



EAST AFRICAN COMMUNITY CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY

ANNUAL REPORT
2021/ 2022





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CIVIL AVIATION SAFETY AND
SECURITY OVERSIGHT AGENCY

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ACRONYMS AND ABBREVIATIONS

Throughout this Annual Report unless otherwise stated, the abbreviations in the first column have the meanings stated opposite them in the second column.

AGA	Aerodromes and Ground Aids
ANS	Air Navigation Services
ANSP	Air Navigation Service Provider
ATC	Air Traffic Control
ATM/CNS	Air Traffic Management/Communications Navigation Surveillance
ATO	Approved Training Organization
ACIP	Africa-Indian Ocean Comprehensive Implementation Plan
AFCAC	African Civil Aviation Commission
AFI	Africa-Indian Ocean Region
AVSEC	Aviation Security
BCAA	Burundi Civil Aviation Authority
UCAA	Uganda Civil Aviation Authority
CAA(U)	Civil Aviation Authority (Uganda)
CAM	Centre for Aviation Medicine
CAPSCA	Collaborative Arrangement for the Prevention and Management of Public Health Events in Civil Aviation
CASSOA	Civil Aviation Safety and Security Oversight Agency
CMA	Continuous Monitoring Approach
DG	Director General
EAC	East African Community
EASA	European Aviation Safety Agency
ECCAIRS	European Coordinated Centre for Accident and Incident Reporting System
ESAF	Eastern and Southern African Office (ICAO)
FAA	Federal Aviation Administration (of USA)
FOO	Flight Operations Officer
FSS	Flight Safety Standards
GASP	Global Aviation Safety Plan
GASOS	Global Aviation Safety Oversight System
ICAO	International Civil Aviation Organization
ICVM	ICAO Coordinated Validation Mission
ITS	Inspector Training System
KCAA	Kenya Civil Aviation Authority
NCASP	National Civil Aviation Security Programme
PEL	Personnel Licensing
RCAA	Rwanda Civil Aviation Authority
RSOO	Regional Safety Oversight Organisation
SARPs	Standard And Recommended Practices
ICAO	International Civil Aviation Organization
SMS	Safety Management System
SOFIA	Safety Oversight Facilitated Integrated Application
SSP	State Safety Programme
TCAA	Tanzania Civil Aviation Authority
TCM	Transport, Communication and Meteorology
UFIR	Upper Flight Information Region
USOAP	Universal Safety Oversight Audit Programme
USD	United States Dollar
USAP VAT	Universal Security Audit Programme Value Added Tax
ISA	International Auditing Standards



STATEMENT FROM THE BOARD CHAIR

COL. SILAS UDAHEMUKA
BOARD CHAIR

The EAC Region comprises of six contracting states to the Chicago convention and During the period under review the Agency was able to commence the implementation of the Project to enhance Safety Oversight Capability of Republic of South Sudan in collaboration and financing of AFCAC under the AFI CIS Programme, We look forward to realizing this dream of having all the EAC Partner States achieving levels of effective implementation of ICAO SARPS above the global average of 65% and implementing harmonised systems across the Region.

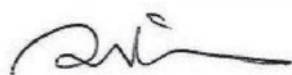
During the period under review, the Agency enhanced cooperation and collaboration with various partners e.g. ICAO, AFCAC, EASA etc. in the implementation of safety and security activities and training aimed at capacity building among EAC Partner States.

The construction of the Centre for Aviation Medicine in Nairobi was completed. The negotiations for the hosting by the Agency and the Republic of Kenya are expected to be concluded by December 2022. This will enable the operationalization of the Centre and the agency has received a grant of US\$ 398,000 from the EAC Secretariat to support the procurement of the medical equipment, furniture and IT equipment for the Centre. I would like to report that with the assistance of the Agency the Republic of Kenya was able to achieve an effective Implementation score of 91.77%. This places Kenya at one of the top two countries in Africa under the Universal Security Audit Programme (USAP).

The lack of financial resources emanating from delayed contribution from Partner States is also a complication that the Agency has to manage which creates difficulty in execution of the Annual Programme of Activities.

Finally , I would like to highlight the following challenges faced by the Agency during the period under review. The sustainable funding mechanism has not been implemented and needs to be addressed urgently to enable the Agency effectively deliver on its objectives. The lack of financial resources emanating from delayed contribution from Partner States is also a complication that the Agency has to manage which creates difficulty in execution of the Annual Programme of Activities. The rate of attrition of staff at the Agency is a major deterrent to the growth and effectiveness of the Agency which needs serious consideration.

I urge the Partner States through the Civil Aviation authorities, to continue supporting the Agency and look forward to better years ahead for the Agency.



COL. SILAS UDAHEMUKA
BOARD CHAIR



STATEMENT FROM THE EXECUTIVE DIRECTOR

Eng. Mohamed Besta
Ag. Executive Director

In the year under review the Agency saw sustained financial recovery as it begun the transition from its resilience plans as Partner States were able to resume almost 90% of the pre covid 19 pandemic financial contribution levels.

The Agency developed and reviewed Model EAC Civil Aviation Regulations and Technical Guidance Materials for harmonization and promulgation by Partner States in line with the Article 4 and 5 of the Protocol Establishing the Agency. The Agency provided support to Partner States have resulted in marked improvement amongst Partner States Effective Implementation (EI) of Safety and Safety/Security Oversight system as attested through the Universal Safety/Security Oversight Audit Programme (USOAP/USAP) Continuous Monitoring Approach by ICAO.

In the period under review the Agency conducted Initial self-assessment of the Agency compliance with Global Aviation Safety Oversight System (GASOS) in

preparation for GASOS certification. This self assessment has given the Agency a good indication of the areas that need to be addresses as it looks forward to the certification.

The Agency undertook dedicated Technical Support missions to the Partner States for purposes of addressing corrective action plans under the ICAO USOAP, USAP and implementation of State Safety Programme (SSP). These missions provide the Partner States an opportunity to have a third eye evaluate their systems to enable implementation of corrective actions in areas of identified deficiencies.

The Agency is actively contributed to the regional and global health and safety initiatives towards restart and recovery from the debilitating effects of COVID-19 Pandemic through organizing, participating and facilitating development of safety and Health Protocols for harmonization in the region;

The Agency has succeeded over a long

period in its endeavour to pooling of expert resources whereby there is a robust system and mechanism for sharing of inspectors among the EAC Partner States in the event of mutual support to resolve safety and security findings or concerns. Further outside the Region the Agency staff participated in a AFI-CIS missions to Zimbabwe to assist the State in the areas of Flight Operations and Personnel Licencing.

The Agency implemented capacity building training among Partner States through coordinating training in Resolution of Safety Issues, Specific Approval and Examination Techniques. Plans are underway to continue with this trend of capacity building in the subsequent financial year.



Eng. MOHAMED BESTA
Ag. Executive Director



ABOUT CASSOA

The Civil Aviation Safety and Security Oversight Agency (CASSOA) was established as an autonomous self-accounting institution of the Community, through the signing of the EAC CASSOA Protocol during the 5th Extraordinary Summit of EAC Heads of State held in Kampala, Uganda on 18th June 2007.



VISION

Attain a safe and secure regional aviation industry through enhanced oversight systems.



MISSION

To develop, promote and coordinate the implementation of sustainable civil aviation safety and security oversight systems in the Partner states



OBJECTIVES

The objectives of CASSOA are to:

- Promote the safe, secure and efficient use and development of civil aviation within and outside the Partner States;
- Assist the Partner States in meeting their safety and security oversight obligations and responsibilities under the Chicago Convention and its Annexes; and
- Provide the Partner States with an appropriate forum and structure to discuss, plan and implement common measures required for achieving the safe and orderly development of international civil aviation through the implementation of international standards and recommended practices relating to the safety and security of civil aviation.

GOVERNANCE STRUCTURE

The Board of Directors is the governing body of the Agency. The members of the Board in office during the period under review were as follows:

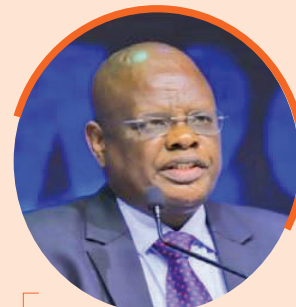
BOARD MEMBERS



Col. Silas Udahemuka
Director General
Rwanda Civil Aviation Authority



Mr. Emile Nguza Arao
Director General
Kenya Civil Aviation Authority



Mr. Fred Bamwesigye
Director General
Uganda Civil Aviation Authority



Capt. David Subek Dada
Chief Executive Officer
South Sudan Civil Aviation Authority



Amb. Joel Nkurabagaya
Director General
Burundi Civil Aviation Authority



Mr. Hamza Johari
Director General,
Tanzania Civil Aviation Authority



Eng. Margaret Munyagi
Aviation Expert
United Republic of Tanzania



Prof. David Kakuba
Aviation Expert
Republic of Uganda



Eng. Christopher Njenga
Aviation Expert
Republic of Kenya



Eng. Mohamed Besta
Ag. Executive Director
EAC CASSOA

The Board has also created three (3) Technical Committees namely:

(i) Technical Committee – Regulatory

Chairperson: Member of the Board

Membership: Directors of Safety Regulation in the Partner States Civil Aviation Authority or their representatives.

Function is to advise the Board on Aviation Safety and Security Technical matters

(ii) Technical Committee - Finance and Administration

Chairperson: Member of the Board

Membership: Directors of Finance/Corporate Services in the Partner States Civil Aviation Authority or their representatives.

Function is to advise the Board on Finance, Planning, Human Resources, Administration and ICT matters.

(iii) Technical Committee - Audit and Risk.

Chairperson: Member of the Board

Membership: Heads of Internal Audit in the Partner States Civil Aviation Authority or their representatives.

Function is to advise the Board on Audit, Risk Management and Governance matters.

THE BUDGET

The EAC Council of Ministers at its 40th Meeting, held in Arusha in February 2021, approved the Agency Annual Programme of Activities and Budget estimates for the Financial Year 2021/2022 detailed as follows:

- a) **USD2,081,399** to be funded by Partner States through their respective Civil Aviation Authority in the amounts of **USD 346,750** for each Partner State namely the Republic of Kenya, United Republic of Tanzania, Republic of Rwanda, Republic of South Sudan, Republic of Uganda and Republic of Burundi. The balance of the budget is funded by miscellaneous income of **USD 899;** and
- b) **USD 398,194** Supplementary Budget to operationalize the Centre for Aviation Medicine office in Nairobi.

The total final budget estimates for the FY 2021/2022 were **USD 2,479,593**

ACHIEVEMENTS DURING THE YEAR

During the period under review, the Agency had implemented most of the activities scheduled for the year. The major achievements in the year were:

- Developed and Reviewed Model EAC Primary Civil Aviation Act, Regulations and Technical Guidance Materials for harmonization and promulgation by Partner States in line with the Article 4 and 5 of the Protocol Establishing the Agency. The Agency provided support to Partner States have resulted in marked improvement amongst Partner States Effective Implementation (EI) of Safety and Safety/Security Oversight system as attested through the Universal Safety/Security Oversight Audit Programme (USOAP/USAP) Continuous Monitoring Approach by ICAO;
- The Agency conducted Initial self-assessment of the Agency compliance with Global Aviation Safety Oversight System (GASOS) in preparation for GASOS certification
- Provided dedicated Technical Support missions to the Partner States for purposes of addressing corrective action plans under the ICAO USOAP, USAP and implementation of State Safety Programme (SSP)
- The Agency is actively contributing in the regional and global health and safety initiatives towards restart and recovery from the debilitating effects of COVID-19 Pandemic through organizing, participating and facilitating development of safety and Health Protocols for harmonization in the region;
- The Agency has succeeded over a long period in its endeavour to pooling of expert resources whereby there is a robust system and mechanism for sharing of inspectors among the EAC Partner States in the event of mutual support to resolve safety and security findings or concerns;
- The Agency implemented capacity building training among Partner States through coordinating training in Resolution of Safety Issues, Specific Approval and Examination Technique;

CHALLENGES DURING THE FINANCIAL YEAR

The Agency faced a number of challenges in the period under review

- a) **Constrained funding of the Agency:** Implementation of some planned activities were deferred due to constrained funding from Partner States as contributions through their CAA's.
- b) **Unavailability of some Partner States Experts** in activities which have direct impact on the mandate of the Agency to achieve harmonization of policies, regulatory framework and practices

ORGANISATION RISK MANAGEMENT

The Agency has recently developed a Risk Management Framework and is managing its risks at organisational level fed into by the departmental risk management. Each department is responsible for the management of risks and this is monitored through the maintenance of departmental risk registers.

The key risks the Agency faces are:

- a) The funding risk that is being addressed through the implementation of a sustainable funding mechanism in all the Partner States to ensure there is stability and sustainability in the Revenue of the Agency going forward.
- b) Lack of title deed for the CASSOA Headquarters land which is being addressed through following-up with UCAA to acquire the title deed and then Sublease the title to CASSOA.
- c) Lack of sufficient qualified and competent personnel that is being addressed through developing MOUs with regional and international training organisations in support of training in the region.
- d) failure to harmonise or implement the Civil Aviation legislative framework Processes and Procedures in Partner States that is being addressed through Lobbying with Stakeholders responsible for aviation on the importance of adopting new regulations and guidance material.

PERFORMANCE REVIEW

Despite the various challenges the Agency continues to face primarily in funding it has continued to thrive. In the FY 2021/2022 the Agency was recovering from two very challenging years brought about by the COVID 19 Pandemic and its aftermath which greatly affected aviation activity globally. Despite these Challenges the Agency has been able to undertake various activities which have enabled the Region stay afloat in aviation safety and security oversight. The Agency primarily provides support to the Partner States in carrying out their Safety and Security oversight obligations. This assistance is provide through pooling and sharing of expertise available in the Region.

This performance review is presented by the departments at the Agency and the Activities undertaken by each in the year under review.

AERODROMES AND GROUND AIDS

A Working Group meeting of Aerodromes and Ground Aids (AGA) experts, Legal experts and Draftspersons was held from 2nd to 6th August 2021 to finalize and incorporate stakeholder comments for the following sets of regulations;

- a) Model EAC Civil Aviation (Certification, Licensing and Registration of Aerodrome) Regulations;
- b) Model EAC Civil Aviation (Aerodrome Design and Operations) Regulations; and
- c) Model EAC Civil Aviation (Heliport) Regulations.

The meeting was attended by representatives from the Republic of Burundi, the Republic of Kenya, the Republic of Rwanda, the United Republic of Tanzania, the Republic of Uganda and the EAC-CASSOA Secretariat. In continuing with its mandate, the Agency conducts Technical Missions in Partner States to support EAC Partner States in ensuring the effective implementation of the harmonized regulations and the associated Technical Guidance Materials in line with ICAO requirements and other SARPs as well as review the progress made in closing out of the ICAO USOAP and ICVM audit findings and to provide guidance on the development and progress on the implementation of the Corrective Action Plans (CAP) thereof. In addition, the Agency also provides technical support necessary to ensure that Partner States effectively address all the ICAO Critical Elements. Therefore, a technical mission was conducted in Tanzania from 6th to 10th December, 2021 to the Status of compliance/implementation of the harmonized Safety Regulations and associated Technical Guidance Materials and status of implementation of Tanzania's

ICAO USOAP-CMA Audit Corrective Action Plan filed in line with the revised ICAO 2020 Protocol Questions 2021.



Technical Mission to Tanzania Civil Aviation Authority



Industry visit to Jomo Kenyatta International Airport

A Joint Working Group Meeting of Flight Safety Standards, Aerodromes and Ground Aids, Air Navigation Services and Legal Experts was virtually held from 04th to 08th April, 2022. The objective of the meeting was to review and develop Technical Guidance Material related to Exemptions and Enforcement Procedures in line with the relevant requirements in the Model EAC civil aviation legislation. The working group meeting was attended by representatives from all the EAC Partner States and they developed the Draft Model EAC Civil Aviation Exemption Policy and Procedures in line with the Model civil aviation legislation, relevant ICAO documents and industry best practices. The meeting also reviewed the Model EAC Civil Aviation enforcement Policy and Procedures Manual.

ICAO-ESAF in conjunction with EAC-CASSOA organized a physical training workshop on Aerodrome Certification with the main objective of equipping the participants with the knowledge, skills and capacity to carry out aerodrome certification processes. The workshop was hosted by the Republic of Kenya at the Crowne Plaza Hotel in Nairobi from 9th to 13th May, 2022 and was attended by seventy-one (71) Experts comprising Aerodrome Regulators and Aerodrome Operators from the six (6) EAC Partner States. The workshop adopted a number of resolutions aimed at enhancing safety of aerodrome operations.

During the closing ceremony of the workshop, to encourage other Aerodrome Operators, Kisumu Airport also received their Aerodrome Certificate.



Aerodrome Certification Workshop in Nairobi, Kenya



Visit to Jomo Kenyatta International Airport



Mr. Emile Arao, Director General Kenya Civil Aviation Authority, Ms. Selina Gor, Manager Kisumu Airport and Mr. Barry Kashambo, Regional Director ICAO- ESAF (L-R)

The Global Aviation Safety Plan (GASP) identifies runway excursions and incursions as one of the high-risk categories of occurrences that contribute to operational safety risks during the delivery of aviation services. It is against this background that EAC- CASSOA, in conjunction with ICAO-ESAF, organized a physical/in-house Runway Safety workshop in Bujumbura, Burundi from 27th – 30th June 2022.

The workshop’s main objective was to increase runway safety awareness and trigger the process for establishment of runway safety programmes in the State.

The workshop was attended by Burundi Civil Aviation Authority AGA & ANS Regulators, Aerodrome Operators, ANSP and other Stakeholders from the Airlines, Military, Police and Ground handlers.

The participants attained knowledge and practical skills in identifying hazards, assessing and mitigating risks associated with runway safety identified the organizations that would constitute the Runway Safety Team and developed an action plan detailing the way forward for the runway safety team.



Runway Safety Training Workshop, Bujumbura Burundi



Runway Safety Training Workshop in Bujumbura Burundi.

FLIGHT SAFETY STANDARDS

The Agency convened a workshop of CASSOA experts from the 24th to 28th May, 2021 to develop the Draft Model EAC (Fatigue Management) Regulations based on the latest amendments of Annexes 6 and 11, other applicable ICAO Documents and industry best practices ,With the continued support of EASA through the EU-ASA project a workshop was convened from 23rd to 27th August, 2021 whose main objective was to develop the Draft Model EAC Fatigue Management TGMs in line with the Model EAC Fatigue Management Regulations and industry best practices. A number of Draft fatigue managements TGMs were successfully developed will be presented to EAC Partner States for consideration in a regular Working Group Meeting.

The EASA Fatigue Management Expert, Mr. Kris Major supported the team through virtual sessions for the entire duration of the Workshop.



Workshop in session from left: Sylvestre, Jackline, Kris, Henry, Besta, Catherine, Daniel, Immaculate and Philbert

A virtual joint Working Group meeting of the Flight Operations, Air Traffic Management, Airworthiness, Legal and Drafting Experts from the EAC Partner States was convened by CASSOA from 14th to 18th February, 2022. The objective of the WG meeting was to review the Draft Model EAC Civil Aviation (Fatigue Management) Regulations based on the latest amendments of Annexes 6 and 11 and other applicable ICAO documents and industry best practices.

A Joint Working Group Meeting of FSS, Legal and drafters Experts was virtually held. The objective of the meeting was to review the Zero Draft Model EAC (Safe Transport of Dangerous Goods by Air) Regulations and incorporate the latest ICAO Annex 6 & 18 amendments, the Technical Instructions amendments for the Safe Transport of dangerous goods by Air, ICAO Docs and latest Edition of IATA Dangerous Goods Manual. The Draft Model EAC (Safe Transport of Dangerous Goods by Air) Regulations are out for stakeholders' comments.

A Joint Working Group Meeting of FSS, AGA, ANS and Legal Experts was virtually held from 04th to 08th April, 2022. The objective of the meeting was to review and develop Technical Guidance Material related to Exemptions and Enforcement Procedures in line with the relevant requirements in the Model EAC civil aviation legislation. The model EAC enforcement manual has been developed to close the CE-8 ICAO PQ.

AFI - CIS conducted the 2nd (on site) assistance mission of Civil Aviation Authority of Zimbabwe (CAAZ) during the period of 07th to 18th March, 2022. The objective of the mission was to continue with the assistance to Zimbabwe to develop safety oversight procedures and technical guidance material (TGM) for certification, licensing, authorization and/or approval and surveillance obligations as well as resolution of safety issues in the areas of AIR, OPS, PEL, AGA and ANS following the first (virtual) mission.

The Agency conducted Technical Missions to TCAA in order to assess and review ICAO USOAP CMA Audit Findings and provide guidance on the development of the Corrective Action Plans (CAP) for their closures and support TCAA in the implementation of the CAPs following their acceptance by ICAO. The objective and scope of this Mission was to review findings from the ICAO USOAP - CMA activities as per the Protocol Questions and assess the progress made in the implementation of the corresponding Corrective Action Plan. This also provided an opportunity to evaluate Tanzania's Status of implementation of the harmonized Civil Aviation Regulations and associated Technical Guidance Materials. The Audit areas of LEG, ORG, AIR, OPS and PEL were considered with all the required support that was needed.

AVIATION SECURITY

The Agency convened a virtual meeting of aviation security experts from the 24th to 25th February, 2022 to review of USAP CMA Protocol Questions related to AVSEC training (Audit Area 2) and develop a matrix to guide States on addressing ICAO USAP CMA findings related to training. The main objective was to assist audited EAC States that recorded training related findings to be able to resolve the findings and accordingly amend the National Training Programme to address the PQs requirements. By the end of the meeting, a matrix was developed which detailed specific function training for each cadre/entity with aviation security responsibilities under the National Civil Aviation Security Programme which were the main USAP-CMA findings in the area of aviation security training. The developed matrix will be used by States in reviewing their national training programme to address the ICAO Protocol Questions (PQs) requirements and thereby addressing the USAP-CMA findings.

On the 18th March 2022, the Agency in collaboration with ICAO ESAF conducted a webinar to discuss USAP CMA findings related to minimum detection setting for security equipment used for screening at airports. The objectives of the webinar were to guide the States on how to address the findings and amend the national documentations accordingly to address the requirement. The webinar was attended by experts from all the EAC Partner States. By the end of the webinar, participants were able to understand the procedures needed to be followed in establishing minimum detection settings for security equipment used for aviation security screening functions of passengers and cabin baggage, hold baggage and cargo.

The Meeting of Aviation Security Experts Working Group was held to review and amend draft Model EAC Aviation Security Inspector's Manual (ASIM). The Meeting was held virtually from 19th to 22nd April, 2022. This manual outlines the duties and responsibilities of CAA inspectors with respect to the management of a state aviation security oversight system. It provides guidance to assist inspectors in managing an effective and sustainable State aviation security oversight system, through the effective implementation of the eight critical elements (8-CEs) of such a system. It also guides inspectors in performing their oversight responsibilities on behalf of the CAA in a coordinated and standardized manner without any sort of subjectivity to audited operators.

The Agency carried out a Technical Mission to TCAA from 24th to 28th January 2022 to evaluate the status of the effective implementation of the harmonized EAC Regulations and technical guidance materials in line with ICAO Annex 17 Standards and Recommended Practices.

The objective of the mission was to evaluate the Status of the State's compliance and effective implementation of the Model EAC Security/Facilitation Regulations and associated Technical Guidance Materials in line with ICAO Annexes 17-(Security) and 09-(Facilitation) SARPs. This was done through the evaluation of State's effective implementation of the Eight Critical Elements (CEs) to an effective aviation security oversight system. The critical elements include CE-1 Aviation security Legislations, CE-2 Aviation Security Programmes and Regulations, CE-3 States Appropriate Authority for aviation security and its responsibilities, CE-4-Personnel Qualification and Training, CE- 5 Provision of technical guidance tools and security critical information, CE-6 Certification and approval obligation, CE-7-Quality Control Obligations and CE-8 Resolution of security concerns.

The Agency conducted a Readiness Assessment Mission to Kenya Civil Aviation Authority from 7th to 16th March 2022, to support the State in preparation for the ICAO USAP CMA Audit that took place from 16th to 27th May, 2022.

The objectives of the readiness assessment mission were to evaluate the level of preparedness in the effective implementation of ICAO Annex 17 SARPs and the effective implementation of the Eight Critical Elements for an effective aviation security oversight system. The Mission evaluated the aviation security system of the Republic of Kenya and provide the necessary support including visits at Jomo Kenyatta International airport and Moi international Airport in Nairobi and Mombasa, respectively to evaluate the aviation security operations. The support enabled the Republic of Kenya to pass the ICAO USAP CMA audit with flying colours by scoring 91.77% Effective Implementation of ICAO Annex 17 Standards.

AIR NAVIGATION SERVICES

With the objective of maintaining an effective civil aviation law and implementing Standards and Procedures, a workshop financed in the framework of the European Union-Africa Safety in Aviation (EU-ASA) project achieved the review and development of Model EAC Air Navigation Services (ANS) Technical Guidance Materials in line with the amended ANS regulations and industry best practices. EAC CASSOA participated in the 18th working session of EAC upper airspace seamless operations in Mombasa from 14th to 16th February 2022 and provided regulatory guidance in the process of development of technical specifications for the acquisition of the EAC Upper Airspace seamless Operations Platform (System) to enable integration of CNS/ATM/AIM systems to create interoperability within EAC Seamless Upper Airspaces, Harmonization of calibration schedules and reviewed the project implementation progress. This activity was undertaken under the strategic objective of enhancement of knowledge and awareness of emerging issues in Aviation. The Agency held a virtual working group meeting from 21st to 25th March, 2022, to review and develop the Draft Model EAC ANS Technical Guidance Materials (TGMs) in line with the Model EAC ANS (ATS and CNS) related Regulations to address the 2020 PQ version to maintain effective civil aviation laws, standards, and procedures in the Partner States.

The Working Group Meeting of Drafters, FSS, AVSEC, ANS, And AGA Experts meeting convened from 16th to 19th May 2022, developed and reviewed the draft Model EAC Civil Aviation (Unmanned Aircraft Systems) Regulations, to maintain effective civil aviation law, standards, and procedures in the Partner States. The Joint ICAO-ESAF/EAC-CASSOA Runway Safety Workshop was held in Bujumbura from 27th to 30th June 2022. The workshop enhanced the knowledge and awareness of emerging issues through increasing runway safety awareness and commencement of the establishment of runway safety programs in the State through attaining knowledge and practical skills on identifying hazards, assessing, and mitigating risks associated with runway safety.

The ANS Technical Mission to Tanzania CAA evaluated the Status of compliance/implementation of the harmonized Safety Regulations and associated Technical Guidance Materials. The Mission also evaluated the status of implementation of Tanzania's ICAO USOAP-CMA Audit Corrective Action Plan filed with ICAO in line with the revised 2020 Protocol Questions. Useful recommendations aiming at correcting identified issues were phrased and transmitted to the Partner States for appropriate action to implement a sustainable oversight system in URT.

The 1st AFCAC-CASSOA AFI CIS Technical support Mission to the Republic of South Sudan was held from 23rd May to 3rd June 2022. In the process of supporting the Republic of South Sudan to establish and maintain a robust civil aviation safety oversight system, this first mission achieved the completion of the gap analysis to identify the needs for future activities. The team also started the review of the South Sudan Civil Aviation Act and the South Sudan Aircraft Accident and Incident Investigation Bill.

CENTRE FOR AVIATION MEDICINE

The Centre conducted Technical Missions to Tanzania and Burundi Civil Aviation Authorities whose objectives were to review PEL findings from ICAO USOAP CMA activities as per PEL PQs and assess implementation of the CAPs in regard to Aviation Medicine, review the Medical Assessment Procedures, review level of implementation of Public Health Emergency Preparedness and Response at Julius Nyerere and Bujumbura International Airports.

As a result of the CAPSCA Technical Assistance visits to Julius Nyerere International and Bujumbura International Airports and provision of corrective measures where necessary, improvement of the Public Health Emergency Preparedness and Response is expected. This is further enhanced by the review and development of Public Health Operational Guidelines aligned to the WHO, CDC and IHR guidelines.

The Centre also convened Virtual Working Group Meetings to review Aviation Medicine related regulations and Technical Guidance Materials (TGMs) and reviewed and developed operational guidelines for the management of air passengers and aviation personnel in relation to the COVID 19 Pandemic. This further enhanced the Public Health Emergency Preparedness and Response in the Region, in relation not only to COVID 19 Pandemic but also to any other public health event or communicable disease. The Centre also convened a Virtual Meeting to review its staffing requirements and develop job descriptions for the proposed staff.

The additional staff are meant to ensure the effective operationalization of the Centre. The department was also involved in the inspection and ascertainment of the medical equipment delivered by the bidder who had been awarded the tender, in collaboration with a Designated Biomedical Engineer. The equipment is meant for use in the investigative process of referred Flight/ATC applicants during the medical assessment process at the Centre when fully operationalized.

ICT DEPARTMENT

The ICT Department accomplished the following activities in the Financial year: trained Finance staff on the Budget Management System; provided day-to-day support to CASSOA staff on ICT Systems; updated CASSOA website; updated the calendar of activities and decisions in EAMS; internally reviewed ICT Policy and Procedure Manual and had it approved by the Board and developed specifications for ICT goods and services to facilitate the procurement process.

LEGAL DEPARTMENT

The Agency made headway in strengthening collaborative efforts with RSOOs as guided by the Regional RSOO Forum for Global Aviation Safety (22-24 March 2017, Ezulwini, Eswatini) which recommended that cooperation among RSOOs be strengthened in order to benefit from an exchange of experience, information and sharing of best practices. In this regard, the Agency initiated negotiations on a Memorandum of Corporation with the the Banjul Accord Group Aviation Safety Oversight Organisation (BAGASOO). The Agency was finalising negotiations with BAGASOO at the end of the financial year and expected to soon experience the fruits of joint efforts enhancing safety and security in aviation in East Africa and the rest of Africa. This will certainly increase the Agency's footprint across the continent.



The Agency exercised tremendous resilience during the Pandemic. The FY 2021/22 was still struggling with the effects of the Pandemic, especially through the reduced flights and loss of jobs in the aviation industry. Despite this, the leadership at the Agency managed to survive through this period and instituted a resilience plan that saw the Agency prioritise key areas to ensure that its objectives continue to be met. All four planned Board meetings were scheduled as planned, with important resolutions passed that enabled the smooth running of the Agency.



The Legal Department successfully managed to fulfil legal obligations during the period. However, challenges stemming from the COVID-19 effects affected activities that could have been successfully conducted in the financial year. The Agency looks forward to establishing a Legal Forum to tackle emerging issues in aviation law, specifically affecting safety and security and to foster programs to promote continuous capacity development and collaborations for lawyers in aviation within the East African Community.

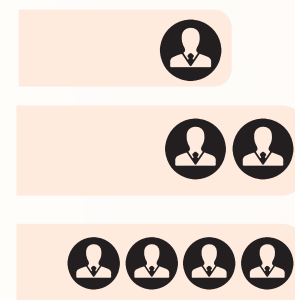
HUMAN RESOURCE & ADMINISTRATION

The aim of the Human Resource and Administration department is to ensure that Agency staff are attracted, developed, motivated, and retained. The department also makes sure that the office environment is safe and secure for staff members to perform well. The following paragraphs detail the main achievements of the department in the areas of Human Resources, Administration, and Procurement.

By 30th June 2022, the manning level at the Agency was eighteen (18) officers. One member of staff passed on in October 2021 and two other staff resigned in March and June 2022. The Agency embarked on the recruitment processes of the Executive Director and Senior Information Technology Officer and the processes were completed by June 2022.

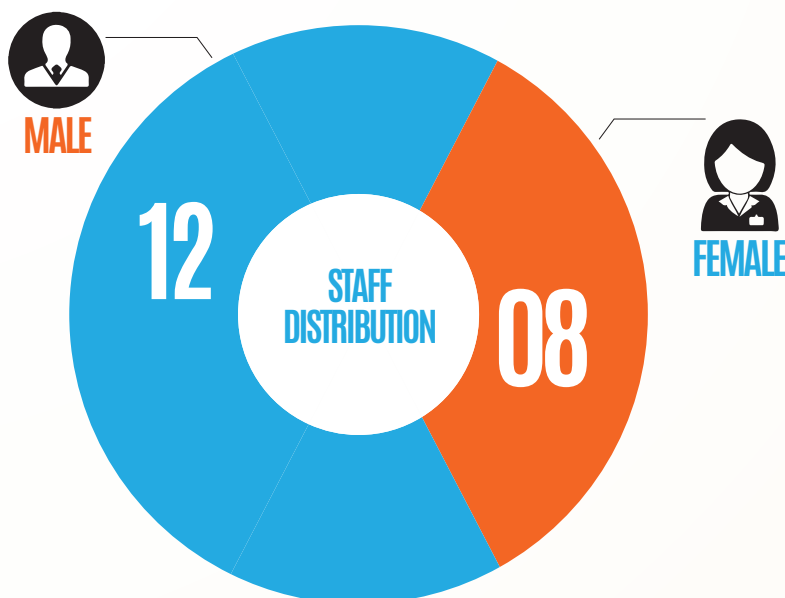
As at 30th June 2022, The Agency had the following human resources on Board:

Category	Establishment	Actual	Gap
Executive Director	1	1 ¹	0
Professional staff	18	14 ²	4
General staff	8	5	3
Total	27	20	7



Gender Distribution of staff

GENDER	NUMBER OF STAFF
Male	12
Female	8



The Human Resources and Administration department carried a number of activities during the FY 2021-2022. Some of the planned activities included coordination of the Agency job evaluation and analysis, the conduct of staff excellence award process, and procurement of goods and services. The department organized and coordinated the implementation of the Agency Job evaluation and analysis. The assignment was conducted by the Partner States HR experts from Civil Aviation Authorities from July to November 2021. The final report was submitted to the Agency on 5th November 2021.

The department conducted the staff excellence award process successfully and two staff members were awarded. The first one was recognized as Staff of the Year and the second was the Golden Performer. They were congratulated by the Management and all staff and their pictures were displayed on the Agency notice Board. The picture of the Staff of the Year was also displayed on the Agency website.

The department conducted the recruitment of the Executive Director and the Senior Information Technology Officer during FY 2021-2022. The process of recruitment was completed by 30th June 2022 and staff members were expected to report on duty during FY 2022-2023.

In the area of procurement, the level of implementation of activities was at 83% compared to the 60.2% level during the previous financial year. Some of the concluded activities include the provision of Cleaning Services, Provision of Security Services, Provision of Internet Services, AC Maintenance Services, Preventive Maintenance of IT Equipment, and Lease of Photocopier Services. The procurement unit also conducted the procurement of Furniture and Medical equipment for the Center for Aviation Medicine Office in Nairobi.

INTERNAL AUDIT

The Agency has an Internal Audit Department that reports to the Board through the Technical Committee Audit and Risk of the Board. The Committee is chaired by a Board Member. The Membership of the Technical Committee Audit and Risk comprises of Heads of Internal Audit and Risk in the Partner State's Civil Aviation Authorities or their representatives. The committee meets quarterly and its main function is to advise the Board on issues of Governance, Risk Management and Control.

The Agency is implementing a risk management framework as measure to identify, mitigate and minimize risks faced by the Agency.

In the Financial year 2021/2022 the Internal Audit function reviewed the annual financial statements before they were presented to the Board for Approval. Conducted Audit of human resource processes with focus on performance management and also audited the effectiveness of administrative processes at the Agency. The Audit recommendations from the Audits are followed up in a status of implementation matrix, which is presented to the technical committee Audit and Risk quarterly for assessment of the effectiveness of the actions undertaken by Management to address the weaknesses identified.

The department also coordinated the participation of the Agency in the 26th EAC Audit and Risk meeting, which was conducted in Mwanza, United Republic of Tanzania from 3rd -13th February 2022. This included, induction training for new members of the Committee, preparation of harmonized annual plans for all EAC Organs and Institutions and presentation of Audited accounts of the Community (Including Organs and Instructions) for the year ended 30th June 2021, and workplans for the management actions to address the issues raised in the respective Management Letters. Further the department coordinated the Agency appearance before the EALA Committee of Accounts in its meeting from 15th-28th May 2022, which reviewed the Audited Community Financial Statements for year ended 30th June 2020, where Management was tasked to provide corrective actions being undertaken to address the weaknesses highlighted in the Audit Commission reports.



REPORT OF THE AUDIT COMMISSION

REPORT OF THE AUDIT COMMISSION FOR THE YEAR ENDED 30TH JUNE 2022

1. FINANCIAL STATEMENTS OF CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY (CASSOA) FOR THE YEAR ENDED 30TH JUNE 2022

**The Chairperson,
Council of Ministers
East African Community**

REPORT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of the Civil Aviation Safety and Security Oversight Agency (CASSOA) set out on pages 20 to 39 which comprise the statement of financial position as at 30 June 2022, and the statement of financial performance, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Civil Aviation Safety and Security Oversight Agency (CASSOA) as at 30 June 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards and comply with the Treaty for Establishment of the East African Community, 1999 (as amended) and EAC Financial Rules and Regulations, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Civil Aviation Safety and Security Oversight Agency (CASSOA) in accordance with the ethical requirements of International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants and Article 134(4) of the Treaty for Establishment of the East African Community, 1999 (as amended) and we have fulfilled our ethical responsibilities in accordance with these requirements and the ISAs. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

We have determined that there are no key audit matters to communicate in our report.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following matters in the financial statements.

1) Arrears of Revenue from Partner States

We reviewed the Statement of Comparison of Budget and Actual for the year under review and noted that the Organisation budgeted for **USD 2,479,593** from 3 sources of revenue but actually realised **USD 1,843,222** resulting into a shortfall of **USD 636,371**.

Table 4 showing Arrears of Revenue

Budget Amounts (USD)	Budgets Amounts (USD)	Actual Amounts - (USD)	Difference (USD)	% Performance
Revenue from Partner States	2,080,500	1,437,000	(643,500)	69%
Reserve Grant from EAC Secretariat	398,194	398,194	0	100%
Other Incomes	899	8,028	7,129	892%
Total	2,479,593	1,843,222	636,371	74%

- An analysis of the approved budget revealed that CASSOA had budgeted to receive **USD 2,080,500** as revenue from the partner states but realised **USD 1,437,000** performance of **69%**.
- The Secretariat had pledged **USD 398,194** and all this was realized leading to **100%** performance.

Failure to collect all the budgeted revenue may hinder the timely achievement of the set objectives of the Agency.

2. Outstanding State Contributions from the Partner States Worth USD 2,463,016

Audit noted that Partner states had outstanding contributions to CASSOA worth USD2,463,016 as of 30th June 2022. There was also no evidence that the Partner States wrote to the Board through the Agency Secretariat explaining reasons for none-remittance.

Details are indicated in the table below:

Table 5 showing Outstanding State Contributions

SN	Name of Partner State	Amount Outstanding-(USD)
1	Republic of Burundi	621,787
2	Republic of South Sudan	1,841,229
	Total	2,463,016

Failure by Partner States to honor their contributions has a negative impact in the implementation of the planned activities.

3. Under- absorption of funds

The EAC Council of Ministers at its 40th meeting held in Arusha in February 2021 approved the Agency Annual Budget and among other things approved a supplementary of **USD 398,194** to operationalize the Centre of Aviation Medicine Office in Nairobi Kenya. Consequently, Auditors noted that the entity in its Statement of Financial Position recognised **USD 390,093** as un-utilized as at 30th June, 2022.

This was as a result of delays in getting a successful bidder meant for equipping the Centre for Aviation Medicine in Nairobi.

Failure to absorb funds under the different programs points to lack of capacity by CASSOA to implement the activity for which a supplementary was sought and thus the project may fail.

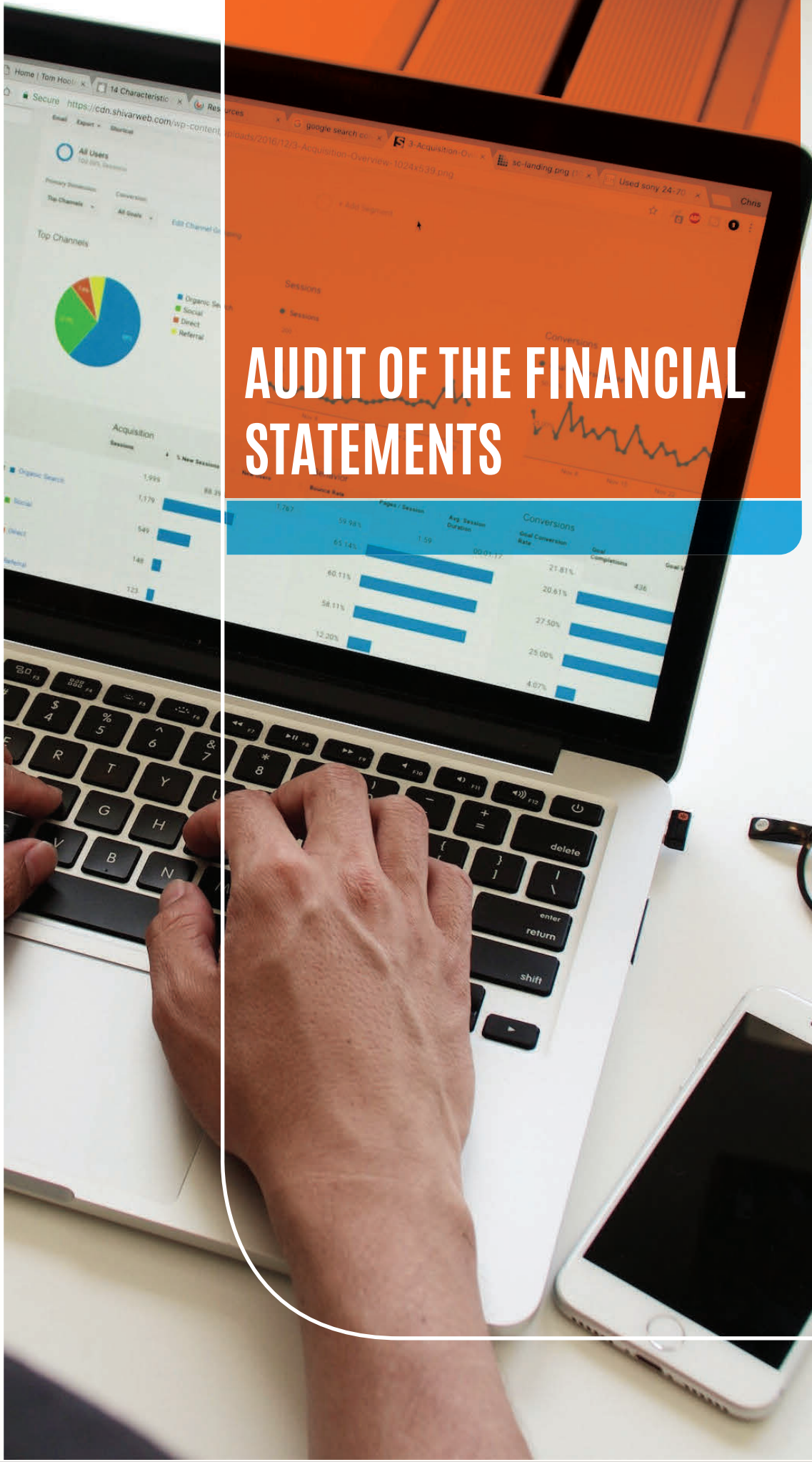
1. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards and Regulations 78 and 79 of the East African Community Financial Rules and Regulations, 2012, and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management intend to cease operations of the Civil Aviation Safety and Security Oversight Agency (CASSOA), or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

AUDIT OF THE FINANCIAL STATEMENTS



AUDIT COMMISSION'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion in accordance with the provisions of Article 134(2) of the Treaty for Establishment of the East African Community, 1999 (as amended). Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management. Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Civil Aviation Safety and Security Oversight Agency (CASSOA) to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Community to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

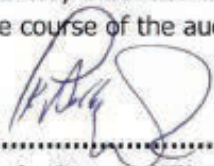
We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Article 134(2) of the Treaty for Establishment of the East African Community, 1999 (as amended), we report based on the audit that any contributions received or revenue collected by the Civil Aviation Safety and Security Oversight Agency (CASSOA) have been allocated and distributed in accordance with this Treaty.

Appreciation

Finally, we would like to take this opportunity to express our sincere appreciation for the courtesy extended and assistance rendered by Management and staff of the CASSOA during the course of the audit. We would be glad to receive comments on these matters.



Amb. Steven Kilion Wonda
AUDITOR GENERAL OF THE
REPUBLIC OF SOUTH SUDAN

Date.....



Ms. Nancy Gathungu
AUDITOR GENERAL OF
THE REPUBLIC OF KENYA

Date: 21/01/2023



Mr. Charles E. Kichere
CONTROLLER AND
AUDITOR GENERAL OF
THE UNITED REPUBLIC
OF TANZANIA

Date: 21/01/2023



Mr. John F. S. Muwanga
AUDITOR GENERAL OF
THE REPUBLIC OF UGANDA

Date: 21/01/23



Mr. Alexis Kamuhire
AUDITOR GENERAL OF THE
REPUBLIC OF RWANDA

Date: 21/01/2023



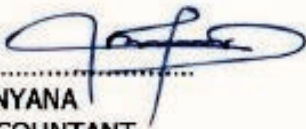
Ms. Générose Kiyago
STATE INSPECTOR
GENERAL OF THE
REPUBLIC OF BURUNDI


Date: 21/01/2023

CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2022

	Notes	2021/2022 USD	2020/2021 USD
ASSETS			
Current Assets			
Cash and cash equivalents	5	1,489,527	1,151,902
Outstanding Partner States Contributions	6	2,463,016	2,338,756
Other Receivables	7	67,550	60,176
Advances and Prepayments	8	61,054	70,148
Total Current Assets		4,081,147	3,620,982
Non-Current Assets			
Property, Plant and Equipment	9	772,198	816,556
Intangible Assets	10	73,474	97,965
Total Non-Current Assets		845,672	914,521
Total Assets		4,926,819	4,535,503
LIABILITIES			
Current Liabilities			
Payables	11	12,116	30,481
Unutilised Current Grants From DPs	12	390,093	(0)
Staff gratuity payable within 1 year	13	137,410	37,200
Total Current Liabilities		539,619	67,681
Non-Current Liabilities			
Staff gratuity payable after 1 year	13	301,948	487,770
Total Non-Current Liabilities		301,948	487,770
Total Liabilities		841,567	555,451
NET ASSETS		4,085,252	3,980,052
Net Assets /Equity			
Revaluation Reserve	21	152,359	146,525
Accumulated Surpluses/(deficits)		3,932,893	3,833,527
TOTAL NET ASSETS/EQUITY		4,085,252	3,980,052

For: 
 RITA KABANYANA
 SENIOR ACCOUNTANT

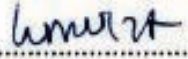

 WANJIRU MUTA
 EXECUTIVE DIRECTOR

CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2022

Revenue	Notes	2021/2022 USD	2020/2021 USD
Contribution from Partner States	14	2,080,500	2,035,440
Revenue from non exchange transactions	15	8,101	337,369
Revenue from exchange transactions	16	8,028	7,867
Gain on disposal of non current assets		0	41
Other revenue		0	166
Total Revenue		2,096,629	2,380,883
Expenses			
Wages, salaries and employee benefits	18	1,275,476	1,340,406
Administrative and consultancy expenses	19	638,266	773,668
Provision for doubtful receivables		0	0
Depreciation expense	9	52,056	57,366
Amortization expense	10	24,491	24,491
Loss on exchange translations	17	974	
Finance costs	20	6,000	5,864
Total expenses		1,997,263	2,201,795
Surplus/(deficit) for the period		99,366	179,089

For: 
 RITA KABANYANA
 SENIOR ACCOUNTANT


 WANJIRU MUTTA
 EXECUTIVE DIRECTOR

CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30TH JUNE 2022

	Accumulated Surpluses/ (Deficits)-USD	Revaluation Reserve-USD	Total-USD
Balance at July 1, 2021 brought forward	3,833,527	146,525	3,980,052
Adjustments on accumulated Surplus	-	-	-
Revaluation of assets	-	5,834	5,834
Surplus for the period	99,366	-	99,366
Balance at June 30, 2022	3,932,893	152,359	4,085,252

For: 
 RITA KABANYANA
 SENIOR ACCOUNTANT

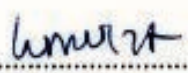

 WANJIRO MUTTA
 EXECUTIVE DIRECTOR

CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE 2022

	2021/2022 USD	2020/2021 USD
Cashflows from operating activities		
Surplus (deficit)	99,366	179,089
Non-cash movements		
Depreciation	52,056	57,366
Amortisation	24,491	24,491
Loss/(Gain) on disposal of PPE	-	(41)
Loss on disposal of non current assets	-	5,723
Prior year adjustment	-	-
(Increase)/decrease in outstanding PS contributions	(124,260)	(805,939)
(Increase)/decrease in receivables	(7,374)	6,907
(Increase)/decrease in prepayments	9,094	142,501
Increase/(decrease) in payables	(18,365)	2,507
Increase/(decrease) in unutilised current grants	390,093	(341,355)
Increase/(decrease) in gratuity	(85,612)	134,735
Net cash flows from operating activities	339,489	(594,015)
Cashflows from investing activities		
(Acquisition)/liquidation of Short term Investments	-	-
Increase in Revaluation Reserve	-	-
Acquisition of fixed assets	(1,864)	(18,718)
Acquisition of intangible assets	-	-
Disposal of fixed assets	-	1,508
Net cashflows from investing activities	(1,864)	(17,210)
Net increase/(decrease) in cash and cash equivalents	337,625	(611,226)
Cash and cash equivalents at beginning of the financial year	1,151,902	1,763,128
Cash and cash equivalents at end of the financial year	1,489,527	1,151,902

For: 
 RITA KABANYANA
 SENIOR ACCOUNTANT


 WANJIRU MUTTA
 EXECUTIVE DIRECTOR

CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED

30TH JUNE 2022

PARTICULARS	Budgeted Amounts-USD	Actual Amounts on comparable basis-USD	Difference Final Budget and Actual-USD	%	Variances Explained
	Final				
RECEIPTS					
Contribution from Partner States	2,080,500	1,437,000	(643,500)	-31%	1
Funding from Reserve				0%	
Grant from EAC Secretariat	398,194	398,194	-	0%	
Other receipts	899	8,028	7,129	793%	2
Total receipts	2,479,593	1,843,222	(636,371)		
PAYMENTS					
Wages, salaries and employee benefits	1,319,948	1,275,476	44,472	3%	
Administrative expenses and Technical	753,551	636,402	117,149	16%	3
Technical Expenses	-		-		
Finance expenses	6,000	6,000	-	0%	
Capital expenditure	400,094	1,864	398,230	100%	4
Total Payments	2,479,593	1,919,742	559,851	23%	
NET RECEIPTS/ (PAYMENTS)	-	(76,520)			

Explanation of variances

1. Contribution from some Partner States were not received in full.
2. Interest from banks were more than expected. Received tender fee was not in the budget
3. Due to constrained funding from Partner States, some planned activities were deferred.
4. Delays in getting successful bidders led to inability to commit the funds for equipping the Centre for Aviation medicine in Nairobi. However, the funds will be committed by 30th December 2022.

For: 
 RITA KABANYANA
 SENIOR ACCOUNTANT


 WANJIRU MUTTA
 EXECUTIVE DIRECTOR

NOTES TO THE FINANCIAL STATEMENTS

2) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balance with banks in current and fixed deposit accounts. As at 30th June, 2021 cash and cash equivalents included the following balance:

Particulars	2021/2022 USD	2020/2021 USD
Cash in hand	5	752
Balances with banks on current accounts	1,489,532	1,151,150
Total	1,489,527	1,151,902

5) (i) Balances with banks on current accounts

Bank	2021/2022 USD	2020/2021 USD
Absa Bank Limited-Current Account	424,346	289,043
Absa Bank Limited-Staff Gratuity Account	441,216	526,437
Diamond Trust Bank Limited	8,115	3,708
DFCU Bank Limited	615,855	331,962
	1,489,532	1,151,150

6) Outstanding Partner State Contributions

Particulars	2021/2022 USD	2020/2021 USD
Burundi CAA (Contribution for FY2016/2017, FY2019/2020, FY2020/2021 & FY2021/2022)	621,787	425,037
Kenya CAA (Contribution for FY2021/2022)	-	-
Rwanda CAA (Contribution for FY2021/2022)	-	-
Tanzania CAA (Contribution for FY2021/2022)	-	239,240
South Sudan CAA (Contribution for FY2017/2018, FY2018/2019, FY2019/2020, FY2020/2021 & FY2021/2022)	1,841,229	1,674,479
Total	2,463,016	2,338,756

Aging Analysis

Particulars	<360 days In USD	<720 days In USD	>720 days In USD	TOTAL in USD
Burundi CAA	296,750	319,240	5,797	621,787
Kenya CAA	-	-	-	-
Rwanda CAA	-	-	-	-
Tanzania CAA	-	-	-	-
South Sudan CAA	346,750	339,240	1,155,239	1,841,229
Total	643,500	658,480	1,161,036	2,463,016

7) Other Receivables from exchange transactions

Particulars	2021/2022 USD	2020/2021 USD
Uganda Revenue Authority - VAT Recoverable	61,430	59,198
Accrued expenses	19	19
Salary Advance	6,101	960
Total	67,550	60,176

8) Advances and Prepayments

Particulars	2021/2022 USD	2020/2021 USD
Jubilee - Group Life Assurance	15,620	15,181
Jubilee- Medical Insurance	26,226	25,944
Sanlam - General Insurance	14,961	19,892
SunSystem	4,247	
Softlans-SOFIA Maintenance	-	8333
Zoom Subscription	-	798
Total	61,054	70,148

9) Property, Plant and Equipment

	Land- USD	Build- ing-USD	Other struc- tures-USD	Motor Vehi- cle-USD	Computer Equip- ment-USD	Office Equip- ment-USD	Office Furni- ture-USD	Telecommu- nication Equipment - USD	To- tal-USD
2021/2022									
Cost:									
As at 01 July 2021	334,770	458,967	2,282	53,615	49,453	47,515	25,100	23,388	995,089
Additions	-	-	-	-	1,864	-	-	-	1,864
Disposal	-	-	-	-	(49,453)	-	-	-	(49,453)
Revaluation	-	-	-	-	29,209	-	-	-	29,209
As at 30 June 2022	334,770	458,967	2,282	53,615	31,074	47,515	25,100	23,388	976,710
Accumulated Depreciation:									
As at 01 July 2021	-	93,218	911	21,448	26,078	18,505	9,565	8,809	178,534
Depreciation for the year	-	11,474	456	10,723	10,202	9,583	5,021	4,597	52,056
Adjustment	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	(26,078)	-	-	-	(26,078)
As at 30 June 2022	-	104,692	1,367	32,170	10,203	28,088	14,585	13,406	204,512
Net carrying amount:									
As at 30 June 2022	334,770	354,275	915	21,444	20,871	19,427	10,514	9,982	772,198

10) Intangible assets

	SunSystems Software	10000 Examination System Questions	HR Management Software	Total
2021/2022				
Cost:	USD	USD	USD	USD
As at 01 July 2021	36,155	79,195	7,106	122,456
Additions	-	-	-	-
Revaluation	-	-	-	-
Disposals	-	-	-	-
As at 30 June 2022	36,155	79,195	7,106	122,456
Accumulated Amortisation:				
As at 01 July 2021	7,231	15,839	1,421	24,491
Amortisation for the year	7,231	15,839	1,421	24,491
Impairment	-	-	-	-
Adjustments to accumulated amortisation	-	-	-	-
As at 30 June 2022	14,462	31,678	2,842	
Net carrying amount:				
As at 30 June 2022	21,693	47,517	4,264	73,474
Revaluation Surplus	-	-	-	-

11) Payables

Particulars	2021/2022 USD	2020/2021 USD
Accounts payable to suppliers (i)	5,833	10,145
Staff Advances and Imprest	1,933	836
Staff beneficiaries	-	-
Board and TCs Allowances	-	10,050
Other Accrued payables (ii)	4,350	9,450
Total	12,116	30,481

11 (i) Accounts payable to suppliers

Particulars	2021/2022 USD
Burundi Civil Aviation Authority	283
MTN Uganda Ltd	22
MFI Managed Document Solutions Ltd	78
Roya Place Hotel	4,136
Sybyl Limited	1,314
Total	5,833

11) (ii) Other Accrued payables (Honoraria)

Delegate	Partner State	2021/2022 USD
Mr. John Chol Deng	South Sudan	50
Blasia Janmes Akonga	South Sudan	100
Blasia Janmes Akonga	South Sudan	100
Johnson Marun Telar	South Sudan	100
Blasia Janmes Akonga	South Sudan	100
Meen Chol Majur	South Sudan	100
Funmilayo Hamilton Carroll	South Sudan	100
Johnson Marun Telar	South Sudan	100
Bol Ring Gum	South Sudan	100
Shyaka Micheal	Rwanda	100
Zimarimpaka Dieudone	Burundi	100
Orly Kayiranga	Rwanda	100
Daniel Makina	Tanzania	100
Evans Asiago Ogochi	Kenya	100
Karen Luoga	Tanzania	100
Ibrahim Ahmad	Tanzania	100
Niyonsaba Jean Pierre	Burundi	100
Audace Nkurunziza	Burundi	100
Virginia Kerubo	Kenya	100
Fiona Chocho	Kenya	100
Salome Kazuzuru	Tanzania	100
Denis Kangethe Kimani	Kenya	100
Abel Ndayishimiye	Burundi	100
Valentine Msigala	Tanzania	100
Eric Nkurunziza	Rwanda	100
Mutsinzi Thierry	Rwanda	100
Mbabu Kaburu	Kenya	100
Richard Chesire Cherop	Kenya	100
Patience Uwera	Rwanda	100
Lynette Shalwa	Kenya	100
Bizimana Jean De Dieu	Burundi	100
Francis Kigeni	Kenya	100
Cynthia Isimbi	Rwanda	100
Ines Muco Semwanga	Rwanda	100
Farashu Faraji Rukwanju	Tanzania	100
Stephen Rombe	South Sudan	300
Johnson Marun Telar	South Sudan	300
Johnson Marun Telar	South Sudan	300
Total		4,350

12) Unutilised Current Grants

Particulars	2021/2022 USD	2020/2021 USD
Operationalization of EAC CAM office in Nairobi	390,093	-

13) Staff Gratuity

Particulars	2021/2022 USD	2020/2021 USD
Staff gratuity payable within 1 year	137,410	37,200
Staff gratuity payable after 1 year	301,948	487,770
Total	439,358	524,970

14) Contributions by Partner States through Civil Aviation Authorities

Particulars	2021/2022 USD	2020/2021 USD
Burundi Civil Aviation Authority	346,750	339,240
Kenya Civil Aviation Authority	346,750	339,240
Rwanda Civil Aviation Authority	346,750	339,240
South Sudan Civil Aviation Authority	346,750	339,240
Tanzania Civil Aviation Authority	346,750	339,240
Uganda Civil Aviation Authority	346,750	339,240
Total	2,080,500	2,035,440

15) Revenue from non-exchange transactions

Particulars	2020/2021 USD	2020/2021 USD
GIZ -pandemic preparedness project	-	337,369
Grant from EAC Secretariat	8,101	-
Total	8,101	337,369

16) Revenue from exchange transactions

Particulars	2021/2022 USD	2020/2021 USD
Tender fees	1,904	686
Miscellaneous Income	156	-
Interest income (i)	5,968	7,181
Total	8,028	7,867

16) (i) Balances with banks on current accounts

Bank	2021/2022 USD
Absa Bank Limited-Current Account	364
Absa Bank Limited-Staff Gratuity Account	1,121
Diamond Trust Bank Limited	83
DFCU Bank Limited	4,400
Total	5,968

17) Loss on exchange transactions

Particulars	2021/2022 USD	2020/2021 USD
Insurance proceeds	-	-
Realised exchange gain	-	-
Realised Foreign exchange loss/gain	154	-
Unrealised Foreign exchange loss/gain	819	-
Total	974	-

18) Salaries, wages, and employee benefits

Particulars	2021/2022 USD	2020/2021 USD
Salaries	705,966	741,578
Temp Staff/ Basic Wages	-	17,109
Housing allowance	218,669	236,417
Transport allowance	47,930	50,817
Domestic Servant allowance	1,940	2,400
Entertainment allowance	2,910	3,600
Extraneous allowance		562
Bereavement and Other Medical	10,351	2,000
Gratuity	173,169	183,710
Education allowance	79,000	80,000
Dependency allowance	4,150	3,450
Intern allowance	200	200
Responsibility	432	2,355
Acting allowance	6,736	433
Settlement allowance	18,375	13,125
Staff bonus	645	-
Other staff costs	5,003	2,650
Total	1,275,476	1,340,406

19) Administrative expenses

Particulars	2019/2020 USD	2019/2020 USD
Training	4,249	134,732
Staff welfare and uniforms	3,196	4,273
Travel and subsistence	218,234	110,486
Insurance	90,692	93,529
Water and Electricity	3,912	3,681
Office expenses	26,032	16,821
Security	14,873	15,072
Newspapers	-	-
Telephone Internet & Fax	36,726	28,451
Postage	413	6,644
Stationery and printing	5,655	1,612
Software licences	36,621	30,911
Motor vehicle expenses	2,987	3,976
Conference and meeting costs	88,354	61,313
Consultancy	96,000	96,318
Advertising & promotion	8,768	8,640
Other Office Equipment	1,555	-
Chartering of Airplane	-	118,836
Production of Training Material	-	38,373
Total	638,266	773,668

20) Finance costs

Particulars	2021/2022 USD	2020/2021 USD
Bank charges	6,000	5,440
Total	6,000	5,440

21) Revaluation Reserve

Particulars	2021/2022 USD	2020/2021 USD
Rev Surpl - Computer Equipment	19,193.99	13,360
Rev Surpl - Office Equipment	17,347.77	17,347
Rev Surpl - Office furniture	15,843.67	15,844
Rev Surpl - Motor Vehicles	34,583.76	34,583
Rev Surpl - Intangible Assets	65,389.66	65,390
Total	152,359	146,524

ACCOUNTING POLICIES

GENERAL INFORMATION

1) Reporting Entity

These financial statements are for the East African Community Civil Aviation Safety and Security Oversight Agency (EAC CASSOA), an Institution of the East African Community. CASSOA was established as a regional organisation in recognition that an effective safety and security oversight in the region is prerequisite to the development of efficient, economical, safe and secure air transport industry.

2) Statement of Compliance with the International Public Sector Accounting Standards

The annual financial statements of CASSOA have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS).

3) Basis of preparation and authorisation to submit Financial Statements

a) Basis of preparation

These financial statements are prepared on an accrual basis of accounting in accordance with IPSAS and the Financial Rules and Regulations of CASSOA.

CASSOA applies the historical cost principle unless otherwise stated in Note 4. The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently throughout the year. The financial year runs from 1st July to 30th June.

b) Foreign Currency

The functional and presentation currency of CASSOA is the United States dollar. On initial recognition, foreign currency transactions are translated into United States dollars using the exchange rates prevailing at the date of the transaction.

Subsequent recognition of monetary assets and liabilities denominated in foreign currencies are translated at the Bank of Uganda exchange rate in effect at the reporting date. Non-monetary items in foreign currencies measured at historical cost are translated at the exchange rate in effect at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in the Statement of Financial performance.

The exchange rate used to translate Uganda Shilling into US dollar used as at 30th June 2022 was:

Currency	Equivalent to 1US Dollar
Uganda Shilling (UGX)	3,759.35

The amounts in the financial statements are rounded to the nearest US dollar.

c) Critical accounting estimates

Preparing financial statements in accordance with IPSAS requires CASSOA to make estimates, judgements and assumptions in the selection and application of accounting policies and in the reported amounts of assets, liabilities, revenues and expenses. For this reason, actual results may differ from those estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to estimates are recognized in the year in which the estimates are

revised and in any future year affected. Significant estimates and assumptions that may result in material adjustments in future years include: selection of useful lives and the depreciation/amortization method for property, plant and equipment/intangible assets; impairment on assets; classification of financial instruments or assets; and contingent assets and liabilities.

d) Authorisation to submit Financial Statements for Audit

These financial statements are authorised by the Board of Directors to be submitted for audit by **30th September 2022**.

4) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Revenue

Contribution from Partner States

Contributions from Partner States are recognized as revenue from non-exchange transactions. These revenues are recognised when approved by the Council and any outstanding contributions as at end of the financial year are carried forward as receivables from non-exchange transactions.

Contributions from development partners

Contributions without stipulations and those with stipulations that satisfy the definition of restrictions are recognised as revenue from non-exchange transactions. Donations of assets with stipulations that satisfy the definition of a condition are initially recognised as a liability. Subsequently the revenue is recognised annually as the conditions are fulfilled, by the equal reduction of the carrying amount of the liability as provided by IPSAS 23. CASSOA does not recognize or disclose contributions of services in-kind as an asset and revenue as permitted by IPSAS 23.

Revenue from exchange transactions

Revenue from exchange transactions is recognised when earned in conformity with IPSAS 9. Interest on investments is recognized on a time proportion basis that takes into account the effective yield on the asset.

b) Property, plant and equipment

All property, plant and equipment are stated at revalued cost, less accumulated depreciation and accumulated impairment losses. This includes costs that are directly attributable to the acquisition of the asset and the initial estimate of dismantling and site restoration costs. Where an asset is acquired for nil or nominal consideration, the fair value at the date of acquisition is deemed to be its cost. The threshold for recognition of Property Plant and Equipment as an asset is USD250 or more per unit.

CASSOA has revised its measurement after recognition policy to the revaluation model. Valuation of assets is carried out at various intervals as shown below:

Asset Group	Regularity
Computer Equipment	Every three years
Furniture, fixtures, motor vehicles, office equipment, telecommunications equipment	Every five years
Land and buildings (upon receipt of title to the property)	Every 10 years

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to CASSOA and the cost of the item can be measured reliably. Repairs and maintenance are charged to surplus or deficit in the Statement of financial performance in the year in which they are incurred.

Assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition consistent with IPSAS 17.

c) Intangible assets

Intangible assets consist of information technology software with finite useful lives. They are amortised over five years using straight line method and stated at cost less accumulated amortisation and accumulated amortisation losses. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition consistent with IPSAS 31. Costs associated with the maintenance of computer software programs are recognized as expenses when incurred.

d) Impairment of non-cash generating assets

Property, plant and equipment, intangible and other non-cash generating assets are reviewed for impairment at each reporting date. For property, plant and equipment, CASSOA reviews for impairment during the annual physical verification process. An impairment loss is recognized in surplus or deficit in the Statement of Financial Performance when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the higher of an asset's fair value, less costs to sell, and its value in use.

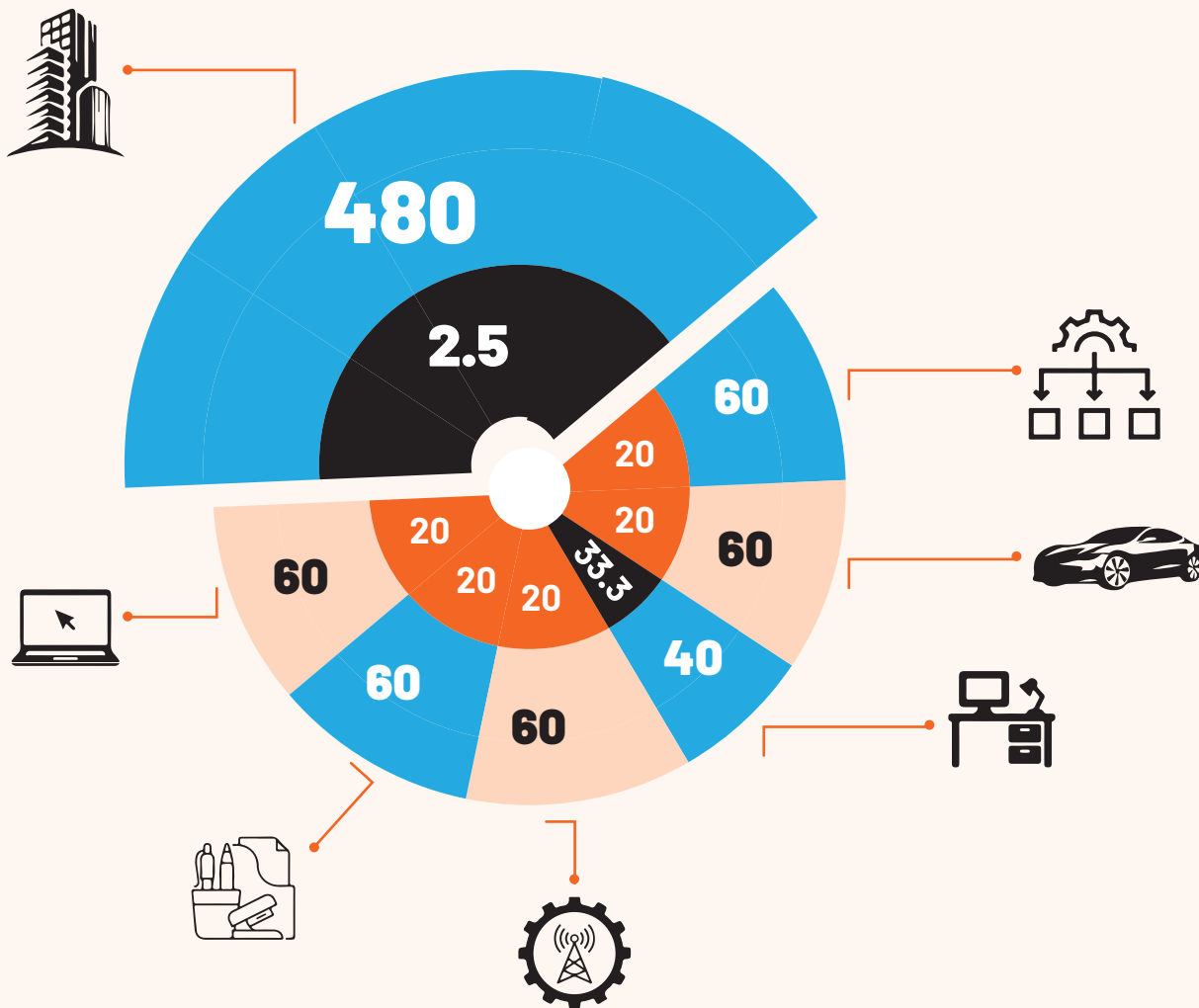
Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the impairment of value has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment deficit had been recognized.

e) Depreciation

Items of Property, Plant and Equipment are depreciated using the straight-line basis over the estimated useful lives and this applies to all items of property, plant and equipment except land that has an indefinite useful life. Depreciation for acquisitions during the year is calculated from the month of acquisition.

The expected useful economic lives of assets and applicable depreciation rates are as follows:

Asset type	Useful life (Months)	Depreciation rate per annum %
Land	indefinite	NIL
Buildings	480	2.5
Other structures	60	20
Motor vehicle	60	20
Computer equipment	40	33.3
Telecommunications equipment	60	20
Office Equipment	60	20
Office Furniture	60	20
Software (Intangible asset)	60	20



f) Gain/Loss on Assets Disposal

Gains or losses on disposal of property, plant and equipment are determined by comparing net disposal proceeds if any with the carrying amounts and are included in the surplus/deficit for the period of disposal.

g) Contingencies

Contingent assets

A contingent asset is disclosed when an inflow of economic benefits or service potential is probable. If it has become virtually certain that an asset is no longer contingent and that its value can be measured reliably, the asset and the related revenue are recognized in the year in which the change occurs. The Agency had no contingent assets as at 30th June 2022.

Contingent Liabilities

Contingent liabilities are possible obligations that arose from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Commitments

Commitments are future expenses and liabilities to be incurred on contracts entered into at the reporting date for which CASSOA has minimal discretion, if any, to avoid in the normal course of operations e.g., contracts for the supply of goods or services. Commitments relating to employee contracts are excluded.

h) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank in current accounts and cash in hand.

i) Employee benefits

Short term employee benefits

Short-term employee benefits are those that are expected to be settled within 12 months after the end of the year in which employees render the related service. Those benefits include assignment benefits, regular monthly benefits (e.g., wages and salaries), compensated absences (e.g., paid leave, such as annual leave), other short-term and non-monetary benefits and the current portion of long-term benefits provided to current employees. An expense is recognized when a staff member provides services in exchange for employee benefits. A liability is reported for any entitlement that has not been settled at the reporting date and represents the amount paid or expected to be paid to settle the liability. Owing to the short-term nature of those entitlements, the liabilities are not discounted for the time value of money and are presented as current liabilities.

Post-employment benefits

Post-employment benefits are those payable after completion of employment, but exclude termination payments.

The Agency contributes 25% of the basic pay towards a Staff Gratuity fund. Employees do not contribute towards this fund. The fund is internally managed by the Agency. The gratuity is paid at the end of the contract for employment. This gratuity is accrued when incurred.

j) Taxation

Article 4(4) of the EAC CASSOA headquarters agreement between the East African Community and the Republic of Uganda, states that the Agency, its property, assets, income and transactions shall be exempt from all direct taxation including value added tax and from customs duties and prohibitions, restrictions on imports by the Agency for its official use. The Agency shall also be exempt from any obligation relating to payment, withholding or collection of any tax or duty provided that such assets and other property shall not be sold within the Republic of Uganda except in accordance with conditions agreed to with the Government. Since the Republic of Uganda has not issued the Agency with a tax exemption the Agency pays VAT on taxable goods and services and subsequently claims the VAT refund from Uganda Revenue Authority. As at 30th June 2022, the amount recoverable in respect of VAT paid on goods and services was USD 61,430.45 The tax recoverable is treated as receivables from exchange transactions.

k) Comparative information

The current year's statement of financial position, statement of financial performance, statement of changes in net assets/equity and cash flow statement are shown alongside their respective period FY2020/2021 statements for comparison.

l) Nature and purpose of reserves

The Agency maintains a reserve fund which has arisen out of surpluses built up from previous financial years. This reserve is maintained in a separate bank account and is managed in line with the Agency Financial Rules and Regulations and utilised in accordance with the approval of the Board of Directors.

m) Related parties

The Agency regards a related party as a person or an entity with the ability to exert control individually or jointly or exercise significant influence over the Agency. The key management personnel of CASSOA (as defined by IPSAS 20) is its Executive Director or when appointed by the Board, the Acting Executive Director.



**EAST AFRICAN COMMUNITY
CIVIL AVIATION SAFETY AND SECURITY OVERSIGHT AGENCY**

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