

ASSEMBLY 37th SESSION

Montréal, 28 September – 8 October 2010

ADMINISTRATIVE COMMISSION

Report



*Approved by the Administrative Commission of the Assembly
and published by authority of the Secretary General*

INTERNATIONAL CIVIL AVIATION ORGANIZATION

ASSEMBLY 37th SESSION

Montréal, 28 September – 8 October 2010

ADMINISTRATIVE COMMISSION

Report



*Approved by the Administrative Commission of the Assembly
and published by authority of the Secretary General*

INTERNATIONAL CIVIL AVIATION ORGANIZATION

Published in separate English, Arabic, Chinese, French, Russian and Spanish editions by the
INTERNATIONAL CIVIL AVIATION ORGANIZATION
999 University Street, Montréal, Quebec, Canada H3C 5H7

For ordering information and for a complete listing of sales agents
and booksellers, please go to the ICAO website at www.icao.int

Doc 9989, *Report of the Administrative Commission*

Order Number: 9989

ISBN 978-92-9249-083-6

© ICAO 2012

All rights reserved. No part of this publication may be reproduced, stored in a
retrieval system or transmitted in any form or by any means, without prior
permission in writing from the International Civil Aviation Organization.

ASSEMBLY – 37TH SESSION
ADMINISTRATIVE COMMISSION

REPORT

TABLE OF CONTENTS

	Page
General	1
Working arrangements.....	1
Agenda	1
Conclusion	2
Agenda Item 63: Annual Reports of the Council to the Assembly for 2007, 2008 and 2009	3
Agenda Item 64: Budgets for 2011, 2012 and 2013	4
Agenda Item 65: Confirmation of Council action in assessing the contributions to the General Fund and determining advances to the Working Capital Fund of States which have adhered to the Convention	8
Agenda Item 66: Arrears of contributions of the former Socialist Federal Republic of Yugoslavia	9
Agenda Item 67: Contributions in arrears	10
Agenda Item 68: Assessments to the General Fund for 2011, 2012 and 2013	13
Agenda Item 69: Report on the Working Capital Fund	19
Agenda Item 70: Disposition of cash surplus	22

	Page
Agenda Item 71: Amendment of the Financial Regulations	23
Agenda Item 72: Review of expenditures, approval of accounts and examination of Audit Reports for the financial years 2007, 2008 and 2009.....	24
Agenda Item 73: Appointment of External Auditor	25
Agenda Item 74: Report on the use of the Information and Communication Technology (ICT) Fund	26
Agenda Item 75: Other issues to be considered by the Administrative Commission	27
Appendix: List of documents and working papers considered by the Administrative Commission.....	29

SCHEDULE OF ITEMS DISCUSSED BY THE ADMINISTRATIVE COMMISSION

AGENDA ITEM	DATE AND NUMBER OF MEETING	
	30 Sept. 1st	5 Oct. 2nd
7 Agenda Items referred to the Administrative Commission	X	
63 Annual Reports of the Council to the Assembly for 2007, 2008 and 2009	X	X
64 Programme Budget for 2011, 2012 and 2013	X	X
65 Confirmation of Council action in assessing the contributions to the General Fund and determining advances to the Working Capital Fund of States which have adhered to the Convention	X	X
66 Arrears of contributions of the former Socialist Federal Republic of Yugoslavia	X	X
67 Contributions in arrears	X	X
68 Assessments to the General Fund for 2011, 2012 and 2013	X	X
69 Report on the Working Capital Fund	X	X
70 Disposition of cash surplus	X	X
71 Amendment of the Financial Regulations	X	X
72 Review of expenditures, approval of accounts and examination of Audit Reports for the financial years 2007, 2008 and 2009	X	X
73 Appointment of External Auditor	X	X
74 Report on the use of the Information and Communication Technology (ICT) Fund	X	X
75 Other financial matters for consideration by the Administrative Commission	X	X

REPORT OF THE ADMINISTRATIVE COMMISSION TO THE ASSEMBLY

1. The Administrative Commission held two meetings between 30 September and 5 October 2010.
2. Dr. Nasim Zaidi (India) was elected Chairperson of the Commission at the second Plenary Meeting of the Assembly.
3. The Commission, at its first meeting, elected Mr. P. Pape (France) as its First Vice-Chairperson and Ms. D. Jimenez (Mexico) as its Second Vice-Chairperson.
4. Representatives from 51 Contracting States attended one or more meetings of the Commission.
5. The President of the Council, Mr. Roberto Kobeh González was present at the first meeting of the Commission.
6. The Secretary of the Commission was Mr. R. Bhalla, Chief, Finance Branch. Mr. H. O'Donnell, Chief, Accounting Services Section acted as Deputy. Ms. L. Lim, Budget Officer, and Mr. R. Deslauriers, Accounting Officer, acted as Assistant Secretaries. Mrs. P. Romano, Accounting Officer, and Mr. A. Bilaver, Strategic Planning Officer, acted as Liaison Officers.

Working arrangements

7. At its first meeting, the Chairman of the Commission outlined his expectations for the session and indicated that there had been extensive discussion of all items at the Finance Committee and Council meetings. It was therefore anticipated, in the interest of time and efficiency, that the Commission's agenda be dealt with expeditiously, and that the number of meetings be reduced. In particular, a proposal was made by Mr. L. Dupuis (Canada) requesting that the Budget Working Group and Contributions Working Group were not needed and that the items for consideration in these groups be tabled at the Commission instead, without referral to these groups. This proposal was unanimously supported.

Agenda

8. Items referred to the Commission by the Plenary and Executive Committee were considered.
 - 63 Annual Reports of the Council to the Assembly for 2007, 2008 and 2009
 - 64 Budgets for 2011, 2012 and 2013
 - 65 Confirmation of Council action in assessing the contributions to the General Fund and determining advances to the Working Capital Fund of States which have adhered to the Convention

- 66 Arrears of contributions of the former Socialist Federal Republic of Yugoslavia
- 67 Contributions in arrears
- 68 Assessments to the General Fund for 2011, 2012 and 2013
- 69 Report on the Working Capital Fund
- 70 Disposition of cash surplus
- 71 Amendment to the Financial Regulations
- 72 Review of expenditures, approval of accounts and examination of Audit Reports for the financial years 2007, 2008 and 2009
- 73 Appointment of External Auditor
- 74 Report on the use of the Information and Communication Technology (ICT) Fund
- 75 Other issues for consideration by the Administrative Commission

9. The documents and working papers considered by the Commission are listed by agenda items in the Appendix to this report (see page 29).

10. The action taken by the Commission in respect of each item is reported on separately in the paragraphs that follow. The material is arranged according to the numerical sequence of the agenda items considered by the Commission.

Conclusion

11. The Commission recognized the work done by the Working Group on Efficiency (WGOE) in streamlining several processes and in promoting efficiency both within the Council and the Secretariat.

12. The Commission expressed appreciation of the manner in which the Chairman coordinated the proceedings of the Commission in discussing all Agenda Items in a single session.

— — — — —

Agenda Item 63: Annual Reports of the Council to the Assembly for 2007, 2008 and 2009

63.1 Certain parts of the Annual Reports of the Council to the Assembly for 2007, 2008 and 2009 and the supplementary report covering the first six months of 2010 falling within the Commission's field of competence were referred by the Plenary, for the Commission's review.

63.2 At its first meeting, the Commission noted the content and presentation of the section entitled 'Financial Statement' for the years 2007, 2008 and 2009 and the supplementary report covering the first six months of 2010 of the Annual Reports (Docs 9898, 9916 and 9921 and Supplement).

63.3 The Commission recommends to the Plenary that the section entitled 'Financial Statement' of the Annual Reports be approved.

— — — — —

Agenda Item 64: Budgets for 2011, 2012 and 2013

64.1 The Administrative Commission had before it working paper A37-WP/43, AD/2 related to the Draft Budget of the Organization for 2011, 2012 and 2013, submitted by the Council.

64.2 At the first meeting of the Administrative Commission, held on 30 September 2010, the President of the Council presented the Draft Budget of the Organization for 2011, 2012 and 2013 (A37-WP/43, AD/2). The President outlined the three major elements that formed the foundation on which the Draft Budget was formulated. Firstly, in order to provide a sharper vision for the activities of the Organization, the Strategic Objectives were reduced from six to three, namely (a) Safety, (b) Security, and (c) Environmental Protection and Sustainable Development of Air Transport. Secondly, the staffing structure was rationalized to be more organized and efficient and to allow for adequate staffing for language services; the integration of the Comprehensive Regional Implementation Plan for Aviation Safety (AFI) in Africa and a full complement of competencies in all Regional Offices. Finally, to better reflect the priorities of the governing body, the budget was a product of an extensive partnership between the Council and the Secretariat.

64.3 In addition, the President emphasized that the Draft Budget of the Organization for 2011, 2012 and 2013, maintains the results-based framework as well as the split assessment and continues to be supplemented by the Ancillary Revenue Generating Fund (ARGF). This is the first budget that is International Public Sector Accounting Standards (IPSAS) compliant. It includes the full integration of the Aviation Security Plan of Action, the introduction of a Continuous Monitoring Approach to Safety and an investment in an Electronic Document and Record Management System (EDRMS) and a Computer-Assisted Translation System (CATS) to improve efficiency.

64.4 A presentation was delivered by the Secretariat on the proposed Budget of CAD273.1 million as presented in paper A37-WP/43, AD/2 and focused on the budget process, methodology, format and content. It was stated that the basis of the budget exercise was the formation of a Business Plan with 52 programmes. The programmes in the Business Plan were then scaled down and presented to the Council as a menu of options. The programmes presented under the Draft Budget of the Organization for 2011, 2012 and 2013 represent those activities selected by the Council after considerable deliberation.

64.5 Many Delegations expressed their support of the adequate funding of language services. It was stated that the importance of interpreting and translating important technical issues that relate to safety and security must be considered a priority by the Organization and must be adequately funded at all times.

64.6 Several Delegations supported the implementation of the recommendations of the Council found in Annex 5 of A37-WP/43, AD/2. These recommendations, Delegations stated, would enhance efficiency and reporting, as well as lead to good governance and should be continuously reported to and monitored by the Council. In addition, several Delegations welcomed the increased transparency in the draft budget which would allow the Council to better monitor on how the budget is disbursed.