementation of new business opportunities and projects", be deleted since in any case the proposed Revenue Generation Governance Board (RGGB) had a role in approving the budget and business plan for the ARGF, which was contained in paragraph 4.5, subparagraph b). Since the business plan should in any case contain all new initiatives, this also meant that subparagraph c) was not necessary.

26. In relation to the proposal to amend paragraph 4.3 so as to include the word "endorsement", the Secretary General accepted this point although he expressed the view that "review" in any case implied "endorsement" in this context. In relation to the proposal to delete subparagraph c) of paragraph 4.5, he requested further clarification from the Council on the reasoning for such a deletion.

27. The Secretary General also took the opportunity to elaborate on the role of the RGGB in seeking new business opportunities and projects. This would mean that before approving the implementation of any new projects, a business case would have to be made. Although he appreciated that the Council may wish to examine all business opportunities under consideration, this might be quite cumbersome whereby new business opportunities were constantly being brought to the Council. Although it was important that Council was informed of any new business opportunities, it was also important to keep in mind that any delays in their implementation could potentially be quite costly. The Secretary General also reminded the Council that it would be necessary for such activities to produce \$15 million for the budget, which would not be an easy task, so it would therefore be essential to proceed with a process that was as practical as possible.

28. The Representative of Germany took the opportunity to reiterate that when the FIC considered recommendations for amendments to the policy, there had not been unanimous agreement among the members on additional options. In relation to paragraph 6.6 of the policy, which stated that "The ARGF shall fund posts that are related to revenue-generating activities which serve to promote the implementation of the Organization's Strategic Objectives and to carry out related Programme Support", the Representative sought confirmation that this could not be interpreted as meaning that all other posts that are currently funded by the ARGF would now need to be funded by the regular budget.

29. In response, the Secretary General confirmed that within the current budget a certain number of posts, which are of a substantial nature, are currently funded from the ARGF. It was also important to note that it was not possible to change the budget that had been adopted by the Assembly. Nevertheless, he was of the view that something that should be considered for the next triennium budget was that all posts of a substantial nature should be funded from within the regular budget while the total amount that the ARGF contributed to the budget could be equally augmented. That would mean that the

assessments of the States would not need to change. In any case, this was an item for consideration for the next budget.

30. The Representative of the Russian Federation expressed support for adding the word “endorsement” to paragraph 4.3 since this would serve to strengthen the role of the Council in regard to the ARGF. In relation to the tasks of the RGGG and specifically paragraph 4.5, subparagraph c), he proposed additional text be added so that it would read: “c) Approve recommendations to the Council on the implementation of new business opportunities and projects”, which would help to clarify the role of the Board vis-à-vis new business opportunities. The Representative also proposed that the first sentence of paragraph 3 f) be amended so that it would read: “Revenue-generating activities shall be pursued in a transparent way and may be conducted in cooperation with Member States...” since the use of the words “in cooperation” would facilitate a better explanation of the context of the approach that ought to be followed.

31. The President of the Council agreed that paragraph 4.3 would be amended with the inclusion of the word “endorsement” as proposed by the Representative of Spain and supported by other Representatives so there would be no further need for subsequent interventions to refer to this. In relation to paragraph 4.5, he expressed the view that although the budget came to the Council for approval, the business plan was a chapeau document. In this context, there were practical considerations on whether, how, and with what frequency to present new business opportunities for consideration. He asked the Council to keep these practical considerations in mind.

32. In relation to instances where the endorsement of ICAO was sought for different activities, the Representative of Italy questioned what criteria would be used in order to determine which endorsements were attributed in accordance with the principles outlined in paragraph 3 of the policy. He expressed the view that the text currently appearing in this regard in 3 f) and g) was somewhat vague and therefore, more work might be required on the elaboration of the criteria to apply for the endorsement by ICAO of activities undertaken by public or private companies or non-governmental organizations.

33. On a related theme, the Representative of Venezuela (Bolivarian Republic of) sought clarification in relation to the intellectual property aspects of the policy and the use of the ICAO Brand by third-party entities. He stressed the need to protect the ICAO Brand and reputation.

34. In relation to paragraph 4.5 of the policy, the Secretary General agreed that subparagraph c) could be deleted especially since the budget and the business plan would in any case be submitted for review and endorsement by the Council in accordance with paragraph 4.3. In response to the interventions concerning paragraphs 3 f) and g) of the policy, the Secretary General indicated that he would welcome input from Representatives that would strengthen the protection of intellectual property and the ICAO Brand. He took the opportunity to indicate that in relation to the latter, there were established procedures within ICAO, which served to provide a measure of protection. Nevertheless, additional recommendations from Council Representatives that could improve existing processes would be welcomed.

35. The Representative of Australia indicated that she shared similar concerns as other Council Representatives with regards to protecting the ICAO Brand and in particular, the use of the logo. She reminded the Council that it had recently agreed to a new policy on training and endorsement, and although in that connection there had not been much focus on the specific subject of endorsement, it had nonetheless been agreed to in that policy that any endorsements or proposals for endorsements would come to the Council for approval. The Representative was of the view that there was some overlap

between the two policies and that further detail might be required in this area, including consideration of options to strengthen protection of the logo.

36. In summarizing the amendments that had thus far been agreed to by the Council, the President of the Council indicated that the first part of paragraph 3 f), would be amended to now read: “Revenue-generating activities shall be pursued in a transparent way and may be conducted in cooperation with Member States...”, as suggested by the Russian Federation. In paragraph 4.3, the first sentence would be amended so that it now read: “The budget and business plan for the ARGF for the following year shall be presented to the Council in the Autumn session for its review and endorsement”. In paragraph 4.5, subparagraph c) would now be deleted.

37. In relation to the question of whether the review body should be a Board or a Committee, the President of the Council indicated that since this issue was discussed at length in the FIC, he proposed that it be retained as a Board since it would be structured within the Secretariat and would also help to avoid confusion with Committees of the Council. In relation to the ICAO Brand and intellectual property issues, the President of the Council acknowledged that this would require further elaboration but he proposed that this exercise be undertaken separately. His proposed option was for the existing documentation and policies to be circulated for consideration and should a more formal review be required, this would certainly be possible.

38. The Chairperson of the Finance Committee (Representative of Mexico) emphasized that there already existed several subparagraphs in paragraph 3 of the draft policy that pertained directly to the ICAO Brand and the need to protect the Organization’s image and reputation. Likewise, paragraph 5 covered training aspects of the policy. He noted however, that the separate existing policies on the use of the ICAO Brand, as well as on training had not been properly reviewed by the Council and in this context it might therefore be opportune to do so. ICAO needed clear policies on the use of the Brand and on training so perhaps the Council could review the existing policy documents to make sure that everything was consistent. In relation to proposed amendments to paragraph 3 f), the Representative agreed that coordinating revenue-generating activities with all entities listed would certainly be possible.

39. In considering the overall perspective of the Policy on Revenue-Generating Activities, the Representative of Malaysia observed that when dealing with commercial operations, there was always a business risk, which was why the governance oversight and responsibility aspect could potentially represent an additional workload for the Council. He proposed the possibility of Council examining the whole process of all business undertakings, with a view to outsourcing these so as to reduce these requirements on the Council, where the necessary technical expertise on such matters was not always present and where perhaps it was not the most efficient use of Council’s time. In contrast, outsourcing such activities to those experts who had the more appropriate technical skills was one option to consider. In this context, he also expressed a concern that ICAO was moving more and more into business enterprise ventures.

40. The President of the Council agreed that it was important to find the right balance in these activities but noted that paragraph 3 b) of the policy seemed to have found the right terminology in emphasizing that revenue generation was not to be considered as an objective on its own.

41. Likewise, the Secretary General shared the concerns of the Representative of Malaysia that neither the Council nor the Secretariat had any great expertise in commercial activities. On the other hand he observed that it was the Council that had requested that additional funding be obtained from other activities to supplement the regular budget. In the current budgetary scenario, this required obtaining an

additional \$15 million from such activities. However, in order to obtain a surplus of \$15 million, it was necessary to generate much more in order to cover the costs of staff involved in such activities. According to the current scenario, achieving a \$15 million surplus would require generating \$45 million for the triennium. He accepted that this might lead to speculation as to whether this was efficient or not, but the reality was that a greater amount would need to be generated in order to produce a gain of \$15 million.

42. By way of elaborating on the revenue-generating activities being undertaken, the Secretary General noted that the required \$15 million surplus could not be generated by renting out the conference facilities alone and required pursuing other options. Until now, the main source of revenue had been the sale of publications, but this had been in decline for some years for several reasons, including reduced demand for paper documentation. He also noted that it also remained difficult to defend ICAO copyright, which represented an additional issue in this regard. In the circumstances, it was necessary to find new business opportunities. Outsourcing some of the revenue-generating activities might be an option but a business case would need to be made for each possibility in order to determine whether it was indeed worthwhile. In any case, it was apparent that it would not be possible to outsource all of the activities that ICAO currently undertakes. He recalled that an earlier consideration of the ICAO printing activities in this context had demonstrated this same dilemma. Nevertheless, it remained up to Council if it wished to outsource more of these activities or continue with a separate policy on revenue-generating activities. He recognised that there were disadvantages with the policy, which put constraints on the Secretariat but that ultimately this was a matter for the Council to decide.

43. The Representative of the Russian Federation sought additional confirmation that paragraph 3 f) was intended to apply to all the entities listed, including Member States, international organizations, national and international non-governmental organizations, the private sector and the general public. He also took the opportunity to express concern at greater use of outsourcing options, and in this regard, stressed that the Council should refrain from taking any risky measures, particularly given the need to protect the ICAO logo. The Representative acknowledged that revenue from saleable ICAO publications had been falling but it was important to find a balanced approach in undertaking any new activities especially in ensuring that these did not exceed the mandate of the Organization.

44. The Representative of Venezuela (Bolivarian Republic of) expressed support for the Council to be given the opportunity to review existing practices with regard to the use of the ICAO Brand. It would be important for the Council to approve any related policies especially as it was only the Council that was in a position to protect the logo, the Brand, and intellectual property. In this context, it might be necessary to strengthen the policy and eliminate any apparent deficiencies.

45. In relation to the Secretary General's earlier intervention, the Representative of Malaysia agreed that in this context there was an ongoing concern about the revenue-generating activities as well as the need to protect the ICAO Brand and the Organization's image. He suggested that one approach to deal with these concerns and in finding the right balance might be to outsource some of the activities to protect the basis of a fixed revenue while at the same time ensure that ICAO was not involved in activities that might pose a risk to the Organization. He acknowledged that this was not a new proposal, but something adopted in other United Nations agencies, which had also recommended to outsource some of their activities. The outsourcing approach for some activities could certainly be undertaken in addition to the existing policy on revenue generation. Therefore, this was something that could be explored further. In response, the Secretary General confirmed that some revenue-generating activities were indeed currently outsourced.

46. In concluding consideration of this item, the Council agreed to amend paragraph 3 f) of the Appendix so that the first sentence would now read: “Revenue-generating activities shall be pursued in a transparent way and may be conducted in cooperation with Member States, international organizations, national and international non-governmental organizations, the private sector and general public”.

47. The Council further agreed to amend paragraph 4.3 of the Appendix so that the first sentence would now read: “The budget and business plan for the ARGF for the following year shall be presented to the Council in the Autumn session for its review and endorsement”.

48. In addition, in paragraph 4.5 of the Appendix, the Council agreed to delete: “c) Approve the implementation of new business opportunities and projects”.

49. It was also understood that the existing procedures related to the use of the ICAO brand by other entities would be circulated for consideration and that a formal Council discussion of this issue would be arranged at a subsequent Council session if it was considered to be warranted.

50. In taking the action indicated in the executive summary of C-WP/14122 and as recommended in the oral report by the Chairperson of the FIC, the Council, subject to the amendments indicated in the preceding paragraphs above, approved the Policy on Revenue-Generating Activities as contained in the attachment to the oral report by the Chairperson of the Finance Committee.

Subject No. 18.14: Other finance matters for consideration by Council

Proposal for ICAO Council review of salaries

51. The Council considered C-WP/14132 presented by the United States, and a related oral report thereon by the Chairperson of the Finance Committee (FIC).

52. In introducing the item, the Chairperson of the Finance Committee (Representative of Mexico), outlined how the working paper that had been presented by the United States, provided background information on the rising salary levels in the United Nations system. The FIC had reviewed the item, which led it to agree with the proposals contained in the working paper and recommend that the Council follow the proposed course of action that had been indicated.

53. The Representative of the United States expressed his appreciation to the Finance Committee for the thorough manner in which this item had been reviewed and for their support for the proposed course of action to be followed.

54. In taking the action indicated in the executive summary of C-WP/14132, the Council requested the Secretary General to convey to the United Nations General Assembly and to the International Civil Service Commission (ICSC) the views of the ICAO Council that rising staff costs are having a considerable impact on the financial sustainability of the Organization and requesting the ICSC to study the impact of their recommendations on the budgets of common system organizations, particularly within the context of their ongoing comprehensive compensation review, before recommending further system-wide increases.

Subject No. 24.3: Action on Assembly resolutions and decisions**Review of Assembly resolutions and decisions — *Policy and Administrative Subjects***

55. The Council considered this subject on the basis of: C-WP/14094, in which the Secretary General proposed actions required to implement the resolutions adopted and decisions taken by the 38th Session of the Assembly relating to policy and administrative subjects considered by the Executive Committee and the Administrative Commission; an oral report by the Finance Committee (FIC) on those Assembly resolutions relating to financial and administrative matters; an oral report by the Technical Co-operation Committee (TCC) on the technical cooperation-related issues emanating from the Executive Committee; an oral report from the Human Resources Committee (HRC) on human resources items considered by the Executive Committee; and an oral report from the Working Group on Governance and Efficiency (WGGE) on issues arising from Assembly Resolution A38-11.

56. In presenting his report, the Chairperson of the Finance Committee (Representative of Mexico), indicated that the Finance Committee (FIC) had reviewed those items contained in the working paper that directly related to financial issues. In this connection, the FIC had accepted and approved the proposed actions in respect to Assembly Resolutions A38-22 to A38-30.

57. In presenting her report, the Chairperson of the Human Resources Committee (Representative of the United Arab Emirates), outlined how at its first meeting on 30 January 2014, the Human Resources Committee (HRC) had considered the working paper and in particular the proposed actions with regard to human resources matters, which were presented in Appendix A-5 and A-6 of the paper. The Committee recommended to the Council that it request the Secretariat to: a) establish a link between the Organization's performance management system, and the business plan and budget, as well as the ICAO Knowledge Shared Network (IKSN), with the staff performance management system; and, b) develop concrete timelines for implementation of each activity on human resources matters on a quarterly basis, as opposed to a yearly target.

58. In presenting his report, the Chairperson of the Technical Co-operation Committee (Representative of Malaysia), indicated that during its meeting, the Technical Co-operation Committee (TCC) had considered the technical co-operation related issues of C-WP/14094, which presented on page 5 of its Appendix an update on the actions taken or to be taken by the Technical Co-operation Bureau (TCB) to implement the decisions of the 38th Session of the Assembly.

59. The TCC had noted that a marketing plan has been developed within the framework of the TCB Management Plan for 2014-2016. The objective of the marketing plan was to promote an effective outreach programme to raise the awareness of States, the private sector and donors to the advantages of having recourse to ICAO for the implementation of projects in the civil aviation field. In this regard, the TCC understood that a Civil Aviation Symposium would take place in September 2014, with the participation of States, air navigation service providers, air transport operators, equipment suppliers, financing institutions and other stakeholders.

60. In acknowledging the importance attached by the Council to the ICAO Technical Assistance Programme, the TCC had enquired as to the existence of a Secretariat resource mobilization strategic plan to generate the required financial resources for technical assistance projects. It had been clarified that although such a plan was not available, a Project Review Committee was responsible for selecting technical assistance projects to be funded by the Safety Fund (SAFE), in accordance with the

priorities and funding criteria approved by the Council, and that an internal quality assurance mechanism had been put in place under the auspices of the Air Navigation Bureau and Air Transport Bureau. It was recalled, in this regard, that the TCB executes only a small fraction of the Organization's programmes of technical assistance, which are under the Regular Programme's purview at Headquarters and Regional Offices. The Committee requested that target dates for implementation of proposed actions in the Action Plan be always determined with the greatest precision. It was acknowledged, however, that as far as technical cooperation issues are concerned, certain actions are of a recurrent nature, representing ongoing activities of the Bureau. In conclusion, the Committee had recommended that the Council approve the proposed technical cooperation-related actions outlined on page 5 of the Appendix to C-WP/14094.

61. In presenting his report, the Chairperson of the Working Group on Governance and Efficiency (Representative of China), outlined how at its meeting on 30 January 2014, the Working Group on Governance and Efficiency (WGGE), had reviewed C-WP/14094. The WGGE had noted, in relation to the proposed action on A 38-11: "Formulation and implementation of SARPs, PANS and notification of differences", that the attention of the Secretariat should be drawn to the need to continually ensure consistency in practices and that proposals are in line with the consultation process for the development of new SARPs.

62. In considering proposals to enhance the development and implementation of SARPs and the global plans (GANP and GASP), the WGGE had noted the need for the Council to periodically focus its attention on reports from PIRGs, RASGs, and the Regional Offices, TCB and the AFI plan, among others. The WGGE recommended that the Council consider allocating time for discussion of these reports, with the Regional Directors present, as part of the activities during the Aviation Safety Week held during the first session of the Council each year. The WGGE did not recommend any changes to the working paper.

63. In responding to some of the issues raised in the various preceding oral reports, the Secretary General indicated that he agreed with the recommendations of the WGGE concerning the SARPs as well as the need to allocate time at future Council sessions for consideration of reports from the PIRGs, RASGs, the Regional Offices, TCB, and on the AFI plan.

64. In relation to the two recommendations contained in the HRC oral report, the Secretary General stated that he could not agree to these since they would be impractical to implement. In doing so, he noted that he had recently presented a list of all the reports that are submitted to the Council, together with a list of recommendations in terms of allowing the Council to concentrate on more substantial or strategic issues. Specifically in relation to the recommendation to develop concrete timelines for the implementation of each activity on human resources matters on a quarterly basis, as opposed to a yearly target, he perceived that this would, in practical terms, represent a considerable additional burden.

65. In relation to the oral report from the WGGE and specific recommendations related to SARPs as referred to in Resolution A38-11, it was noted by the Council that the Secretariat should continually ensure consistency in practices and that proposals were in line with the consultation process for the development of new SARPs. The Council also agreed with the recommendation of the WGGE that time would be allocated at future sessions for consideration of reports, inter alia, from the PIRGs, RASGs, the Regional Offices, TCB, and on the AFI plan.

66. Finally, in taking the action recommended in the oral reports presented by the respective Chairpersons, the Council approved the proposed actions outlined in the Appendix to C-WP/14094 in

order to effectively respond to the implementation of the resolutions and decisions of the 38th Session of the Assembly relating to policy and administrative subjects.

Subject No. 13: Work programmes of Council and its subsidiary bodies

**Review of the Evaluation and Audit Advisory Committee (EAAC)
Appointment of Members of the Evaluation and Audit Advisory Committee (EAAC)**

67. At the proposal of the President of the Council, it was agreed that these two items would be considered together by the Council.

68. The Council had for consideration: C-WP/14131, in which the Secretary General presented a review of the results achieved by the Evaluation and Audit Advisory Committee (EAAC) in 2013, and C-WP/14095 concerning the process for soliciting qualified applicants to fill vacancies on the EAAC. In addition, the Council reviewed oral reports from both the Chairpersons of the Finance Committee (FIC) and the Working Group on Governance and Efficiency (WGGE), in relation to these items and which assessed the value added of the work carried out by the EAAC.

69. In presenting his report, the Chairperson of the Finance Committee (Representative of Mexico), indicated that the Finance Committee (FIC), had considered the two related working papers on the Evaluation and Audit Advisory Committee together (C-WP/14131 and C-WP/14095). The FIC was unanimous in agreeing that the EAAC had carried out useful work over the last three years and that it should be maintained. In addition, several members supported the proposal that Mr Jonathan Moor be requested to continue as the Chair. A proposal by one member that in future recommendations made by the EAAC and periodic updates on actions taken should be presented to the Council in tabular form was also endorsed.

70. The FIC was in agreement that the membership of the EAAC should be reduced to make it more practical and to reduce costs. Two alternatives were suggested: either a membership of three with a quorum of three, or a membership of five with a quorum of three. Since a membership of five would provide more flexibility and ensure a wider geographical representation, the consensus was that the latter option should be recommended.

71. Regarding the issue of how to finance the travel costs of EAAC members, the FIC was divided. A number of members favoured the proposal that ICAO should finance these costs from the regular programme budget in order to facilitate geographical representation and to ensure the right expertise. This option was reinforced by the argument for reducing the membership in that costs could also be minimized by, for example, reducing the number of physical meetings and increasing the number of virtual meetings held each year. However, other Committee members expressed caution in agreeing to pay for travel costs from the regular programme budget on the basis that this might set a precedent for payments of travel costs of members of other committees and technical groups, and because of the lack of funds identified for this purpose in the current budget. On the other hand, Committee members agreed that a more stable source of funding for travel costs of EAAC members should be identified for the future. A hybrid solution was suggested by one committee member, whereby there could be two categories of nominations: those where the nominating state agreed to provide financial support; and those requiring financial assistance from ICAO.

72. Taking into account the views and opinions expressed by the Committee members, the Chairman of the FIC pointed out that all members had recognized the importance of the work undertaken by the EAAC and therefore, the Committee had decided to recommend to the Council in favour of the continuity of the EAAC as well as the continuation of Mr Jonathan Moor as its Chair. Bearing in mind that the Committee had already gained enough experience and its work may be considered more regular, it was suggested that face-to-face meetings be reduced and the number of virtual meetings be increased. Likewise, the Committee agreed to recommend to the Council, considering the experience gained in the last three years, that the membership be reduced to five with a quorum of three members. Additionally, the Committee agreed that periodic updates on actions taken by the EAAC be presented to the Council in a tabular format.

73. Finally, the Chair of the FIC took note of the difficulty of finding stable funding within the regular programme budget for travel expenses by EAAC members and therefore, the Committee had recommended maintaining the status quo on this issue and examining it again in three years in light of the EAAC results. On the same occasion, the hybrid proposal that had been considered by the FIC might also be reviewed. Regarding the appointment of EAAC members, the FIC agreed with proposals 3.1 a) and b) as outlined in C-WP/14095 but rejected option c) on the grounds that EAAC members should be appointed from the government sector.

74. In presenting his report, the Chairperson of the Working Group on Governance and Efficiency (Representative of China), indicated that the Working Group on Governance and Efficiency (WGGE) had reviewed working paper C-WP/14131. The WGGE noted that the working paper had already been discussed in the Finance Committee and accordingly there was no need to reopen the debate on several issues. With regard to the terms of reference of the EAAC, the WGGE noted the information provided by the Secretariat that the FIC had recommended that the membership of the EAAC be reduced from seven to five. The WGGE recommended that the terms of reference of the EAAC did not need to be amended at this time since they already allowed for a reduction in membership to five.

75. In elaborating further on the information presented by the respective Chairpersons, the Chief, Evaluation and Internal Audit Office (C/EAO) outlined difficulties that potentially could arise in relation to the proposals from the Finance Committee. For instance, he observed that although there was support for Mr Jonathan Moor to continue as Chair of the EAAC, the question of how to finance his travel remained open. It was possible that the United Kingdom might opt to provide the funding but this clearly remained unresolved. C/EAO also questioned the reasoning for reducing the number of members and the number of meetings if ICAO was not in any case intending to finance the costs involved. If ICAO were providing the funding then it might have been in a stronger position to reduce the size of the EAAC in order to reduce the costs. Finally, C/EAO also noted that it might prove problematic to expect Member States to nominate candidates for the EAAC when general questions concerning the geographic distribution of the membership and the basis for selection also remained unresolved.

76. For the benefit of Representatives, the President of the Council summarized the recommendations of the Finance Committee as being: a) that the EAAC should continue; b) that Mr. Jonathan Moor should continue as Chair; c) that the membership of the EAAC be reduced to five with a quorum of three; d) that the status quo on the issue of funding be maintained for the time being on the understanding that the process could be reviewed again in three years in light of the EAAC results; e) that the number of face-to-face meetings be reduced while the number of remote or virtual meetings be increased; and f) that periodic updates on actions taken by the EAAC be presented to the Council in a tabular form.

77. The Representative of Australia indicated that she supported the essence of the oral reports from the Chairpersons of the FIC and the WGGE, with the exception of the issue concerning the financing. She had the opportunity of attending the FIC meeting and had followed the discussions very carefully. In doing so, it was her observation that this issue could be compared to the ongoing challenges that airlines have in justifying the resources required to support safety committees. In her experience it was the case whenever airlines wished to reduce budget costs, that safety committees were often easy targets since it was difficult to justify the resources required by quantifying accidents that did not happen. In the same vein, an advisory committee such as the EAAC, served an important function and was considered to represent best practice in organizations in both the public and private sectors. A good advisory committee such as the EAAC had the potential to reduce both financial and reputational risks within an organization in the same way that a safety committee had the potential to reduce the number and severity of aviation accidents. In that context, the Representative of Australia observed that during the Committee discussions on the issue of the future funding of the EAAC, there had been no clear majority on maintaining the status quo whereby the out-of-pocket expenses of EAAC members were not covered.

78. The Representative of Australia acknowledged that there existed good cost-based arguments for reducing the size of the EAAC and the number of face-to-face meetings, which if adopted, would help to strengthen the case for ICAO agreeing to cover travel and accommodation costs. By doing this, the Representative anticipated that the Council would have a greater likelihood of attracting quality candidates to the EAAC, while at the same time achieving broader geographic representation as well as the ongoing commitment and consistency in the important work of providing independent advice to the Council. This in turn would enable the Council to better fulfil its stewardship role on behalf of the ICAO Member States. The option of paying travel and accommodation expenses was also consistent with practices followed by other entities within the United Nations system, which have similar Committees.

79. In relation to a hybrid solution that had been proposed by the Representative of Japan during the Committee's consideration of this issue, the Representative of Australia acknowledged that while this was well-intended, it was possibly flawed since it might not achieve with any great certainty the purported benefits especially if there were less certainty with constantly changing membership arrangements and the inherent bias toward those Member States that had an ability to pay.

80. In welcoming the oral reports from the Chairpersons of the FIC and the WGGE, the Representative of India indicated his support for reducing the size of the EAAC to five members and also for the continuation of Mr Jonathan Moor as Chairman. He also expressed his support for the proposal to hold more EAAC meetings using videoconferencing options as a way of reducing travel costs. Given the ongoing tight budget scenario, the Representative of India was more generally supportive of the notion that countries that could afford to fund the travel costs of their EAAC member, should continue to do so, while for countries that were unable to do so, consideration could be given to extending some support especially in selective circumstances where the EAAC would benefit from the input of a potential member. One related option might be for the WGGE to be requested to consider which countries and what potential EAAC member qualifications could be captured by this selective approach.

81. In relation to the continuing service of Mr Jonathan Moor as Chairman of the EAAC, the Representative of the United Kingdom took the opportunity to inform the Council that Mr Moor had recently moved onto a different post. Nevertheless, the Representative undertook to discuss directly with Mr Moor in the near future the option of the latter continuing with the EAAC. As far as the composition of the Committee was concerned, the Representative would have preferred an even smaller Committee but he acknowledged that there had been insufficient support for that option.

82. In the course of its consideration of the EAAC, the Representative recalled that the FIC had discussed the travel cost issue at length and that there had not been any clear consensus on this particular point. He considered that the EAAC should be treated as a special case since it was composed of technical experts whose speciality was often directly related to the various ICAO Strategic Objectives. In this connection, it was often easier for a Member State to provide experts for such Committee work especially where it was perceived that there was a direct benefit accruing to the Member State, and not just to ICAO in doing so. In the same vein, a Member State would be less likely to provide technical experts to assist the work of a Committee where there was no clear linkage with the benefit to that particular Member State or where there was a cost factor to take into account, even though there might be a reputational reward involved.

83. The Representative proposed that another possible option for the Council to consider would be for ICAO to refund expenses for a limited time, such as for one cycle of the Committee, i.e. three years, with the aim of determining whether this would represent a positive development in the functioning of the EAAC. Since this would enable the Council to review the question again at the end of the three-year cycle, it would not be setting a precedent for future years.

84. The President of the Council encouraged the Council to, as far as possible, consider accepting the recommendations contained in the FIC oral report since this was in part the *raison d'être* of having Committees. In principle, he would rather see Representatives refrain from restating positions that had already been outlined during the Committee's consideration of an issue. Given time constraints he did not believe that the Council was making the most efficient use of its time if Representatives merely repeated positions that had already been aired during the Committee phase.

85. In referring to the conclusions drawn by the FIC, the Representative of Spain welcomed the recognition for the invaluable work carried out by the EAAC and support for the continuation of the Committee's existence. He was of the view that there should be fewer members on the EAAC as well as fewer meetings, and therefore willing to accept the recommendations of the FIC as pertaining to a membership of five. In regard to the funding issue, the Representative cautioned against setting any new precedents especially if there was now to be only one face-to-face meeting in Montreal per year, which of itself should not represent too onerous a financial burden for the nominating Member State. In conclusion, the Representative was pleased to endorse the recommendations of the FIC.

86. The Representative of Norway acknowledged the importance of the EAAC and the need for its continued existence. In principle, he expressed support for the recommendation to reduce the size of the membership to five with a quorum of three although this might depend on the financial support available to the Committee. This was especially pertinent if Committee members were expected to cover their own expenses. The Representative was aware that large corporations and organizations covered the costs of independent auditors so on this basis, it would not be inappropriate for ICAO to do likewise. He was cognizant of the budgetary constraints facing ICAO, but in order to attract and motivate suitable candidates from all Member States, he favoured the option of covering the travel costs from the regular programme budget or a specially earmarked fund for this purpose if that were at all possible.

87. In relation to the travel costs involved with the work of the EAAC, the Representative of Burkina Faso sought further information on the approximate costs involved if five Committee members were to be covered for these expenses. If other organizations follow this model and if ICAO was in a position to cover the costs involved, he would support the provision of funds for such a purpose since it would also provide a measure of independence for the EAAC. He observed that if the whole financial burden was imposed on the nominating Member State, then the outcome of the work of the EAAC might

be different so it therefore might prove worthwhile for ICAO to consider covering the travel expenses involved if only for an initial three-year period with the option to be reviewed at the end of the period.

88. In responding to some of the points raised thus far in the discussion, the Secretary General indicated that at the outset what was important would be the need to arrive at a unanimous decision on continuing the existence of the EAAC. Once this was agreed, then it would not in his view make a significant difference as to whether the Committee comprised of seven or five members. If the Council wanted ICAO to cover the travel costs involved and in light of the carryover in the budget from 2013, it would be possible to do so for one or two meetings for both 2014 and 2015. Thereafter, the situation would need to be reviewed in order to determine whether it would be possible to continue in this manner.

89. The Representative of Cameroon welcomed the oral reports from the FIC and the WGGE and he also thanked the Secretariat for the additional information thus far provided. He expressed support for the continuation of the EAAC given the valuable role it played and also for the continuation of Mr Moor as the Chairman of the Committee. In relation to the composition of the EAAC, the Representative favoured a wider geographic representation, while in relation to the costs involved, he would support a proposal for ICAO to cover the travel expenses of Committee members.

90. In relation to the option of changing the existing arrangement on the reimbursement of travel costs of the EAAC members, the Representative of Germany cautioned that to do so might undermine the independence of the Committee, which was one of the reasons for originally establishing the current practice of relying on the nominating Member State to cover expenses associated with the membership. In this connection, it had not been adequately demonstrated that the lack of travel funds had thus far prevented the EAAC from meeting and there could possibly have been other reasons that had given rise to this situation such as organizational factors.

91. The Representative expressed concern that ICAO did not currently have explicit budgetary provision for the purpose of covering EAAC travel costs and it would be setting a dangerous precedent for the Council to be adjusting a budget that had only just been adopted by the Assembly. Given the context of recent discussions on the budget, which had focussed on deliverables and the need to cut back on programmes and staffing levels while achieving efficiencies, he found it incongruous for the Council to be considering the possibility of paying for the Committee's travel costs. He did not wish to micromanage the Secretariat on such matters but rather relied on the staff to make the correct decision in this regard. Therefore, if the Secretariat was of the view that the EAAC travel costs could be covered within the budget, he would accept that on the proviso that this did not result in an overrun of the total budget. If this course of action were pursued however, he undertook to take careful note of each and every incremental adjustment to the budget and propose that the overall excess impact on the budget at the end of 2015 be deducted from the assessments of Member States for the next triennium, which would in turn serve to demonstrate that ICAO had more than sufficient funds to undertake its programmes within a zero nominal growth framework.

92. The Representative of Venezuela (Bolivarian Republic of) joined other Representatives in supporting the recommendation for the retention of the EAAC. In principle, as regards the issue of funding the Committee's activities, he would support the option of ICAO possibly covering the travelling expenses for one or two meetings per year. In the meantime, the Committee could consider alternative viable options for the financing of expenses and the situation could thus be evaluated once again in two years' time.

93. The Representative of Portugal expressed support for proposals to reduce the size of the EAAC membership to five. In this connection, she noted that according to a 2010 report from the Joint Inspection Unit (JIU), experience had shown that a limited number of members was advisable and that a group should reflect the mix of skills and competencies. A membership of five would also enable the possibility of adequate geographical representation with appropriate skills.

94. In relation to the issue of independence, which had also been mentioned by the Representative of Germany, the JIU had in its report (JIU/REP/2010/5 refers), indicated that the independence of the audit oversight committees and its members should be ensured by its charter and by having all members externally appointed by and reporting directly to the legislative governing body at each organization. In her view therefore, the independence of the EAAC would not be compromised if ICAO were to cover the travel expenses of members. Nevertheless, the Representative concurred with the Representative of Germany in that the Council had an obligation to be conscious of any impact on the budget. Since the option raised by the Secretary General for ICAO to cover travel expenses would apply only for 2014 and 2015, it would allow the Council to review the situation again in 2015. It was almost certainly the case that the financial support of ICAO in relation to covering the travel expenses for all members would enable more members from more diverse regions to participate in the EAAC activities.

95. In relation to financing of travel expenses by EAAC members, the Representative of Japan stated that he had previously proposed a hybrid solution that could serve as a compromise between the two opposing opinions on this matter. The hybrid solution would also potentially help to overcome the concern that there would be fewer nominations if the travel expenses were not covered. Essentially, this option required that any undertaking for ICAO to absorb the travel expenses should be taken into account as part of the consideration of the budget for the next triennium commencing in 2017. In the meantime, for the current triennium, the travel expenses could be covered using the savings achieved in the Secretariat. For the next triennium however, if it was agreed to cover the travel expenses of EAAC members, then the Council would have to commit to compensating for these amounts through budgetary reductions in other areas of the Secretariat. Although the Representative indicated that he was not in a position to decide that such costs should be a priority issue in the context of the next triennium budgetary discussions, he nevertheless sought an assurance that should ICAO cover the travel expenses of EAAC members, that this item would be discussed again in the context of the next triennium budget discussions in which increasing costs as part of the Secretariat budget remained an important consideration.

96. The Representative of Canada expressed his support for the option of covering the travel expenses of EAAC members for this triennium on a trial basis only.

97. The Chairperson of the Finance Committee (Representative of Mexico) indicated that he had closely followed the discussions on this item and he was somewhat surprised that a number of aspects had been reopened for debate in the Council even though it had also been the case that the FIC had itself been divided on the issue of how to finance the travel expenses of EAAC members. He cautioned that if the Council wished to cover the travel expenses of EAAC members then it would need to be mindful of the possible precedent that was being set. In any case there was a danger in assigning recourses to an activity, which although important, did not of itself reflect the main activity of the Organization.

98. It is true that the EAAC had carried out some valuable work, so he urged the Council to consider compromise options that had been raised by other Representatives. He was however concerned at options to cover the expenses of only some members since this would necessitate an appeal to developed countries to be even more generous than usual when designating experts and to finance the costs themselves, while using the resources of the Organization to cover the cost of others. Of course, the

Council should also avoid any options that potentially could limit the range of candidates such as if they were primarily from developed countries.

99. The Representative of the United Kingdom stated that he in no way wished to question the value of the report from the FIC by having reopened for discussion a number of aspects of the item that had already been accepted. Indeed, it had been entirely correct for the FIC to present a single proposal for consideration by the Council. In this way, he wished to assure the Chair of the FIC that his previous intervention should in no way be construed as a criticism of the content of the FIC report.

100. In relation to the hybrid option proposed by the Representative of Japan, he could see a variant of this solution that might overcome the objections raised other Representatives. In this case, the Council might find itself in a situation where there were more applicants for the EAAC than there were available places. If applicants were being asked at the outset to indicate whether they would be able to finance themselves or whether they would require to be funded, then this could potentially lead to a situation where in choosing between candidates, those that were not self-funding would not be chosen. Therefore, it would be difficult to avoid the suspicion, even if that were wrong, that candidates that were not self-funding were not being chosen. This would clearly put developing countries at a disadvantage, and was potentially invidious in terms of the functioning of the EAAC. Therefore, an alternative proposal might be that funding be made available for all members but there should be a strong encouragement to those States providing members to cover those travel costs if they were able to do so, although they should not be obligated to reveal this at the outset. This option would be in keeping with the spirit in which ICAO operated in other areas whereby some States provide voluntary contributions for areas of activity that they think are particularly valuable.

101. In relation to the general theme of developed and developing countries, the President of the Council urged the Council to avoid this distinction because in his view all Member States of ICAO participate equally in the Organization and occasionally he had observed that some developing countries sent large delegations to ICAO events, which suggested that this was not a particularly good indicator for arriving at conclusions on issues such as this.

102. While acknowledging the budget constraints facing ICAO, the Representative of the Russian Federation favoured finding a compromise solution that could also be reflected in the State Letter that was to be issued to all Member States inviting nominations for the EAAC. He also agreed with the proposal referred to in previous interventions by other Representatives that regardless of its decision, the Council could always subsequently review whatever option it chose in the context of considering the budget for the next triennium. This should be done as early as possible since the replies to the State Letter would provide a good indicator of whether States were in a position to cover travel expenses or not. Therefore, in the course of the next triennium and since this carried budgetary implications, this item could be considered first by the FIC and later by the Council, which should then be in a better position to decide on whether the travel expenses should be covered by the Organization.

103. In conclusion, in relation to C-WP.14131, and in light of the oral reports from the FIC and the WGGE, the Council agreed:

- a) to the continuation of the EAAC, as well as to the continuation of Mr. Jonathan Moor as its Chairperson, the latter being premised on the understanding that he would be nominated once again for this role;

- b) that the membership of the EAAC be reduced from seven to five, with a quorum to be set at three;
- c) that the number of physical meetings of the EAAC be reduced and the number of virtual meetings be increased, and that the periodic updates on actions taken by the EAAC be presented to the Council in tabular form in future; and
- d) that, for the time being, the status quo be maintained with regard to the reimbursement of travel expenses incurred by EAAC Members, so that the nominating State would continue to finance all travel expenses associated with attendance at EAAC meetings, with the understanding that subject to the response to the call for nominations (considered in the following item), this issue could be reviewed again at a later date and other options for the reimbursement of expenses would be considered.

104. In taking the action recommended by the Finance Committee in relation to C-WP/14095, the Council decided to:

- a) authorize the President to send a letter to States of current EAAC members asking them to consider re-nominating their candidate for a further term in order to ensure some continuity in membership; and
- b) request the Secretary General to issue a State Letter similar to the one issued on 18 March 2011 (O4/8-11/1) and encourage Member States to forward a copy to their relevant audit institutions.

Subject No. 13: Work programmes of Council and its subsidiary bodies

2013 Report on the activities of the Evaluation and Audit Office (EAO)

105. This item was presented by the Chief, Evaluation and Internal Audit Office (C/EAO), who in his introductory remarks observed that the past year had seen significant changes at EAO resulting from the enhancement of resources in response to recommendations from the EAAC. As a result, the number of Professional-level posts in EAO had doubled with an additional Internal Auditor as well as an additional Evaluation Officer. The administrative processes of functions in EAO, including the focal point activities, had also been streamlined along with the introduction of new planning and monitoring tools, all of which had led to a positive impact on the output of EAO.

106. C/EAO recalled that in his previous report a year ago it had been noted that the EAO had only completed two audit reports, two investigations and no evaluation report, which was clearly an unsatisfactory outcome. In contrast, the outlook was much more positive for 2013, with the completion of five audit reports and one evaluation report. As soon as the action plans were finalized, these reports would be issued. In addition, three other reports were produced to summarize the research carried out and lessons learned from the evaluations that had already commenced but which were subsequently either postponed or aborted. In addition, it was indicated that one investigation had been undertaken at the request of the Secretary General.

107. In accordance with the established policy, once all completed internal audit reports had been finalized, they would be made available to Council Representatives to consult on a read-only basis

following receipt of a written request addressed to C/EAO. This would enable the Council to gain a more complete understanding of the audit findings and recommendations as well as the actions that the Secretariat had agreed to in order to address the issues and opportunities that had been identified.

108. In relation to audit recommendations, which help to identify audit control weaknesses and inefficiencies, C/EAO recalled that these were intended to generate improvements to existing processes as well as to achieve savings in the Organization. He also reminded the Council that evaluation reports are posted on the Council website. As for the numerous JIU reports that had required attention during the past year, EAO had coordinated input for 21 reviews, which were currently at various stages of completion. The EAO also continued to be the focal point for the External Auditor, and in this connection, provided logistical support to the External Auditor's team, coordinating the preparation of Secretariat action plans to implement the External Auditor recommendations, and following up on the status of outstanding recommendations.

109. In response to a question from the Representative of Mexico concerning the audit of staff related sick leave absences and the high commutation cost of accrued annual leave upon staff termination, the Secretary General indicated that he was currently holding consultations with the ICAO Staff Association over these matters. He explained that every year ICAO staff are obliged to take at least 15 working days of their 30 days of entitlement of annual leave, which meant that after a number of years of service the number of annual leave days could accumulate significantly. There was a maximum ceiling of 90 days accumulation and when staff left ICAO at the end of their service they could opt to be paid for up to 60 days of leave, which essentially represents about three months of salary.

110. In his discussions with the Staff Association, the Secretary General was proposing that one way to deal with the cost factor was to require staff to take more annual leave every year in order to reduce the cumulative leave amount and to reduce the number of days payable by the Organization to the staff member upon termination of service. In relation to the sick leave issue that was identified as a result of the audit, the Secretary General was proposing to raise this as well in his discussions with the Staff Association with the aim of reducing the overall cost to the Organization. The Secretary General intended to conduct this process while respecting staff rights and existing practices within the United Nations system.

111. In response to a request from the Representative of India concerning the audit of travel management and administration and the ongoing need for ICAO to achieve savings in relation to travel, the President of the Council undertook that the Secretary General would provide further information on this subject in due course.

112. In conclusion, the Council noted information paper C-WP/14096, in which the Secretary General transmitted the report on activities undertaken by the Evaluation and Audit Office (EAO) in 2013, together with comments of the Chief, Evaluation and Audit Office (C/EAO) on internal audit and evaluation reports completed during the year. It was undertaken that comments made by the Council during the consideration of this item would be taken into account by the Secretary General and C/EAO.

Any other business

Subject No. 6.3: Election of Chairmen and Members of subsidiary bodies of the Council

Appointment of Members on the Air Navigation Commission (ANC)

113. In the absence of comments by 24 January 2014 to the President of the Council's e-mail dated 13 January 2014, Mr. Antonio Marcio Ferreira Crespo, nominated by Brazil, has been appointed as a new Member of the ANC, replacing Mr. Manoel Araújo da Costa Júnior with effect from 24 February 2014.

114. Also, in the absence of comments by 31 January 2014 to the President of the Council's e-mail dated 27 January 2014, Mr. Claude Hurley, nominated by Canada, has been appointed as a new Member of the ANC, replacing Mr. James Inglis Dow with effect from 1 February 2014.

Membership of the Air Transport and Technical Co-operation Committees

115. As per the e-mail message from the President of Council dated 21 January 2014, Mr. Hilary K. Kioko, Representative of Kenya on the Council, has joined as a Member of the Air Transport Committee (ATC) and the Technical Co-operation Committee (TCC), and Mr. Mohamednur Adan will continue to serve as his Alternate.

Appointment of a Member on the Human Resources Committee

116. In the absence of comments by 24 January 2014 to the e-mail message from the President of the Council dated 21 January 2014, Council agreed to waive the requirement of Paragraph 2 of Appendix E to the *Rules of Procedure for the Council* with respect to election by secret ballot, and appointed Mr. Engelbert Zoa Etundi, Representative of Cameroon on the Council, as Member of the Human Resources Committee.

Appointment of a Member of the Joint Support Committee and Alternate on the Air Transport, Finance and Unlawful Interference Committees

117. In the absence of comments by 31 January 2014 to the e-mail message from the President of the Council dated 23 January 2014, Council agreed to waive the requirement of Paragraph 2 of Appendix E to the *Rules of Procedure for the Council* with respect to election by secret ballot, and appointed Mr. Maxime Millefert, Alternate Representative of France on the Council, as Member of the Joint Support Committee and Alternate to Mr. Olivier Caron, Representative of France on the Council, on the Air Transport, Finance and Unlawful Interference Committees.

Subject No. 50 Questions relating to the environment

Appointment of new Members on the Committee on Aviation Environmental Protection (CAEP)

118. In the absence of comments by 17 January 2014 to the President of the Council's e-mail dated 20 December 2013, Mr. Daisuke Umezawa has been appointed as the new CAEP Member from Japan to replace Mr. Yasuo Ishii with effect from 18 January 2014.

119. Also, in the absence of comments by 17 January 2014 to the President of the Council's e-mail dated 15 January 2014, Mrs. Catherine Marthe has been appointed as the new CAEP Member from Switzerland to replace Mr. Urs Ziegler with effect from 18 January 2014 until April 2014, at which time Mr. Ziegler will resume his role as CAEP Member for Switzerland.

Subject No. 15.4 Facilitation

Public Key Directory (PKD) Membership

120. In the absence of comments by 31 January 2014 to the President of the Council's e-mail dated 25 January 2014, Dr. Eckart Brauer, Senior Officer, Federal Ministry of the Interior (Germany) and Mr. Ahmed Nasser Al Raisi, General Director of Central Operations, Ministry of Interior (United Arab Emirates) have been re-appointed as Members of the PKD Board for three-year terms.

121. In addition, Ms. Elizabeth Brown, Director of Business Assurance Section, Passport Office (Australia) has been appointed as a Member of the PKD Board to replace Mr. Adeel Khan until November 2016.

Subject No. 10 ICAO relations with the United Nations, the specialized agencies and other international organizations

Request from the European Union (EU) to participate as Observer in closed meetings of the Council on aviation security

122. In the absence of comments by 6 February 2014 to the President of the Council's e-mail dated 8 January 2014, Mr. Christopher Ross, Head of Office, Office of the European Union (EU) in Montréal, has been invited, in accordance with Rules 32 a) and 38 of the *Rules of Procedure for the Council* (Doc 7559), to participate as Observer on behalf of the EU during the current (201st) Council's consideration, in closed session, of all items related to aviation security.

Request from Airports Council International (ACI) to participate as Observer in closed meetings of the Council on safety and security

123. In the absence of comments by 6 February 2014 to the President of the Council's e-mail dated 14 January 2014, Mr. Michael Rossell, Representative of Airports Council International (ACI) in Montréal, has been invited, in accordance with Rules 32 a) and 38 of the *Rules of Procedure for the Council* (Doc 7559), to participate as Observer on behalf of ACI during the current (201st) Council's consideration, in closed session, of all items related to safety and security.

Subject No. 13: Work Programmes of Council and its subsidiary bodies

Council Retreat

124. A two-day off-site Council Retreat is scheduled to take place from 13 to 14 June 2014 at the Fairmont Le Château Montebello in Quebec, the main objective of which will be to review the Council's leadership role in enhancing the efficiency and effectiveness of ICAO. A planning group consisting of the Representatives of Australia, Bolivia (Plurinational State of), Burkina Faso, Canada, Portugal, United Arab Emirates and the Chairperson of the Working Group on Governance and Efficiency (China) has been established to oversee the programme for this event.

Subject No. 27: Convention on International Civil Aviation (Chicago Convention)

70th Anniversary of the Chicago Convention

125. Preliminary discussions have taken place with the United States with a view to exploring the possibility of holding a special session of the Council in Chicago in conjunction with the 70th Anniversary of the signing of the Chicago Convention. In the same vein, discussions are also currently under way with Canada with a view to hosting related celebratory activities in Montréal. More detailed information on these and other related matters, including the establishment of an ICAO Museum, will be shared with the Council in due course as further details are confirmed.

126. In relation to the penultimate item of Any other business, concerning the foreshadowed Council Retreat, the President of the Council indicated that during informal consultations with various Council Representatives, this proposal had received a positive response. The main objective of the Council Retreat would be to review the Council's leadership role in enhancing the efficiency and effectiveness of ICAO. The participants would include all Council Representatives, Resident Representatives to ICAO, the President of the ANC, members of the ANC Planning Team, the Secretary General and senior management, including Regional Directors. The President also proposed to invite the heads of the International Air Transport Association (IATA), Airports Council International (ACI), and specific industry representatives such as Bombardier. With their participation at the Retreat, the President was considering the possibility of convening an informal briefing on the state of the aviation industry. Additional information on the Council Retreat, including accommodations details and the logistics, would be provided to Council Representatives in the near future.

127. In relation to the 70th Anniversary of the Chicago Convention, the President indicated that planning had already commenced with regard to proposed celebratory activities and initial contacts had been established with representatives of the United States with a view to hosting a special session of the Council in Chicago. In addition, the President was scheduled to shortly hold discussions with the Minister of Foreign Affairs of Canada, the Deputy Minister of International Relations of Quebec, and the Mayor of Montréal, to propose a related event to be held in Montréal, to which it was envisaged that senior officials from ICAO Member States as well as locally-based international aviation organizations, would be invited.

128. In the context of the 70th Anniversary of the Chicago Convention, the President was also proposing the establishment of an ICAO museum at which relevant historical documentation would be available for a special display highlighting the 70th Anniversary and the role of the Convention in air transport growth and progress. In this respect, the President was intending to request that Member States and other organizations consider donating to ICAO items that could be displayed in the museum.

129. Separately, the President indicated that ICAO would be considering joining IATA, CANSO, ACI and other relevant external stakeholders in supporting a publication to celebrate 100 years of commercial aviation that would also feature important ICAO related developments supporting effective commercial civil aviation operations. Plans were also under way for a two or three-part editorial feature to be sent to external aviation publications and the media outlets later in 2014 that would highlight the history of aviation in the context of ICAO milestones. This would also be published in the *ICAO Journal* in one of the editions due in 2014. In the context of the 70th Anniversary celebrations, the President also invited the Council to put forward any other proposals that would be appropriate for celebrating this historic anniversary.

130. The meeting adjourned at 1730 hours.

COUNCIL — 201ST SESSION

SUMMARY MINUTES OF THE SECOND MEETING

(THE COUNCIL CHAMBER, WEDNESDAY, 26 FEBRUARY 2014, AT 1000 HOURS)

CLOSED MEETING

President of the Council: Dr. Olumuyiwa Benard Aliu

Secretary: Mr. Raymond Benjamin, Secretary General

PRESENT:

Argentina	— Dr. N. E. Luongo (Alt.)	Malaysia	— Mr. Y.-H. Lim
Australia	— Ms. K. Macaulay	Mexico	— Mr. D. Méndez Mayora
Bolivia (Plurinational State of)	— Mr. J.G. Soruco	Nicaragua	— Mrs. E. A. Aráuz Betanco
Brazil	— Mr. J.L. Vieira (Alt.)	Nigeria	— Mr. M.E. Nwafor
Burkina Faso	— Mr. M. Dieguimde	Norway	— Mr. K.M. Skaar
Cameroon	— Mr. E. Zoa Etundi	Poland	— Mr. P. Olowski (Alt.)
Canada	— Mr. M. Allen	Portugal	— Mrs. M.H. Faleiro T. de Almeida
Chile	— Mr. W.H. Celedón	Republic of Korea	— Mr. Choi, D.
China	— Mr. Tao Ma	Russian Federation	— Mr. A.A. Novgorodov
Dominican Republic	— Mr. C.A. Veras Rosario	Saudi Arabia	— Mr. A. Almoghraby (Alt.)
Egypt	— Mr. A. Mahmoud	Singapore	— Mr. T.C. Ng
France	— Mr. O. Caron	South Africa	— Mr. L. Mabaso
Germany	— Mr. U. Schwierczinski	Spain	— Mr. V.M. Aguado
India	— Mr. P.N. Sukul	United Arab Emirates	— Capt. A. Al Hamili
Italy	— Mr. A. Bardaro (Alt.)	United Kingdom	— Mr. M. Rodmell
Japan	— Mr. T. Koda	United Republic of Tanzania	— Mr. R.W. Bokango
Kenya	— Mr. H.K. Kioko	United States	— Mr. J.L. Novak (Alt.)
Libya	— Mr. M. Sayeh Eltayf	Venezuela (Bolivarian Republic of)	— Mr. D.A. Blanco Carrero

ALSO PRESENT:

Mr. A. Rebouças (Alt.)	— Brazil
Mr. P. de Moreas Jardim (Alt.)	— Brazil
Mr. M. Delisle (Alt.)	— Canada
Ms. M. Furuhashi (Alt.)	— Japan
Mrs. D. Valle Álvarez (Alt.)	— Mexico
Mr. Kang, M. (Alt.)	— Republic of Korea
Mr. Hwang, S.-Y. (Alt.)	— Republic of Korea

SECRETARIAT:

Mr. D. Azema	— DC/OSG
Mr. B. Djibo	— D/ATB
Mr. J. Marriott	— C/AVSEC
Mrs. N. Abdennebi	— C/EAP
Mr. A. Quiroz	— C/ASA
Mr. S. Berti	— C/SFP
Mr. A. Djojonegoro	— SFP
Mr. A. Doazan	— SFP
Mr. A. Larcos	— ACC
Miss S. Black	— Précis-writer

Representatives to ICAO

Afghanistan

Colombia

Cuba

Ecuador

Greece

Indonesia

Iran (Islamic Republic of)

Morocco

Mozambique

Peru

Turkey

Airports Council International (ACI)

European Union (EU)

Subject No. 52: Unlawful interference with international civil aviation and its facilities

Adoption of Amendment 14 to Annex 17

1. The Council had for consideration: C-WP/14092 Restricted, in which the Secretary General presented the results of the consultation with States on proposals to amend Annex 17 — *Security* and set forth proposed Amendment 14, which incorporated changes made by the Secretariat in light of comments received to State letter AS 8/2.1-13/58 Confidential dated 2 July 2013; and an oral report thereon by the Committee on Unlawful Interference (UIC), which had reviewed the paper at its First Meeting of the current session on 29 January 2014.

2. The UIC supported the Amendment 14 proposals, which strengthened Annex 17 and addressed matters such as unpredictability, landside security, and cyber threats. The Committee had emphasized the merits of including an impact analysis and implementation plan when proposing new amendments so that decisions made by both the Council and States would be more fully informed. The UIC had been advised that the Aviation Security Panel (AVSECP) would consider this matter during its Twenty-fifth Meeting, to be held in Montréal from 17 to 21 March 2014.

3. A Committee Member had suggested that proposed new Recommended Practice 4.9.2 was overly prescriptive. However, another Member had underscored the flexibility inherent in the proposal and the practical effect should States choose to apply it, and had pointed out that the matter of flexibility could be given further consideration should there be a proposal in the future to convert this Recommended Practice to a Standard.

4. With regard to concerns about the quality of translation of Amendment 14, it had been noted that all language versions would be carefully reviewed and corrected, as necessary, by the Language and Publications Branch (LPB) prior to dissemination. Furthermore, the Secretariat had suggested an amendment to the revised Foreword to Annex 17 contained in Appendix E to the paper, whereby the word “controls” would be replaced with the word “measures” so that the text would read as follows: “This amendment includes a definition of unpredictability in relation to the implementation of security measures.”.

5. The UIC recommended the adoption of Amendment 14, with an applicability date of 14 November 2014, subject to this amendment. It was noted that the proposed editorial changes to Amendment 14 received from the Representative of France in response to the President’s memorandum PRES OBA/2269 dated 12 February 2014 would be taken into account by the Secretariat in finalizing the text of Amendment 14 to Annex 17.

6. In the absence of comments, the Council, by 33 votes in favour, none against and no abstentions (three Representatives being absent), adopted, as Amendment 14 to Annex 17, with an applicability date of 14 November 2014, the Standards and Recommended Practices (SARPs) as contained in Appendix C to C-WP/14092 Restricted. In addition, the Council approved the draft Resolution of Adoption set forth in Appendix D to the paper, subject to the insertion of the date of adoption of 26 February 2014 in Operative Clause 1 thereof. As part of the amendment, the Council also approved the revised Foreword to Annex 17 as contained in Appendix E, subject to the replacement of the word “controls” with the word “measures”. It was noted that during its upcoming Twenty-fifth Meeting (Montréal, 17-21 March 2014) the AVSECP would consider the need for inclusion of an impact analysis and implementation plan when proposing new amendments to Annex 17.

Aviation security risk overview

7. The Secretary General presented the following oral report giving an overview of the current security risks faced by international civil aviation:

“I am pleased to provide the Council with this overview of the current security risks faced by international civil aviation. During 2013, the Secretariat recorded seven acts of unlawful interference. These included three facility attacks, one sabotage, one seizure of a helicopter and two other acts, including an armed assault on an air cargo terminal.

“Of particular note was a facility attack during which a lone gunman opened fire at a passenger screening checkpoint at Los Angeles International Airport, killing one person and injuring six. In another incident, several explosive devices made with dry ice were assembled inside a terminal by two airport employees; despite the detonation of one device, no injuries resulted.

“For further information on the incidents and other occurrences recorded in 2013, I invite Council Members to log into the Acts of Unlawful Interference (AUI) database on the ICAO secure portal. The Secretariat remains at your disposal should you need assistance in gaining access to the site.

“As you know, ICAO recently developed a living document known as the ICAO *Global Risk Context Statement* (RCS). The RCS was recently updated by the Aviation Security Panel and contains the latest threat information; the document has been posted on the ICAO-NET under ‘Publications’ and ‘Others’.

“In its latest assessment, the RCS highlights recent developments in terrorist activities and identifies a number of threats that could pose a significant risk to the security of aviation operations.

“The introduction of improvised explosive devices (IED) in the aviation environment remains the terrorist’s weapon of choice and presents a high risk to civil aviation. It is believed that innovation in the concealment of IEDs, and the materials used to make them, could ultimately circumvent current aviation security measures and technology, both on passenger and cargo aircraft. We can be confident, however, that the latest amendments to Annex 17 and ICAO’s efforts to ensure compliance with aviation security provisions are important steps towards closing gaps in the aviation security policy framework and its implementation. The Symposium on Innovation in Aviation Security, to be held in October 2014, will certainly assist States and industry alike in defining the screening technology of the future, including equipment to better detect the concealment of all types of explosives.

“While there has been no Man-Portable Air Defence Systems (MANPADS) attack against civil aviation since 2007, the threat posed by MANPADS has increased in certain regions of the world as a result of conflict, political changes and advanced weapons capabilities. Proliferation and availability of MANPADS has expanded as well as the regions in which they may be used. A significant recent development is that MANPADS are no longer solely a threat in conflict zones but should be considered an emerging threat in neighbouring regions.

“As evidenced by the shooting incident at Los Angeles International Airport, as well as a foiled plot to drive a vehicle-based IED into a terminal at Wichita Mid-Continent Airport, the public areas of airports remain attractive targets. These incidents follow the 2011 bombing at Moscow Domodedovo Airport and the 2012 attack on a tourist bus outside the airport in Burgas, Bulgaria. The Secretariat reiterates the importance of landside security measures as required by Annex 17.

“The Wichita incident constitutes a brutal reminder that the insider threat is a real concern, and that compliance with applicable Annex 17 provisions is paramount. According to information at hand, the alleged perpetrator was a radicalized technician working at the airport who attempted to open a security gate with his airport ID in order to drive a vehicle packed with explosives onto the airport tarmac.

“Similarly, cyber security is a matter of great current interest, and a number of States and international organizations have taken initiatives to reduce the associated risk. Although the impact that cyber attacks would have on the aviation system are not yet well understood, the RCS indicates that catastrophic consequences could result. It also observes that terrorists are exhibiting heightened interest in exploiting this perceived vulnerability, as they did previously with air cargo. We take this emerging threat seriously, and I have requested the Secretariat to develop a cyber risk strategy in collaboration with key stakeholders. Meanwhile, Amendment 14 to Annex 17 is set to strengthen cyber security measures.

“I wish to remind the Council that the information provided in this report is a partial indicator of the threat environment facing civil aviation. A detailed picture of the global threat, including a risk assessment table, can be found in the ICAO *Global Risk Context Statement* (RCS).

“Finally, the Council should recall that ICAO is not in a position to collect, receive or assess classified security intelligence or information protected by administrative or judicial processes. Through their offices, however, the members and observers of the AVSEC Panel are aware of this broad information and its relevance to the development of security measures, and take this into account when making recommendations to the Council.”.

8. In providing supplementary information, the Secretary General noted that the said Symposium on Innovation in Aviation Security would be convened at ICAO Headquarters in Montréal from 21 to 23 October 2014. He emphasized that it would offer States and industry an opportunity to further address existing and emerging aviation security challenges, including those posed by IEDs, MANPADS, insider threats and cyber attacks, and to determine and define requirements for future screening technology.

9. The Secretary General reminded Representatives that the information provided to them in oral reports on aviation security risks, and the data contained in the Acts of Unlawful Interference (AUI) database and the ICAO *Global Risk Context Statement* (RCS) relied on the availability of information. He underscored the important obligation of States to provide ICAO with pertinent information concerning any act of unlawful interference. Summaries of the information collected were entered in the database for the benefit of the Secretariat and Member States wishing to develop their own short- or long-term analyses. The secure website facilitated research by maintaining yearly results dating from 1981, with trends updated automatically and displayed in the form of graphs and a detailed table.

10. The Secretary General reiterated that the record of acts of unlawful interference and other occurrences was an important, but partial, indicator of the threat environment facing civil aviation. ICAO was not in a position to collect, receive or assess classified security intelligence or information protected by administrative or judicial processes. However, the Members of the Aviation Security Panel (AVSECP), through their offices, had an awareness of that broader set of information which was relevant to the development of security measures and took the information into account in their recommendations to the Council and the Secretariat.

11. There being no comments, the Council noted the Secretary General's oral report, as well as the supplementary information which he had provided. Representatives were invited to consult the ICAO *Global Risk Context Statement* (RCS) on the ICAO-Net for a detailed picture of the global threat environment, and the Acts of Unlawful Interference (AUI) database on the ICAO secure portal for further information on acts of unlawful interference and other occurrences which had been recorded in 2013.

12. The Council reconvened in open session at 1020 hours to consider the remaining items on its order of business.

COUNCIL — 201ST SESSION

SUMMARY MINUTES OF THE SECOND MEETING

(THE COUNCIL CHAMBER, WEDNESDAY, 26 FEBRUARY 2014, AT 1020 HOURS)

OPEN MEETING

President of the Council: Dr. Olumuyiwa Benard Aliu

Secretary: Mr. Raymond Benjamin, Secretary General

PRESENT:

Argentina	— Dr. N. E. Luongo (Alt.)	Malaysia	— Mr. Y.-H. Lim
Australia	— Ms. K. Macaulay	Mexico	— Mr. D. Méndez Mayora
Bolivia (Plurinational State of)	— Mr. J.G. Soruco	Nicaragua	— Mrs. E.A. Aráuz Betanco
Brazil	— Mr. J.L. Vieira (Alt.)	Nigeria	— Mr. M.E. Nwafor
Burkina Faso	— Mr. M. Dieguimde	Norway	— Mr. K.M. Skaar
Cameroon	— Mr. E. Zoa Etundi	Poland	— Mr. P. Ołowski (Alt.)
Canada	— Mr. M. Allen	Portugal	— Mrs. M.H. Faleiro T. de Almeida
Chile	— Mr. W.H. Celedón	Republic of Korea	— Mr. Choi, D.
China	— Mr. Tao Ma	Russian Federation	— Mr. A.A. Novgorodov
Dominican Republic	— Mr. C.A. Veras Rosario	Saudi Arabia	— Mr. A. Almoghraby (Alt.)
Egypt	— Mr. A. Mahmoud	Singapore	— Mr. T.C. Ng
France	— Mr. O. Caron	South Africa	— Mr. L. Mabaso
Germany	— Mr. U. Schwierczinski	Spain	— Mr. V.M. Aguado
India	— Mr. P.N. Sukul	United Arab Emirates	— Capt. A. Al Hamili
Italy	— Mr. A. Bardaro (Alt.)	United Kingdom	— Mr. M. Rodmell
Japan	— Mr. T. Koda	United Republic of Tanzania	— Mr. R.W. Bokango
Kenya	— Mr. H.K. Kioko	United States	— Mr. J.L. Novak (Alt.)
Libya	— Mr. M. Sayeh Eltayf	Venezuela (Bolivarian Republic of)	— Mr. D.A. Blanco Carrero

ALSO PRESENT:

Mr. A. Rebouças (Alt.)	— Brazil
Mr. P. de Moreas Jardim (Alt.)	— Brazil
Mr. M. Delisle (Alt.)	— Canada
Ms. M. Furuhashi (Alt.)	— Japan
Mrs. D. Valle Álvarez (Alt.)	— Mexico
Mr. Kang, M. (Alt.)	— Republic of Korea
Mr. Hwang, S.-Y. (Alt.)	— Republic of Korea

SECRETARIAT:

Mr. D. Azema	— DC/OSG
Mr. B. Djibo	— D/ATB
Mr. J. Marriott	— C/AVSEC
Mrs. N. Abdennebi	— C/EAP
Mr. A. Quiroz	— C/ASA
Mr. S. Berti	— C/SFP
Mr. B. Verhaegen	— SELO
Mr. A. Djojonegoro	— SFP
Mr. A. Doazan	— SFP
Mr. A. Larcos	— ACC
Miss S. Black	— Précis-writer

Representatives to ICAO

Afghanistan
Colombia
Cuba
Ecuador
Greece
Indonesia
Iran (Islamic Republic of)
Morocco
Mozambique
Peru
Turkey

Airports Council International (ACI)
European Union (EU)

Subject No. 24.3: Action on Assembly resolutions and decisions

Subject No. 52: Unlawful interference with international civil aviation and its facilities

Review of Assembly resolutions and decisions — *Security & Facilitation*

1. The Council considered this subject on the basis of: C-WP/14091, in which the Secretary General proposed actions to implement Assembly Resolutions A38-15 and A38-16 and relevant Assembly decisions relating to security and facilitation; and oral reports thereon by the Committee on Unlawful Interference (UIC) and the Air Transport Committee (ATC).

2. The UIC had considered C-WP/14091 during its First Meeting of the current session on 29 January 2014. While expressing support for the actions proposed in the paper, the Committee had noted that the lead and supporting entities indicated therein could be clarified. For example, it had been suggested that references to ICAO “assisting” the Aviation Security Panel (AVSECP) might instead be replaced with phrases such as “Council to direct” the AVSECP. The UIC had been advised that, while the paper had originally been developed from a Secretariat perspective, the roles of various entities would be more clearly described in reporting on the progress pertaining to the implementation of actions.

3. With reference to the action proposed in Appendix A for Assembly Resolution A38-15, Appendix C (Implementation of technical security measures), Section A, paragraph 1, the UIC had agreed that the text should be amended to read: “Assist the Aviation Security Panel (AVSECP) in ensuring that the ICAO *Global Risk Context Statement* (RCS) is kept up-to-date.” It had also been suggested that that activity should be reflected as an ongoing activity throughout the triennium.

4. The Secretariat had taken note of all other comments, including the need to provide greater precision on implementation dates, and indicate the relevant Council session when action items were expected to be completed, for inclusion in the future in working papers on Assembly resolutions and decisions.

5. The UIC recommended that the Council endorse the proposed actions contained in C-WP/14091, taking into account the Committee’s views.

6. The ATC had reviewed the said paper at its First Meeting of the current session on 23 January 2014. In considering the proposed actions contained in the Appendix to C-WP/14091, support had been expressed for the following proposals to improve the format and presentation: a) clarify Resolution cross-references by including the Resolution number, chapter, and title; b) link proposed action to the Organization’s Business Plan and Budget; c) provide specific target dates and timelines with references to the Committee/Council session and ensure the target date allowed time for implementation; and d) provide progress reports on ongoing work. The ATC had noted that the format complied with the standard format used for all working papers pertaining to Assembly Resolutions and decisions and that its suggestions would be taken into consideration when next undertaking such an exercise. The ATC had agreed that the proposed actions outlined in the Appendix effectively responds to the Resolutions and decisions of the 38th Session of the Assembly.

7. The Council noted that: both Committees agreed to the actions proposed in Appendices A (Security) and B (Facilitation) to C-WP/14091; and that their proposals to improve the format and presentation of those actions had been noted by the Secretariat for future papers on the implementation of the said resolutions and decisions in the field of security and facilitation.

8. Drawing attention to Appendix B, the Representative of Singapore averred that the proposed action “Consider the commonalities of objectives between facilitation and the protection of the interests of air transport users and consider the appropriate restructuring of Annex 9 if necessary” should not be included in the Work Programme for the FAL Programme (2014-2016). In underscoring that ICAO’s work relating to consumer protection was based primarily on the air transport platform, he noted that the Air Transport Regulation Panel (ATRP) would discuss that issue at its forthcoming meeting (Montréal, 26 to 30 May 2014). Indicating that it was therefore premature to include the said proposed action in the FALP’s Work Programme, the Representative of Singapore emphasized that that would prejudice the outcome of the ATRP’s deliberations on the need to restructure Annex 9 — *Facilitation*. Underscoring that it might also cause unnecessary confusion and complications for the two panels, he suggested that the proposed action be removed from the FALP’s Work Programme as outlined in Appendix B.

9. Recalling that the said proposed action was included in the Report of the Executive Committee (cf. A38-WP/419, paragraph 25.12), which had been approved by the Plenary, the Director of the Air Transport Bureau (D/ATB) suggested that it be retained so that discussion of that issue could commence without any unnecessary delay. In underscoring that the proposed action only called for consideration of the commonalities of objectives between facilitation and consumer protection and the restructuring of Annex 9, he stressed that the FALP’s discussion of those issues would not pre-empt any decisions by the Council.

10. Noting, from Appendix A, that the only action proposed to implement Assembly Resolution A38-15, Appendix D, “Action of States concerned with an act of unlawful interference” was the provision of an annual oral report to the Council on Aviation Security Risk Overview, including threat and vulnerability information, the Representative of Venezuela (Bolivarian Republic of) emphasized that States might also need some guidance, such as information on best practices, in deciding on what measures to take in response to an act of unlawful interference. In further observing that the actions proposed to implement Assembly Resolution A38-15, Appendix C, “Implementation of technical security measures” did not include any reference to assistance to States, such as workshops and training that would help them in meeting technical challenges, he sought clarification.

11. Responding to the first point raised by the Representative of Venezuela (Bolivarian Republic of), the Chief of the Aviation Security Branch (C/AVSEC) emphasized that, in addition to the yearly Aviation Security Risk Overview, Council was immediately informed whenever a significant act of unlawful interference occurred that had come to the Secretariat’s attention in order for that information to be disseminated as quickly as possible. Whenever a suspected act of unlawful interference or other form of threat arose that was immediate in nature and of a sufficient degree of severity, it was the practice to transmit to States not only information on the threat, but also guidance material in the form of recommendations on how to respond. The Secretariat would continue with that practice while efforts were made to develop more robust and long-lasting guidance material. Underscoring that the Secretariat was always at the disposal of Representatives to receive information regarding specific challenges which their States were facing in connection with an act of unlawful interference, C/AVSEC stressed that it would do its very best to provide information that could help overcome those challenges.

12. In noting that the ICAO *Global Risk Context Statement* (RCS) provided all of the necessary guidance on the various types of risks and corresponding mitigation measures, the President of the Council emphasized the importance of keeping the RCS up-to-date so that it would address new and emerging risks.

13. With reference to the second point raised by the Representative of Venezuela (Bolivarian Republic of), C/AVSEC underscored that, consistent with the increased profile of facilitation under ICAO’s

new Security & Facilitation Strategic Objective, the Secretariat was conducting seminars on facilitation more frequently. He recalled, in this regard, the two recent ICAO Regional Facilitation (FAL) Seminars held in Nairobi, Kenya, from 18 to 21 February 2014 and in Cairo, Egypt, from 24 to 27 February 2014, which had covered regions in Africa and the Middle East. Noting from the intervention by the said Representative that there might very well be a similar interest in holding such a seminar in South America, C/AVSEC indicated that that would be taken into account in planning the future programme of ICAO Regional FAL seminars. Such a seminar would be in addition to the assistance provided by the Secretariat regarding the Machine Readable Travel Documents (MRTDs) aspect of facilitation. Recalling that two regional seminars on MRTDs and Traveller Identification Management were conducted annually, C/AVSEC indicated that in 2014, they would take place in Tashkent, Uzbekistan from 8 to 10 April 2014, and in Madrid, Spain, from 25 to 27 June 2014.

14. The Representative of the Dominican Republic endorsed the actions proposed in the paper, as well as those recommended by the UIC and the ATC in their oral reports. In voicing satisfaction that one of the proposed actions in Appendix B was the development of a model roadmap for implementation of e-Passports [cf. A38-WP/431 (16.21)], he noted that, despite the excellent work being done by ICAO in the field of e-Passports, the Dominican Republic still had some doubts as to how to proceed. The envisaged model roadmap would assist it in implementing e-Passports.

15. In response to a question raised by the Representative of Nicaragua regarding the action proposed in Appendix A to implement Assembly Resolution A38-15, Appendix A, “General policy” [“Issue a State letter encouraging contributions to the ICAO Comprehensive Aviation Security Strategy (ICASS)], C/AVSEC noted that through the generous contributions of ICAO Member States, whether financial or in-kind, the Organization was in a position to extend aviation security assistance far beyond the constraints of the Regular Budget. In particular, the Secretariat was actively assisting States in meeting their aviation security-related obligations throughout the Americas, Africa, Eastern Europe and the Asia and Pacific region. Such work required both financial and human resources, for which reason the Secretariat strongly encouraged ICAO Member States to continue to be generous. As the Secretariat considered that, in the interests of transparency and good governance, it was best to make an appeal for contributions based on the needs as they are seen at the time and on a plan of future activities, specifics regarding the level of contributions would be provided in the envisaged State letter on the ICASS.

16. The Representative of the United Kingdom suggested that the said State letter not only solicit contributions to the ICASS but also highlight ICAO’s achievements arising from past contributions, in order to give greater encouragement to ICAO Member States to contribute.

17. Referring to the action proposed in Appendix A to implement Assembly Resolution A38-15, Appendix G, “Principles of international cooperation in aviation security” (“... present for AVSECP/25 consideration a draft Action Plan to promote ... recognition of equivalent security measures”), the Representative of India stressed that while the general principles of cooperation and security were accepted in bilateral/multilateral air services agreements, there were several security measures for which it was necessary to have a template for acceptance, particularly for the deployment of in-flight security officers on aircraft. He enquired whether the development of such a template was envisaged.

18. C/AVSEC clarified that, at the present time, the intention was to respect the wishes of the High-level Conference on Aviation Security (HLCAS) (Montréal, 12 to 14 September 2012) and the subsequent 38th Session of the Assembly and explore the extent to which bilateral and multilateral air services agreements could be rendered more effective as security instruments through the possible

introduction of the concept of recognition of equivalent security measures and through focus on security outcomes. He understood the point made by the Representative of India that in many cases precision in requirements was valuable to aviation security. C/AVSEC recalled, however, that it had been repeatedly emphasized, at the highest levels, that it was necessary to: support the sustainability of civil aviation by exploring possibilities to recognize the equivalency of security measures, and thereby introduce greater efficiency without impairing the effectiveness of security measures; and apply the same perspective to the focus on security outcomes, with less precision as to the ways in which those outcomes were achieved. It was hoped that, by reviewing the existing standard text of air services agreements and guidance material contained in ICAO's *Aviation Security Manual* (Doc 8973), the Organization might be able to offer a model that provided a new and better platform to support States.

19. The Representative of the Russian Federation noted that the upcoming Diplomatic Conference to adopt the proposed draft text of the Protocol to the Tokyo Convention of 1963, to be held in Montréal from 26 March to 4 April 2014, would address the issue of the deployment of in-flight security officers on aircraft.

20. Referring to the action proposed in Appendix A for Assembly Resolution A38-15, Appendix C (Implementation of technical security measures), Section A, paragraph 1, the Representative of France emphasized the need for the updating of the ICAO *Global Risk Context Statement* (RCS) to remain within the established framework. In particular, the Working Group on Threat and Risk (WGTR) of the Aviation Security Panel (AVSECP) should not be requested to provide an analysis of the threats and risks in a given region, which it was not in a position to do. That was not the mandate of the WGTR. Moreover, the Working Group did not have the capability to conduct such an analysis. Recalling clarifications that had been provided during the UIC's review of C-WP/14091, the Representative of France emphasized that the role of the WGTR was to assist the AVSECP in the updating of the RCS by proposing the introduction therein of new threats and risks for the Panel's consideration.

21. The above comments and suggestions were noted.

22. The Council agreed to the UIC's suggestions that the action proposed in Appendix A for Assembly Resolution A38-15, Appendix C (Implementation of technical security measures), Section A, paragraph 1, be amended to read "Assist the Aviation Security Panel (AVSECP) in ensuring that the ICAO *Global Risk Context Statement* (RCS) is kept up-to-date; ..." and that the associated timeframe/target date for implementation be changed from "3Q/2014" to "throughout the triennium" to reflect that it was an ongoing activity.

23. It was also agreed that, as suggested by the Representative of the Russian Federation, an additional action be included in Appendix A for the implementation of the Assembly's decision regarding the ICAO Point of Contact (PoC) Network [cf. A38-WP/417 (13.28)] relating to the development of updated guidance material to facilitate States' use of the PoC Network. The corresponding timeframe/target date was the fourth quarter of 2014 (4Q/2014).

24. Subject to the above-mentioned amendments, the Council approved the actions proposed in Appendices A and B to C-WP/14091, as recommended by the UIC and the ATC, in order to effectively implement the resolutions and decisions of the 38th Session of the Assembly in the field of security and facilitation.

Subject No. 52.1: Universal Security Audit Programme

**Progress report on the implementation of the Universal Security Audit Programme
— Continuous Monitoring Approach (USAP-CMA) transition plan**

25. The Council had for consideration: C-WP/14093 [with Revision No. 1 (French and Spanish only)], in which the Secretary General presented a progress report on the implementation of the USAP-CMA transition plan, as well as a draft generic Memorandum of Understanding (MoU) for the conduct of USAP-CMA activities to be signed between ICAO and all Member States; and an oral report thereon by the Committee on Unlawful Interference (UIC), which had reviewed the paper at its First Meeting of the current session on 29 January 2014.

26. The UIC had thanked the Secretariat for the paper and had been generally satisfied with its content and the progress made in carrying out the transition. The Committee had been advised that the software being developed for the USAP-CMA would be used exclusively by ICAO auditors, unlike that used by the Universal Safety Oversight Audit Programme Continuous Monitoring Approach (USOAP CMA), which was also used by States. The UIC had also been advised that USAP-CMA seminars would be conducted in all regions during the transitional year of 2014, in order to prepare States for the full implementation of the new approach beginning in early 2015.

27. With regard to the MoU, some Committee Members had requested further clarification relating to the wording and impact of certain paragraphs; however, the UIC had recognized the importance of not delaying the transition to the USAP-CMA. Paragraph 5 of the MoU required States to complete and maintain up-to-date Compliance Checklists, although the frequency of such updates was not specified. The Committee had been advised that the completion and submission of Compliance Checklists should be governed by the rules applicable to the filing of differences under Article 38 of the Chicago Convention.

28. The UIC had discussed the implications of paragraph 18 of the MoU relating to the language of USAP-CMA activities. In order to adhere to the UN principle of multilingualism, it had been proposed that the Council consider whether the paragraph should be modified to highlight the equivalence of all ICAO working languages when it comes to the conduct of USAP-CMA activities, or whether no reference should be made to any specific languages. In that regard, the Secretariat had reminded the Committee that the text used in the draft generic USAP-CMA MoU concerning this matter was almost identical to that used in the USOAP-CMA MoU, which had been approved by the Council in March 2011 (192/8). Moreover, the Secretariat had advised the UIC that any move to conduct USAP-CMA activities in languages other than those specified would result in substantial costs, and would delay the launching of the USAP-CMA. Some Committee Members had suggested exploring this issue in terms of cost implications and adherence to basic principles of international organizations. It had also been noted that the final text of the MoU would be the subject of a bilateral agreement between ICAO and a particular State.

29. With regard to paragraph 22 (c) of the draft generic MoU, the UIC had discussed the obligation of States to bear the cost of intra-State transportation during CMA activities. The Committee had been advised that this requirement was included in both the previous USAP MoU and in the current USOAP-CMA MoU, both of which had been approved by the Council (167/8 and 192/8, respectively). It had been clarified that paragraph 22(c) referred only to short-distance transportation within a given State, and that any significant costs in this respect would be discussed with States when necessary.

30. Concerns had been expressed regarding the protection of aviation security-related information, as addressed in paragraphs 32, 34 and 35 of the draft generic MoU, notably the security of information posted on the USAP secure website. In particular, in paragraph 32 of the draft generic MoU, it had been suggested to include in the non-confidential audit activity summary, which included the names of audited States and the names of visited airports together with the level of implementation of the critical elements of an aviation security oversight system by State, an indication of compliance by State with Annex 17 Standards. Views had been expressed that that information could be used by terrorist groups for identification of “weak points” in the global aviation security system. Concerns had also been expressed with regard to the protection level of the USAP secure website from unauthorized access.

31. In this respect, the UIC had been advised by the Secretariat that information posted on the USAP secure website consisted entirely of aggregated data of a general nature, and would not allow for the identification of specific vulnerabilities in any Member State. In addition, discussions were under way with the Information and Communication Technology (ICT) Section on the effectiveness of existing security measures and the identification of options for improved information security.

32. With regard to the procedure for the sharing of unresolved Significant Security Concerns (SSeCs) with all Member States, described in paragraph 34 of the draft generic MoU, the Chairperson of the UIC had recalled that currently ICAO sent the information related to differences with Annex 17 SARPs in sealed envelopes. He had suggested amending the last sentence of paragraph 34 by replacing the words “the USAP secure website” with the words “a confidential communication” so as to read as follows: “... unresolved SSeCs being made available to all Member States through a confidential communication until resolved.”. The Secretariat had clarified that only the names of States with unresolved SSeCs were shared through the USAP secure website, without providing any additional information on the nature of the SSeCs. Furthermore, the wording of paragraph 34 in the proposed MoU was directly derived from the SSeC mechanism approved by the Council (189/3), and was identical to the text in the existing USAP MoU that had been in use for the past six years.

33. The UIC recommended that the Council endorse the work conducted to date in developing the USAP-CMA. It also recommended that the Council consider the views expressed by the Committee and approve the amended draft generic MoU for signature by ICAO and all Member States.

34. Recalling that many of the issues raised in the UIC’s oral report had been considered previously by the Council when it had approved (192/8) the generic USOAP CMA MoU, the Representative of Mexico indicated that he did not wish to re-open discussion thereof given that the said MoU was working effectively. In endorsing the action proposed in the executive summary of the paper, he highlighted the importance of protecting the USAP secure website. Referring to the proposal to amend paragraph 34 of the draft generic USAP-CMA MoU, the Representative of Mexico noted that, while he did not have a preference regarding the means used to notify ICAO Member States of unresolved SSeCs, he questioned whether the suggested confidential communication would better safeguard the information than notifying them through the USAP secure website.

35. The Representative of the United Republic of Tanzania expressed appreciation for the progress made thus far in the transition to the USAP-CMA, and voiced support for the UIC’s oral report. Noting, from paragraph 5 of the draft generic MoU, that the Compliance Checklists contained information

on State's compliance with Annex 17 Standards and Recommended Practices (SARPs), he voiced concern that non-compliance with the Recommended Practices would be treated as a deficiency and thus have implications for the audited State.

36. While aware that paragraph 34 of the draft generic MoU relating to the submission of a corrective action plan was derived directly from the SSeC mechanism approved by the Council (189/3), the Representative of the United Republic of Tanzania expressed concern over the phrase "within the timeframe prescribed by ICAO, but not later than 15 calendar days following the receipt ... of the written notification from ICAO" in the first sentence. He queried whether the said timeframe varied from State to State. In the negative, the Representative of the United Republic of Tanzania proposed that the timeframe be specified in paragraph 34 to avoid any subjectivity. Drawing attention to the second sentence, which referred to the satisfactory implementation of the corrective action and notification thereof to ICAO "within the prescribed timeframe", he enquired whether the latter was the same 15 calendar days cited in the first sentence. In seeking clarification, the Representative of the United Republic of Tanzania averred that a timeframe of less than 15 calendar days would be too short a period for the satisfactory correction of some SSeCs.

37. In responding to the question raised regarding paragraph 5 of the draft generic MoU, the Chief of the Aviation Security Branch (C/AVSEC) noted that the provision of information relating to continuous monitoring activities was intended to produce a comprehensive snapshot of the relevant aviation security situation of a State. The Secretariat had found, in its ten years' of experience with auditing activities, that that was best accomplished when both compliance with Standards and observation of Recommended Practices were verified. The intention of USAP-CMA activities was, however, to focus on compliance with Standards. Nevertheless, the Secretariat considered that, as a matter of good practice in the conduct of continuous monitoring activities, it was beneficial for States that there be opportunity to reflect on the implementation of Recommended Practices and to provide guidance, if necessary, to support States in their efforts to implement the latter. C/AVSEC stressed that while continuous monitoring activities and reports thereon focused on Standards, it was the Secretariat's understanding that States generally appreciated constructive feedback from ICAO on their implementation of Recommended Practices.

38. Referring to paragraph 34 of the draft generic USAP-CMA MoU, C/AVSEC noted that it was consistent with the text used in the generic USOAP CMA MoU. Moreover, the SSeC mechanism on which it was based had been functioning effectively since its approval by the Council (189/3) and subsequent implementation some three years ago. C/AVSEC clarified that the confirmation of identified SSeCs occurred not at the time of the audit but at a subsequent meeting of the SSeC Committee at ICAO Headquarters.

39. In recalling that in a number of cases States had taken the necessary corrective action within the 15 calendar day timeframe envisaged in paragraph 34, C/AVSEC observed that some corrective actions had been straightforward, involving administrative measures, whereas other corrective actions had been more extensive and had involved significant construction activity, acquisition and deployment of equipment, and training of staff. It had thus been demonstrated that much corrective action could be taken within the 15 calendar day timeframe. C/AVSEC further noted that very often there were intermediate measures which could be taken to reduce the level of risk while a longer-term solution was developed and implemented.

40. To the concern expressed that paragraph 34 could introduce inconsistency in the application, by ICAO, of the said timeframe, C/AVSEC indicated that the Secretariat wished to have the possibility of having corrective action taken more quickly than in 15 calendar days in the case of an

extremely grave SSeC. He underscored, however, that the 15 calendar day timeframe had been observed since the inception of the SSeC mechanism. There had been no inconsistency in the timeframe's application and the SSeC mechanism had functioned with great success in the interests of ICAO and international civil aviation.

41. The Representative of South Africa suggested that paragraph 34 be amended to reflect the above clarification by C/AVSEC.

42. In sharing the concerns expressed by the Representative of the United Republic of Tanzania regarding arbitrariness in the establishment of the timeframe for the submission of corrective action plans, the Representative of India stressed that there should likewise be no arbitrariness in the identification of SSeCs, or of Significant Safety Concerns (SSCs). It was necessary to be consistent when applying the respective criteria for determining SSeCs and SSCs. The Representative of India averred that either there should be an element of negotiation with the audited State, where the latter acquiesced that it had a SSeC or SSC, or a very high degree of transparency.

43. Responding to a query by the President of the Council, C/AVSEC confirmed that the said 15 calendar day timeframe was for the provision by the audited State of its corrective action plan to resolve its SSeCs. In noting that the timeframe for the implementation of the corrective plan would depend upon the type of security concerns and action required for their rectification, the President of the Council affirmed that that was a reasonable approach. He nonetheless requested that the points raised by the Representatives of the United Republic of Tanzania and India be taken into consideration by the Secretariat. The Chairperson of the UIC supported such action.

44. Sharing the concern expressed by the Representative of Mexico regarding the proposal to amend paragraph 34, the Representative of Venezuela (Bolivarian Republic of) averred that it would be more appropriate to continue notifying unresolved SSeCs through the USAP secure website in light of the risks involved in notifying them through a confidential communication. He underscored the need to evaluate the proposal and choose the best and safest method to notify such information.

45. The Chairperson of the UIC clarified that the term “confidential communication” included electronic means of communication. He recalled that concerns had been expressed by Committee Members that the current level of protection of information on the USAP secure website was insufficient. It had been noted that discussions were being held with ICT to improve the situation.

46. In then speaking in his capacity as Representative of the Russian Federation, he drew attention to paragraph 18 of the draft generic MoU on the languages to be used for USAP-CMA activities and noted that Operative Clause 1 of Assembly Resolution A37-25 (*ICAO Policy on the language services*) “*Reaffirms* that multilingualism is one of the fundamental principles to achieve goals of ICAO as the specialized UN agency;”. The Representative of the Russian Federation recalled that, while all Representatives fully understood the practical limitations associated with conducting USAP-CMA activities in all of the Organization's working languages, a proposal had been made during the UIC's meeting to amend the first sentence of paragraph 18 by replacing the reference to English, French and Spanish with the phrase “in the working languages of ICAO, if practicable”. He underscored that this proposed wording would encourage the training by ICAO of national auditors in the various regions and thus benefit the entire international civil aviation community.

47. The Representative of the Russian Federation recalled, in this context, that in March 2011, when the Council had reviewed the draft USOAP CMA MoU (C-WP/13673; 192/2 and 192/8), he had also

highlighted Assembly Resolution A37-25 and had suggested that paragraph 17 thereof be amended to indicate that USOAP CMA on-site activities would be conducted “as far as practicable in one of the working languages of ICAO, as requested by the State”.

48. The Representative of the Russian Federation underscored that at issue was not the financial implications of conducting USAP-CMA activities in the Organization’s various working languages but rather the fundamental principles to which ICAO should adhere in carrying out those activities. If it were a question of financial implications, then the easiest solution would be to indicate in paragraph 18 of the draft generic MoU that USAP-CMA activities would be conducted only in English.

49. In concluding, the Representative of the Russian Federation again called upon the Council to adhere to the fundamental principles set forth in Assembly Resolution A37-25 and other relevant Assembly Resolutions, which were supported by the United Nations General Assembly (UNGA), in order to serve the interests of the international civil aviation community.

50. While aware that conducting the USAP-CMA activities in all of ICAO’s working languages would give rise to difficulties, the Representative of China considered that the current text of paragraph 18 contradicted Assembly Resolution A37-25 and had a discriminatory connotation with regard to certain of those working languages. He therefore suggested that the first sentence of that paragraph be amended to read as follows: “USAP-CMA activities will be conducted in the official languages of ICAO (if applicable)”. Sharing this view, the Representative of the Russian Federation endorsed the proposed amendment to paragraph 18.

51. Drawing attention to the UIC’s oral report, the President of the Council noted that paragraph 18 of the draft generic USAP-CMA MoU was almost identical to the corresponding paragraph of the generic USOAP CMA MoU. He queried what consequential effects an amendment to paragraph 18 would have on existing MoUs concluded by the Organization which used the same language. That being said, ICAO’s language policy had been well addressed during the Assembly. While the points raised by the Representatives of the Russian Federation and China were valid in that regard, it would be difficult for the Council to engage in a drafting exercise to amend paragraph 18 in view of the time implications and the fact that the UIC had been unable to reach agreement on modifying that paragraph.

52. C/AVSEC assured Representatives that it was the practice of the Secretariat to be as flexible as possible in the informal languages of conducting USAP activities and to make available an audit team member who was familiar with Russian, Arabic or Chinese. That practice had proved successful in the conduct of many USAP audits. C/AVSEC cautioned, however, that moving from that informal means of facilitating the conclusion of successful audits, which had served the Organization well for many years, to conducting USAP-CMA activities in all six ICAO working languages would necessitate an estimated additional CAD 2 million to CAD 3 million over the triennium in order to fund experts who were proficient in those languages, provide the audit tools in all six languages and cover additional related expenses. That was a substantial amount which had a bearing on the Council’s deliberations.

53. The Representative of South Africa emphasized that the generic MoU would be sent to States not merely to sign but to negotiate the terms thereof with ICAO, as had previously been done by his State. He stressed that the generic MoU should reflect the approved policy and not re-determine it. Maintaining that the language in which USAP-CMA activities were conducted should be the subject of negotiation between the audited State and ICAO, the Representative of South Africa suggested that paragraph 18 be amended so as to not refer to any languages.

54. The Representative of the United Kingdom agreed with the comments made by C/AVSEC and the President of the Council regarding the relationship between the generic USAP CMA MoU and the draft generic USAP-CMA MoU. Referring to the issues raised by the Representatives of the United Republic of Tanzania and India, he emphasized the need to look beyond the text and to examine the context in which the USAP work was being carried out. With regard to paragraph 5 and the issue of the USAP audits taking into account Annex 17 Recommended Practices, the Representative of the United Kingdom recalled that the Assembly had repeatedly requested that ICAO take an approach to security which was based more on results and less on the fine details of compliance with the minutiae of individual Annex 17 Standards. Observing that the USAP-CMA was very much a part of that approach, he underscored that it constituted an attempt to obtain a broader picture of the results of the effectiveness of a State's compliance. If affirming that verifying compliance with Annex 17 Recommended Practices was a sensible way of obtaining the whole picture, the Representative of the United Kingdom noted that any non-compliance with Annex 17 Standards could then be seen in the context of the audited State's overall efforts. It was a much more results-based approach and one that would make it easier for a State to comply with the 15 calendar day timeframe for the submission of its corrective action plan.

55. Recalling his previous experiences as both an auditor requesting corrective action plans from audited States and as an officer required to develop and implement an audited State's corrective action plan, the Representative of the United Kingdom stressed that, in his latter capacity, his initial corrective action had taken place within 15 minutes, not 15 days, following the receipt of the written SSeC notification from ICAO. Observing that in a well-conducted audit process, where corrective action was required, all of the stages involved negotiations regarding what measures to take within what timescale, he maintained that it was unnecessary to specify in the draft generic MoU the details of actions which were decided between the USAP auditors and the audited State. It was normal to have such negotiations to build flexibility. Based on his experience as both an auditor and an officer required to take corrective action, the Representative of the United Kingdom did not find the text of paragraph 34 to be a cause for concern. He considered that specifying a 15 calendar day timeframe for the provision of a corrective action plan provided a certain degree of clarity. In stressing that its practical application in an effective audit process should be simple and follow good audit practice generally, the Representative of the United Kingdom expressed the hope that paragraph 34 would not be amended in any way.

56. Averring that there was still room to improve paragraph 34 of the draft generic USAP-CMA MoU, the Representative of Australia noted that there were different interpretations of the first two sentences. Observing that paragraph 34 was included under Section IV – USAP-CMA Activities – Reporting, she emphasized that it not only described the process for resolving SSeCs and the communications between ICAO and the audited State, but also described the point at which ICAO determines whether or not to notify all ICAO Member States of unresolved SSeCs so that the latter could take their own decisions on how to deal with them. The Representative of Australia suggested that the first sentence of paragraph 34 be amended to clarify that reference was being made to the corrective action plan, as explained by C/AVSEC in paragraph 43 above.

57. Noting that the reference to “the prescribed timeframe” in the second sentence of paragraph 34 could be construed to be the same as “the timeframe prescribed by ICAO” indicated in the first sentence, the President of the Council suggested that the Secretariat consider amending the second sentence by replacing the word “the” with the word “a” so as to read “Failure by State [abbreviated name] to implement satisfactory corrective action and to notify such action to ICAO within a prescribed timeframe ...”. The Representative of Libya supported this proposed change.