



C-DEC 230/5
13/11/23

COUNCIL — 230TH SESSION

FIFTH MEETING

(COUNCIL CHAMBER, WEDNESDAY, 8 NOVEMBER, AT 1000 & 1430 HOURS)

SUMMARY OF DECISIONS

OPEN MEETING

Cost Recovery Policy

1. The Council considered this item on the basis of C-WP/15506, which presented a comprehensive draft *Cost Recovery Policy*. The Council also had for consideration an oral report thereon from the Finance Committee (FIC).
2. Following consideration, the Council:
 - a) approved the *Cost Recovery Policy*, as contained in Appendix A to C-WP/15506, subject to the following change to paragraph 3.1, as proposed by the FIC in its oral report:

“The objective of the policy is to charge ~~Full~~ costs¹, which include direct and indirect costs required to implement extra-budgetary projects and products, ~~shall be charged to the concerned extra-budgetary funding sources.~~”
 - b) also approved the consequential amendments to related existing policies, as presented in Appendices B and C to C-WP15506;
 - c) requested the Secretariat to develop a phased implementation plan and impact estimate for said *Policy*, taking into consideration the principles of competitiveness and attractiveness of the ICAO image and character, to be submitted to the Council for endorsement at a future Session; and
 - d) until such time as the Council approves indirect recovery rates, approved the waiver of the indirect cost recovery rate for the current and next triennia, with the exception of the Junior Professional Officer (JPO) programme and Trust Funds governed by agreements (such as International Registry, Public Key Directory, agreements with the European Commission and Joint Finance), for which the Council approves to continue recovering indirect costs as per the existing practice.

Cost Recovery for the Provision of Space Weather Information Services

3. The Council considered this item on the basis of C-WP/15518, which presented the progress of the ongoing work towards the development of a cost recovery mechanism for the provision of space weather information services, including the proposed draft Arrangement on the Sharing of Costs of Space Weather Information Services. The Council also had for consideration an oral report from Chairperson of the Air Transport Committee (ATC), which presented a summary of the discussions from the ATC's informal meeting on this subject, which was held on 26 October 2023. In doing so, the Council agreed to waive the requirement in Rule 26 of the *Rules of Procedure for the Council*, given that the ATC oral report had not been made available 3 days before this meeting.

4. Following consideration, the Council:

- a) expressed its appreciation to the Secretariat for their continued efforts to further refine and clarify the proposed draft Arrangement on the Sharing of Costs of the Space Weather Information Service;
- b) took note of the concerns raised and the substantive issues identified by the ATC over the course of its informal meeting, as reflected in its oral report and the summary of discussions appended thereto, as well as the points raised by the Council over the course of its deliberations on this item, and in this connection, invited those Representatives with specific comments on the contents of the ATC summary of discussions to submit them to the Chairperson of the ATC, accordingly;
- c) given that the proposal was not considered to have achieved an adequate level of maturity to address all outstanding issues, agreed to defer taking a final decision on this matter, on the understanding that consultations would continue among all stakeholders and that the Secretariat would continue to develop the draft Arrangement taking into account the comments of the ATC;
- d) with a view to establishing a way forward to address this issue and in order to continue to advance the work in this regard, agreed to constitute a Small Group under the ATC for this purpose, which would consider, *inter alia*, the matter of issuing a State Letter to gauge the views of Member States;
- e) agreed, on the basis of d) above, to delegate authority to the President of the Council in order to determine, in consultation with the Chairperson of the ATC, the composition of the Small Group, on the understanding that due consideration would be given to ensuring equitable gender and geographical representation; and
- f) invited the Small Group to report to the Council via the Air Transport Committee on the progress of its work, during the 231st Session.

Environmental protection – Recent developments in ICAO and other United Nations bodies and international organizations

5. The Council considered this item on the basis of C-WP/15520, which presented the recent developments in ICAO and other United Nations bodies and international organizations in the field of aviation and the environment. The Council also had for consideration an oral report thereon from the Climate and Environment Committee (CEC).

6. Following consideration, the Council:
- a) took note of the information presented in C-WP/15520, particularly as it pertained to the preparations for the upcoming third ICAO Conference on Aviation and Alternative Fuels (CAAF/3);
 - b) agreed on the need for ICAO achievements and commitments to decarbonisation to be better communicated to the international community, including at the upcoming 28th Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP28), to be held in Dubai, United Arab Emirates immediately following CAAF/3; and
 - c) expressed its appreciation to the United Arab Emirates and the Secretariat for their outstanding and tireless efforts to finalize the planning and arrangements for CAAF/3.

Results of the 2023 Committee Aviation Environmental Protection (CAEP) Steering Group meeting

7. The Council considered this item on the basis of an oral report presented by the Chairperson of the Committee on Aviation Environmental Protection (CAEP), outlining the outcomes of the recent meeting of the CAEP Steering Group (16 to 20 October 2023, Takamatsu, Japan). The Council also had for consideration an oral report thereon from the Climate and Environment Committee (CEC). In doing so, the Council agreed to waive the requirement in Rule 26 of the *Rules of Procedure for the Council*, given that the CEC oral report had not been made available 3 days before this meeting.

8. Following consideration, the Council:
- a) took note, with appreciation, of the progress made by CAEP as reported in the oral report, while noting that other specific CAEP recommendations requiring Council actions would be brought to the 231st Session;
 - b) also noted that the 2023 version of the ICAO CORSIA CO₂ Estimation and Reporting Tool (CERT), and supporting technical documentation, as recommended by the CAEP, would be approved by the Council through correspondence in due course, as per the procedure followed for previous versions of the tool;
 - c) further noted that the challenges associated with the exchange of noise and CO₂ data for the development of the integrated Noise-CO₂ dual stringency analysis had been resolved since last reported to the Council (C-DEC 229/3, refers), and, with a view to gaining a better understanding of the complex work being undertaken by CAEP in this area, requested the Secretariat to organize an informal briefing on the subject during the 231st Session; and
 - d) noted, with concern, the ongoing challenges associated with the lack of a dedicated ICAO Noise Officer in delivering the CAEP Aircraft Noise work programme, and while welcoming the solution that had been identified by the Secretariat to provide funding for this post for a period of 2 years, urged the Secretariat to continue to explore options that would facilitate the recruitment of an appropriate noise expert, over the long-term.

Financing for aviation CO₂ emissions reduction measures

9. The Council considered this item on the basis of an oral report presented by the Secretary General. The Council also had for consideration an oral report thereon from the Climate and Environment Committee (CEC). In doing so, the Council agreed to waive the requirement in Rule 26 of the *Rules of Procedure for the Council*, given that the CEC oral report had not been made available 3 days before this meeting.

10. Following consideration, the Council:

- a) welcomed the proposal presented by the Secretary General, including the Concept Note on the establishment of the ICAO Finvest Hub, as a positive first step toward initiating the work under operative clause 18 a) of Assembly Resolution A41-21, and encouraged acceleration of the work toward operationalising the initiative;
- b) agreed, in principle, to conduct a study, through the services of a third-party consultant, to respond to the request in Resolution A41-21, operative clause 18 b), and taking into account the outcomes of CAAF/3, regarding the consideration of the establishment of a climate finance initiative or funding mechanism under ICAO, while addressing the possible financial, institutional and legal challenges, and in doing so, requested the Secretariat to develop the Terms of Reference (TORs) for said study;
- c) agreed to establish a Small Group of the Council to be tasked with outlining a process and timeline for the review and/or approval of the TORs referred to in b), above, and to subsequently consider the report emanating from the conclusion of the study, with the understanding that the Small Group would report to the Council thereon during the 232nd Session in June 2024, on the basis of which the Council would then determine how to take the work forward to the 42nd Session of the Assembly;
- d) pursuant to its decision in c), above, agreed to delegate authority to the President of the Council in order to determine the composition of the Small Group, on the understanding that due consideration would be given to ensuring equitable gender and geographical representation;
- e) requested the Secretariat to consult with the Chairperson of the Legal Committee and the Small Group, in order to consider the most effective way to provide support on the legal aspects of a climate finance initiative or funding mechanism under ICAO; and
- f) encouraged the Secretariat to accelerate the progress of its work in this area, taking into account its urgency in order to report to the 42nd Session of the ICAO Assembly.

Recommendations by the Technical Advisory Body (TAB) on CORSIA eligible emission units

11. The Council considered this item on the basis of C-WP/15523 Revision No. 1, which presented: TAB's recommendations arising from its 2023 assessment for the eligibility of CORSIA eligible units for the pilot phase (2021-2023 compliance period) and the first phase (2024 to 2026 compliance period); the updated analysis for CORSIA eligible unit supply; TAB's report on progress in the operationalization of the Article 6.4 mechanism; TAB's report on possible eligibility deviations; and TAB members' participation during the 2021-2023 cycle. The Council also had for consideration an oral report thereon from the Climate and Environment Committee (CEC). In doing so, the Council agreed to waive the

requirement in Rule 26 of the *Rules of Procedure for the Council*, given that the CEC oral report had not been made available 3 days before this meeting.

12. Following consideration, the Council:

- a) accepted the TAB recommendations resulting from its assessment of eleven applications for eligibility in the CORSIA first phase, and the material procedural changes submitted by three programmes, as contained in paragraph 2 and Appendix B (TAB Report, Section 4) of C-WP/15523 Revision No. 1, and accordingly, approved the corresponding updates to the ICAO document *CORSIA Eligible Emissions Units*, as presented in Appendix A of C-WP/15523 Revision No. 1;
- b) took note of the TAB's updated analysis of the potential supply of CORSIA eligible emissions units, as presented in paragraph 3 and Appendix B (TAB Report, Section 5) of C-WP/15523 Revision No. 1, and in doing so, underscored the importance of host State attestation in ensuring the supply of eligible emissions units;
- c) requested the TAB to continue to monitor and provide updates on the unit supply, including information in relation to the geographical coverage of activities, , which would benefit from greater diversification, and the host State attestation, in its future analysis;
- d) took further note of the information provided on the operationalization of the UNFCCC Paris Agreement Article 6.4 mechanism, as contained in paragraph 4 and Appendix B (TAB Report, Section 6) of C-WP/15523 Revision No. 1, while also noting the commitment of the TAB to undertake a full assessment of the mechanism as soon as practicable, once it was operational;
- e) accepted the TAB recommendations relating to the cases of eligibility deviation, as outlined in paragraph 5 and Appendix B (TAB Report, Section 7) of C-WP/15523 Revision No. 1, and in this regard, welcomed the positive information shared by the Representative of China to the Council on the progress being made by the China Certified Emissions Reduction (CCER) programme, and encouraged CCER to provide TAB with further information to address the issue, prior to the next meeting of the TAB, which is scheduled to be held from 15 to 19 January 2024; and
- f) noted the information relating to the participation of TAB members over the course of the 2021 to 2023 cycle, as summarized in paragraph 6 and Appendix B (TAB Report, Section 8) of C-WP/15523 Revision No. 1, including the suggestion of the TAB for further Secretariat resources to be made available to support the work of TAB, and in that connection, encouraged Member States to allocate sufficient resources to enable the active participation and contributions of TAB members to the work.

Any other business

Report of the First Meeting of the Ad Hoc Cybersecurity Coordination Committee (AHCCC)

13. The Council considered this item on the basis of an oral report presented by the Chairperson of the Ad Hoc Cybersecurity Coordination Committee (AHCCC), pertaining to the first meeting of the AHCCC, which was convened from 10 to 11 October 2023.

14. Following consideration, the Council:

- a) welcomed the convening of the first meeting of the AHCCC, and in doing so, took note of the information presented in the oral report, in particular the progress made thus far to ensure coordination amongst the expert groups involved in the Organization's cybersecurity activities, including plans for the development of a consolidated ICAO Aviation Cybersecurity Work Programme; and
- b) noted that the full report from the first meeting of the AHCCC would be presented to the Council, through the ASC and ANC, under cover of a working paper, during the 231st Session of the Council.

Reported incidents of interference with air navigation systems

15. On the basis of an oral update presented by the Director of the Air Navigation Bureau, the Council took note of the information provided with respect to incidents of GNSS interference, and requested that the Secretariat prepare a more detailed written report, including on mitigation measures to protect existing air navigation systems from such interference, for consideration by the Council, in due course. It was understood that the Council would continue to be kept apprised of any developments in this regard.

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