



**Twenty Second Meeting of the
Informal South Pacific ATS Co-ordinating Group (ISPACG/22)**

Papeete, Tahiti, 12-14 March 2008

**Agenda Item 4: Review Progress on Open Action Items
AI 16-1**

**Funding for Continuation of Central Reporting Agency (CRA) and Regional
Monitoring Agency (RMA) Activities**

Presented by U.S. Federal Aviation Administration

SUMMARY

The working paper outlines the FAA position related to the funding for continuation of CRA and RMA activities, as it was presented to the 7th. Meeting of the Regional Airspace Monitoring Advisory Group (RASMAG/7) in June 2007.

1. INTRODUCTION

- 1.1 Action Item 16-1 from the ISPACG/21 meeting references the funding for continuation of Central Reporting Agency (CRA) activities in the Pacific. This working paper presents the final FAA position on this matter, as presented to the 7th. Meeting of the Regional Airspace Monitoring Advisory Group (RASMAG/7) in June 2007 in Bangkok, Thailand.

2. DISCUSSION

- 2.1 Since the conclusion of the ISPACG/21 meeting, the FAA completed several actions in order to determine its position relative to the continuation of funding for CRA and Regional Monitoring Agency (RMA) activities in the Pacific Ocean.
- 2.2 Primarily, the FAA completed an internal analysis to determine what the resource expenditures would be to draft, negotiate and sign multiple bilateral agreements with several civil aviation authorities and service providers, as well as the resources needed to manage these agreements and coordinate annual payments and transfer of funds. This analysis determined that it was not cost effective to establish these agreements and thus the FAA determined that it would continue to provide funding for CRA and RMA services for the foreseeable future.
- 2.3 A copy of the FAA's final position on the subject was presented to RASMAG/7 in the attached FAA working paper.

3. ACTION BY THE MEETING

3.1 The meeting is invited to:

- a) Take note of the FAA's position regarding the continued funding of CRA and RMA services in the Pacific that is outlined in the attached FAA working paper from the RASMAG/7 Meeting; and
- b) Based on this information, take appropriate measures to close out Action Item 16-1 at ISPACG/22.

Attachment A



**International Civil Aviation Organization
Seventh Meeting of the Regional Airspace Safety Monitoring
Advisory Group (RASMAG/7)
Bangkok, Thailand, 4-8 June 2007**

Agenda Item 3: Funding of Regional Safety Monitoring Services

(Presented by the United States of America)

SUMMARY

The FAA, as a provider of Central Reporting Agency (CRA) and Regional Monitoring Agency (RMA) services throughout the Pacific, supports the work of the International Civil Aviation Organization (ICAO) and its Asia Pacific member States related to the funding of such services and the need for equitable cost sharing of these services. The FAA also supports strongly the intent of ICAO and its Asia Pacific member States to establish a mechanism for reviewing the qualifications of a potential provider of such safety monitoring services. The FAA has investigated a cost recovery mechanism for the Pacific CRA and RMA services, and based on the minimal amount of funding to be collected and the amount of administrative resources that would need to be expended to establish several new bilateral agreements, the FAA has decided to continue funding, in its entirety, the provision of CRA and RMA services for the Asia Pacific Region for the near future. Within this decision, the FAA will continue to support ICAO and the Asia Pacific region with its ongoing efforts to establish equitable funding mechanisms for the provision of regional airspace safety monitoring services.

1. INTRODUCTION

- 1.1 The U.S. Federal Aviation Administration (FAA) has, and will continue to provide strong support to the International Civil Aviation Organization (ICAO) with Asia Pacific regional efforts to create regional airspace safety monitoring capabilities as well as corresponding funding mechanisms that are based on an equitable cost sharing between all States involved. The FAA also supports strongly establishment of a process which would review the qualifications of potential providers of safety monitoring services and credential those organizations which satisfy objective criteria developed as part of the process.
- 1.2 In support of this position, and as a provider of both Central Reporting Agency (CRA) and Regional Monitoring Agency (RMA) services throughout the Pacific, the FAA attended the First Meeting of the Task Force for Establishment of Regional Airspace Safety Monitoring Committees (RASMC/TF/1) in Bangkok, Thailand from February 13-15, 2007 to actively discuss this matter with other Asia and Pacific States.

- 1.3 Currently, the FAA funds (approximately \$80,000 USD annually) the provision of CRA services in the Pacific to assist the respective States to resolve operational and technical problems related to the Future Air Navigation System (FANS) data-link system and to monitor the performance of the FANS data-link system.
- 1.4 The FAA also funds (approximately \$45,000 USD annually) the provision of RMA services in the Pacific to assist in comparing actual performance against safety goals related to continued safe use of reduced vertical separation minima, or RVSM, in Pacific and North East Asia airspace. In support, the FAA developed regional height keeping performance mechanisms, established systems for monitoring aircraft height-keeping performance, and established a means for monitoring large height deviations.

2. DISCUSSION

- 2.1 During the RASMC/TF/1 and in broader support of ICAO Headquarters global push to establish appropriate cost sharing mechanisms for these services, the FAA presented information outlining its desire to establish an equitable financial reimbursement plan for the CRA and RMA services the FAA provides in the Pacific.
- 2.2 The RASMC/TF/1 addressed several options for establishing an equitable cost sharing and recovery mechanism. The FAA determined that, to support the recovery of costs incurred in the provision of CRA and RMA services, it would have to establish appropriate bilateral agreements with each respective State. Thus the FAA was assigned the following action items from the RASMC/TF/1:

Action 1 – Prepare and Implement Cost Sharing Agreements

The FAA together with Australia, Fiji, France, Japan, New Zealand, Papua New Guinea, and the Republic of Korea prepare and implement cost sharing agreements for the provision of RMA and SMA safety monitoring services by 30 June 2007.

Action 2 – Develop and Provide a Generic Agreement

Based on the outcome of Action 1 above, the FAA develop and provide a generic copy of a cost sharing agreement for the provision of safety monitoring services to RASMAG for promulgation as text for model agreement and that this generic agreement be made available to RASMAG/7.

Action 4 – Facilitate Support for the CRA Service

The FAA to investigate whether it could facilitate, collect and consolidate fees on behalf of all participating States of the Asia Pacific Region to support the CRA service provided by Boeing, and to report on the matter to RASMAG/7.

Action 5 – Prepare and Implement Cost Sharing Agreements

The FAA together with Australia, Fiji, France, and New Zealand prepare and implement cost sharing agreements for the provision of CRA safety monitoring services by 30 June 2007.

- 2.3 Immediately following the RASMC/TF/1 Meeting, and in support of the Actions listed above, the FAA completed an internal analysis of the scope and effort required

to draft, negotiate, sign and implement new bilateral agreements with all associated CRA and RMA States. This analysis included a determination of the types and numbers of agreements required, the human resources required to draft each agreement and complete all internal FAA and U.S. Government review and approvals, and to coordinate approval of each agreement with the respective States.

- 2.4 In summary, the FAA would have to establish up to five (5) new bilateral agreements for the CRA services and another six (6) for the RMA services, for a total of eleven (11) potential new agreements. In many of these cases, the FAA would also have to create a more general Memorandum of Agreement (MOA) between the FAA and subject aviation authority to provide the foundation for the proposed cooperation on CRA and/or RMA services. This would require more senior government approvals within both the United States and Asia Pacific State and add significantly more time and resource expenditure to the already cumbersome process.
- 2.5 The FAA's Air Traffic Organization (ATO) continues efforts to operate the provision of air transportation services within the U.S. National Airspace System and oceanic airspace based on sound business practices. This FAA analysis determined that the amount of internal resources required to complete the aforementioned bilateral agreements to establish cost sharing of CRA and RMA services are significantly higher than the approximately \$40,000 USD that would be collected annually for the CRA services and \$14,000 USD that would be collected annually for the RMA services.
- 2.6 The FAA is also aware that several States in the Pacific have stated their intentions to provide RMA services within their respective flight information regions (FIRs) in the near future. These developments will mature in the very near future, and thus the FAA does not see any benefits from engaging with these States on cost sharing negotiations at this time.
- 2.7 Therefore, the FAA has decided to continue funding (outright) the provision of CRA and RMA services in the Pacific for the foreseeable future, and thus not pursue any "monetary" cost sharing agreements with affected States.
- 2.8 However related to the provision of RMA services in the Pacific, the FAA will proceed to aggressively establish new bilateral agreements with affected States (Australia, Fiji, France, Japan, New Zealand, Papua New Guinea, and the Republic of Korea). These agreements will be based on agreements that the FAA already has established with Canada and Mexico in support of the FAA operation of the North American Aircraft Registry and Monitoring Agency, or NAARMO.
- 2.9 These agreements will focus on "non-monetary" contributions and require associated States to commit to a timely submission of data and flight information in exchange for the FAA's management of NAARMO activities and the provision of RMA services in their respective FIRs.

3. CONCLUSION

- 3.1 In summary, the FAA remains supportive of ICAO efforts, both in the Asia Pacific region and globally, to establish equitable cost sharing mechanisms requiring affected States to provide its fair share of the overall costs for providing CRA and RMA type services. The FAA remains committed to support ICAO in this endeavour through the RASMAG and other appropriate regional bodies.
- 3.2 Related to the provision of CRA services in the Pacific, the FAA has fully analysed the business case associated with establishing “monetary” cost sharing bilateral agreements with all CRA partner States, and has decided to continue funding (outright) the provision of CRA services for the foreseeable future, and thus not pursue any cost sharing agreements.
- 3.3 Related to the provision of RMA services in the Pacific, the FAA has fully analysed the business case associated with establishing “monetary” cost sharing bilateral agreements with all RMA partner States, and has decided to continue funding (outright) the provision of RMA services for the foreseeable futures, and thus not pursue any cost sharing agreements.
- 3.4 However, the FAA requires active assistance from the affected States to properly and safely provide the RMA services, and thus the FAA intends to aggressively establish “non-monetary” bilateral agreements outlining the timely provision of data and flight information that the FAA requires to adequately provide safety assessment in the respective FIRs.
- 3.5 Based on the FAA’s decisions outlined in this paper, the FAA recommends that the action items from the RSMC/TF/1 be readdressed as follows:

Action 1 – Prepare and Implement Cost Sharing Agreements

The FAA has decided not to pursue cost sharing agreements for the provision of CRA and RMA services in the Pacific, thus this action item is no longer applicable and should be closed.

Action 2 – Develop and Provide a Generic Agreement

As the FAA will not be pursuing cost sharing agreements for CRA and RMA services in the Pacific, it will not be able to develop and provide a generic agreement detailing a “monetary” cost-sharing situation. The FAA will be able to provide a generic agreement related to the “non-monetary” data sharing agreement that it has in place with Canada and Mexico, and will be establishing with Pacific RMA affected States.

Action 4 – Facilitate Support for the CRA Service

The FAA has decided not to pursue cost sharing agreements for the provision of CRA and RMA services in the Pacific, thus this action item is no longer applicable and should be closed.

Action 5 – Prepare and Implement Cost Sharing Agreements

The FAA has decided not to pursue cost sharing agreements for the provision of CRA and RMA services in the Pacific, thus this action item is no longer applicable and should be closed.

4. ACTION BY THE MEETING

4.1 The meeting is invited to:

- c) Take note of the information contained in this paper related to the FAA's continued provision of CRA and RMA services in the Pacific region;
- d) Provide timely support to the U.S. FAA in the development of "non-monetary" data sharing agreements to support the safe and efficient provision of RMA services in the Pacific;
- e) Status the aforementioned RASMC/TF/1 action items as proposed; and
- f) Continue to pursue appropriate cost sharing mechanisms, wherever appropriate and economically feasible, in the remainder of the Asia Pacific region;

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