57th CONFERENCE OF DIRECTORS GENERAL OF CIVIL AVIATION ASIA AND PACIFIC REGIONS

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AGENDA ITEM 9: UPDATES

REPORT OF THE MONTREAL GROUP OF ASIA-PACIFIC REPRESENTATIVES ON THE COUNCIL OF ICAO

Presented by the Representative of the Australia on the ICAO Council, on behalf of the ICAO Council Representatives of Australia, China, India, Japan, Malaysia, the Republic of Korea, and Singapore

SUMMARY

The Asia-Pacific Region's Representatives on the ICAO Council highlight key issues within ICAO for the attention of Directors-General; urge greater collaboration to ensure the region is not left behind; and suggest measures to enhance communication with Asia-Pacific States.

REPORT OF ASIA-PACIFIC REPRESENTATIVES ON THE COUNCIL OF ICAO

1. INTRODUCTION

- 1.1 The Montreal Group of Asia-Pacific Representatives on the Council of ICAO (the Montreal Group) is an informal grouping of the Representatives of the seven Asia-Pacific States on the ICAO Council (Australia, China, India, Japan, Malaysia, Republic of Korea, and Singapore). It is often joined by Representatives to ICAO from non-Council Member States from the region that are based in Montreal.
- 1.2 The Montreal Group meets as may be required to discuss matters before the Council and other matters of interest to members.

2. DISCUSSION

2.1 Significant action by Council since the 56th DGCA Conference

- 2.1.1 The triennium since the 56th DGCA Conference has been dominated by the COVID-19 pandemic. ICAO and the Council have devoted significant resources to the response to the pandemic but have also taken action to advance other aviation interests. Key actions over this period include:
 - (a) Establishment of the **Council Aviation Recovery Taskforce** (**CART**) and the development of practical, aligned guidance to States and industry operators to firstly manage, then restart the international air transport sector and recover from the impacts of COVID-19 on a coordinated global basis. Asia-Pacific Representatives contributed to the CART work to ensure ICAO took an evidence and risk-based approach to its guidance. This recognised there was no 'one-size-fits-all' approach to managing the pandemic and COVID-19 responses varied between States depending on their epidemiological situation and individual risk tolerances.
 - (b) Convening the **High Level COVID Conference** (**HLCC**), which agreed on a suite of important safety and facilitation measures to respond to the pandemic and aid the recovery of the sector. This was the first high-level meeting held virtually and Asia-Pacific representatives worked hard to ensure the meeting arrangements did not disadvantage the region. Over half of the Member States from the Asia-Pacific participated in the meeting. The Ministerial Declaration from the Conference committed to the safe and sustainable recovery of aviation and to build resilience in the sector.
 - (c) Presentation of the long-awaited 'Pacific Needs Analysis' in 2019, which significantly raised ICAO awareness of the needs of Pacific Island States. Whilst work to address the Study was impacted by COVID-19, ICAO is now moving forward with the establishment of the Pacific Liaison Officer to improve coordination and communication between ICAO and Pacific States to deliver on the implementation roadmap. A State Letter was sent by ICAO on 3 June 2022 (M 17/1 IND/22/4) to invite proposals to host the ICAO Liaison Officer for the Pacific Small Island Developing States. The Montreal Group encourages interested States to provide a response to ICAO by the deadline of 31 July 2022.
 - (d) Ongoing work on the **Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)**, including the adoption of the Sustainability Criteria for CORSIA Eligible Sustainable Aviation Fuels (SAF). The agreed criteria ensure the environmental integrity of SAFs and provide the market with the necessary certainty to scale-up production of these fuels. As a result of the COVID-19 pandemic creating an anomaly to air traffic in 2020, Council also agreed the 2019 emissions data be set as the baseline for the CORSIA implementation during the pilot phase from 2021 to 2023 to avoid inappropriate economic burden on the aviation industry.

- (e) Approving new arrangements to advance and promote **cybersecurity**, which will assist Member States in addressing this rapidly evolving field.
- (f) Fostering a greater culture of **innovation** in ICAO. As part of this work, Council has convened Industry Consultative Forums as a means of direct engagement between Council and innovators on the future of the industry. Montreal Group has significantly contributed to these forums, with both meetings organized by a representative from Asia-Pacific. ICAO has also initiated discussions with the United Nations System Staff College (UNSSC) to perform an independent assessment of ICAO on innovation.
- (g) Agreeing to a range of **reform measures** to modernise ICAO and promote transparency, inclusivity and accountability in the organisation. A new Implementation Policy was adopted to integrate resources within ICAO to assist States with the implementation of SARPs. These measures are critical to ensure ICAO can run efficiently and effectively in support of all Member States.
- (h) Adoption of a number of amendments to Standards and Recommended Practices (SARPs).
- 2.1.2 Recently, Council also considered an annual report on planning and implementation regional groups (PIRGs) and regional aviation safety groups (RASGs). The report highlighted challenges in the rate and seniority of Member State participation at these meetings. The number of Asia-Pacific States participating in the relevant meetings remained steady at 66 per cent.

2.2 Preparation for the 41st Session of the ICAO Assembly

- 2.2.1 A number of issues of strategic importance for the Asia-Pacific Region will be discussed at the upcoming 41st ICAO Assembly in September/October.
 - (a) The Assembly will need to decide on the feasibility of establishing a Long-Term Aspirational Goal for reducing international aviation emissions. The discussion will be guided by the outcomes of the High-Level Meeting in July.
 - (b) Council will shortly complete the first periodic review of the CORSIA, which is guided by the relevant 40th Assembly Resolution and specific Terms of Reference approved by the Council. This review will analyze the scheme's market and cost impact on States and aeroplane operators and on international aviation, as well as consider the impacts of COVID-19 on the intended operation and outcomes from the scheme. A decision will need to be made on the appropriate level to set the baseline to apply beyond the pilot phase. From an Asia-Pacific perspective, it will be important for this review to reiterate the shared understanding that was fundamental to the establishment of CORSIA that it is the only global market-based measure scheme for addressing the emissions of international civil aviation.
 - (c) Issues related to the safety of air navigation posed by unannounced missile launches have been a serious concern for states in the Asia-Pacific Region, and globally. Council will be raising this issue at the Assembly to report on instances of noncompliance with resolutions of the United Nations Security Council.
- 2.2.2 This will be the first Assembly to be held in a hybrid setting. Montreal Group will continue to work with the Council and the Secretariat to maximise opportunities for in-person participation. At the same time, we will seek to protect the interest of those participating virtually, particularly given time-zone challenges for Asia-Pacific.

2.3 Council and ANC Elections

2.3.1 The amendments to Article 50(a) and Article 56 of the Chicago Convention, adopted in 2019, to increase the number of Council seats from 36 to 40 and the number of Air Navigation

Commissioners from 19 to 21, is still yet to come into force. The Council President continues to urge Member States to ratify the amendments to the Convention as soon as possible.

- 2.3.2 For the 41st Session of the Assembly, Member States will elect a 36-member Council for the 2022-25 triennium.
- 2.3.3 Voting for the ICAO Council elections at the Assembly are to be done <u>in-person only</u>. Any Member States participating virtually will need to make arrangements to cast their vote in-person.

2.4 **ICAO Budget 2022-2025**

- 2.4.1 The proposed ICAO budget for the 2022-25 triennium will once again result in a reduction, in real terms, for the organisation. However, Member States can expect to see a one-off increase in assessments each year to fund transformational activities within the organisation. This includes activities to enhance information security and modernise IT and management systems, bringing these systems to a standard comparable with other UN agencies. Council will be closely monitoring the progress of the transformational work to ensure a high degree of transparency and accountability for these activities.
- 2.4.2 The Asia-Pacific will, once again, provide the largest contribution to the organization, comprising 30.4% of all contributions. This represents a slight increase, despite the larger reduction in traffic levels in Asia-Pacific States due to COVID-19. Montreal Group and the APAC Regional Office has been working to ensure that the level of support for the region reflects its level of contribution to the organization.
- 2.4.3 The proposed budget will not be sufficient to fund all ICAO activities, a situation which could worsen due to rising inflation. ICAO will be increasing efforts to generate revenue from other sources, including voluntary contributions. Asia-Pacific States are encouraged provide support to ICAO through additional financial or in-kind contributions.

2.5 Upcoming issues in the Council

- 2.5.1 As we move past the Assembly and into the next triennium, Council will seek to move forward on a number of issues of significance for ICAO and Member States:
 - (a) Crisis management reviews of ICAO's response to the COVID-19 pandemic have concluded the organisation is not appropriately prepared to manage future crisis. Council is recommending to the Assembly to task ICAO to develop a crisis management framework that is resilient and can support Member States and the sector withstand future global crises.
 - (b) COVID-Recovery ongoing work to implement the outcomes from the HLCC and further develop ICAO's policies, practices and frameworks to support States through the recovery.
 - (c) Gender Council will work with Secretariat on a strategy to promote gender equality and vastly increase female participation in the organisation, particularly at senior levels, and within the industry more broadly. Asia-Pacific States are encouraged to give due consideration to such initiatives when nominating experts for ICAO meetings and secondees to ICAO.
 - (d) Air Navigation Commission during the first Session of the Council after the Assembly, the Council will appoint 19 individual technical experts as members to the ANC for a three-year term, and appoint a new President of the ANC for an initial one-year term.

- (e) The Council will elect a Council President for the 2022-2025 triennium. Thus far, one candidate the incumbent President, Mr Salvatore Sciaccitano has been nominated for the position.
- (f) Environment issues the Council will need to implement decisions arising from the Assembly relating to the CORSIA Periodic Review and the Long-Term Aspirational Goal.

2.6 Enhancing communication between Montreal Group and Asia-Pacific States

- 2.6.1 ICAO has recently taken steps to improve transparency of the Council, including broadcasting recordings of selected Council meetings on ICAO TV.
- 2.6.2 To complement these efforts, the Montreal Group has been exploring ideas to promote greater dialogue with Asia-Pacific States in order to increase awareness about the issues being discussed in the Council and enable the Montreal Group to better advance our regional interests in the Council.
- 2.6.3 Montreal Group propose to trial two actions to enhance communication with Asia-Pacific States:
 - (a) Regular written reports to Asia-Pacific highlighting key issues being discussed in the Council, with a particular focus on Asia-Pacific interests; and
 - (b) Convening a session at the annual DGCA meetings between the Montreal Group and Asia-Pacific Member States to provide a platform for engagement on key issues facing ICAO and the Council.
- 2.6.4 The Montreal Group will work closely with the APAC Regional Office and the Regional Coordination Mechanism Task Force (RCMTF) to coordinate these activities, so as not to duplicate the work of the Regional Office. We will also review these arrangements after one year to ensure they are achieving the desired outcomes.

3. ACTION BY THE CONFERENCE

- 3.1 The Conference is invited to:
 - a) Note the updates on discussions in ICAO Council, with particular focus on Asia-Pacific's needs.
 - b) Agree to trial the proposals in Section 2.6.3 to enhance communication between the Montreal Group and Asia-Pacific States.
 - c) Encourage Asia-Pacific States to consider voluntary contributions to ICAO.
 - d) Support the ratification of the amendments to Articles 50 (a) and 56 of the Chicago Convention to enlarge the Council and ANC