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ReportOverview |

OVERVIEW

About this report

The Jamaica Civil Aviation Authority's (JCAA's) 2015–16 Annual Report was prepared in satisfaction of the requirements of the Public Bodies Management and Accountability Act, the Civil Aviation (1996) Act and other relevant legislation, governing the operations of the JCAA and its reporting requirements.

As a statutory organisation of the Ministry of Transport & Mining, the Jamaica Civil Aviation Authority possesses a legal obligation to submit annual reports to Parliament, at the end of each financial year.

The 2015-16 Annual Report provides an overview of the JCAA's operations and performance, against goals identified in the Authority's Corporate Plan, for the year ending March 31, 2016.

The Report also contains financial information and statements for the 2015–2016 year and fulfils an important element of the JCAA's reporting responsibilities to the wider aviation community.

Outlined in the report are also the Authority's plans for meeting expected challenges in the year ahead.

The 2015-16 Annual Report and other corporate publications of the JCAA may be accessed electronically at www.jcaa.gov.jm.

Contact details

For more information regarding the report, or to request printed copies, please contact: The Corporate Communications & Information Services Department Jamaica Civil Aviation Authority 4 Winchester Road Kingston 10, JAMAICA, W.I. Phone: [876] 960-3948, 960-3965 Fax: [876] 920-0194

Email: info@jcaa.gov.jm.

Readers are invited to provide suggestions for improving the Report, via email at info@jcaa.gov.jm.

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Vision

To be recognized as a world-class civil aviation authority, integrally involved in the sustainable development of a safe and thriving global aviation community that supports and serves Jamaica.

MISSION

To ensure that the public is provided with a safe, reliable, efficient and user-friendly Air Transport System, being cognizant of the standards and recommended practices developed by the International Civil Aviation Organization (ICAO).



Guiding Princlipes

We will achieve our mission by:

- · carrying out the mandate of the JCAA with honesty, openness, impartiality and reliability
- promoting and supporting adherence to applicable environmental standards at all times
- aiming for excellence in the services we deliver, and in our daily performance
- striving to exceed the expectations of our clients and customers at all times
- working cooperatively to achieve the JCAA's objectives, while respecting the views of each other
- pledging to lead and manage, using best industrial practices
- operating in a framework that fosters transparency, accountability and inclusiveness.



Core Values

Our employees are unified around a set of core values. These are integral to the way we conduct our activities, as we work cooperatively to achieve the mandate of the JCAA.

We put our values into action everyday, as we remain committed to:

- the safe and orderly development of civil aviation in Jamaica (acknowledging the convention of ICAO)
- providing efficient and user-responsive Air Navigation Services to the national and international communities
- cooperating with other agencies in the facilitation, provision and regulation of a reliable and effective public Air Transport System
- providing an appropriate environment for the growth, development and professional enhancement of staff

CorporateData

Registered Office

Jamaica Civil Aviation Authority 4 Winchester Road, Kingston 10 JAMAICA, W.I. Phone: [876] 960-3948, 960-3965 | Fax: [876] 920-0194 | Email: info@jcaa.gov.jm.

Board of Directors:

The Hon. B. St. Michael Hylton, O.J., Q.C. – Chairman

Mr. Wilford Heaven, MBA, J.P. – Deputy Chairman

Mrs. Maria Jones – Board Member

Mr. Keith Senior – Board Member

Mr. Kevin Powell - Board Member

Dr. Janine Dawkins - Board Member

Ms. Tasha Manley - Board Member

Dr. Wesley Hughes, O.D. – Board Member

Rear Admiral Hardley Lewin, C.D., J.P. - Board Member

The Hon. Shirley Tyndall, O.J., C.D. – Board Member

Lt. Col. Jamie Ogilvie – Board Member

Mr. Nari Williams-Singh, J.P. - Director General / Ex-Officio Member

Ms. Marva Gordon – General Counsel & Corporate Secretary

Leadership Team:

MEMBER

DESIGNATION

Mr. Nari Williams-Singh, J.P.	Director General		
Mrs. Nichole Morgan	Deputy Director General, Corporate Services		
Mr. Rohan Campbell	Deputy Director General, Regulatory Affairs		
Mr. Carl Gaynair	Deputy Director General, Air Navigation Services (Actg.)		
Ms. Constance Barrett	Director, Research, Planning & Risk Assessment		
Ms. Shian Edwards	Director, Finance		
Mr. Michael Hepburn	Director, Economic Regulation		
Ms. Janet Henry	Director, Human Resource		
Lt. Col. Egbert Field	Director, Flight Safety (Actg.)		
Ms. Marva Gordon	General Counsel & Corporate Secretary		

Auditors

KPMG

The Victoria Mutual Building 6 Duke Street, Kingston Telephone: [876] 922 6640 Fax: [876] 922-7198 Email: firmmail@kpmg.com.jm

Bankers

National Commercial Bank New Kingston Branch 1-7 Knutsford Boulevard, Kingston 5

First Caribbean International Bank [Jamaica] Ltd. 78 Half Way Tree Road, Kingston

JAMAICA CIVIL AVIATION AUTHORITY



ANY REPLY OR SUBSEQUENT REFERENCE TO THIS COMMUNICATION SHOULD BE ADDRESSED TO THE DIRECTOR GENERAL OF CIVIL AVIATION AND NOT TO ANY OFFICER BY NAME AND THE FOLLOWING REFERENCE 4 WINCHESTER ROAD. KINGSTON 10. MAILING ADDRESS: P.O. BOX 8998 C.S.O., KINGSTON.

July 31, 2016

The Honourable Lester Michael Henry, C.D., M.P. Minister of Transport & Mining 138H Maxfield Avenue Kingston 10 Jamaica, W.I.

Dear Minister:

The Board and Executive Management team of the Jamaica Civil Aviation Authority (JCAA) are pleased to present to you, the Annual Report of the Jamaica Civil Aviation Authority (JCAA) for the reporting period April 1, 2015 to March 31, 2016.

This report has been prepared in accordance with the requirements of the Public Bodies Management and Accountability Act, the Civil Aviation Act and other relevant legislation. Also, accompanying the Report are copies of the audited financial statements and explanatory notes.

The content of this Report reflects the activities, accomplishments and general performance of the JCAA under the direction of the previous JCAA Board. The new board, which was appointed for the 3-year period April 18, 2016 to April 17, 2019, has since commenced oversight to guide the Authority's accomplishment of its strategic goals and activities. We are committed to this oversight, which will be imperative for enabling the JCAA's mission of supporting the safe, orderly and sustainable development of Jamaica's air transport industry.

The Board, executive management team and staff members thank you for your championship of the JCAA's mandate and operations. We look forward to your continued support, as we pursue our mission and support Jamaica's development objectives, through the facilitation and oversight of a safe and efficient local aviation industry.

Sincerely yours,

Phillip Henriques

Chairman

MainDivisions

DIRECTOR GENERAL'S OFFICE

Legal

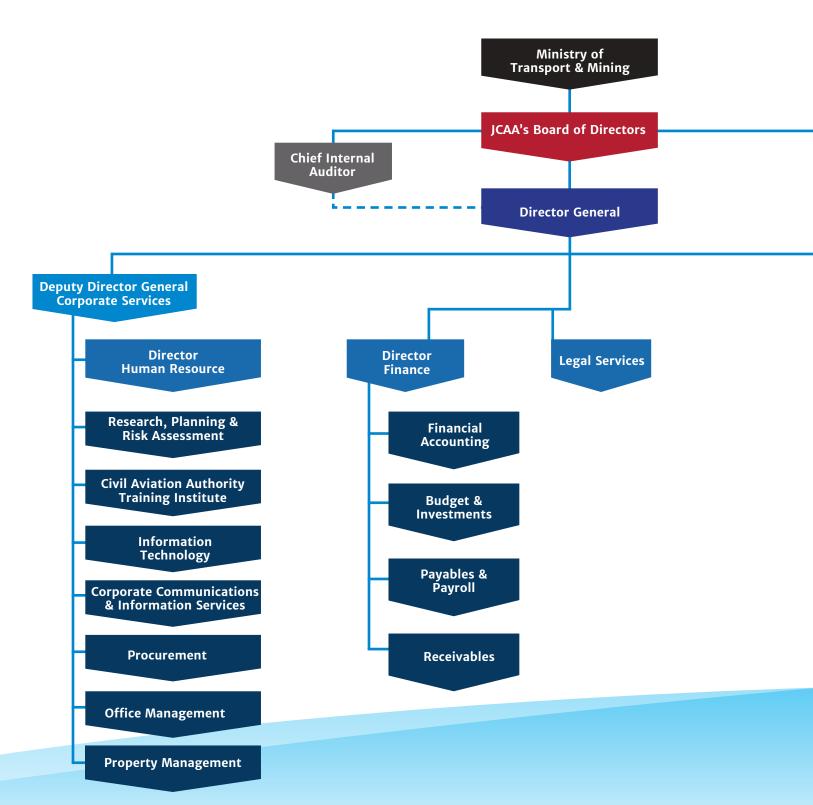
Internal Audit*

Finance

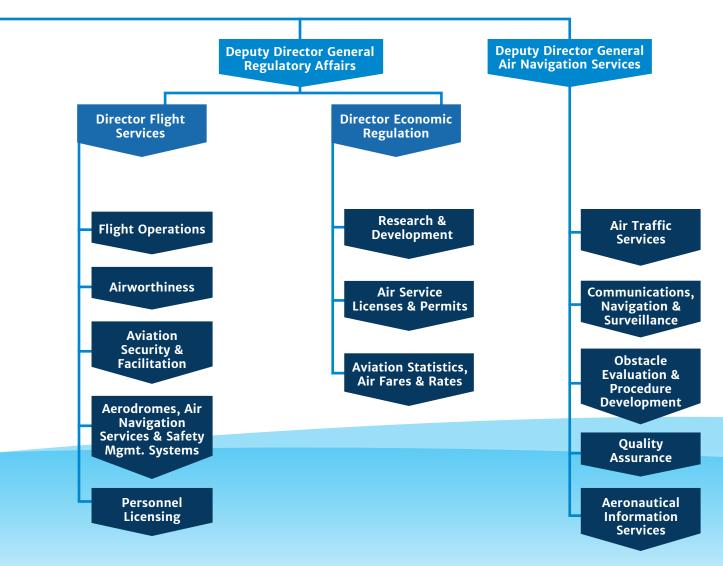
CORPORATE SERVICES	REGULATORY AFFAIRS	AIR NAVIGATION SERVICES
Human Resource	Flight Safety	Air Traffic Services
Research, Planning & Risk Assessment	Flight Operations	Communications, Navigation & Surveillance
Civil Aviation Authority Training Institute (CAATI)	Airworthiness	Obstacle Evaluation & Procedure Development
Information Technology	Aviation Security & Facilitation	Quality Assurance
Corporate Communications & Information Services	Aerodrome, Air Navigation Services & Safety Management Systems	Aeronautical Information Services
Procurement	Personnel Licensing	
Office Management	Economic Regulation	
Property Management	Research & Development	
	Air Service Licenses & Permits	
	Aviation Statistics, Air Fares & Rates	
	Airport Regulation	

^{*}Reports directly to the Audit & Risk Committee of the Board.

Organizational Chart



Corporate Secretary





The 2015–16 year was an eventful one, characterised by challenges, developments, triumphs and change. The enduring characteristics were, however, an unrelenting focus on safety and a strategic convoy of capital investment projects that have accelerated Jamaica's progress towards becoming a preferred aviation hub of choice in the Western Hemisphere. Over the year, the Jamaica Civil Aviation Authority (JCAA) continued to exercise vigilant oversight of the industry to ensure its safe operation and optimized efficiency, as it fulfilled its mandate and enabled opportunities for sustainable performance and growth.

The year advanced with the JCAA's Board of Directors and management team focused on ensuring the Authority's continued alignment with the strategic goals established for the 2015–2019 period. The first tier goals related to enhanced Safety, Security and Innovation in Aviation; Civil Aviation Efficiency through Capacity Development and the Modernization of Infrastructure & Technology; and the Creation of a Sustainable Aviation Future. Complementing this tier were goals established and pursued to Improve Operational Stewardship and Enhance Regional & Global Leadership through Participation and Collaboration.

Industrial Relations Challenges

While the Authority pursued the listed strategic objectives in accordance with its 5-year Corporate Plan, two business-critical matters, which required the focussed attention of the JCAA's Board of Directors, were the ongoing wage and fringe benefits negotiations and equipment challenges.

When the Heads of Agreement governing essential labour terms between the JCAA and unions/staff associations for the 2012–15 contract period ended in March 2015, the JCAA engaged in and was impacted operationally by a protracted and challenging negotiation process.

As with other bargaining units of the public sector, the negotiations were constrained by the strictures of our national economic environment and the Government of Jamaica's (GOJ's) policy objectives for burden sharing across all sectors and groups. This was deemed necessary in a fiscal environment impacted by an unsustainable debt to Gross Domestic Product (GDP) ratio, a persistent fiscal deficit, and debt-servicing obligations

which precipitated the need for measures, such as expenditure and wage restraints.

Negotiations with the JCAA's unions were intense, but proceeded with varying degrees of success. The process also included the conduct of a market study in satisfaction of a previous commitment by the JCAA's management in respect of the Jamaica Air Traffic Controllers Association (JATCA). The results of this study were used as a point of reference with regard to the negotiations with the Association. The JCAA also engaged in protracted negotiations with other labour unions, including the Bustamante Industrial Trade Union (BITU), the Jamaica Aviation Inspectors Association (JAIA) and the Management Staff Association (MANSA).

There was a persistent aura of restiveness on the part of the workforce, as a result of the wage negotiations and wage freeze, which had been imposed in previous years. Despite the challenges and constraints, the Authority sought to reconcile the common and varying interests of the parties, and all stakeholders remained committed to the execution of our mission of providing safe air navigation services and regulating the air transportation industry to ensure its safe and orderly development.

Delayed Commissioning of New ATC Towers

The JCAA's Board of Directors was also required to establish progressively stringent reporting and oversight controls, as it contended with and managed organizational efforts to surmount the major challenges, created by missed deadlines for the commissioning of two new Air Traffic Control (ATC) Towers for Jamaica's major international airports. These state-of-the-art towers, which were constructed at the Norman Manley and Sangster International Airports, formed a central component of the JCAA's Air Navigation Services (ANS) modernization and upgrade programme. With construction and structural work for the towers completed in compliance with local and international building codes in 2014, and the initiation of parallel operations in August, 2015, the Board was optimistic regarding the targetted commissioning of the towers by the end of the 2015 calendar year.

However, as a result of arising challenges, including an earth-neutral fault which affected the heating, ventilation, and air conditioning (HVAC) system, as well as concerns raised regarding some electrical and safety matters, the commissioning activities were impacted by an environment of moving targets. While the Authority's inability to fully commission the new towers was disappointing for all stakeholders, the corrective action plans were substantially completed at the end of the reporting year. The new deadline of June 2016 will ensure that all systems, building components, equipment and fittings function in accordance with the JCAA's operational requirements and standards, on commissioning.

Industry Upholds Conformance to ICAO SARPS as Modernization & Rehabilitation activities proceed

The Authority's operations were also impacted by equipment reliability challenges, primarily from the intermittent failure of radars within our Communications, Navigation and Surveillance (CNS) network. While some challenges remained, the JCAA was able to conduct and accomplish system-stabilizing and rehabilitative work. This was enabled through the procurement of critical spare parts from neighbouring Flight Information Regions (FIRs), as well as technical assistance from the US Federal Aviation Authority and the technical team of subsidiary organization, AEROTEL Communications Ltd. These measures ensured that the industry continued to operate in the safest manner, and in accordance with the highest safety standards promulgated by the International Civil Aviation Organization (ICAO).

As a continuing measure, the Authority's Board of Directors vigilantly monitored the operations, over the period, to ensure constant analysis of the interim measures, as we ensured that our safety performance remained preeminent, strong and uncompromised.

The dawn of an ultra-efficient & capacity-enhanced sector

As the JCAA executed efforts to safely and successfully maintain the operability of the current system, modernizing Jamaica's Air Navigations System (ANS) and its Communications, Navigation and Surveillance (CNS) infrastructure became an elevated and important priority. Accordingly, efforts were accelerated and milestones achieved under a bevy of projects to upgrade and expand Jamaica's aeronautical communications, air traffic control and air navigation systems. These have positioned Jamaica on the cusp of a transformative era that will, by the end of 2017, usher in ultra-efficient, interoperable and new, state-of the-art technologies to enhance safety, reliability and capacity development in Jamaica's airspace.

Accordingly, significant progress towards the implementation of a new, state-of the art Air Traffic Management (ATM) system was achieved during the 2015-16 year. At the end of the reporting period, system manufacturing and assembly activities continued to advance at a steady pace and within projected timelines. Factory Acceptance Tests to encapsulate thorough inspections and stress-testing of the new system's hardware, software and functionality, against defined performance parameters, were also on target to facilitate full system implementation by October, 2017.

In collaboration with the system supplier, the JCAA also began earnest collaboration with stakeholders to enable a smooth and seamless transition to, and adaptation of the incoming system. Pre- and post-implementation training on the system technologies, design and general operations were also scheduled for Air Traffic Control personnel, system engineers and maintenance personnel, as a critical component of the project activities.

Jamaica's Air Transport Industry - Our Gateway to Development

In recognition of aviation's role as a gateway to global opportunities and a driver of Jamaica's economic development, the JCAA continued to align its operations with the Government of Jamaica's (GOJ's) growth objectives for the nation and the aviation sector. At the forefront of these efforts were ongoing initiatives to increase the capacity of our air transport sector to more safely and effectively convey passengers and cargo across various locations, as we increased opportunities for trade, and bolstered the foundation for socio-economic advancement, as a nation.

Over the 2015–16 year, the JCAA, therefore, undertook a composite of efforts to cement aviation's status as a hub of central importance to Jamaica's continued growth and development and its important connections to the world. With a total of 28 Bilateral Air Services Agreements (BASA) previously established, the JCAA furthered efforts to create a welcoming environment for industry investors and air operators through constructive engagement and the continued pursuit of our open skies policy. As a result of these initiatives, efforts to conclude agreements with a number of Asian, European and African countries, including Qatar, India, Sri Lanka, Burkina Faso, Austria, Kenya and Ethiopia, were pursued and are at an advanced stage. Additionally, on the national front, domestic aircraft movement demonstrated an appreciable growth performance of approximately 19%, thereby rebounding from three (3) years of successive decline.

Industry Sustains Robust Activity, As It Prepares For Hub Expansion & Expanding Regional Role

Despite a 2% decline in international aircraft movement, which occurred primarily as a result of technical CNS challenges and airspace restrictions in February and October of the reporting year, there was robust activity in Jamaica's aerospace sector. Notwithstanding the referenced setbacks, the industry recorded a total of 182,653 flights (or an average of just over 500 flight movements per day) for the 2015–16 year.

Among other notable accomplishments, Jamaica is also proud that the island's two major international airports recorded increased air traffic for 2015 calendar year. This feat was achieved in the context of efficient and effective regulatory oversight and Air Navigation Services provision by the JCAA.

The upward trajectory in airport traffic volumes was convincingly demonstrated through a 5% growth in traffic at the Norman Manley International Airport (NMIA), Kingston, up from a 1% net growth for the corresponding period in 2014. There were also historic levels of activity at the Sangster International Airport during 2015, when the Airports Authority of Jamaica reported the largest 'pass-through' traffic figure in the history of the airport, in December 2015.

Participation in Global and Regional Fora to support the safe development of aviation

As an active member of the International Civil Aviation Organisation (ICAO), the JCAA spearheaded Jamaica's efforts to support the global vision for the safe, sustainable and harmonised development of a global aviation industry, buoyed by uniform performance and quality standards. Through close collaboration and cooperation with entities at various levels, the JCAA contributed to the development and shaping of regional and global aviation policies and standards in a plethora of areas. These included aviation safety, air navigation, security and environmental protection.

As the international body considered industry-wide obligations and commitments, the participation of JCAA's representatives, at various levels, enhanced the country's and region's capacity to contribute at an earlier stage to major policy deliberations, rule-making and the development of international and regional ICAO standards. This effectively allowed for direct and early consideration of issues peculiar to North American, Central American & Caribbean (NACC) Region, as the composite of nations implemented policies, and determined individual and region-specific targets, obligations and commitments.

Ensuring Sustainability through Sound Financial Performance

As the Board of Directors pursued its fiduciary duties to protect the organization's assets, while ensuring prudent investments and the sustainability of JCAA's performance over the long term, the financial performance of the JCAA continued to be stable and in general accord with annual financial projections. At the end of the 2015–16 financial year, a net surplus of \$\$2.780 billion was recorded. This figure, which constituted a 23% increase in respect of the performance recorded for the year ending March 31, 2015, demonstrated the continued strong performance of the JCAA. As a self-financing, regulatory entity, viability remains a critical factor for ensuring the safety, efficiency, development and sustainability of Jamaica's air transport sector.

Strengthening the JCAA's oversight machinery

Over the 2015–16 financial year, the JCAA's Board continued to execute its principal functions relating to charting the JCAA's strategic direction, monitoring the Authority's performance and ensuring the fulfillment of the JCAA's mandate against established goals. As it progressed with these activities, the size and composition of the JCAA's Board were reviewed, to take account of the scope of operations, as well as the complexity and volume of business–critical activities that continue to be required in this phase of the development of Jamaica's air transport industry.

As a result of this review, the legislation was amended to allow the appointment of three

(3) additional members to the JCAA's Board of Directors. The addition of these Directors further augmented and diversified the expertise of the JCAA's Board, as it monitored the JCAA's Group performance, established a policy-based governance system and ensured the availability of adequate resources to achieve the organisation's mission and vision.

Harnessing Aviation's Bright Future as a Catalyst for Development

Despite the vulnerability of the local and regional air transport industries to exogenous security threats, global health developments and other factors, such as an unstable oil price, Jamaica's aviation industry is poised for growth and development. Through improved and visionary regulatory and facilitation practices, the JCAA will continue to position the local industry to take advantage of the propitious trend of above-average growth rates, which are forecasted to continue in the commercial aerospace industry.

As we reinforce aviation's performance as a critical engine for growth and the safe conveyance of passengers and cargo over and to our island, the JCAA will continue to support Jamaica's national development objectives and the global aviation industry ideal of 'No country left behind'.

Critical to this positioning will be continued processes and activities to modernize, upgrade and improve the efficiency and capacity of our aviation sector, as we enable tourism, enhance economic opportunities across Jamaica's industries and sectors and work with the global aviation community to ensure a safe and protected environment for current and future generations.

Boardof Directors





Mr. Wilford Heaven, MBA, J.P. **Deputy Chairman**



Mr. Nari Williams-Singh, J.P. Director General / Ex-Officio Member



General Counsel & Corporate Secretary





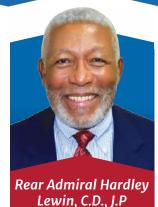






Ms. Tasha Manley **Board Member**





Board Member



Dr. Wesley Hughes, 0.D. **Board Member**



Board Member



During the period under review, the members of the Jamaica Civil Aviation Authority's Board of Directors led the organisation towards its goal of being recognised as a world-class provider of regulatory and air navigation services, while transforming itself, through various strategies, to achieve key growth and efficiency objectives to support the sector's development.

In accordance with obligations which obtained from Section 6 of the *Public Bodies Management and Accountability Act* (PBMA) Act, the Board took such steps as were necessary for the efficient and effective management of the Authority. This included oversight activities to ensure accountability in the management of resources; the implementation of adequate information, control, evaluation and reporting systems; and the development of specific and measurable objectives and performance targets.

Processes for establishing an Enterprise Risk Management Framework were initiated, by adding risk oversight to the roles of the Audit Committee. The Board also advised the Minister of Transport, Works and Housing on matters of general policy relating to international, regional and domestic civil aviation industry regulation and service-provision.

At the beginning of the reporting period, the Board consisted of eight (8) non-executive members and the Director General, as an *ex oficio* member. The Board's manpower resources were, however, augmented by three (3) additional non-voting members, who had been co-opted by the Minister on the recommendation of the Board for additional support in its oversight activities. The Chairman championed the eventual amendment of the Civil Aviation Act on October 27, 2015, to provide for eleven (11) non-executive members, in addition to the Director General. Two (2) co-opted members were appointed effective November 23, 2015 and the third, on December 17, 2015.

The following chronicles the activities of the various Committees of the Board.

Finance Committee

The **Finance Committee** comprised Mr. Keith Senior (Chairman), Dr. Wesley Hughes and the Hon. Shirley Tyndall. This committee oversaw the continued diversification of the investment portfolio. It also made improvements to the annual audited financial statements, enhanced revenue identification and undertook tracking and debt collection for regular, industry–specific, under–collected funds. The Committee also ensured compliance with GOJ Guidelines, and negotiated and ensured the full repayment of the EDC Loan, which extinguished the Air Jamaica Debt to both the Authority and its Subsidiary, AEROTEL. A Credit and Accounts Receivables Policy and Programme were also established and a distinct improvement was demonstrated in this area, during the first month of its implementation. As another achievement, a Letter of Credit was negotiated with financiers for the procurement of new radars and associated equipment

and systems, which will modernise Jamaica's Air Navigation Services.

Audit and Risk Oversight Committee

The **Audit and Risk Oversight Committee** comprised Mr. W. Billy Heaven (Chairman), Ms. Tasha Manley and Lt. Col. Jamie Ogilvie. Listed among its areas of strategic focus were improvement of the external and internal auditing functions, planning for a procurement audit and adopting the responsibility for enterprise risk management, as mandated at the second annual Board strategic planning retreat in September, 2015. Decreasing security risks through a security assessment of access points and the timely presentation of the Annual Report were also identified priorities.

Procurement Committee

The **Procurement Committee** comprised Dr. Wesley Hughes (Chairman) and Rear Admiral (Ret'd.) Hardley Lewin. Over the year, the Committee ensured an effective procurement process, with regard to the acquisition and commissioning of new infrastructure and systems. These included updated systems for performance appraisals, the performance of the air traffic control towers project, building rationalisation and use, and the upgrade, replacement and maintenance of Jamaica's air navigation infrastructure. Oversight responsibilities extended to routine purchases for supporting the JCAA's ongoing operations, and engendering improvement in the Authority's procurement planning and inventory management processes, as integral parts of the corporate planning process.

PWC Implementation Committee

The **PWC Implementation Committee** comprised Mr. Kevin Powell (Chairman) and Mrs. Maria Jones. The mandate of this committee, as reflected in the name, was to oversee and drive the implementation of the recommendations, which were accepted by the Board from the February 2013 PricewaterhouseCoopers Management Review Report.

Continuous initiatives were undertaken to ensure that all necessary efforts and resources were engaged in addressing the following broad areas:

- Regulatory Compliance focussing on the update of laws, ensuring modernisation space needs, and establishing consultancy services regarding the organisational separation of the regulator and service provider functions
- Organisational Structure & Staffing included provisions for an additional Deputy Director General for strategic oversight of Air Navigation Services, a Management Accountability Framework, and the establishment and staffing of a Research, Planning and Risk department

- Processes Enterprise Risk Management framework
- Technology Overseeing processes towards the implementation of an Instrument Landing System (ILS), transition from Aeronautical Information Services (AIS) to Aeronautical Information Management (AIM), and the Automation of our Air Traffic Management (ATM) Systems
- People Focus included measures for the improvement of staff morale and productivity; conducting a competency gap analysis of senior management personnel; and the initiation of an upgraded performance management system, culture change management plan and succession plan

Human Resource Committee

The **Human Resource Committee** comprised the Hon. Shirley Tyndall (Chairman), the Hon. B. St. Michael Hylton, Mrs. Maria Jones, and Mr. Keith Senior. Over the year, the Committee addressed:

- the revision of the Authority's Conditions of Service document, which was re-issued in August 2015
- the development of a Telecommunications Policy
- the Authority's structure, through the establishment of a Planning, Risk and Research Department, the removal of Air Navigation Services from Administration & Services, and the transfer of CAATI to the Administration & Services Division (now Corporate Services)
- the approval of recommendations for the expansion of training services offered by the Civil Aviation Authority Training Institute (CAATI), based on the review by the International Civil Aviation Organization's Technical Cooperation Bureau (ICAO TCB)

Technical Committee

The **Technical Committee** comprised Rear Admiral (Ret 'd.) Hardley Lewin (Chairman), Dr. Janine Dawkins and Lt. Col. Jamie Ogilvie. Over the year, the Committee:

- received and reviewed the report of the Technical Working Group on the JCAA's Communications, Navigation & Surveillance/ Air Traffic Management equipment infrastructure
 - The report included a risk assessment and matrix, which guided the Committee's monitoring of the risks identified and interim measures.
- championed the updating of the Memorandum of Understanding between AEROTEL and the Authority to address risks relative to AEROTEL'S work (i.e. business interruption, loss of reputation, loss of revenue and loss of lives)

• oversaw project management services relative to the modernisation of Air Navigation Services

Each Committee was supported by the Executive and management staff. Drafts of Committee Charters were also developed.

The Board also recognised the requirement for training across several areas of its responsibilities and training arrangements were made for board members.

General

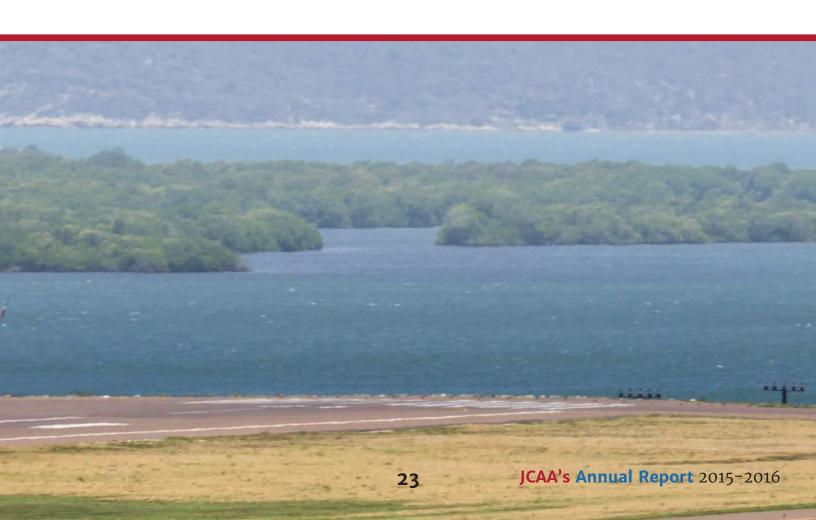
The quorum for Board of Director's meetings was five (5) members. On average, members attended more than 80% of meetings, and notices of absences were provided in a timely manner. A number of matters were resolved, including approval of air transport licences and permits.

Other matters over which the JCAA's Board deliberated included:

- reports from wholly-owned subsidiary AEROTEL, from which the relevant guidance and direction was provided
- the Dividend Policy for AEROTEL



- initiatives to improve staff morale, and the monitoring of these initiatives to assess their effectiveness in relation to improved productivity
- the completion, delivery and commissioning of two, new Air Traffic Control Towers at Sangster International Airport (SIA) and the Norman Manley International Airport (NMIA)
- modernisation of Jamaica's Air Navigation Services
- continued Information Technology (IT) upgrades and enhancements
- Cyber-Security
- the separation of regulatory functions from Air Navigations Services (ANS)



Executive Management Team









SeniorManagement Team

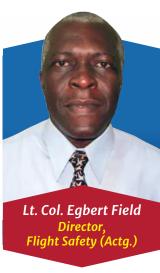




Planning & Risk











ver the 2015–16 year, the Jamaica Civil Aviation Authority embarked on a transformative journey to promote the development and sustainability of Jamaica's air transport industry, as the pinnacle of an efficient and integrated transportation network, supporting Jamaica's social and economic development. Notwithstanding a crosswind of challenges and opportunities, the JCAA united as a team to ensure that our programmes, activities and projects remained aligned with the Authority's strategic objectives in the areas of aviation safety, sustainable development, security and environmental protection.

Commitment To Safety And International Service Standards, Amidst Challenges And Opportunities

While disruptions, which were most severe in October and February of the 2015–16 financial year, intermittently impacted the provision of air traffic services in the Kingston Flight Information Region (KFIR), several initiatives were undertaken to enhance the safety and efficiency of Jamaica's airspace. Interventions included immediate temporary controls, such as flow control measures, and other service-sustaining measures, involving the purchase and installation of critical spare parts. As the JCAA pursued a comprehensive modernisation of our Air Navigations Services (ANS) environment, these projects enabled the Authority to restore service to acceptable levels and maintain the provision of a safe and efficient air transport sector, as uncompromised priorities.

The management of the JCAA also sought to maintain a motivated work force, through a mix of social and other staff welfare activities, including sporting events, regular Lymes, Christmas celebrations and meetings, which synergised the staff. These efforts continued, amidst industrial relations and other challenges, which impacted the operations of the Authority at various times during the 2015–16 year. Though guided by the parameters of a national partnership established to reduce Jamaica's fiscal deficit, while supporting the achievement of our growth objectives, the management continued to engage the unions in constructive and progressive dialogue. While the impasse remained on some matters at the end of the 2015–16 year, the JCAA was optimistic regarding the achievement of a settlement that would be agreeable to the unions and the JCAA, as a statutory entity. The JCAA's performance was also supported and uplifted by the enduring commitment of all parties. Collectively, we ensured the

common objective of promoting the safe and orderly development of Jamaica's air transportation industry, while we remained committed to pursuing the earliest and most agreeable resolution of the industrial relations issues.

JAMAICA's Ascent to a modernised and upgraded ATS environment

The initiation of a 21-month Air Traffic Services Modernization project in January 2016 formed the central feature of the JCAA's thrust to maintain a safe Air Navigation System, modernize and improve the operational efficiencies of our Air Traffic Management (ATM) infrastructure, and pursue capacity-enhancing training and development opportunities for the JCAA's Air Navigation Services personnel.

Key achievements over the period included the successful completion of System Design (SD) and review activities to refine the components, architecture and interface requirements of the project. System assembly, factory and manufacturing activities for the new ATM system also started at various subcontractor facilities in France, the United Kingdom, Norway and Canada by the last quarter of the reporting year, as the JCAA worked to achieve a technologically-enabled transformation of our ANS environment.

With activities progressing in accordance with the established implementation schedule, the project was on track, at the end of the reporting year, to facilitate the performance of Factory Acceptance Tests (FATs) between May and October, 2016. These in-factory tests constitute a critical undertaking that will allow for a thorough inspection, stress and functionality testing of the system's hardware and software to assure its performance against a checklist of performance parameters. The FATs will be essential to Jamaica's success in respect of efforts to cement and advance Jamaica's reputation for high quality ANS service delivery, in an expanding Air Traffic Services (ATS) environment.

The features of the new ATM system, which is targeted for commissioning by September 2017, include an industry-leading air traffic management system, state-of-the-art, satellite-based air navigation and automation technologies, and new L-Band Primary and Mode-S MSSR radar technology at the island's facilities. Other critical features include a new Voice Communication & Control System (VCCS), industry-leading Air Traffic Control & 3D Tower Simulators, and related facilities.

Enhanced Air Traffic Services Environment through PBN and other Air Navigation Services (ANS) projects

Among the list of major initiatives, which were substantially advanced at the end of the 2015–16 year, were projects to develop an agile and improved air transportation

system to support the requirements of ICAO's Global Air Navigation Plan (GANP) and the growth objectives of Jamaica's air transportation industry. With initiatives, such as Performance-Based Navigation (PBN), identified as priorities to be achieved by the North American/Caribbean (NAMCAR) region by the year 2018, PBN implementation was pursued as one of a set of Aviation Systems Block Upgrades (ASBU) which has been prescribed for the global aviation industry. The Block upgrades, which are demarcated in 5-year development cycles, are being implemented by Jamaica to achieve 'greener' airports, globally interoperable systems and data, optimum capacity, and more flexible and efficient flight paths.

At the end of the reporting year, the JCAA's ANS team and Procedure Development Unit were advanced with preparations to complete the first phase of PBN implementation by the targeted date of December 2016. As an important deliverable, procedural drafting was far advanced for eighty percent (80%) of Jamaica's runways to provide Approach with Vertical Guidance (APV), via Barometric Vertical Navigation (BVN), by December 2016.

This progress has represented a milestone achievement in our efforts to remove current reliance on ground-based navigation aids, while utilizing global satellite systems and advanced avionics to ensure the containment of aircraft within defined navigation specifications.

As Performance Based Navigation (PBN) implementation facilitates a safe, yet dynamic and flexible route management system, Jamaica is better positioning itself to facilitate reduced fuel burn, and achieve our strategic goals in the areas of environmental sustainability, safety and enhanced capacity. In December 2016, we will also be on the path to establishing a platform for addressing current topographical challenges, while achieving harmonization and interoperability with the global aviation industry and the increasingly intelligent architecture of newer aircraft.

Aeronautical Information Management (AIM) system implementation

In cementing the JCAA's Aeronautical Information Services (AIS) as a pillar of our local aviation pursuits, work also advanced over the year to facilitate the upgrade of Jamaica's AIS network, in accordance with targets established for all ICAO contracting states worldwide. This upgrade will see Jamaica proceeding in unison with other members of the international aviation community to replace the existing telex-based service with a satellite-based Aeronautical Information Management (AIM) system that transmits airspace management information to the global aviation network.

As the project proceeded, team members from the JCAA's Aeronautical Information Services (AIS) department and its Obstacle Evaluation & Procedure Development

(OEPD) unit routinely provided 24-hour support to the industry. This support was extended through hazard-alert Notices to Airmen (NOTAM), Pre-Flight Information Bulletins, Flight Procedures development and the design of aeronautical charts. The OEPD unit also provided obstacle evaluation services to restrict and eliminate obstacles in Jamaica's airspace, while conveying safety and operational guidance and data to aircraft operating in Jamaica's Flight Information Region. The new AIM system will provide quality-assured, real-time, multimedia aeronautical information to all ATM users in a globally interoperable and fully digital environment. In tandem with the efforts of other departments, these activities will further enhance safety, regularity and efficiency in the local and regional air transportation systems.

JCAA's safety oversight ensures industry conformance to ICAO Standards

As a primary component of the JCAA's regulatory activities, the JCAA's Flight Safety Department conducted critical oversight activities to ensure industry safety, general airworthiness and the implementation of standards which comprise the elements of an effective safety oversight system. The activities of our Flight Safety Department, therefore, centred around regulatory enforcement, to include licensing, certification and surveillance activities, as well as providing technical guidance and safety-critical information to industry operators and other stakeholders.

Routine and non-scheduled flight safety services were extended to holders of Air Operator Certificates (AOCs), Approved Maintenance Organisations (AMOs), aerodrome operators, Approved Training Organisations (ATOs), foreign operators, service organisations, and the general aviation community.

Unmanned Aerial Vehicles

The rapid proliferation of Unmanned Aircraft Systems (UASs) continued as a new phenomenon in civilian airspace, and the JCAA's Flight Safety Department developed and published guidance material and advisories for operators of remotely piloted aircraft systems, over the 2015–16 year. In accordance with the safety and security implications posed by their unregulated use, the material, which was published on the JCAA's website and via local print media, sought to ensure the safe operation and integration of UAVs within Jamaica's non-segregated airspace. In accordance with wider practices for the safe integration of UAVs, the prohibitions included not operating aerial vehicles at a height exceeding 400 feet above ground level, beyond a range of 1640 feet, at any distance beyond the unaided visual range of the UAV operator, and never within 16,500 feet of any aerodrome or rotorcraft-designated landing zone.

Over the year, the JCAA experienced general, voluntary adherence to the published

guidance for UAVs in Jamaica. The compliance of professional operators was noteworthy, in respect of the interface with the JCAA regarding the restrictions and permission to operate. While the absence of an ICAO framework has stymied regulatory development for UAV operations, the JCAA used the published guidelines as an initial phase to support the drafting of regulations, pending the maturation of wider regulatory frameworks.

Supporting air transport industry advancement through regional and global partnerships

With collaboration and capacity-building comprising key necessities for the development of the local and global aviation industries, Jamaica's air transport industry was buoyed by the participation of our technical, administrative, and management staff in a variety of regional and international meetings, workshops and conferences. These helped to strengthen the existing institutional structures and coordination mechanisms, while providing Jamaica and other states with a platform to share best practices and lessons learned relative to substantive and procedural issues in implementing the ICAO Standards & Recommended Practices (SARPS).

Staff members of the JCAA continued to participate and provide leadership input across a variety of fora, including the Caribbean & South American Aviation Data Analysis Panel (ADAP), the Caribbean Aviation Safety & Security Oversight System (CASSOS), the United Nations Framework Convention on Climate Change (UNFCC), the ICAO World Aviation Forum (IWAF), other meetings and conferences of ICAO, including and various Regional Planning, Air Navigation Implementation and other Working Groups.

These undertakings allowed the JCAA to keep abreast of industry developments, while furthering the development of appropriate tools, standards and procedures for managing current and emerging aviation risks.

Invaluable Team Support

Employees of the JCAA continued to be the Authority's most valued resource, supporting the fulfilment of our mandate and the achievement of a safe, efficient and sustainable air transportation network. While there were challenges, which affected the attainment of some objectives, the talent, innovative spirit and general efforts of the team assisted the JCAA to pursue tremendous opportunities which are becoming available through a modernised air transport environment.

The dedication and input of staff members also helped to cement Jamaica's position as a dominant regional hub that continued to be differentiated by our prioritized commitment to safety, facilitation and efficiency, despite existing challenges.

The management of the JCAA, therefore, extends sincere gratitude to our team members, whose input was essential in facilitating the progress achieved by the JCAA over the year, in areas, such as equipment rehabilitation, maintenance and regulatory oversight.

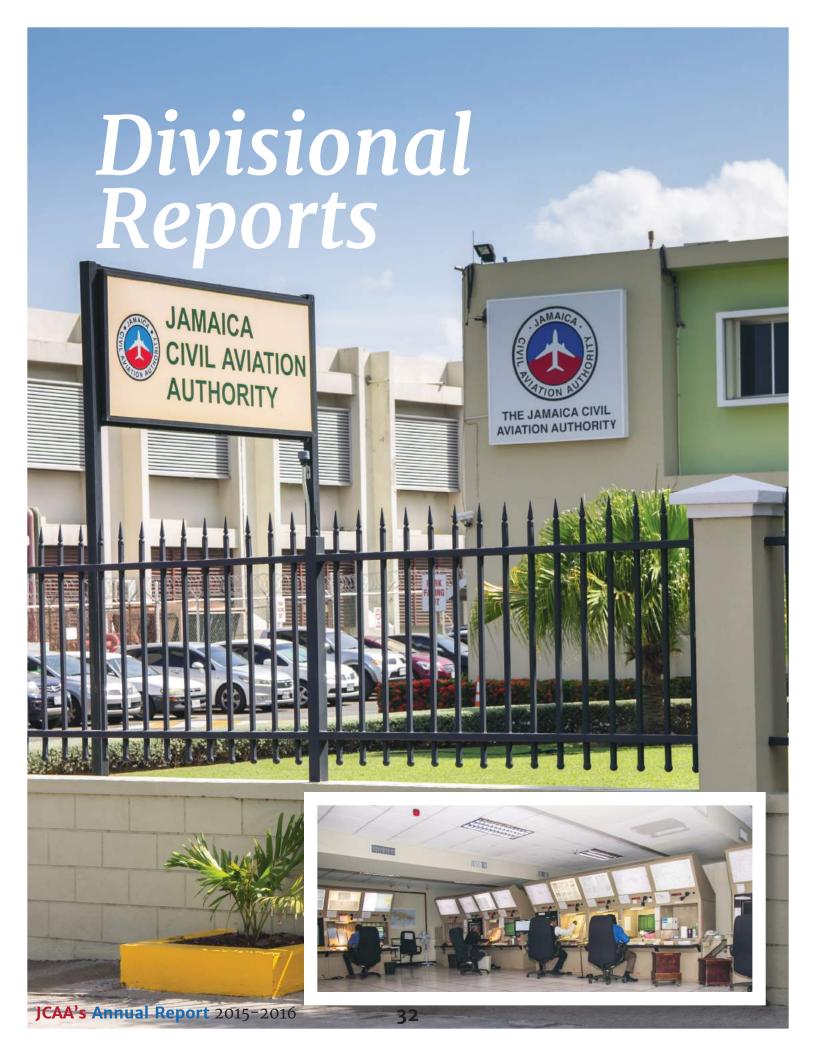
Preparing To Soar, As We Support Jamaica's Growth & Development

On-going initiatives to facilitate a modern and efficient air transport sector, as well as Jamaica's advantageous positioning at the confluence of North, Central and South American air traffic routes, are enablers that are positioning the JCAA to unlock the significant growth potential that exists in relation to the local air transport industry.

Over the next 10 to 15 years, the aviation industry is projected to register continued phenomenal growth, that will place increased pressure on our existing aviation infrastructure and facilities.

As the JCAA elevates its focus on forward planning, initiatives which started in the 2015–16 year, such as the initiation of a Performance Management System and the establishment of a Research, Planning & Risk Department will continue to drive outcomes and performance, as the JCAA pursues strategic objectives in the areas of safety, growth, efficiency and sustainability.

Through continued team commitment and dedication to our national and organisational goals, we will courageously advance towards a successful aviation future. Jamaica's aviation industry will continue to provide indispensable support as a facilitator and enabler of Jamaica's connectivity, growth and social development objectives.





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OVERVIEW

Over the 2015–2016 year, the Jamaica Civil Aviation Authority's (JCAA's) Flight Safety Department (FSD) continued to support the Authority's performance as an effective regulatory body. This was achieved despite the impact of staff shortages, which affected the JCAA's Flight Operations, Aerodromes & Ground Aids (AGA) and Safety Management System (SMS) activities.

In the year under review, there were eight (8) Air Operators; three (3) Approved Maintenance Organisations; three (3) Approved Training Organizations; three (3) International Airports; three (3) Domestic Aerodromes; four (4) certified Aviation Security Services Providers; three (3) certified Security Handling Agents and one (1) Air Navigation Service Provider, which were active within Jamaica's aerospace sector. Oversight activities were focused on both local and foreign air operators, as well as service providers.

Major Initiatives

Unmanned Aerial Vehicles (UAV)

As the region grappled with the emerging and rapidly developing area of Unmanned Aircraft Systems (UAS) within our civilian airspace, Jamaica continued to coordinate with other ICAO member states to develop guidance materials and policies for the regulation of Unmanned Aerial Vehicles (UAVs).

Among other initiatives, a team from the Flight Safety Department attended the Remotely Piloted Aircraft Systems (RPAS) Symposium, in Montreal, Canada, in 2015. The team contributed meaningfully, shared our national experiences and gained first-hand knowledge of the new sector entrants, which are commonly referred to as UAVs or drones.

Work is far advanced at the regional and global levels to establish guidance material that will ensure the safe operation and integration of these vehicles within the local and regional airspace. However, in the absence of formal regulations to direct the operations of UAVs in Jamaica, the Flight Safety Department (FSD) initiated and continued to develop operating guidelines, as well as review and approval procedures, for the use of UAVs within Jamaica's airspace. Flight Safety Notifications (FSN), including operating restrictions, were issued and published as guidance and reference material for recreational and commercial UAV operators.

As the JCAA undertook efforts to safely regulate the industry, seven (7) UAV permits were issued during the year. The JCAA also implemented a certification process for the conduct of commercial aerial works, such as agricultural operations.

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Universal Safety Oversight Audit Programme (USOAP)

In 2015, the International Civil Aviation Organization (ICAO) advised the JCAA of an upcoming visit in June 2016, which would be conducted in furtherance of its continuous Universal Safety Oversight Audit Programme (USOAP). The objective of the visit was to review the JCAA's progress regarding the resolution of outstanding audit findings under ICAO's Universal Safety Oversight programme.

Over the review year, the FSD made significant progress in finalizing all Corrective Action Plan (CAP) items and uploading the evidence to the Online Framework (OLF) by February 28, 2016.

Upon the completion and subsequent review of the evidence by ICAO, the audit was confirmed for June 7-16, 2016. This audit was scheduled to target Primary Aviation Legislation & Civil Aviation Regulations, Aircraft Accident and Incident Investigations (AIG), Air Navigation Services (ANS), Communications, Navigation and Surveillance (CNS), as well as Aerodromes and Ground Aids (AGA). All Corrective Action Plans (CAPs) in other areas, among them Personnel Licencing (PEL), Operations (OPS) and Airworthiness (AW), were also completed with the hope that the visiting team would be able to audit these areas.

ICAO Universal Security Audit Programme-Continuous Monitoring Approach (ICAO USAP-CMA) Audit

Jamaica received a very favourable report, following an ICAO audit in November 2015, which was conducted under the Universal Security Audit Programme-Continuous Monitoring Approach (ICAO USAP-CMA). The report and visit of the ICAO Audit team confirmed Jamaica's conformance regarding the implementation of critical elements of an aviation security oversight system and compliance with the Standards of Annexes 17 and 9, covering aviation security and facilitation, respectively. Among other areas, the audited Standards and Recommended Practices (SARPS) covered security-related standards, facilitation, associated procedures and guidance material, as well as required security practices.

Staffing Vacancies

During the year under review, the FSD was able to recruit one (1) Aviation Safety Inspector for Air Worthiness, but lost the services of a number of personnel. Included was the Manager with responsibilities for Aerodromes and Ground Aids (AGA), Air Navigation Services (ANS) and Safety Management System (SMS) oversight. We were also impacted by the loss of two (2) Aviation Safety Inspectors for Operations.

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Training

During the 2015–2016 year, the Flight Safety Department remained committed to its safety oversight mandate by ensuring the availability of an inspectorate that was fully trained in all technical areas, as required for the effective oversight of our air transport system. Development training complemented technical training to assure enhanced productivity and efficiency. There were forty-three (43) training events, inclusive of conferences, seminars, workshops, meetings, forums and training courses. These were attended by twenty-one (21) Flight Safety personnel.

Among the international training organizations, which provided regulatory training were the Federal Aviation Administration (FAA) Training Academy, the International Air Transport Association (IATA), the International Civil Aviation Organization (ICAO), Singapore Aviation Academy, Trinidad & Tobago Civil Aviation Training Centre, the Flight Safety Training Institute, the National Transportation Safety Board (NTSB) and the Jamaica Civil Aviation Authority Training Institute (CAATI).

Surveillance

During the period under review, the Flight Safety Department accomplished the following:

ACTIVITIES	ACCOMPLISHMENTS
Base Inspections	33
Ramp Inspections	
	415
Certificate of Airworthiness Inspections	12
Renewal /Issuing of Air Operators/Aircraft Maintenance Organisation & Approved Training Organisation Certificates	14
Issuing of Unmanned Aerial Vehicles	7
Aerodrome Inspections – Local	24
Aerodrome Audits	1
Foreign Air Operator Certification (FAOC) Inspections	4
Proficiency Checks	46
Flight Checks (line checks/enroute checks)	66
Air Traffic Management (ATM) Inspections	11
Communications, Navigation and Surveillance (CNS) Inspections	22
Search and Rescue (SAR) Inspections	3
Aeronautical Information Management (AIM) Inspections	3
Charts & Procedures Development	1
Security Inspections	147
Security Tests	1

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The oversight of the industry by the Authority was strategic and focused. Surveillance of Aerodromes, Air Navigation Services and Communication and Navigation Services recorded significant increases, as a result of the recruitment of two (2) Flight Safety Inspectors to that sub-division. As a result, Norman Manley International Airport (NMIA) restarted the certification process, with a pre-application statement of intent. The approval process for the operationalization of the new NMIA tower, including oversight of the parallel operations, was also undertaken during the year.

Finally, work continued on establishing a national Mass Rescue Operation (MRO) plan, in conjunction with the Office of Disaster Preparedness and Emergency Management (ODPEM) and the Maritime Authority of Jamaica (MAJ). This culminated in a number of table top and functional exercises, which were conducted in conjunction with the US Coast Guard, at various sea and airports in March 2015. Other table top and simulation exercises were also scheduled to be conducted in 2016.

Sub-Divisional Performance

The Flight Operations sub-division, in spite of staff shortages, continued to go beyond the boundaries of normal operation to effectively perform assigned tasks. Surveillance activities were adjusted, based on the revised risk assessment of existing service providers.

Additionally, both scheduled and unscheduled surveillance and inspection activities were executed by the AGA, ANS and SMS sub-divisions, as the JCAA conducted inspections of the ANS service provider during the transition period for the upgrade of equipment.

Inspections were conducted on various Air Operator Certificate (AOC) holders including:

- Fly Jamaica Airways Limited
- Airways International
- Rutair Airways
- Island Hoppers Limited
- Captain's Aviation
- Timair Airways

- Tara Couriers
- Airspeed International
- InterCaribbean Airways –
 Domestic operations
- Foreign Air Operator Certificate holders

Certifications for 2015-2016

During the period under review, enquiries were made by a number of companies which were interested in Airworthiness and Air Operators Certification. The majority of these companies, however, did not commence the certification process after initial

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meetings with JCAA personnel. The following companies followed through, have been certified or are now in the Certification process:

- Airways International
- Caribbean Aviation Training Centre
- Civil Aviation Authority Training Institute
- Longport Aviation Security
- Norman Manley International Airport
- Tru-Flight Aviation Services
- Agrocaelum Limited

Personnel Licensing (PEL) Activity Report for year ending March 31, 2016

MONTH	ATPL	CPL	PPL	SPL	ATC	AME	FO	Total Monthly Exam Activity	Total Monthly Licence Activity
April - 2015	17	15	4	3	9	8	0	4	56
May - 2015	8	2	5	3	3	17	О	14	38
June - 2015	7	8	7	2	22	3	0	4	49
July - 2015	9	5	0	3	10	8	О	20	35
August - 2015	5	1	4	2	2	О	О	10	14
September - 2015	9	9	5	1	9	7	0	13	40
October - 2015	12	4	2	3	8	11	0	11	40
November - 2015	9	4	2	2	5	8	0	6	30
December - 2015	16	7	1	4	4	5	0	9	37
January - 2016	2	2	2	1	3	12	0	5	22
February - 2016	13	5	1	6	15	5	0	2	45
March - 2016	13	6	3	1	28	18	0	13	69
Grand Totals	120	68	36	31	118	102	0	111	475

Total Licence Activity: 475 Total Exams Activity: 111

KEY

ATPL	Airline Transport Licence
CPL	Commercial Pilot Licence
PPL	Private Pilot Licence
SPL	Student Pilot Licence
ATC	Air Traffic Controller
AME	Aircraft Maintenance Engineer
FO	Flight Dispatcher (Flight Operations Officer)

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Investigations

Overthe period, the Flight Safety Department conducted its investigations in accordance with ICAO's Annex 13 (Aircraft Accident & Incident Investigation), the Jamaica's Civil Aviation Regulations 2012 and Jamaica's Accident and Incident Investigations Manual.

Regional Partnerships & the Regional Safety Oversight Organization - CASSOS

The JCAA's Flight Safety Department continued its active participation in the Regional Safety Oversight Organization (RSOO). The Caribbean Aviation Safety and Security Oversight System (CASSOS), which functions as the region's RSOO, continued to provide a forum for mutual support and cooperation among member states. This helped to enhance Jamaica's and the region's safety and security oversight activities through data and technical resource sharing, as well as mutually-reinforcing processes for ensuring compliance with the standards established by ICAO.

Among other regional engagements, the JCAA continued to participate and cooperate through:

- our chairmanship of the Board of CASSOS
- chairmanship of the CASSOS Personnel Licensing, Operations and Accident Investigations Standing Committees
- membership in numerous CASSOS Standing Committees

As the JCAA worked with neighbouring jurisdictions to enhance the safety of the regional air transportation industry, it assisted St. Lucia, Antigua and Guyana in executing Pilot Proficiency Checks for Rotorcraft. Jamaica also conducted Base Inspections, Approved Training Organisation (ATO) Audits, and Operations Manual reviews for other CASSOS member states.

Certification assistance was also provided to Curacao, in respect of the issuance of an Air Operator Certificate to a rotorcraft operator.

International Support

Jamaica, through the Flight Safety Department, participated in the ICAO Cabin Safety Working Group (Montreal), established to update the ICAO Cabin Attendants Safety Training Manual.

The Department also contributed technical expertise to various ICAOs Working Groups on Aviation Security, Facilitation, Runway Safety and Flight Operations.

The Economic Regulation Department continued to pursue its mandate as a core unit of the JCAA's regulatory regime, which contributed to the orderly and sustainable development and expansion of Jamaica's aviation industry. Through the maintenance of a competitive and efficient economic infrastructure, as well as a liberalised, 'open skies' regime, the department championed efforts to promote improved air connectivity and create more avenues for competitive business opportunities. These were achieved, as we facilitated improved consumer benefits and choices for a wide range of stakeholders, including passengers, air operators and service providers.

The activities of the Economic Regulation Department were also critical to industry development, the growth of the tourism industry and other business activities, as the department ensured the timely processing and approval of air service licenses and permits, while supporting the government's negotiation of bilateral air services agreements (BASA). The Economic Regulation department also availed itself of opportunities to support the reasonable interests of airport users, as well as the economic viability of airports. Additionally, the collection and analysis of statistical aviation data was vital to the monitoring carbon emissions from the aviation industry.

Air Commerce

The Licence and Permit Unit of the department processed and approved a total of five hundred and fifteen (515) applications for commercial and state operations. Of this total, one hundred and twenty (125) approvals were issued for non-scheduled operations of 30 days or less, while scheduled operations accounted for forty-six (46) approvals. This represented a 3% increase in approvals granted for scheduled and non-scheduled commercial operations, when compared to the previous year. The remaining three hundred and forty four (344) applications were approved for state operations, which typically transported delegations from foreign embassies and military personnel that were either visiting or transiting the Jamaican airspace.

Supporting the Government of Jamaica's Air Policy Objectives

In further efforts to promote air commerce, the Economic Regulation Department interfaced with the Ministry of Transport and Mining, to obtain approvals for operations that were beyond the scope of current bilateral air services agreements. These approvals proved critical for facilitating airlift services for business interests, as well as transporting tourists and sporting teams from places such as the UK, EU, Central & South America, Canada and the Caribbean. Over twenty (20) approvals were sought and received.

The department continued to meet its obligation as an active member of the Air Policy Committee, by providing advice to the Government of Jamaica on matters relating to the local, regional and international aviation industries. Such matters included the CARICOM Multinational Air Services Agreement (MASA), which provides the formal framework for the provision of air services between member states, as well as facilities for the exchange of route and traffic rights within the Community. As a further development in the area of bilateral and plurilateral agreements, Jamaica signed a Memorandum of Understanding with China in June 2015, which led to one airline seeking to conduct charter operations between the countries.

Regulatory Demands and Developments

Jamaica's air transport industry has been in constant evolution, and the government has adopted a more liberalized policy approach to aviation over the years. Notwithstanding this evolution, our current air transport licensing regulations, which was introduced in 1966, does not reflect aspects of what occurs in the industry today.

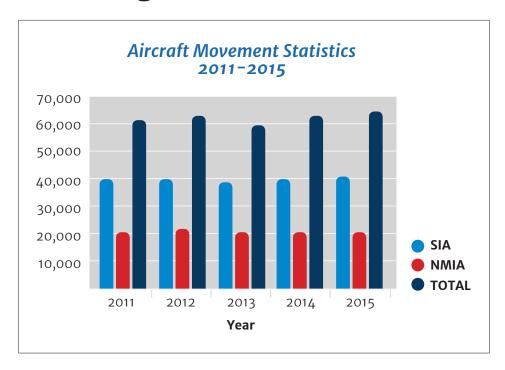
To this end, the Economic Regulation Department has been involved in a project to update the regulations and various provisions of the Act, to take account of the changes that have occurred through the years, as well as to incorporate international best practices. Drafts covering seven (7) of eight (8) regulatory areas have been completed and work for the final section was advanced at the end of the reporting period. These processes will be followed by a series of internal and external stakeholder consultation meetings to solicit responses and inputs to the proposed regulations.

Airport Regulation

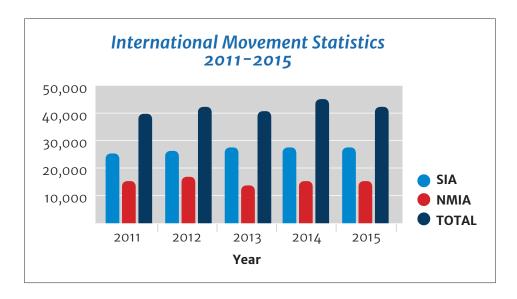
In promoting the profitable, sustainable and efficient operation of Jamaica's airports, the Authority approved an adjustment in the regulated airport charges, based on the data provided by the United States Consumer Price Index (US-CPI) for the Norman Manley International (NMIA) and Sangster International (SIA) airports. Approval of the new rates was granted in the second quarter of 2015 and became effective on January 1, 2016. In further discharge of its regulatory function, the department received and reviewed quarterly survey results for passenger satisfaction and baggage handling, as well as the results of the annual satisfaction surveys for airlines and customers.

Aviation Statistics

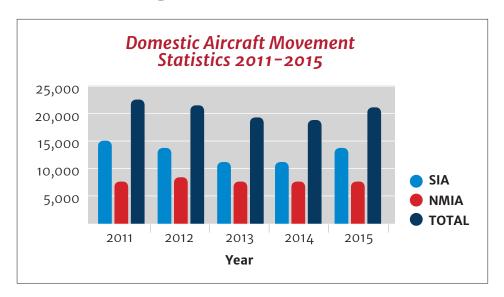
The department continued to discharge its duties vis-à-vis the collection, storage and dissemination of statistical information, to support the planning, forecasting and review activities of local, regional and international stakeholders. During the 2015 year, an aggregate increase in aircraft movement of 2.4% was recorded at the two international airports. Movement increases at SIA and NMIA were 3% and 1%, respectively.



When disaggregated, however, international aircraft movement showed a decline of approximately 2% over the previous year, an experience which primarily resulted from the institution of flow control measures in Jamaica's airspace, particularly in October and February of the 2015–16 year.



Domestic aircraft movement, by contrast, showed an appreciable growth of approximately 19%, rebounding from three (3) years of successive decline. The recorded growth was approximately 4% at the NMIA and 19% at the SIA.



Growth trajectories for Jamaica's air transportation industry continued to be promising, with aggregate passenger movement for the last two (2) years showing steady growth, comprising approximately 4.63% in 2014 and 4.68% in 2015. Growth at the two international airports was also above 4.6%.

Environmental Stewardship & Leadership

Over the reporting year, the JCAA continued to implement measures that recognized and safeguarded the vital link between environmental protection and the sustainability of our industry and planet. In the context of the International Civil Aviation Organization's (ICAO's) pursuit of the aspirational goal of a 2% reduction in CO² emissions by 2020, Jamaica was selected as the location of the first pilot project. Further to this selection, the JCAA coordinated with airport operators to provide ICAO with information regarding electrical usage rates, passenger throughput and geospatial information. This exercise provided the basis for ICAO's selection of one of the airports as the location for the photovoltaic installation.

The ICAO project manager visited Jamaica in March 2016, and announced the availability of funding to the tune of US\$2M to implement the project. The JCAA facilitated meetings and walk-throughs with airport operators and local industry personnel, who will provide maintenance support for the project. The project is now in the procurement and mobilization phases, which will be followed by installation.



AirNavigation Services (ANS)

ver the 2015–16 year, the JCAA made significant progress in relation to initiatives launched, from the previous year, to address the deficiencies identified under the Universal Safety Oversight Audit Programme (USOAP). The strides made also enabled the Authority and the Air Navigation Services (ANS) Department to progress towards the achievement of targets established under the International Civil Aviation Organization's (ICAO's) Global Air Navigation Plan (GANP). These included targets for the implementation of Performance Based Navigation (PBN), as well as other modules of the Aviation System Block Upgrade (ASBU) programme, which will be implemented in 5-year development blocks.

As the implementation of system upgrades continued, Jamaica was guided by obligations arising from the signing of the Port of Spain Declaration by 22 member states and 9 international organizations of the ICAO North American, Central American and Caribbean (NACC) region. Whereas the Declaration was signed on April 30, 2014, all signatory states, including Jamaica, were required to meet ongoing regional milestones pertaining to the implementation of PBN, and other initiatives to support the implementation of ICAO's Global Air Navigation and Global Aviation Safety Plans (GASP). To meet these deadlines, the ANS department undertook measures to strengthen the leadership of the department and established special task force teams to drive the implementation of the initiatives.

The current report also highlights other ANS developments, external to the ASBU programme, which contributed to the overall effectiveness and efficiency of Jamaica's Air Navigation Services. These developments related to staff recruitment and training, the modernization of our air traffic services equipment, installation of a new Instrument Landing System (ILS), the project for implementing a new microwave system across the island, and the renovation of the air conditioning and lighting system to comply with the Government of Jamaica's (GOJ's) Energy Efficiency Conservation Programme (EECP).

Significant Developments over the 2015/2016 year

In order to strengthen the leadership of the ANS department and provide more strategic support for the fulfilment of the department's goals, objectives and development plans, the position of Director of Air Navigation Services (DANS) was upgraded to Deputy Director General, Air Navigation Services (DDGANS).

Other structural changes in the Air Navigations Services divisions were planned for the 2016–17 period, in keeping with the positions mandated in the Jamaica Civil Aviation Regulations (JCARs) 2012.

Air Traffic Services (ATS) Goals and targets for 2015-2016

The following is an overview of the goals, activities and performance of the Air Traffic Services (ATS) Department for the April 1, 2015 – March 31, 2016 financial year. The overarching goals for the Air Navigation Services Division, of which ATS is a department, were:

- Goal 1: Maintenance of a safe Air Navigation System
- Goal 2: Modernization of the CNS/ATM Infrastructure
- Goal 3: Improved Operational Efficiency, while Enhancing Environmental Stewardship
- Goal 4: Training and Development of Air Navigation Services Personnel

Goal 1: Progress towards Maintenance of a safe Air Navigation System

The maintenance of a safe Air Navigation System continued to be pursued as an uncompromised priority for the Jamaica Civil Aviation Authority (JCAA). Faced with challenges, particularly from intermittent failures in the Communications, Navigation & Surveillance infrastructure, the JCAA undertook various rehabilitative and maintenance initiatives, and was successful in restoring service to stable and acceptable levels.

Flow control was introduced as a safety measure. This was subsequently lifted. To facilitate critical rehabilitative work, spare parts for the radar and the AUTOTRAC equipment were secured from several countries and partners, including Curacao and the US Federal Aviation Authority (FAA). The acquisition of these spares parts significantly reduced the 'down' time of the radars, with the JCAA putting proactive measures in place to maintain their reliability.

A microwave radio system, which was also installed, continued to provide a measure of redundancy for the routing of radar information and other ANS messages across the island. Additionally, over the 2015–16 year, the MEVA 111 system became fully operational and served to provide faster and more reliable transmission of ATS messages between adjacent air traffic control centres.

As another strategic measure, a radar-sharing agreement was also negotiated with Cuba, with test messages being exchanged between the countries. The exchange of data between the two countries will become more efficient with the ongoing programme to upgrade Jamaica's Communications, Navigation & Surveillance (CNS) infrastructure to allow for an efficient exchange of data between the two countries.

In order to ensure compliance with the Jamaica Civil Aviation Regualtions (JCARS 2012) and establish standards for guiding the daily operation of ATS personnel, policies and

procedures were revised and submitted to the Flight Safety Department (FSD) for approval. These included drafts for the:

- Quality Management System (QMS)
- 2. Quality Assurance Manual (QAM)
- 3. Aeronautical Information Services (AIS) Manual
- 4. Unit Specific Manual AIS Head Quarters NOTAM Office (HQ/NOF)
- 5. Unit Specific Manual AIS Aerodrome Reporting Office (AD/ARO)
- 6. Training & Personnel Licensing Manual (TPLS)
- 7. Unit Specific Manual (USM) KATCC

Goal 2: Modernization of the CNS/ATM Infrastructure

A major contract to support Jamaica's Air Navigation Services modernisation programme was signed with French Air Traffic Systems (ATS) supplier, Thales Air Systems. The contract included specifications for the supply, installation and/or provision of a state-of-the-art air traffic management system, utilizing, satellite-based air navigation and automation technologies; three new radars, using L-Band Primary and Mode-S MSSR radar technology; a new simulator which replicates the incoming Air Traffic Management hardware and software that will be installed in the Kingston Air Traffic Control Centre (KATCC); training of control, operations, maintenance and other technical staff; and associated facilities.

A series of initial demonstrations were conducted by Thales representatives with the Air Traffic Controllers and AEROTEL Technicians, during the week of February 8-12, 2016. With support from the JCAA's Communications, Navigation & Surveillance (CNS) team, as well as oversight from the JCAA's ANS Management representatives, the Thales implementation team coordinated activities to support the targeted completion of the project by October, 2017. Various milestones have been achieved, including the completion of the System Design Review (SDR) to finalise system design, installation and other related plans.

Wider Benefits of the New ATM System

An important feature that will also become available with the installation of the new equipment is the ability to communicate with pilots via a data link. This capability, which has been termed Controller Pilot Data Link Communication (CPDLC), will allow Air Traffic Controllers to send and receive text messages from individual aircraft, thereby reducing voice-radio communication congestion. More importantly, this

feature will reduce or eliminate risks associated with multi-lateral communication and misunderstanding in an air traffic control setting.

Additionally, the new ATM system will better position Jamaica to transition from a radar surveillance setting to an Automatic Dependent Surveillance Broadcast (ADS-B) environment, when the latter becomes a mandatory requirement in all air traffic environments by 2020. This satellite-based surveillance technology, which is an aspirational goal of ICAO's Global Air Navigation Plan (GANP) will, among other things, enable a real-time availability and broadcast of air traffic data to air traffic control ground stations. Data will also be provided to aircraft, to support situational awareness and self-separation capabilities.

Goal 3: Improving Operational Efficiency, while enhancing environmental stewardship

As the JCAA undertook efforts to enhance the capacity of Jamaica's airspace, while utilizing the available capacity more efficiently, the framework for an Air Traffic Flow Management (ATFM) unit was established in the Kingston Air Traffic Control Centre (KATCC) over the reporting year. The Unit will function to analyse pending traffic flow within the airspace on a daily basis, and provide a more orderly flow of air traffic into Jamaica's airspace, by instituting measures that will avoid overwhelming any sector or Controller.

These measures have included, but are not limited to, rerouting flights on less congested airways and coordinating with adjacent Air Traffic Centres (ATCs) regarding the timed departure of flights to ensure arrival in Jamaica's airspace at a specific time.

Area Navigation (RNAV) Approaches for Runway 12 at the Norman Manley International Airport (NMIA) were also modified to provide Continuous Descent Operations (CDO) into the airport. Other CDOs are being developed for Runway 07 at the Sangster International Airport (SIA). It is estimated that, with the introduction of these CDOs, a 6.3% fuel reduction will be realized by each flight, as well as an overall 19.85% reduction in carbon emissions.

The ANS Department engaged other Air Traffic Centres such as Cuba, Panama and Barranquilla to introduce more direct, one-way, Performance Based Navigation Routes (PBN) routes. These routes will not only increase the efficiency of the airspace, but will greatly enhance the safety of the air traffic environment.

Goal 4: Developmental Training

Air Traffic Controllers participated in a variety of training courses, workshops and meetings, as the Authority undertook initiatives to support on-going development and training for our ANS personnel, as well as our mandate regarding the implementation of the USOAP, USAP and ASBU requirements. The courses included:

- Basic ICAO Procedures for Air Navigation Services Operations (PANS-OPS)
- Automatic Dependent Surveillance Broadcast (ADS-B) Implementation
- Regional Implementation of Performance-Based Navigation (PBN) Airspace Redesign for the Caribbean (CAR) Region
- Air Traffic Flow Management (ATFM) Implementation for the Caribbean (CAR) and South American (SAM) Regions
- Search and Rescue Administration
- International Civil Aviation Organization (ICAO) Emergency Response Planning Course
- ICAO TRAINAIR PLUS Training Instructors Course (TIC) Part 2
- ICAO TRAINAIR PLUS Training Developers Course (TDC)
- TRAINAIR PLUS Course on Aviation System Block Upgrades (ASBU)
- ICAO/IATA/CANSO Performance Based Navigation Harmonization, Modernization and Implementation Meeting for the Caribbean (CAR)

Training

Training initiatives at the Kingston Air Traffic Control Centre continued with the facilitation of a cadre of nineteen (19) Air Traffic Controllers, who received On-the-Job Training (OJT) in Approach Radar Control.

Several other Controllers were engaged in training to validate their Enroute Radar or Approach Radar rating. Additionally, one (1) Air Traffic Controller was re-assigned to the Sangster International Airport to validate his Aerodrome Control rating, while another was re-assigned to Tinson Pen Aerodrome to be recertified as a Flight Information Officer.

A total of 2265 training hours was registered for the KATCC over the period.

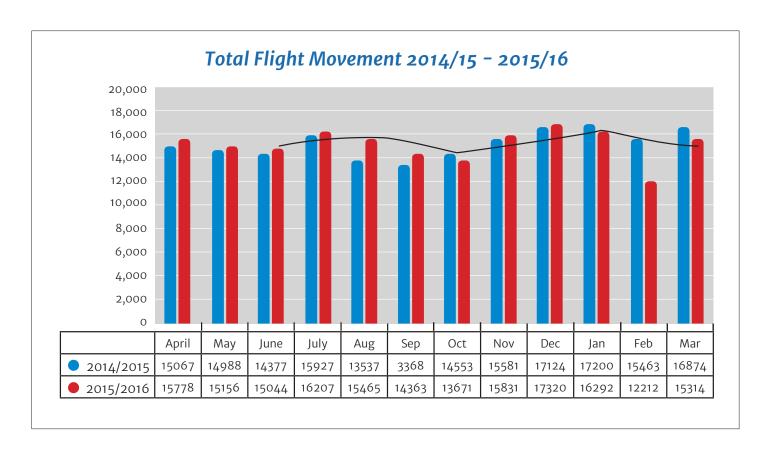
Supervisor Training

A total of 1572 hours and 7 minutes was logged for Supervisory training of relevant personnel at the Kingston Air Traffic Control Centre (KATCC). In addition to On-the-

Job training programmes, the supervisors were also sent to the Management Institute for National Development (MIND) for additional management and supervisory training.

Recruitment

Fifteen (15) persons were recruited during the period to work as Flight Data Processors (FDPs) in order to supplement the staff cadre at the KATCC. In August, 2015, the individuals started on-the-job training to enable their certification as FDPs. Three (3) members of this batch were subsequently sent on additional training and assignment as Flight Information Officers at the Tinson Pen Aerodrome to alleviate the staffing challenges at that unit.



Air Traffic Movement

Air Traffic movement for the period totalled 182,653 flights. The highest volume was recorded in December 2015 with 17,320 movements and the lowest volume, of 12,212 flights, experienced in February 2016. The total movement of 182,653 was 1% lower than the figure recorded for the corresponding period between April 2014 – March 2015 of 184,059 movements. This occured primarily as a result of flow control measures which were instituted in October and February of the 2015–16 year. With challenges currently mitigated, traffic volume for the period April 2016 – March 2017 is projected to be 189,960 movements.

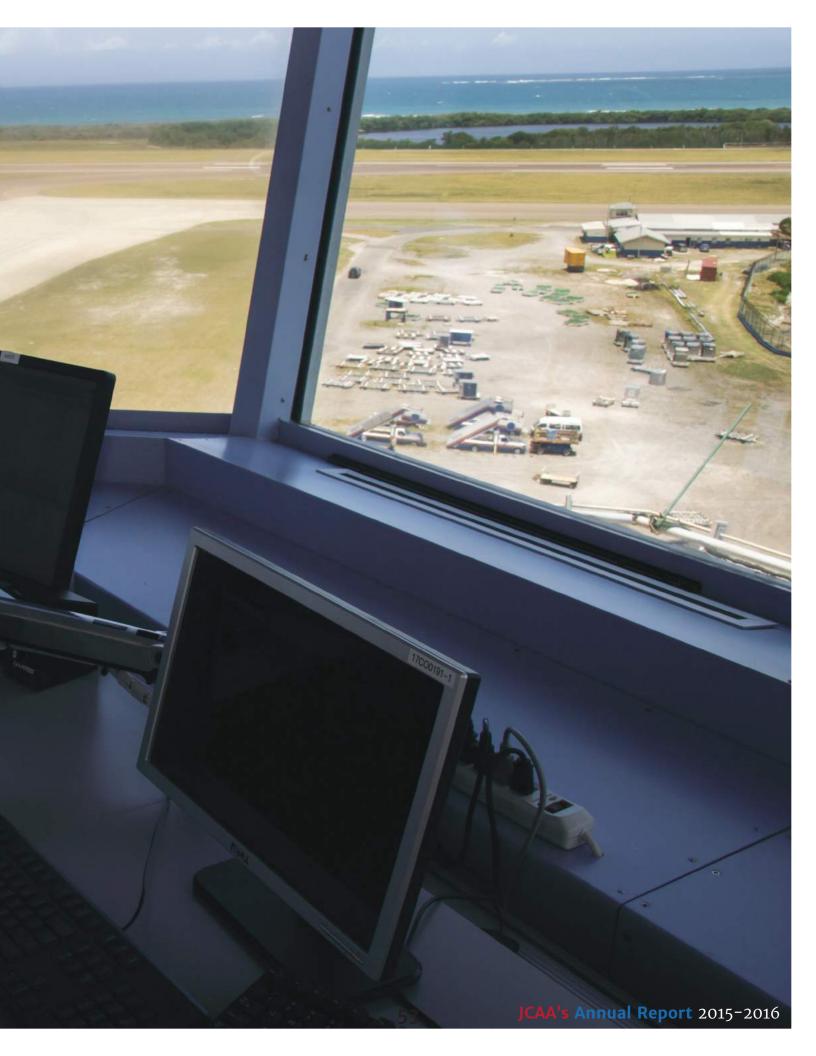
Update on new NMIA and SIA Towers

Construction, infrastructural and civil works for the new Air Traffic Control Tower at the Norman International Airport (NMIA) and the Sangster International Airport (SIA) were completed during the 2015–16 year. All major operational equipment was installed and Site Acceptance Tests conducted for each tower.

During the Acceptance stage, it was observed that the tower cabs were not cooling efficiently. The Heating, Ventilation and Air Conditioning (HVAC) systems were resized for both towers and the corresponding duct work was also completed during the period.

Other challenges were encountered, which impacted the commissioning of both towers. This included the electricity supply at the SIA Tower, which became a cause for concern, given its ability to adversely impact the installed equipment.





Communications, Navigation & Surveillance (CNS) System Upgrades

The CNS department continued the trajectory of supporting the implementation of ICAO's Global Air Navigation Plan (GANP), through the required Aviation Systems Block Upgrade (ASBU) methodology. The upgrade processes were facilitated through a number of initiatives, which are outlined below.

Microwave Radio Network

Since April 2015, the systematic upgrading of Jamaica's microwave network continued, with the installation of routers to enable the passage of Internet Protocol (IP) related data traffic. This project continued to bring the JCAA in closer reach of the capacity to offer services under the new satellite-based, Aeronautical Information Management (AIM) paradigm. The upgraded network and AIM will enable the Authority to take advantage of new and emerging technologies, such as the System Wide Information Management (SWIM), thereby facilitating the offer of services in digital format. Other services, which the JCAA is preparing itself to offer, through the project, include electronic Aeronautical Information Publications (eAIPs), Digital Notices to Airmen (DNOTAM) and the Aeronautical Information Exchange Model (AIXM).

Internet Protocol (IP) cameras were also installed at the main Air to Ground (A–G) radio site in August 2015, which has allowed for the site to be monitored remotely, in real time, from the JCAA's corporate office. This major milestone paved the way for the implementation of the Network Operation and Control Centre (NOCC) that will enable the remote monitoring of key parameter equipment, voltage & current readings, equipment room temperature and unauthorized entry.

MEVA III Network

Since the transition to the MEVA network in March 2015, Jamaica has benefitted from the establishment of a Very Small Aperture Terminal (VSAT) that has provided a satellite ground station network for Air Navigation Services Providers at 18 sites within the Caribbean, Latin American, Central and North American regions. Jamaica's transition to the system has allowed for a more efficient communication system, thereby increasing our communication stability, as measured by the decreasing incidence of failures on the network and our more efficient use of satellite bandwidth.

The MEVA III takes advantage of IP technology, thereby supporting the provision of several new services between adjacent Flight Information Regions (FIRs). These include AIDC, CPL/LAM and the seamless exchange of AMHS messages. These new features will ultimately improve safety within the entire CAR/SAM region.

New Instrument Landing System for the Sangster International Airport

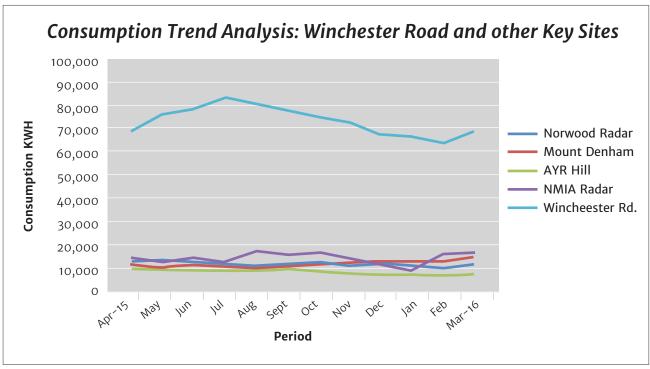
The contract for the installation of a new Instrument Landing System (ILS) for the Sangster International Airport (SIA) was awarded to Intelcan Technosystems in January 2016. The installation is scheduled to begin in June 2016, with final commissioning and a flight check scheduled to be conducted during last quarter of 2016–2017 fiscal year.

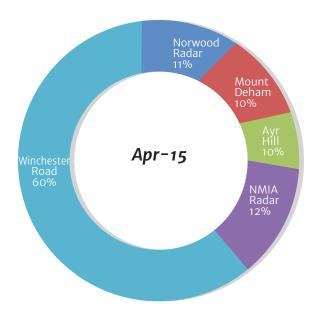
The GoJ Energy Efficiency Conservation Program (EECP)

At the end of the reporting period, the JCAA was at Phase 3 of the Energy Efficiency Conservation Programme (EECP), following the implementation of Phases 1&2 in the 2014–2015 year. Earlier phases of the project involved improving the building envelope at the JCAA's Winchester Road Headquarters by replacing all windows and doors that were contributing to massive heat transfer. Additionally, all windows were coated with solar film and internal and external lighting was replaced with the energy-efficient LED lamps.

Phase 3, which started in October 2015, involved the replacement of all conventional A/C units with the energy-efficient inverter type units. Following the award of the contract for the supply and installation of the energy-efficient inverter-model A/C units to CAC 2000 Ltd., the units were delivered in February 2016 and installation began March 2016. The units will provide critical environmental benefits, through the removal of the ozone-depleting refrigerants.

On full implementation of the EECP programme, it is expected that the Authority will experience an approximate 30% reduction in electricity consumption.

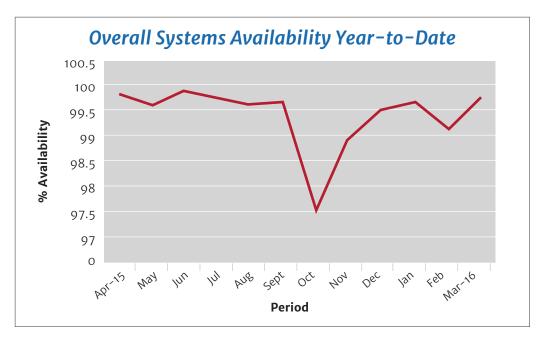




The Winchester Road corporate office, which shows a high consumption experience as a result of the 24-hour operation of the KATCC, continues to provide one of the greatest opportunities for supporting efforts to reduce the JCAA's overall energy consumption.

Equipment Availability

As demonstrated below, the availability of the JCAA's systems over the period April to September 2015, fell below the established standard of 99.97%. This occurred primarily as a result of intermittent failures of the ageing equipment, which was currently being replaced and upgraded. In October 2015, adverse weather conditions also resulted in a precipitous fall to 98% availability, constituting our lowest availability performance for the year. Through more targeted maintenance initiatives from the JCAA's CNS department and AEROTEL technicians, as well as the conduct of rehabilitation work, system stability was restored and maintained at more acceptable levels, by the end of the reporting period.



The Table below gives a summary and status of the major projects being pursued by the CNS department:

	PROJECT	STATUS	COMMENTS	COMPLETION/TARGET
1	Automation, Radar & Voice Switch upgrade	Manufacturing of the system underway	Factory Acceptance Test (FAT) to begin in June 2016	Installation of the simulator scheduled for September 2016
2	Microwave Radio upgrade	Construction of tower grounding work completed	Transferring of critical elements, such as the Parrot for the Norwood radar, scheduled to begin April 2016	Installation of the last mile for the Aviat network to begin April 2016. Transfer targetted for completion by the 3rd week of May 2016
3	AMHS Testing -KATCC and NADIN	Scheduled	Discussions initiated with the FAA, which will coordinate the test	To begin by the 3 rd quarter of 2016
4	AIDC Testing between adjacent Air Traffic Centres	Scheduled	Test to begin as soon as the new automation system is installed	To begin 2 nd quarter of 2017
5	New Control Towers Equipage	A/Cs on the ground and first floors partially operational	2 of 3 compressors installed	Parallel operations to begin June 2016
6	EECP Programme- Replacing all central A/C units at Winchester Rd.	Condensers were installed on the roof of buildings A,B & C on March 12, 2016	Evaporator units installed in offices of buildings A & C	The target date for completing installation is September 2016
7	NMIA DVOR	Technical Specifications/ Evaluation criteria sent to Procurement Unit on January 29, 2016	Approval process underway	Budgeted for the 2016/2017 fiscal year
8	SIA ILS Replacement	Manufacturing of the ILS complete	System design review and FAT to take place in May 2016	Installation of the ILS scheduled to begin June 2016
9	ADS-B Implementation	Existing system to be upgraded with new automation system	Implementation on target with ASBU	On target with Eurocontrol and FAA timelines of 2017 & 2020 respectively

Obstacle Evaluation and Procedure Development (OEPD) Initiatives

The OEPD Department conducted numerous activities, inclusive of continuous obstacle evaluation services and the development of flight procedures to enable the safe conduct of air traffic operations across the Kingston Flight Information Region

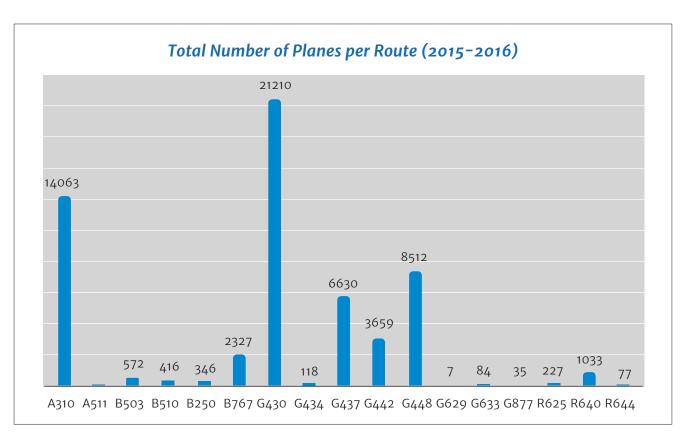
(KFIR). Among other initiatives, the OEPD team conducted evaluations of new and proposed building projects, development properties, towers and other structures that could potentially impact air traffic routes, the airspace and/or safety within the KFIR. The Department led and coordinated various stakeholder meetings to discuss the instrument flight design procedures, prior to their development and publication.

The OEPD unit was also integral in reviewing of Aeronautical Information Management (AIM) proposals. The services extended included updating the requisite technical specifications, and the compilation of an implementation and transition plan.

The unit also conducted Performance-Based Navigation (PBN) studies, statistical analyses of Air Traffic route utilization within the Kingston FIR, and the conceptualization of PBN routes to provide preferred and more direct trajectories for aircraft, thereby eliminating much of the reliance on ground-based navigational aids.

Statistical Analysis of Air Traffic Flow following Development of new and more flexible Air Traffic routes

Of the approximate 182,653 movements which occurred within the Kingston FIR during the 2015-2016 year, 55,000 were along the conventional Very High Frequency (VHF) Omni Directional Radio Range (VOR) ATS routes. Ninety five (95%) percent of this traffic flowed in a north-south or south-north direction.



A number of the VOR routes were realigned using waypoints and city pairs between origin and destination airports.

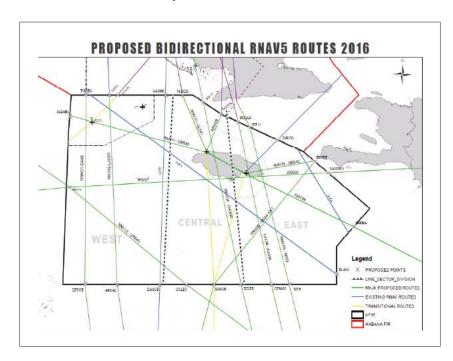
When the ICAO Fuel Saving Estimating Tool (IFSET) was applied to these realigned routes, the preliminary calculations show fuel savings of between six percent (6%) and eleven percent (11%). Carbon emissions were also reduced by approximately eighteen percent (18%).

ICAO Fuel Saving Estimating Tool (IFSET) Analysis

	Estin	nated Fuel Savings	Report			
Scenario	Old Fuel Consumption (Kg)	New Fuel Consumption (Kg)	Savings (Kg)	Savings (%)		
VR MAM-ED	158500	147900	-10600	-6.7		
ENR PUT-KIL	3388900	3355900	-33000	-1.0		
MA-WEST E	252200	222400	-29800	-11.8		
	Export to Excel		Detailed Fuel Savings	Report	Report	
Sunday, May 20, 20	712			Page 1 of	Savings (Kg)	Savings (%
					-10600	-6.7
					-33000	-1.0
					-29800	-11.8

Route Proposals

Proposals for the introduction of RNAV 5 requirements for one-way based routes were sent to ICAO and discussed with adjacent ACCs.



Staffing

Adequate staffing to support the necessary automation upgrades for the OEPD unit hampered progress vis-à-vis the ongoing transition to AIM, and delayed further training and development for current staff who are required to operate under AIM requirements stipulated by ICAO.

The staff was, however, able to take advantage of some training and development opportunities, and submitted proposals for the recruitment of additional staffing and resources. The workshops and meetings attended included:

- Basic Pans Ops Training at the FAA Academy, Oklahoma, USA
- ICAO Workshop on Regional Implementation on Performance-Based Navigation (PBN) Airspace Redesign for the Caribbean (CAR) Region
- CAR/SAM Electronic Aeronautical Charts of Performance Based Navigation (PBN), Terminal Procedures and Aerodrome Mapping Seminar
- PBN Workshop Harmonization, Modernization and Implementation Meeting for the Caribbean (CAR)
- (ICAO) Caribbean/South American (CAR/SAM) electronic Terrain & Obstacles Data (eTOD)
- ICAO Integrated Single Aeronautical Information Management (AIM) Quality Management System (QMS) and Flight Planning Issues & Plans for AIM Transition Meeting/Workshop

Conclusion

Despite the challenges and demands of the local and international environments, the ANS department made significant strides in meeting the requirements of the Port of Spain Declaration and the ASBU Block o deadlines, over the 2015–16 year. Full compliance will be achieved when the new radars and the new air traffic automation system are installed and brought on-line.

With the introduction of new RNAV routes, PBN and the ability to perform AIDC, CPDLC and radar-sharing, the JCAA is set to attain regional and global interoperability, as it facilitates the groundwork for achieving the requirements of the ICAO ASBU Block 1 in 2018.



ervices Division

Information Technology

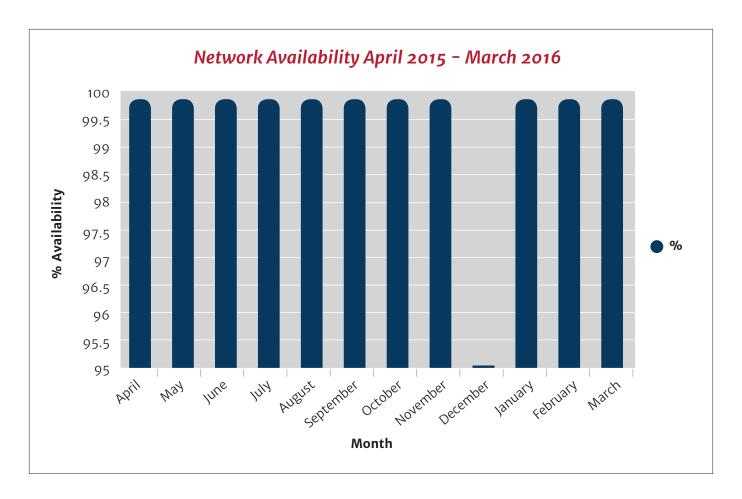
Information Technology (IT) Advancements & Projects

s the facilitator of the organization's communication and technological pursuits, the JCAA's IT Department provided support services to enable the efficient and safe conduct of the Authority's functions and service responsibilities. As a business-critical focus area, the Department also spearheaded initiatives to increase the security of the network, due to the upsurge in Ransomware.

While the department's overall performance was impacted by the resignation of the IT Manager, there was a number of significant achievements in the IT environment, over the period. The most important of these accomplishments are outlined below:

PROJECTS	DETAILS/DESCRIPTIONS	
Voice Over Internet Protocol (VoIP) for new Air Traffic Control Towers	Contract signed. Installation & testing to be done 1st quarter 2016.	50%
Great Plains Upgrade	Installation of new Great Plains application. Testing of all modules scheduled for April 2016	95%
Access Control for new Air Traffic Control Towers	Access Control equipment installed. Commissioning of equipment scheduled for 1st quarter, 2016	98%
Collection Management	The collection management application was installed and commissioned.	Completed
Personnel Licensing (PEL) System	The PEL System was upgraded. Parallel operations commenced to allow for the determination of any discrepancies between the new and previous versions.	95%
IT Infrastructure Upgrade	Upgrade underway to ensure greater efficieny and security.	50%
TransAir Test Environment	Test environment established to verify and test systems change request and application upgrade.	Completed
ICT Policies	ICT and Application Change Request Policies.	Completed
Enhanced Email Security	New layer of email protection established in accordance with focus on cyber security	Completed
Paramount Workplace Inventory System	Inventory system installed and sucessfully tested. The Paramount Inventory application will interface with the current Accounting Application Great Plains to provide improved management of inventory and fixed assets, using barcode technology. Training session scheduled.	85%
Installation of Fire Notification System	Fire Notification system installed, tested and commissioned.	Completed

Despite challenges, the IT Department was able to consistently maintain the network at 99.57% availability for the year 2015-2016, except for December 2015 when a defective network switch caused a disruption. This was rectified by replacing the switch.



uring the 2015/2016 financial year, the Human Resource Department continued to seek ways to develop, motivate and enhance organisational awareness among its staff members. The Authority continued to find ways to build staff synergy, the highlight of which was a host of competitive wellness activities, which culminated in our Sports Day in July, 2015.

The HR Department also continued to implement the recommendations of the PwC Management Audit of the Authority, conducted by the PwC Tax and Advisory Services.

Conditions of Service

The management, over the period, revised its HR policies and procedures to achieve greater alignment with the organisation's mission and objectives. This was achieved through the updating of the Conditions of Service document.

Six (6) staff sensitization sessions were conducted to increase staff awareness of the new inclusions and updates to the original document.

Areas covered in the revised document included Recruitment and Employment, Policies Governing the Conduct of Employees, Compensation and Benefits, Training and Development, Performance Management, Information Management, Disciplinary Policies and Procedures, Grievance and Separation/Retirement.

The document was completed and put into effective use on August 20, 2015.

Staff Movement

The Authority continued to provide opportunities for motivating staff and rewarding performance through upward mobility, among other incentives. The 2015/2016 objective of filling 98% of vacancies was closely met, resulting in major staff movements. These included twenty-five (25) persons being promoted and thirty-one (31) persons being employed on a permanent or temporary basis. The table overleaf depicts the staff movements which occurred during the period:

ACTION	NUMBER OF PERSONS
Employment - New - Temporary	10 21
Promotion - Air Traffic Control Staff - Administrative & Other Staff	19 6
Resignation	10
Retirement	0
Other (Expiration of Contract/ Termination/Death)	2

Training & Development

The JCAA achieved its training and development goal of ensuring that staff members in every Department were exposed to developmental activities.

In keeping with the JCAA's vision of providing an appropriate environment for the growth, development and professional enhancement of its staff, one hundred and fifty-nine (159) employees completed training locally and fifty-one (51) employees attended courses, workshops, meetings, seminars and conferences overseas.

Local training included:

- Transformational Leadership
- Teambuilding
- Enterprise Risk Management
- Principles and Practices of Project Management
- Business Continuity Management
- Public Sector Procurement Certification
- Resolution of Safety Concerns
- Supervisory Management
- Human Factors in Air Traffic Management
- Understanding & Interpreting ISO 9001:2015

Overseas training/meeting/conference included:

- Civil Aviation Management Programme
- Planning & Strategic Direction in Civil Aviation
- International Negotiation Skills
- MEVA III High-Level Training
- Air Carrier Continuing Analysis & Surveillance System
- Aviation Internal Auditors Course
- Emergency Response Planning for Civil Aviation Authorities & Air Navigation Service Providers Course
- Search & Rescue Administrator
- Managing Aviation Policy & Regulation Course
- Methodology & Best Practices for Aviation System Block Upgrade Implementation
- Security Management Systems
- Air Traffic Flow Management
- Legal Principles for Aviation Regulators and Managers
- Performance-Based Navigation
- Aeronautical Information Management Quality Management System.

Education Assistance

The JCAA continued to assist staff in their quest for self-development by providing education loans, grants and scholarships, and by allowing for the reimbursement of tuition fees paid for various degrees and postgraduate certificates.

During the year, \$1,682,879.00 was granted for education loans, \$2,940,353.38 for tuition reimbursement and \$2,732,437.25 for employee scholarships.

Staff Interaction and Wellness

The JCAA sought to improve the health and well-being of staff members by raising awareness about health and wellness, and facilitating active engagement in physical activities. The JCAA continued to stage opportunities for staff interaction by hosting quarterly Lymes on the last Friday of each month. A Sports Day was held on July 17, 2015.

Business House Sporting Teams

Joint JCAA/AEROTEL sporting teams in Netball, Football and Basketball were supported during the 2015-16 year, as they participated in their respective competitions. All teams performed creditably, with the Basketball team placing fourth (4th) in the Business House Basketball competition.

Employee/Industrial Relations

The JCAA was forced to contend with a number of industrial relations issues, over the 2015 -2016 year. All four (4) staff associations or unions submitted wage and fringe benefits claims for the period 2015 - 2017. These included the Jamaica Aviation Inspectors Association (JAIA), the Jamaica Air Traffic Controllers Association (JATCA), the Bustamante Industrial Trade Union (BITU) and the Management Staff Association (MANSA).

The JCAA's operations were impacted by industrial action, and the wage negotiations between the JCAA and JATCA were referred to the Industrial Disputes Tribunal (IDT) for settlement. The Ministry of Labour (MoL) was also asked to conciliate on a number of matters, following which the JCAA and JATCA participated in three (3) conciliation meetings.

As at March 31, 2016, no settlement had been reached with any of the unions.

Occupational Safety and Health (OSH)

The JCAA continued its journey towards optimal Occupational Safety and Health (OSH) in order to:

- provide a safe and healthy workplace for employees, contractors and clients.
- continuously improve the management and standard of OSH systems in the workplace
- reinforce a culture of safe working practices at the Authority.
- reduce or eliminate workplace incidents, injuries and illnesses.
- · promote the welfare of employees

The Authority also sought to build the capacity of staff through relevant training over the 2015–16 year. Training was, therefore, conducted for members of the Occupational Safety and Health (OSH) Committee and Safety Wardens.

Other accomplishments included the drafting of department exit routes for the headquarters, fire emergency evacuation procedures, and administrative instruments, such as the Accident/Incident Reporting Form, the Risk Assessment Form and the Safety Inspection Form. The hazard identification phase of the risk assessment also commenced and will be finalized in the 2016–2017 year.

The Civil Aviation Authority Training Institute (CAATI)

s the JCAA pursued a strategic thrust to expand the offerings of CAATI, beyond an exclusive focus on Air Traffic Control training to general aviation training, oversight responsibility for the activities of the Civil Aviation Authority Training Institute (CAATI) was transferred to the Corporate Services Division.

CAATI pursued its mission of providing world-class training to industry and regulatory personnel, while supporting the maintenance of a safe, sustainable and efficient air transport system, through a variety of training programmes.

The courses, which were successfully delivered over the 2015-16 year, included:

- Basic Air Traffic Services (BATS) for non-technical staff
- ICAO TRAINAIR Plus Human Factor Course (Facteurs Humains / opérateurs de première ligne ATM 059/072/ATM HF FLO) for Administrative Managers
- The Aerodrome Course (ATC TWR 052)
- Flight Data Processors (STP 055/100/ATC ACC FDPR)
- ICAO TRAINAIR Plus Training Instructors Course (TIC)
- ICAO TRAINAIR Plus Training Developers Course (TDC)
- Air Navigation Aids Technicians ATC Procedures Basic Indoctrination (169/xyz/COM MTC ATC)

Training was also extended to participants from other countries within the region, from which the JCAA earned an income of US\$12,800.00 or J \$1,620,480.00.

Renewal of ICAO Trainair Plus Membership by the JCAA's Civil Aviation Training Institute (CAATI)

Following the successful completion of a rigourous assessment process, and the satisfaction of all required membership conditions in 2015, the Civil Aviation Authority Training Institute (CAATI) received a new TRAINAIR PLUS membership certificate.

The certificate, which was presented to the JCAA at the 2015 ICAO TRAINAIR PLUS Global Symposium in New Delhi, India, became effective on October 1, 2015. It will remain in force until September 30, 2018, in accordance with the three-year validity period.

Key Performance Indicators For 2015-16

Key Results Area (KRA) - Sustainable Economic Growth of Air Transport Industry

2015/2016 Achievements

	KEY PERFORMANCE INDICATORS	2015/2016 TARGETS	
1	Permission to Levy Airport Charges	Annual approvals granted by September	Regulated Airport Charges adjustment effective January 1, 2016, based on approved US-Consumer Price Index (CPI) for the NMIA and SIA
2	Processing of Permits and Licenses applications	Annual approvals granted by September	31 of 42 or 74% processed in 8 weeks 120 of 145 or 83% processed in 7 days (Applications were sometimes deferred when there was a high demand for permits)
3	Negotiate Bilateral and Multinational Air Services Agreements	95% of Licenses & Permits processed within 8 weeks for Operations extending over 30 days 98% of Permits processed within 7 working days for Operations lasting under 30 day	No new Air Services Agreements signed during the financial year Jamaica did not attend the 2015 ICAO Air Services Negotiation (ICAN) Event
4	Management of Aviation Data	Initiate new agreements with South America and ASEAN Countries. • Five signed Agreements	Not achieved
5	Support Revised Air Service Licenses & Permits Regulation	Develop programme to interface with JRCC APIS Billing System by March 2016	Justification document for amendment and Draft Regulation on Liability Insurance and Leasing completed in Quarter 2 Work continued on the Charter section of the Regulation. The completion of the project to update to the Regulation has been rescheduled for May 2016
6	Update of State's Environmental Action Plan	Draft Regulations Completed Implemented March 31, 2016	Work in progress
7	Computerised system for processing, tracking and issuing Licences and Permits	Complete implementation of system by March 2016	Not achieved

KeyPerformanceIndicators

	KRA - Maintena	2015/2016 Achievements	
	Key Performance Indicators	2015/2016 Targets	
1	Maintenance of Communications, Surveillance & Navigation (CNS) equipment	99.9% service reliability	Average reliability of 99.52%
2	Establishment of a framework for the servicing of the CNS Network with strategic partner AEROTEL	Establishment of a new maintenance schedule for improved service in 2016	New schedule established and all targeted inspections completed
3	 Upgrade CNS Infrastructure A-G Radios to be replaced by radios with Controller-Pilot Data Link Communications (CPDLC) feature 	Replace SIA Instrument Landing System (ILS)Upgrade KATCC Voice Switch	In progressContract signed
4	15% reduction of electricity costs at Winchester Road Corporate Office by the last quarter of 2015-16 year.	Replace all central A/C with in- verter-type units in Accounts, the Civil Aviation Authority Training Institute (CAATI) and the Kingston Air Traffic Control Centre (KATCC)	Condensers and evaporators delivered and installed on all main buildings (Flight Safety, CAATI & KATCC during the quarter.
5	Reduced reliance on commercial power at key remote sites by the first quarter of 2015	Install wind turbine and solar panel array at Ayr Hill 2014/2015	Wind study was conducted and confirmed that the installation of wind turbines at Ayr Hill is not feasible
6	Utilize dark fiber (unused fiber-optic cables), obtained through the Ministry's Rights of Passage Agreement with cellular companies, to create an alternative communication underground path to surface communication in the event of a catastrophic disaster	Site implementation at Sangster, Manley and Ary Hill - 2014. Mt Denham - 2016.	Approval received to connect fibre optic ring. Fibre optic cable was pulled from NMIA round-a-bout to downtown Kingston.

	KRA - To Maintain a Safe Air Navigation Service		Achievements 2015/2016
	Key Performance Indicators	2015/2016 Targets	
1	ICAO's Target Level of Safety	To meet and remain above ICAO's Safety Target of 0.005 accidents per million aircraft movements (5 X 10-9) ATC Incident Target - less than 6 per annum	ICAO Safety Target achieved. No accident recorded for the 2015-16 year.
2	Sign agreements for surveillance data sharing with adjacent FIRs	Radar-sharing with COCESNA	 SIA – ATC Tower completed; civil works completed; site acceptance test completed; Construction of new guard room for access road outstanding NMIA – Tower complete and operationalization expected in July 2016.
4	Reconfiguration of AIS to AIM	Merge AIS & OEPD Units to facilitate transition to Aeronautical In- formation Management (AIM) system. Recruit and train new AIS staff for DANS, CAATI, OEPD and AIS Strengthen relationship between MET & ANS Division	An AIM Implementation team was formed. The team conducted two meetings with a view to execute and monitor the transition. A Communication plan has been developed.
5	Implementation of upgraded Automation system	AUTOTRAC replacement and simulator purchased	Not achieved

KRA - SAFE & SECURE AVIATION INDUSTRY

Achievements 2015/2016

K	ey Performance	Indicators	2015/2016	Targets
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1	Number of planned Inspections:		
	Base Inspections	62	38
	Ramp Inspections	397	472
	C of A Inspections	24	11
	AOC, AMO, ATO Inspections	19	13
	Aerodrome Audits & Inspections - Local	36	28
	FAOC Inspections	20	6
	Proficiency Checks	30	51
	Air Traffic and Aeronautical Information Services Audits and Facility Inspections	87	16
	Search and Rescue Facility Inspections	12	6
2	Hire of additional inspectors	4	Not achieved
3	Percentage Regulatory Oversight Surveillance of the Aviation Industry	100%	90%
4	Implement the requirements of the USOAP and USAP Corrective Plans	31-Mar-16	USAP audit completed satisfactorily and USOP - CAP in progress

KRA - To Maintain Financial Self Sufficiency

	Key Performance Indicators	2015-16 Targets	Achievements 2015/2016
1	Growth in Operating Income	6%	6%
2	Percentage collection of current Air Navigation invoices	95%	Achieved - Average for the FY - 104%
3	Percentage collection of current PASC invoices	100%	Achieved - Average for the FY - 100%
4	Return on Investments	5.70%	Not achieved – 3.88% as at March 2016
5	Timely Dispatch of Invoices	5 Days after month end	Achieved
6	Reporting Deadlines:		
	MOF: Net Credit Report	Within1 week of each month end	Achieved
	MOF: Monthly Financials	Monthly, by 2nd Thursday	Achieved
	MOF: Statement A	Within 3 weeks of each month end	Achieved
	MOF: Corporate Plan & Budget	By January 1, yearly	Achieved
	OCG: Qtr Report	Within 2 weeks of quarter end	Achieved
	MTW&H: Qtr Performance Report	Within 4 weeks of quarter end	Achieved
	Annual Statutory Returns	By March 14, yearly	Achieved
	Annual Financials	By June 30	In progress
7	Automate Purchase Requisition Process	Implemented by April 1, 2015	Not Achieved
8	Utilize the electronic banking system for payments and minimize payments by cheque.	Implemented by April 1, 2015	System implemented; however, customer information to be updated to commence utilization of the upgraded system
9	Implement Collection Management Information System to enhance administration of Accounts Receivable portfolio	Implemented April 1, 2015	In progress.
10	Implement Web-Based E-payment system to facilitate online payment	Implemented July 1, 2015	Not achieved

KRA - Sustainable Economic Growth of Air Transport Industry

	Key Performance Indicators	2016/2017 Targets
1	Permission to Levy Airport Charges	Annual approvals granted by September
2	Processing of Permits and Licenses applications	95% of Licenses & Permits processed within 8 weeks for Operations extending over 30 days
3	Provide technical and economic advice & analyses to the Government of Jamaica (GOJ) on Air Services Agreements, air transport liberalisation & competition issues	Keep the Ministry of Transport and Air Policy Committee abreast of developments in the Air Transport Sector.
4	Support revised Air Service Licenses & Permit Regulation	Draft Regulations Completed by May 2016
5	Update of State's Environmental Action Plan	Complete State Action Plan Update by June 2016
6	Computerised system for processing, tracking and issuing Licences and Permits	Complete implementation of system by December 2016 Implementation spearheaded by IT Department

KRA - Sustainable Economic Growth of Air Transport Industry

	Key Performance Indicators	2016/2017 Targets
1	Maintenance of Communications, Surveillance & Navigation (CNS) equipment	99.9% service reliability
2	Establishment of a framework for the servicing of the CNS Network with strategic partner AEROTEL	Establishment of a new maintenance schedule for improved service over the financial year
3	 Upgrade CNS Infrastructure A-G Radios to be replaced by radios with Controller-Pilot Data Link Communications (CPDLC) feature 	Complete ILS by February 2017Upgrade KATCC Voice by October 2017
4	15% reduction of electricity costs at Winchester Road Corporate Office by the last quarter of 2015-16 year.	Replace all central A/Cs with inverter-type units at Accounts, CAATI and KATCC by the 2nd quarter of the 2016-17 year.
5	Reduced reliance on commercial power at key remote sites by the first quarter of 2015	Complete the installation of the solar panel array at Ayr Hill in the 3rd quarter of the 2016-17 year.
6	Utilize dark fiber (unused fiber-optic cables), obtained through the Ministry's Rights of Passage Agreement with cellular companies, to create an alternative communication underground path to surface communication in the event of a catastrophic disaster	Establish connectivity between the KATCC and the new ATC Tower at the NMIA by the end of the 2nd quarter.

Key Results Area (KRA) - To Maintain a Safe Air Navigation Service

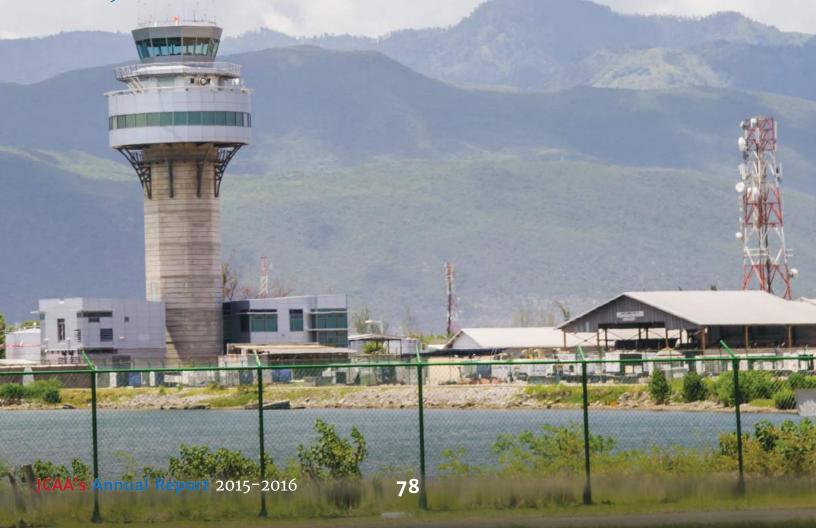
	Key Performance Indicators	2016/2076 Targets
1	ICAO's Target Level of Safety	To meet and remain above ICAO's Safety Target of 0.005 accidents per million aircraft movements (5 X 10-9) ATC Incident Target - less than 6 per annum
2	Sign agreements for surveillance data sharing with adjacent FIRs	Radar-sharing with COCESNA
3	Reconfiguration of AIS to AIM	Merge AIS & OEPD Units to facilitate transition to Aeronautical Information Management (AIM) system. Recruit and train new AIS staff for DANS, CAATI, OEPD and AIS Strengthen relationship between MET & ANS Division
4	Reconfiguration of AIS to AIM	Merge AIS & OEPD Units to facilitate transition to Aeronautical Information Management (AIM) system. Recruit and train new AIS staff for DANS, CAATI, OEPD and AIS Strengthen relationship between MET & ANS Division
5	Implementation of upgraded Automation system	AUTOTRAC replacement and simulator purchased

KRA - Safe & Secure Aviation Industry

	Key Performance Indicators	2016/2076 Targets
1	Number of planned Inspections:	
	Base Inspections - Operations - Airworthiness (AMOs)	14 3
	Ramp Inspections -Operations -Airworthiness	192 66
	C of A Inspections	12
	AOC, AMO, ATO Inspections	44
	Aerodrome Audits & Inspections - Local	50
	FAOC Inspections	4
	Proficiency Checks	30
	Air Traffic and Aeronautical Information Services Audits and Facility Inspections	34
	Search and Rescue Facility Inspections	13
2	Percentage Regulatory Oversight Surveillance of the Aviation Industry Training Plans developed and submitted to HR by end of Q3	100%
3	Implement the requirements of the USOAP and USAP Corrective Plans	Amendment of Legislation to reduce the lack of effective implementation in enforcement
		Evidence of improvement from 33% to 80% by 3rd Quarter 2016/2017

Financial Statements

- **Independent Auditors'** Report
- **Group Statement** of Financial Position
- **Group Statement** of Profit or Loss and Other Comprehensive Income
- **Group Statement** of Changes in Equity
- **Group Statement** of Cash Flows
- **Authority Statement** of Financial Position
- **Authority Statement** of Profit or Loss and Other Comprehensive Income
- **Authority Statement of Changes** in Equity
- **Authority Statement** of Cash Flows
- **Notes** to the Financial Statements





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To the Members of JAMAICA CIVIL AVIATION AUTHORITY

Report on the Financial Statements

We have audited the separate financial statements of Jamaica Civil Aviation Authority ("Authority") and the consolidated financial statements of the Authority and its subsidiary ("Group"), set out on pages 83 to 118, which comprise the Group's and the Authority's statements its of financial position as at March 31, 2016, the Group's and Authority's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether or not the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence relating to the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including our assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG, a Jamaican partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (*KPMG International"), a Swiss entity. R. Tarun Handa Cynthia L. Lawrence Rajan Trehan Norman O. Rainford Nigel R. Chambers W. Gihan C. de Mel Nyssa A. Johnson Wilbert A. Spence



INDEPENDENT AUDITORS' REPORT

To the Members of JAMAICA CIVIL AVIATION AUTHORITY

Report on the Financial Statements, cont'd

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Group and the Authority as at March 31, 2016, and of the Group's and the Authority's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Chartered Accountants Kingston, Jamaica

June 29, 2016

Group Statement of Financial Position March 31, 2016

	Notes	<u>2016</u> \$`000	2015 \$`000
ASSETS			A 50.000
Current assets			
Cash and cash equivalents		174,447	712,005
Short-term investments	4	6,600,602	6,859,453
Accounts receivable	5	872,212	810,667
Other assets	6	25,511	21,984
Due from related parties	7	711	628
		7,673,483	8,404,737
Non-current assets			
Property, plant and equipment	8	3,297,092	3,016,757
Employee benefits asset	9	552,734	357,936
		3,849,826	3,374,693
Total assets		11,523,309	11,779,430
LIABILITIES AND RESERVES			
Current liabilities			
Accounts payable	10	831,710	712,947
Taxation payable	1	28,314	22,928
		860,024	735,875
Non-current liabilities			
Deferred income	11	158,726	171,736
Deferred taxation	12	26,944	27,722
Government of Jamaica loan	13		2,911,130
		185,670	3,110,588
Reserves			
Capital reserve	14	629,340	629,340
Revaluation reserve	15	697,301	697,301
Retained earnings		9,150,974	6,606,326
		10,477,615	7,932,967
Total liabilities and reserves		11,523,309	11,779,430

The financial statements on pages 83 to 118, were approved for issue by the Board of Directors on June

Nari Williams-Singh

29, 2016, and signed on its behalf by:

Chairman

Phillip Henriques

Director General

Group Statement of Profit or Loss and Other Comprehensive Income Year ended March 31, 2016

	Notes	2016 \$`000	2015 \$`000
Revenue Air navigation fees Passenger aviation service charge Communication fees Other	16(a)	1,921,681 2,448,669 253,094 142,540 4,765,984	1,874,464 2,234,756 248,978 150,197 4,508,395
Administrative and operating expenses	16(b)	(2,018,516)	(2,317,721)
Operating surplus		2,747,468	2,190,674
Net finance income	17	335,078	249,746
Surplus before taxation		3,082,546	2,440,420
Taxation	18	(27,596)	(29,508)
Surplus for the year		3,054,950	2,410,912
Other comprehensive income:			
Items that will never be reclassified to profit or loss: Re-measurement of employee benefits asset	9(f)	111,552	(20,647)
Total other comprehensive income for the year		111,552	(20,647)
Total comprehensive income for the year		3,166,502	2,390,265

Group Statement of Changes in Equity Year ended March 31, 2016

	Capital reserve \$`000	Revaluation reserves \$`000	Retained earnings \$`000	<u>Total</u> \$`000
Balances at March 31, 2014 Total comprehensive income for the year:	629,340	697,301	4,724,008	6,050,649
Surplus for the year	-	-	2,410,912	2,410,912
Other comprehensive income: Remeasurement of employee benefits asset [note 9(f)]	_	-	(20,647)	(20,647)
. ,,,,			2,390,265	2,390,265
Total comprehensive income for the year			2,390,203	2,390,203
Transactions with owners of the				
Authority (note 19): Normal distribution	_	-	(243,128)	(243,128)
Special distribution			(<u>264,819</u>)	(264,819)
Total transactions with owners of the Authority			(_507,947)	(507,947)
Balances at March 31, 2015	629,340	697,301	6,606,326	7,932,967
Total comprehensive income for the year: Surplus for the year	-	-	3,054,950	3,054,950
Other comprehensive income: Remeasurement of employee				
benefits asset [note 9(f)]		-	111,552	111,552
Total comprehensive income for the year		-	3,166,502	3,166,502
Transactions with owners of the Authority (note 19):				
Normal distribution	-	-	(305,495)	(305,495)
Special distribution	-		(<u>316,359</u>)	(316,359)
Total transactions with owners of the Authority			(_621,854)	(621,854)
Balances at March 31, 2016	629,340	<u>697,301</u>	9,150,974	<u>10,477,615</u>

Group Statement of Cash Flows Year ended March 31, 2016

	<u>Notes</u>	2016 \$`000	2015 \$`000
CASH FLOWS FROM OPERATING ACTIVITIES Surplus for the year Adjustments for:		3,054,950	2,410,912
Depreciation Taxation expense	8(a) 18	249,100 27,596	180,916 29,508
Amortisation of deferred income	11	(13,010)	(13,010)
Interest income	17	(242,176)	(277,499)
Interest expense	17	140,350	135,065
Adjustments – property, plant and equipment Gain on disposal of property, plant and equipment	16	261 (735)	2,345 (2,109)
Employee benefits	10	(735) (83,246)	(79,687)
Foreign exchange loss on Government of Jamaica loan	17	175,160	133,812
		3,308,250	2,520,253
Changes in operating assets and liabilities		2,200,200	_,0_0,_0
Other assets		(3,527)	4,666
Short-term investments		258,851	(1,224,068)
Accounts receivable		(61,545) 254,358	(34,391) (155,369)
Accounts payable Due from related parties		(83)	(155,369) 190
Cash generated from operations		3,756,304	1,111,281
Income tax paid		$(\underline{22,988})$	(40,302)
Net cash provided by operating activities		3,733,316	1,070,979
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		243,624	276,139
Acquisition of property, plant and equipment	8(a)	(531,232)	(393,963)
Proceeds from disposal of property, plant and equipment		2,271	5,018
Net cash used in investing activities		(285,337)	(112,806)
CASH FLOWS FROM FINANCING ACTIVITIES			
Government of Jamaica loan repayment, net		(3,228,088)	-
Distribution to Ministry of Finance		(757,449)	$(\underline{442,703})$
Net cash used in financing activities		(3,985,537)	(442,703)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(537,558)	515,470
CASH AND CASH EQUIVALENTS AT BEGINNING		712,005	196,535
CASH AND CASH EQUIVALENTS AT END OF YEAR		174,447	712,005

Authority Statement of Financial Position March 31, 2016

	Notes	2016 \$`000	2015 \$`000
ASSETS			
Current assets			
Cash and cash equivalents		72,504	638,926
Short-term investments	4	6,015,310	6,343,267
Accounts receivable	5	746,409	724,253
Other assets	6	13,204	9,237
Due from related parties	7	33,210	159,858
		6,880,637	7,875,541
Non-current assets			
Property, plant and equipment	8	3,036,288	2,761,171
Employee benefits asset	9	501,654	326,311
		3,537,942	3,087,482
Total assets		10,418,579	10,963,023
LIABILITIES AND RESERVES			
Current liability			
Accounts payable	10	745,517	651,626
Non-current liabilities			
Deferred income	11	158,726	171,736
Government of Jamaica loan	13		2,911,130
		158,726	3,082,866
Reserves	800011		
Capital reserve	14	629,340	629,340
Revaluation reserve	15	537,149	537,149
Retained earnings		8,347,847	6,062,042
		9,514,336	7,228,531
Total liabilities and reserves		10,418,579	10,963,023

The financial statements on pages 3 to 38, were approved for issue by the Board of Directors on June 29, 2016, and signed on its behalf by:

hillin Harrigues

Nari Williams-Singl

Director General

Authority Statement of Profit or Loss and Other Comprehensive Income Year ended March 31, 2016

	<u>Notes</u>	2016 \$`000	2015 \$`000
Revenue Air Navigation Fees Passenger Aviation Service Charge Communication Fees Other	16(a)	1,921,681 2,274,081 11,814 96,399 4,303,975	1,874,464 2,074,895 13,541
Administrative and operating expenses	16(b)	(<u>1,821,245</u>)	(2,002,615)
Operating surplus		2,482,730	2,049,155
Net finance income	17	298,024	204,641
Surplus for the year		2,780,754	2,253,796
Other comprehensive income			
Item that will never be reclassified to profit or l	oss:		
Remeasurement of employee benefits asset	9(f)	99,485	(21,626)
Total comprehensive income for the year		2,880,239	2,232,170

Authority Statement of Changes in Equity Year ended March 31, 2016

	Capital Reserve \$`000	Revaluation reserves \$`000	Retained earnings \$`000	<u>Total</u> \$`000
Balances at March 31, 2014	629,340	537,149	4,307,289	5,473,778
Total comprehensive income for the year: Surplus for the year	-	-	2,253,796	2,253,796
Other comprehensive income: Remeasurement of employee benefits asset [note 9(f)]		-	(21,626)	(21,626)
Total comprehensive income for the year		-	2,232,170	2,232,170
Transactions with owners of the Authority: Normal distribution (note 19) Special distribution	<u>-</u>	-	(227,417) (250,000)	(227,417) (250,000)
Total transactions with owners of the Authority (note 19)			(<u>477,417</u>)	(_477,417)
Balances at March 31, 2015	<u>629,340</u>	537,149	6,062,042	7,228,531
Total comprehensive income for the year: Surplus for the year	-	-	2,780,754	2,780,754
Other comprehensive income: Remeasurement of employee benefits asset [note 9(f)]			99,485	99,485
Total comprehensive income for the year			2,880,239	2,880,239
Transactions with owners of the Authority: Normal distribution Special distribution	<u>-</u>	<u>-</u>	(278,075) (316,359)	(278,075) (316,359)
Total transactions with owners of the Authority (note 19)			(_594,434)	(_594,434)
Balances at March 31, 2016	<u>629,340</u>	537,149	8,347,847	<u>9,514,336</u>

Authority Statement of Cash Flows Year ended March 31, 2016

	Notes	<u>2016</u> \$`000	2015 \$`000
CASH FLOWS FROM OPERATING ACTIVITIES Surplus for the year Adjustments for:		2,780,754	2,253,796
Depreciation Amortisation of deferred income Interest income Interest expense Gain on disposal of property, plant and equipment Employee benefits Foreign exchange loss on Government of Jamaica loan	8(b) 11 17 17 16	233,743 (13,010) (230,211) 140,350 (942) (75,858) _175,160 3,099,986	166,832 (13,010) (264,920) 135,065 (3,480) (72,129) 133,812 2,335,966
Changes in operating assets and liabilities Other assets Short-term investments Accounts receivable Accounts payable Due from related parties		(3,967) 327,957 (22,156) 241,195 	6,123 (1,107,519) (27,349) (168,283)
Net cash provided by operating activities		3,679,663	1,054,444
CASH FLOWS FROM INVESTING ACTIVITIES Interest received Acquisition of property, plant and equipment Proceeds from disposal of property, plant and equipment	8(b)	231,659 (509,354) 1,436	263,560 (380,511) 3,480
Net cash used in investing activities		(_276,259)	(_113,471)
CASH FLOWS FROM FINANCING ACTIVITIES GOJ Loan repayment, net Distribution to Ministry of Finance		(3,228,088) (741,738)	- (<u>415,890</u>)
Net cash used in financing activities		(3,969,826)	(415,890)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(566,422)	525,083
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		638,926	113,843
CASH AND CASH EQUIVALENTS AT END OF THE Y	EAR	<u>72,504</u>	638,926

Notes to the Financial Statements March 31, 2016

1. <u>Identification and principal activities</u>

Jamaica Civil Aviation Authority (the Authority) is a statutory body established by the Jamaica Civil Aviation (Amendment) Act 1995. The Authority is domiciled in Jamaica with registered office at 4 Winchester Avenue, Kingston 10, Jamaica.

The principal activities of the Authority are to regulate flight safety and provide air navigation and aeronautical services in Jamaica, in accordance with standards set by the International Civil Aviation Organization.

The Authority has a wholly-owned subsidiary, Aeronautical Telecommunications Limited, which is incorporated and domiciled in Jamaica. The subsidiary's principal activity is the provision of telecommunication services on behalf of the Government of Jamaica which includes the operation of a radio station "Kool FM". The Authority and its subsidiary are collectively referred to as the "group".

The Authority is exempt from income tax under Section 6(m) of the Civil Aviation Act. The subsidiary, Aeronautical Telecommunications Limited, is a taxable entity.

2. Basis of preparation

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and interpretations issued by the International Accounting Standards Board and comply with the provisions of the Jamaica Civil Aviation (Amendment) Act.

New standards, interpretations and amendments effective during the year

Certain new, revised and amended standards and interpretations came into effect during the current financial year. The adoption of those standards and amendments to standards, did not have any impact on the amounts and disclosures in the financial statements.

New standards, interpretations and amendments in issue but not yet effective

At the date of authorisation of the financial statements, certain new standards, amendments to standards and interpretations, have been issued which are not yet effective, and which the group has not early-adopted. The group has assessed the relevance of all such new standards, amendments and interpretations and has determined that the following may be relevant to its operations:

Notes to the Financial Statements (Continued) March 31, 2016

2. Basis of preparation (cont'd)

(a) Statement of compliance (cont'd):

New standards, interpretations and amendments in issue but not yet effective (cont'd)

- IFRS 9, Financial Instruments, which is effective for annual reporting periods beginning on or after January 1, 2018, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial assets and liabilities, including a new expected credit loss model for calculating impairment of financial assets and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. Although the permissible measurement bases for financial assets amortised cost, fair value through other comprehensive income (FVOCI) and fair value though profit or loss (FVTPL) are similar to IAS 39, the criteria for classification into the appropriate measurement category are significantly different. IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model, which means that a loss event will no longer need to occur before an impairment allowance is recognised.
- Amendments to IAS 16 and IAS 38, Clarification of Acceptable Methods of Depreciation and Amortisation, are effective for accounting periods beginning on or after January 1, 2016.
 - The amendment to IAS 16, *Property, Plant and Equipment* explicitly state that revenue-based methods of depreciation cannot be used. This is because such methods reflect factors other than the consumption of economic benefits embodied in the assets.
 - The amendment to IAS 38, *Intangible Assets* introduce a rebuttable presumption that the use of revenue-based amortisation methods is in appropriate for intangible assets.
- Amendments to IAS 27, Equity Method in Separate Financial Statements, effective for accounting periods beginning on or after January 1, 2016 and can be early adopted. The amendments allow the use of the equity method in separate financial statements, and apply to the accounting for subsidiaries, associates, and also joint ventures.

Notes to the Financial Statements (Continued) March 31, 2016

2. Basis of preparation (cont'd)

(a) Statement of compliance (cont'd):

New standards, interpretations and amendments in issue but not yet effective (cont'd)

- IAS 1 Presentation of Financial Statements, effective for accounting periods beginning on or after January 1, 2016, has been amended to clarify or state the following:
 - specific single disclosures that are not material do not have to be presented even if they are a minimum requirement of a standard.
 - the order of notes to the financial statements is not prescribed.
 - line items on the statement of financial position and the statement of profit or loss and other comprehensive income (OCI) should be disaggregated if this provides helpful information to users. Line items can be aggregated if they are not material.
 - specific criteria is now provided for presenting subtotals on the statement of financial position and in the statement of profit or loss and OCI, with additional reconciliation requirements for the statement of profit or loss and OCI.
 - the presentation in the statement of OCI of items of OCI arising from joint ventures and associates accounted for using the equity method follows IAS 1 approach of splitting items that may, or that will never, be reclassified to profit or loss.
- IFRS 15, Revenue from Contracts with Customers is effective for periods beginning on or after January 1, 2017. It replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue Barter Transactions Involving Advertising Services. The new standard applies to contracts with customers. However, it does not apply to insurance contracts, financial instruments or lease contracts, which fall in the scope of other IFRSs. It also does not apply if two companies in the same line of business exchange non-monetary assets to facilitate sales to other parties. Furthermore, if a contract with a customer is partly in the scope of another IFRS, then the guidance on separation and measurement contained in the other IFRS takes precedence.
- Amendments to IAS 7, Statement of Cash Flows, effective for accounting periods beginning on or after January 1, 2017, requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flows

The group is assessing the impact that the new, revised and amended standards may have on its financial statements in future years when they become effective.

(b) Basis of measurement:

The financial statements are prepared on the historical cost basis, except for the inclusion of certain property, plant and equipment which are presented at market value. Additionally, the defined benefit asset is recognised as the fair value of plan assets less the present value of the defined benefit obligation.

Notes to the Financial Statements (Continued) March 31, 2016

2. Basis of preparation (cont'd)

(c) Functional and presentation currency:

These financial statements are presented in Jamaica dollars, which is the functional currency of the group. All financial information presented in Jamaica dollars has been rounded to the nearest thousands, except when otherwise indicated.

(d) Use of estimates and judgements:

The preparation of the financial statements to conform to IFRS requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, and future periods, if the revision affects both current and future periods.

Judgements made by management in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

(i) Pension and other post-retirement benefits:

The amounts recognised in the statement of financial position and statement of profit or loss and other comprehensive income for pension and other post-retirement benefits are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include the discount rate used to determine the present value of estimated future cash flows required to settle the pension obligations.

The discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the Authority's obligations; in the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest-tenor security on the market. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

(ii) Allowance for impairment loss:

In determining amounts recorded for impairment losses on receivables in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from receivables, for example, default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows from impaired receivables as well as the timing of such cash flows. Historical loss experience is applied where indicators of impairment are observable on individual significant receivables with similar characteristics, such as credit risks.

Notes to the Financial Statements (Continued) March 31, 2016

2. Basis of preparation (cont'd)

(d) Use of estimates and judgements (cont'd):

(iii) Property, plant and equipment:

The residual value and useful life of property, plant and equipment is reviewed at the reporting date, and if expectations differ from previous estimates, the change is accounted for as a change in accounting estimates. The useful life of an asset is defined in terms of the assets expected utility to the group.

It is reasonably probable, based on existing knowledge, that outcomes in the next financial year that are different from these assumptions could require a material adjustment to the carrying amounts reflected in the financial statements.

3. Significant accounting policies

(a) Basis of consolidation:

The consolidated financial statements include the assets, liabilities and results of operations of the Authority and its subsidiary presented as a single economic entity. Intra-group transactions, balances and unrealised gains or losses on transactions between group entities are eliminated. Unrealised losses are not eliminated, if the transaction provides evidence of impairment of the asset transferred.

A subsidiary is an entity controlled by the group. The group controls an entity when it is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power over the entity. The subsidiary is consolidated from the date on which control is transferred to the group.

(b) Cash and cash equivalents:

Cash comprises cash on hand and demand deposits. Cash equivalents comprise short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term commitments (these investments include short-term deposits where the maturities do not exceed three months from the acquisition date). Cash and cash equivalents are measured at amortised cost.

(c) Resale agreements:

Resale agreements ("reverse repo") are short-term transactions whereby an entity buys securities and simultaneously agrees to resell them on a specified date and at a specified price. Resale agreements are accounted for as short-term collateralised lending and are measured at amortised cost.

The difference between the purchase and resale considerations is recognised on the accrual basis over the period of the transaction, using the effective interest method, and is included in interest income.

Notes to the Financial Statements (Continued) March 31, 2016

3. Significant accounting policies (cont'd)

(d) Accounts receivable:

Accounts receivable are measured at amortised cost less impairment losses.

(e) Other assets:

Other assets consist of inventory items and withholding tax and are measured at cost less impairment losses.

(f) Investments:

The group's investments consist of Government of Jamaica securities and are classified as held-to-maturity investments. Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the group has the positive intention and ability to hold to maturity other than those that:

- (i) the group upon initial recognition designates as at fair value through profit or loss;
- (ii) the group designates as available-for-sale; and
- (iii) meet the definition of loans and receivables.

Held-to-maturity investments are measured at amortised cost, using the effective interest method, less impairment losses.

(g) Property, plant and equipment:

(i) Measurement:

Items of property, plant and equipment are measured at cost, except certain classes of assets which are carried at market value, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour, and any other costs directly attributable to bringing the asset to a working condition for its intended use.

(ii) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part flow to the group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss.

Notes to the Financial Statements (Continued) March 31, 2016

3. Significant accounting policies (cont'd)

(g) Property, plant and equipment (cont'd):

(iii) Depreciation:

Depreciation is recognised in profit or loss on the straight-line basis at rates estimated to write-down the relevant assets, over their expected useful lives, to their residual values. Land is not depreciated. The rates used are as follows:

Buildings	2%-4%
Equipment, furniture and fixtures	10%-20%
Computer equipment	331/3%
Motor vehicles	20%
Leasehold improvements	4%
Fencing	4%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(h) Employee benefits:

Employee benefits are all forms of consideration given by the group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual vacation leave, and non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognised in the following manner: Short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave.

Employee benefits comprising pension asset included in the financial statements have been actuarially determined by a qualified independent actuary, appointed by management. The appointed actuary's report outlines the scope of the valuation and the actuary's opinion. The actuarial valuations are conducted in accordance with IAS 19, and the financial statements reflect the group pension asset as computed by the actuary. In carrying out their audit, the auditors rely on the work of the actuary and the actuary's report.

The group's net obligation in respect of the defined-benefit pension plan is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; that value is discounted to determine the present value, and the fair value of any plan assets is deducted. The discount rate is determined by reference to the yield at the reporting date on long-term Government of Jamaica bonds with dates approximating the terms of the related liability. The calculation is performed by a qualified independent actuary, using the projected unit credit method.

Notes to the Financial Statements (Continued) March 31, 2016

3. Significant accounting policies (cont'd)

(h) Employee benefits (cont'd):

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognised in profit or loss.

When the benefits of the plan are changed, or when a plan is curtailed, the resulting change in benefit relating to past service or the gain or loss on curtailment is recognised immediately in profit or loss.

(i) Accounts payable:

Accounts payable are measured at amortised cost.

(j) Borrowings:

Interest-bearing borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method.

(k) Capital grants:

Grants received for the purchase or construction of property, plant and equipment are initially recognised as deferred income at fair value, and then recognised in profit or loss as other income on a systematic basis over the useful life of the asset.

(1) Income tax:

Income tax on profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

(i) Current income tax:

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to income tax payable in respect of previous years.

(ii) Deferred income tax:

Deferred income tax is provided between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date.

Notes to the Financial Statements (Continued) March 31, 2016

3. Significant accounting policies (cont'd)

- (l) Income tax (cont'd):
 - (ii) Deferred income tax (cont'd):

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(m) Related parties:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the "reporting entity" in this case the Authority).

- (a) A person or a close member of that person's family is related to the Authority if that person:
 - (i) has control or joint control over the Authority;
 - (ii) has significant influence over the Authority; or
 - (iii) is a member of the key management personnel of the Authority or of a parent of the Authority.
- (b) An entity is related to the Authority if any of the following conditions applies:
 - (i) The entity and the Authority are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Authority or an entity related to the Authority.
 - (vi) The entity is controlled, or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity or any member of a group of which it is a part provides key management services to the Bank or to the parent of the Bank.
- (c) A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

(n) Revenue recognition:

Fee income is recognised on the accruals basis when the related service is provided or when conditions that give the group the right to those fees are fulfilled.

Interest income is recognised in profit or loss on the accrual basis using the effective interest method.

Notes to the Financial Statements (Continued) March 31, 2016

3. Significant accounting policies (cont'd)

(o) Expenses:

Expenses are recognised on the accrual basis.

(p) Foreign currencies:

Transactions in foreign currencies are converted at the foreign exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the reporting date. Foreign exchange differences arising on translations are recognised in the profit or loss.

(q) Impairment:

The carrying amounts of the group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(i) Calculation of recoverable amount:

The recoverable amount of the group's held-to-maturity securities and receivables is calculated as the value of the expected future cash flows, discounted at the original effective interest rate inherent in the asset. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflow, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversal of impairment:

An impairment in respect of a receivable is reversed, if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

In respect of other assets, an impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Notes to the Financial Statements (Continued) March 31, 2016

4. <u>Short-term investments</u>

	G1	Group		<u>hority</u>
	<u>2016</u>	2015	<u> 2016</u>	2015
	\$`000	\$`000	\$`000	\$`000
Resale agreements	5,842,349	6,695,968	5,325,120	6,191,519
Certificates of deposit	758,253	17,710	690,190	5,973
GOJ securities		145,775		145,775
	6,600,602	<u>6,859,453</u>	6,015,310	<u>6,343,267</u>

The fair value of securities collateralising resale agreements approximates the carrying value of the resale agreements for the group and the Authority.

5. Accounts receivable

	Group		Auth	ority
	2016	2015	2016	2015
	\$`000	\$`000	\$`000	\$`000
Trade	744,631	1,317,553	614,571	1,084,701
Less allowance for impairment losses	(155,716)	(<u>695,596</u>)	(<u>109,706</u>)	(_543,160)
	588,915	621,957	504,865	541,541
Communication fees	14,784	17,627	14,784	17,627
Staff loans and advances	112,273	98,274	111,511	97,409
Prepayments	70,055	21,527	68,790	20,480
Fixed asset clearing	1,072	10,240	1,072	5,863
AEDF loan	27,795	27,795	27,795	27,795
Other	57,318	13,247	17,592	13,538
	<u>872,212</u>	<u>810,667</u>	<u>746,409</u>	<u>724,253</u>

The ageing of trade receivables, at the reporting date, and related allowance for impairment losses were as follows:

Group

	2	2016		2015
	<u>Gross</u>	Impairment	<u>Gross</u>	Impairment
	\$`000	\$`000	\$`000	\$`000
Not past due Past due 31-60 days Past due more than 60 days	425,585	-	448,397	-
	120,852	-	118,889	-
	198,194	155,716	750,267	695,596
	744,631	155,716	1,317,553	<u>695,596</u>



Notes to the Financial Statements (Continued) March 31, 2016

5. Accounts receivable (cont'd)

Authority

	2	2016		015
	<u>Gross</u>	Impairment	<u>Gross</u>	Impairment
	\$`000	\$`000	\$`000	\$`000
Not past due Past due 31-60 days Past due more than 60 days	380,473	-	391,627	-
	95,062	-	103,753	-
	139,035	109,706	589,321	543,160
	614,571	109,706	<u>1,084,701</u>	_543,160

The movements in the allowance for impairment losses in respect of trade receivable during the year were as follows:

Movement in impairment losses:

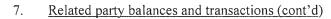
	Group		Autho	rity
	<u> 2016</u>	2015	<u>2016</u>	2015
	\$,000	\$`000	\$`000	\$`000
Balance at beginning of year	695,596	644,632	543,160	491,884
Impairment during the year	9,546	50,964	9,546	51,276
Provision reversed during the year*	(<u>549,426</u>)		(<u>443,000</u>)	
Balance at end of year	<u>155,716</u>	<u>695,596</u>	109,706	<u>543,160</u>

^{*}This mainly represents the reversal of provisions made in previous years relating to amounts due from Air Jamaica amounting to \$543,000,000 for the group and \$443,000,000 for the Authority.

6. Other assets

	Group		<u>Authority</u>	
	<u>2016</u> \$`000	2015 \$`000	2016 \$`000	2015 \$`000
Inventories Taxation recoverable	12,801 12,710	7,851 14,133	12,801 403	7,851 1,386
	25,511	<u>21,984</u>	<u>13,204</u>	<u>9,237</u>
Related party balances and transactions				
	Gro	oup	Author	1ty
	2016 \$`000	\$`000	2016 \$`000	2015 \$`000
Due from related parties is as follows: Aeronautical Telecommunications				
Limited	-	-	32,499	159,230
Caribbean Aviation Safety and				
Security Oversight System	<u>711</u>	<u>628</u>	<u>711</u>	628
	<u>711</u>	<u>628</u>	<u>33,210</u>	<u>159,858</u>
	Taxation recoverable Related party balances and transactions Due from related parties is as follows: Aeronautical Telecommunications Limited Caribbean Aviation Safety and	Inventories 12,801 Taxation recoverable 12,710 Related party balances and transactions Gro 2016 \$`000 Due from related parties is as follows: Aeronautical Telecommunications Limited Caribbean Aviation Safety and	Inventories \$\frac{2016}{\\$000}\$	2016 2015 2016 \$`000 \$`000 \$`000

Notes to the Financial Statements (Continued) March 31, 2016



Transactions with related parties during the year, in the normal course of business, were as follows:

Aeronautical Telecommunications Limited			\$`000	\$`000
Income:				
Technical support revenue			18,295	<u>17,430</u>
Expenses:				
Technical service expense			<u>10,880</u>	2,473
	Gr	roup	Authori	ty
	<u>2016</u>	<u>2015</u>	<u>2016</u>	2015
	\$`000	\$`000	\$`000	\$`000
Key management compensation:				
Directors' fees	1,801	2,483	1,352	839
Salaries and other short-term benefits	<u>144,999</u>	<u>117,335</u>	<u>95,351</u>	<u>82,614</u>

8. Property, plant and equipment

(a) The Group

The Group	Land and Buildings \$`000	Equipment, Furniture and Fixtures \$`000	Motor Vehicles \$`000	Work- in- progress \$`000	<u>Total</u> \$`000
Cost/valuation: March 31, 2014 Additions Transfers Disposals	726,993 6,693 1,646,327	823,130 374,914 196,116 (<u>885</u>)	68,867 12,356 - (<u>11,436</u>)	1,842,443	3,461,433 393,963 - (<u>12,321</u>)
March 31, 2015 Additions Disposals	2,380,013 44,687	1,393,275 69,145 (<u>649</u>)	69,787 12,920 (<u>6,694</u>)	404,480	3,843,075 531,232 (<u>7,343</u>)
March 31, 2016	2,424,700	1,461,771	76,013	404,480	4,366,964
Depreciation: March 31, 2014 Charge for the year Eliminated on disposals Adjustments	189,086 19,116 - -	440,888 151,911 (187) 154	22,495 9,889 (8,037) 	- - -	652,469 180,916 (8,224) 1,157
March 31, 2015 Charge for the year Eliminated on disposals Adjustments	208,202 53,130 (546)	592,766 184,714 (5,261)	25,350 11,256 - 	(5,807)	826,318 249,100
March 31, 2016	261,332	776,934	31,606		1,069,872
Net Book values: March 31, 2016	2,163,368	684,837	44,407	404,480	3,297,092
March 31, 2015	2,171,811	<u>800,509</u>	44,437		3,016,757

Notes to the Financial Statements (Continued) March 31, 2016

8. Property, plant and equipment (cont'd)

(b) The Authority

•		Equipment,		Work-	
I	Land and	Furniture and	Motor	in-	
<u>I</u>	<u>Buildings</u>	Fixtures	<u>Vehicles</u>	progress	<u>Total</u>
	\$,000	\$`000	\$,000	\$`000	\$`000
Cost/valuation:	550 702	721 006	12 662	1 040 442	2 175 005
March 31, 2014 Additions	559,793 6,693	731,096 370,012	42,663 3,806	1,842,443	3,175,995
Transfer	,	,	3,800	(1.942.442)	380,511
	1,646,327	196,116	(2.022)	(1,842,443)	(2.020)
Disposals	-	(16)	(_3,823)		(3,839)
March 31, 2015	2,212,813	1,297,208	42,646	-	3,552,667
Additions	44,687	60,187		404,480	509,354
Disposals		(649)	(3,350)	-	(3,999)
March 31, 2016	2,257,500	1,356,746	39,296	404,480	4,058,022
Depreciation:					
March 31, 2014	186,401	430,915	11,187	-	628,503
Charge for the year	,	,	7,910	_	166,832
Eliminated on	•	,	•		,
disposals	-	(16)	(3,823)	-	(3,839)
March 31, 2015	202,899	573,323	15,274	_	791,496
Charge for the year	50,578	175,239	7,926	-	233,743
Eliminated on					
disposals		(546)	(_2,959)		(3,505)
March 31, 2016	253,477	748,016	20,241		1,021,734
Net Book values					
March 31, 2016	2,004,023	608,730	<u>19,055</u>	<u>404,480</u>	3,036,288
March 31, 2015	2,009,914	723,885	27,372		2,761,171

- (i) Land and buildings valued at \$105,924,000, which are owned by the Commissioner of Lands have been vested in the Authority since 1995. These properties, however, have not been registered in the name of the Authority.
- (ii) Equipment, furniture and fixtures were revalued by management as at March 31, 2011, based on professional advice received. The surplus arising on revaluation, inclusive of depreciation no longer required, has been included in revaluation reserve (note 15).
- (iii) Work-in-progress represents the upgrade of the navigational systems and supply and installations of radar, VCCS and Automation System Equipment & Services.

9. Employee benefits asset

The group operates a defined benefit pension plan that is open to all employees who have satisfied certain minimum service requirements. The plan is managed by Sagicor Life Jamaica Limited under a deposit administration fund contract and by the Trustees.

Notes to the Financial Statements (Continued) March 31, 2016

9. Employee benefits asset (cont'd)

The plan is funded by employees' contribution of 5% with the option to contribute an additional 5% of pensionable salaries and the employer contributes the balance as is required to provide the retirement benefits.

(a) Asset recognised in the statement of financial position:

	Group		Auth	ority
	<u>2016</u>	<u>2015</u>	<u>2016</u>	2015
	\$,000	\$,000	\$,000	\$`000
Present value of funded obligations Fair value of plan assets	(1,664,735) 2,388,995	(1,447,374) 1,952,927	(1,508,458) 2,154,526	(1,315,486) <u>1,765,530</u>
Surplus	724,260	505,553	646,068	450,044
Unrecognised asset due to asset ceiling Amount recognised in statement of	(_171,526)	(147,617)	(_144,414)	(_123,733)
financial position	<u>552,734</u>	357,936	<u>501,654</u>	<u>326,311</u>

(b) Movements in the present value of funded obligations:

	G	roup	Authority	
	2016	2015	<u>2016</u>	2015
	\$`000	\$`000	\$`000	\$`000
Balance at beginning of year	(1,447,374)	(1,361,367)	(1,315,486)	(1,245,690)
Benefits paid	40,062	94,169	34,073	89,751
Interest cost	(135,689)	(125,601)	(123,438)	(114,817)
Current service costs	(38,159)	(33,421)	(34,715)	(30,956)
Members contributions	(57,341)	(51,854)	(51,378)	(46,499)
Annuities purchased during the year	(1,039)	(13,844)	(1,039)	(13,844)
Remeasurement (loss)/gain	(25,195)	44,544	(16,475)	46,569
Balance at end of the year	(<u>1,664,735</u>)	(1,447,374)	(<u>1,508,458</u>)	(<u>1,315,486</u>)

(c) Movements in plan assets:

	Gr	oup	<u>Authority</u>	
	2016	2015	<u>2016</u>	<u>2015</u>
	\$,000	\$,000	\$`000	\$`000
Fair value of plan assets at beginning				
of the year	1,952,927	1,678,741	1,765,530	1,521,498
Members contributions	57,341	51,854	51,378	46,499
Employer contributions - prior year	-	238	-	238
Employer contributions - current year	80,981	78,427	73,765	71,182
Interest income on plan assets	214,491	161,800	172,001	146,482
Benefits paid	(40,062)	(94,169)	(34,073)	(89,751)
Annuities purchased during the year	1,039	13,844	1,039	13,844
Remeasurement gain	122,278	62,192	124,886	55,538
	<u>2,388,995</u>	1,952,927	2,154,526	1,765,530

Notes to the Financial Statements (Continued) March 31, 2016

9. Employee benefits asset (cont'd)

(c) Movements in plan assets (cont'd):

F	Group		Authority	
	2016 \$`000	2015 \$`000	2016 \$`000	2015 \$`000
Plan assets consist of the following:	Ψ 300	Ψ 000	4 0 0 0	4 000
Equities	464,869	285,829	421,230	259,784
Mortgage and real estate	524,477	317,376	475,242	288,456
Fixed income	271,982	236,715	246,450	215,145
Money market investments	144,123	156,187	131,488	141,947
Foreign currency investments	404,957	380,596	366,942	345,915
Global Markets Fund	161,919	156,691	146,719	142,413
Purchased annuities	233,333	250,906	201,361	218,609
CPI Indexed Fund	183,335	168,627	165,094	153,261
	2,388,995	<u>1,952,927</u>	2,154,526	<u>1,765,530</u>

(d) Movements in the net asset recognised in the statement of financial position:

	Group		Authority	
	2016	2015	2016	<u>2015</u>
	\$`000	\$,000	\$,000	\$`000
Balance at beginning of the year	357,936	298,896	326,311	275,808
Employer contributions - prior year	-	238	-	238
Employer contributions - current year Net income/(expense) recognised in profit	80,981	78,427	73,765	71,182
or loss and other comprehensive income	113,817	(_19,625)	101,578	(_20,917)
Balance at end of the year	<u>552,734</u>	<u>357,936</u>	501,654	<u>326,311</u>

(e) The amounts recognised in profit or loss:

		Group		ority
	2016 \$`000	2015 \$`000	<u>2016</u> \$`000	2015 \$`000
Current service cost Interest cost	38,159 119,822	33,421 125,601	34,715 123,438	30,956 114,817
Interest income on plan assets Interest effect of asset ceiling	(172,001) 11,755	(161,800) 	(172,001) _11,755	(146,482)
	(_2,265)	(1,023)	(_2,093)	(<u>709</u>)

(f) Amounts recognised in other comprehensive income:

	Group		Autho	ority
	<u>2016</u>	2015	<u>2016</u>	2015
	\$`000	\$`000	\$`000	\$`000
Remeasurement loss on obligation	91,582	-	104,608	-
Remeasurement gain on assets	(213,019)	(106,736)	(213,019)	(102, 107)
Change in effect of asset ceiling	9,885	127,383	8,926	123,733
	(<u>111,552</u>)	20,647	(<u>99,485</u>)	21,626

Notes to the Financial Statements (Continued) March 31, 2016

Employee benefits asset (cont'd)

10.

(g) Net (income)/expense in profit of	r loss and c	other con	prehensiv	e income:		
		_	Group Aut				
			<u>2016</u> \$`000	2015 \$`000		2015 \$`000	
	Income recognised in statement of comprehensive income	(2,265)	(1,023	3) (2,093)	(709)	
	Income (loss)/recognised in othe comprehensive income		11,552)	20,64	7 (99,485)	21,626	
		(<u>1</u>	13,817)	19,62	<u>4</u> (<u>101,578</u>)	20,917	
(h	n) Actuarial assumptions:						
		-		Group		hority	
			2016	<u>2015</u>	2016	<u>2015</u>	
	Discount rate		9.0%	9.50	% 9.0%	9.50%	
	Future salary increases		5.5%	6.0%		6.0%	
	Inflation		<u>5.5%</u>	6.0%	5.5%	<u>6.0%</u>	
(i	Sensitivity analysis:	_	_				
		ecreased by	roup Inoro	ased by	Author Decreased by	Increased by	
	<u>D</u>	1%		%	1%	1%	
	Change in defined benefit obligation resulting from a 1% increase/(decrease) in the discount rate	248,073	(10	7,510)	230,191	(179,460)	
	Change in defined benefit obligation resulting from a 1% increase/(decrease) in salary	(107,510) <u>12</u>	<u>3,150</u>	(<u>100,098</u>)	114,833	
A	accounts payable						
				oup	••••	thority	
			2016 \$`000	2015 \$`000	2016 \$`000	2015 \$`000	
T S	Retention Trade Statutory contributions Accruals Distribution to Government of	1	158,213 128,546 27,889 402,382	137,268 159,373 22,539 150,740	158,213 99,880 27,889 374,592	22,539	
	Jamaica consolidated fund Other	1	105,496 9,184	241,091 	78,076 6,867		
		<u> </u>	331,710	<u>712,947</u>	745,517	<u>651,626</u>	

Notes to the Financial Statements (Continued) March 31, 2016

11. Deferred income

	Group and	Group and Authority		
	2016	2015		
	\$`000	\$`000		
Balance at April 1	171,736	184,746		
Transfer to profit or loss (note 16)	(_13,010)	(<u>13,010</u>)		
Balance at March 31	<u>158,726</u>	<u>171,736</u>		

This represents amounts received from the Government of Jamaica to facilitate the purchase of air traffic control radars and related equipment, training of air traffic controllers and purchase of building. The grants will be written off by amounts expended on training and depreciation of the assets that were bought through the grants.

12. Deferred taxation

Deferred taxation is attributable to the following temporary differences:

	Recognised in			Recognised in		
	2016 \$`000	profit or loss \$`000	2015 \$`000	profit or loss \$`000	2014 \$`000	
Accelerated capital allowance	26,944	(<u>778</u>)	27,722	13,752	<u>13,970</u>	

13. Government of Jamaica loan

The loan was granted to the Government of Jamaica by the Export Development Corporation (EDC), Canada, which was on-lent to the Authority to acquire air navigation instruments on April 15, 1998.

	Group and	Group and Authority	
	<u>2016</u>	<u>2015</u>	
	\$`000	\$,000	
Principal Nil (2015: US\$17.6 million)	-	2,027,768	
Accrued interest Nil (2015: US\$7.7 million)]		883,362	
		<u>2,911,130</u>	

The loan attracted interest at the rate of 6.74% per annum. The loan was repaid during the year.

14. Capital reserve

This represents the excess of the value of assets over liabilities transferred from the Government, Civil Aviation Department, to the Authority.

15. Revaluation reserve

This represents surplus arising on the revaluation of certain properties of the group and Authority (see note 8).

Notes to the Financial Statements (Continued) March 31, 2016

16. Disclosure of other income and expenses

(a) Other income

	Group		Authority	
	2016	2015	<u>2016</u>	<u>2015</u>
	\$,000	\$`000	\$`000	\$`000
Permit application fees	1,457	1,519	1,457	1,519
Licence fees	2,281	2,385	2,281	2,385
Examination fees	322	548	322	548
Equipment rental and maintenance	27,380	25,159	-	-
Miscellaneous income	29,794	27,090	18,705	11,002
Regulatory fees	41,387	39,393	41,387	39,393
Advertising and production sales	26,174	38,881	-	-
Transfer from deferred income (note 11)	13,010	13,010	13,010	13,010
Gain on disposal of property, plant				
and equipment	735	2,109	942	3,480
Bad debt recovered	-	103	-	103
Technical support			18,295	17,430
	142,540	150.197	99,399	88.870

(b) Administration and operating expenses

	Gr	oup	Autl	nority
	2016	2015	2016	2015
	\$`000	\$,000	\$,000	\$,000
Audit fees	3,947	6,103	2,047	4,450
Depreciation	249,100	180,916	233,742	166,832
Impairment losses, net	(522,994)	49,542	(429,001)	43,512
Salaries, wages and statutory contributions	1,319,024	1,039,959	1,191,490	922,656
Staff welfare	258,072	230,222	257,411	228,280
Utiltities	88,606	113,996	71,015	90,823
Repairs and maintenance	107,495	74,109	106,984	73,649
JDF search and rescue	539	60,850	539	60,850
Other	514,727	562,024	387,018	411,563
	(2.018.516)	2 317 721	1 821 245	2 002 615

17. Net finance income

	Group		Auth	nority
	2016	2015	<u>2016</u>	2015
	\$`000	\$`000	\$`000	\$`000
Interest on investments and short-term				
term investments	242,176	277,499	230,211	264,920
Foreign exchange gains	408,412	241,124	383,323	208,598
	650,588	518,623	613,534	473,518
Finance cost:				
Loan interest	(140,350)	(135,065)	(140,350)	(135,065)
Foreign exchange losses	(<u>175,160</u>)	(133,812)	(175,160)	(133,812)
	(315,510)	(268,877)	(315,510)	(268,877)
Net finance income	<u>335,078</u>	<u>249,746</u>	<u>298,024</u>	204,641

Notes to the Financial Statements (Continued) March 31, 2016

18. <u>Taxation</u>

(a) Taxation is based on the profit for the year of the subsidiary, Aeronautical Telecommunication Limited, adjusted for tax purposes and is calculated at 25%.

		Gı	oup
		2016 \$`000	2015 \$`000
	Current taxation Employment Tax Credit Employment Tax Credit (2014) Over provision of prior year tax charge Deferred taxation (note 12)	40,534 (12,160) - (778)	44,907 (12,529) (4,007) (12,615) _13,752
	Taxation charge	<u>27,596</u>	<u>29,508</u>
(b)	Reconciliation of effective tax charge:	G	roup
		2016 \$`000	2015 \$`000
	Surplus before taxation Less exempt income (the Authority)	3,082,546 (<u>2,780,754</u>)	2,440,420 (<u>2,253,796</u>)
		<u>301,792</u>	<u>186,624</u>
	Computed "expected" tax charge at 25%	75,448	46,656
	Adjusted for the effects of: Difference between depreciation and capital allowances Expenses not allowed for taxation purposes Unrealised foreign exchange gain Employment tax credit Employment tax credit (2014)	(407) (29,098) (6,187) (12,160) ————————————————————————————————————	14,124 (1,272) (849) (12,529) (4,007) 42,123
	Over provision of prior year tax charge		(12,615) <u>29,508</u>

19. Distribution to Government of Jamaica

The Government of Jamaica, under The Public Bodies Management and Accountability Act, requires the Authority to contribute 5% - 10% of its audited surplus for the year to the Consolidated Fund, plus a special distribution as the Financial Secretary may determine. During the year, the distributions were as follows:

		Gro	Group		nority
		2016	<u>2015</u>	<u>2016</u>	2015
		\$`000	\$`000	\$`000	\$`000
Normal distribution	- current year	305,495	241,091	278,075	225,380
	- prior year	-	2,037	-	2,037
Special distribution		316,359	<u>264,819</u>	316,359	250,000
		<u>621,854</u>	<u>507,947</u>	<u>594,434</u>	<u>477,417</u>

Notes to the Financial Statements (Continued) March 31, 2016

20. Financial instruments

(a) Financial risk management

A financial instrument is any contract that give rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The group's exposed to financial risks from it use of financial instruments including:

- credit risk
- market risk (including foreign currency and interest rate risks)
- liquidity risk

This note presents information about the group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk, and the group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsible for the establishment and oversight of the group's risk management framework. The Board provides principles for overall risk management, as well as policies covering specific areas, such as credit risk, foreign exchange risk, interest rate risk and liquidity risk.

The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the group's financial performance.

The group's risk management activities are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

(i) Credit risk:

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers, cash and cash equivalents, short-term investments and investments in debt securities.

The carrying amount of the group's financial assets represents the maximum credit exposure.

Cash and cash equivalents and short-term investments

Cash and cash equivalents and short-term investments are placed with financial institutions that are appropriately licensed and regulated, therefore management believes that the exposure to these institutions is minimal.

Notes to the Financial Statements (Continued)
March 31, 2016

20. Financial instruments (cont'd)

- (a) Financial risk management (cont'd)
 - (i) Credit risk (cont'd)

Accounts receivable

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management has established a credit policy under which each customer is analysed individually for creditworthiness prior to credit being extended to them.

Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, aging profile of the debt, and previous financial difficulties. Trade receivables relate mainly to air navigation fees and passenger aviation service charge.

The group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Trade receivables over 180 days are provided for based on an estimate of amounts that would be irrecoverable, determined by taking into consideration past default experience, current economic conditions and expected receipts and recoveries once impaired (see further details in note 5).

Investments in debt securities

The group limits its exposure to credit risk by investing only in Government of Jamaica debt securities, which are sovereign debts and therefore the risk of \$default is considered low.

There is no significant concentration of credit risk in any counterparty and the group's has not changed the way it manages and measures credit risk during the year.

(ii) Market risk

Market risk is the risk that changes in market prices, such as foreign currency rates and interest rates, will affect the group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. There has been no change to the group's exposure to market risk or the manner in which it measures and manages the risk.

Notes to the Financial Statements (Continued) March 31, 2016

20. Financial instruments (cont'd)

- (a) Financial risk management (cont'd)
 - (ii) Market risk (cont'd)
 - Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The group is exposed to foreign exchange risk, primarily with respect to the US dollar (US\$).

The group manages its foreign exchange risk by ensuring that the net exposure in foreign currency assets and liabilities is kept to an acceptable level by monitoring currency positions. The group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

The group's and Authorities exposure to foreign currency risk at the reporting date was as follows:

	Group		Authority	
	<u>2016</u>	2015	<u>2016</u>	<u>2015</u>
	US\$`000	US\$`000	US\$`000	US\$`000
Assets:				
Cash and cash equivalents	5,324	10,369	334	5,523
Short-term investments	44,445	38,226	43,930	38,124
Accounts receivables	6,008	11,332	5,075	9,467
	55,777	59,927	49,338	53,114
Liabilities:				
Accounts payables	447	896	229	743
Government of Jamaica:				
Loan	-	17,629	-	17,629
Loan interest		7,680		<u>7,680</u>
	447	26,205	229	26,052
Net position	<u>55,330</u>	33,722	<u>49,039</u>	27,062

Notes to the Financial Statements (Continued) March 31, 2016

20. Financial instruments (cont'd)

- (a) Financial risk management (cont'd)
 - (ii) Market risk (cont'd)

Sensitivity analysis

A 1% (2015: 1%) strengthening of the Jamaica dollar against the US\$, at the reporting date, would have decreased surplus for the year by \$67,117,000 (2015: \$38,607,000) for the group and \$59,486,000 (2015: \$30,983,000) for Authority.

A 10% (2015: 10%) weakening of the Jamaica dollar against the US\$, at the reporting date, would have increased surplus for the year by \$671,171,000 (2015: \$386,076,000) for the group and \$594,860,000 (2015: \$309,827,000) for Authority.

The analysis is done on the same basis as for 2015 and assumes that all other variables, in particular interest rate, remain constant.

Exchange rates, in terms of Jamaica dollars, were as follows:

At March 31, 2016: J\$121.3033: US\$1.00 At March 31, 2015: J\$<u>114.4883</u>: US\$1.00

• Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the interest profile of the group's and Authority's interest bearing financial instruments was as follows:

	Gro	Group		ority
	2016 \$`000	2015 \$`000	2016 \$`000	2015 \$`000
Fixed rate financial assets	6,742,920	7,589,365	6,163,269	<u>7,073,178</u>
Fixed rate financial liability		2,911,130		2,911,130

Notes to the Financial Statements (Continued) March 31, 2016

20. Financial instruments (cont'd)

- (a) Financial risk management (cont'd)
 - (ii) Market risk (cont'd)
 - Interest rate risk (cont'd)

Fair value sensitivity analysis for fixed rate instruments

All the group's financial instruments are carried at amortised cost, therefore a change in interest rates, at the reporting date, would not affect their carrying value.

The analysis is done on the same basis as for 2015 and assumes that all other variables, in particular foreign currency rate, remain constant.

(iii) Liquidity risk:

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Typically the group ensures, through its regular cash flow forecasting, that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot be predicted, such as natural disasters and settlement of significant lawsuits.

The following table presents the undiscounted contractual maturities of financial liabilities, including interest payments, on the basis of their earliest possible contractual maturity.

C	rΩ	11	n
U	ro	u	D

•			2016		
	1 to 3	3 to 12	Over 12	Total cash	Carrying
	months \$`000	months \$`000	months \$`000	outflow \$`000	Amount \$`000
Accounts payable	<u>831,710</u>	-		831,710	<u>831,710</u>

Notes to the Financial Statements (Continued) March 31, 2016

20. Financial instruments (cont'd)

(a) Financial risk management (cont'd)

(iii) Liquidity risk (cont'd):

Group (cont'd)

Group (cont u)			2015		
	1 to 3 months \$`000	3 to 12 months \$`000	Over 12 months \$`000	Total cash outflow \$`000	Carrying Amount \$`000
Accounts payable Government of Jamaica	712,947	-	-	712,947	712,947
loan			2,911,130	2,911,130	2,911,130
	<u>712,947</u>	_	2,911,130	3,624,077	3,624,077
Authority			2016		
	1 to 3	3 to 12	Over 12	Total cash	Carrying
	months	months	months	outflow	Amount
	\$,000	\$,000	\$,000	\$`000	\$,000
Accounts payable	745,517			745,517	745,517
			2015		
	1 to 3 months \$`000	3 to 12 months \$`000	Over 12 months \$`000	Total cash outflow \$`000	Carrying Amount \$`000
Accounts payable Government of Jamaica	651,626	-	-	651,626	651,626
Loan			2,911,130	2,911,130	2,911,130
	<u>651,626</u>		2,911,130	3,562,756	3,562,756

(b) Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern and remain financially strong, in order to provide returns for shareholders and benefits for other stakeholders.

The group is not subject to externally imposed capital requirements and there were no changes to the group's approach to capital management during the year.

(c) Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market price is used to determine fair value where an active market exists as it is the best evidence of the fair value of a financial instrument. The group does not carry any financial instrument at fair value.

Notes to the Financial Statements (Continued) March 31, 2016

20. Financial instruments (cont'd)

(c) Fair value (cont'd)

Determination of fair value and fair value hierarchy

IFRS specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. The different levels have been defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Discounted cash flow technique using a discount rate from observable market data, i.e, average of several brokers/dealers market indicative yields in active markets for identical assets or liabilities.
- Level 3 Valuation techniques using significant unobservable inputs.

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities where the carrying amount is a reasonable approximation of fair value.

Group and Authority

	Carrying	Fair value			
	amount \$`000	<u>Level 1</u> \$`000	Level 2 \$`000	<u>Level 3</u> \$`000	<u>Total</u> \$`000
March 31, 2015			1.45.000		1.47.000
Financial assets	<u>145,776</u>		<u>147,223</u>		<u>147,223</u>

Basis for determining fair values

The fair value for investments was determined by obtaining a bid yield from yield curve provided by a recognised pricing source, which was then used to determine price by applying an acceptable formula. The price was then used to estimate fair value. The pricing of the instruments did not involve any significant unobservable inputs.

Notes to the Financial Statements (Continued) March 31, 2016

21. Contingent liabilities

(i) Legal claims:

The Authority is subject to certain claims and legal proceedings in the normal course of its business. Provision is made for such matters when, in the opinion of management and its legal counsel, it is probable that a payment will be made by the Authority and the amounts can be reasonably estimated.

In respect of claims asserted against the Authority which have not been provided for, management is of the opinion that such claims are either without merit, can be successfully depended or will result in exposure that is immaterial to the Authority.

22. Commitments

(a) Lease commitments

The Authority has lease commitments as follows:

- (i) To MBJ Airport Limited for the lease of space occupied at Donald Sangster's International Airport for a rent of \$1.00 per annum.
- (ii) To The Airports Authority of Jamaica for the lease of space occupied at Norman Manley International Airport for rent of \$1.00 per annum.

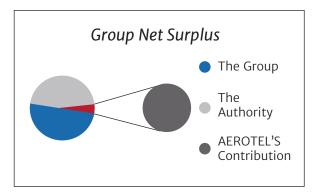
(b) Capital commitment

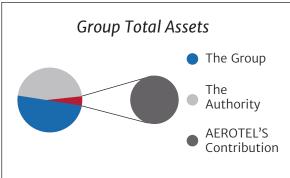
The Authority in its drive to modernize the air navigation services infrastructure, has embarked on an equipment acquisition programme to upgrade the communication navigation surveillance system to include radars. At the reporting date, the Authority had commitment to acquire equipment amounting to US\$17,238,884. This also includes Air Traffic Management equipment and construction of a new building to house the Air Traffic Controllers and other members of the Air Navigation Services Division, and the replacement of high energy air condition system with inverter type air condition units at the head office.

Explanatory Notes to the Financial Statements

he financial statements incorporate those of The Jamaica Civil Aviation Authority (The Authority) and its subsidiary, Aeronautical Telecommunications Limited (AEROTEL). The consolidated results indicate a net surplus of J\$3.055 billion, of which AEROTEL contributed J\$274.197 million or 8.98%. 2016's results compares favourably to the preceding year's surplus of J\$2.411 billion.

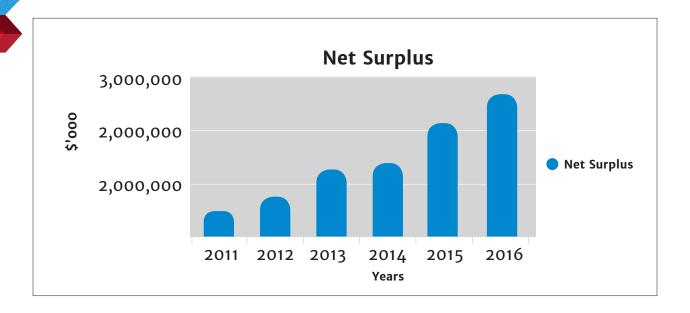
The Group's total assets closed the year at J\$11.523 billion, down J\$256.120 million (2.17%) from 2015's out-turn of J\$11.779 billion.





The Authority's principal responsibilities were the provision of regulatory oversight and air navigation services on behalf of the Government of Jamaica. The principal activity of subsidiary, AEROTEL, was the provision of telecommunications services on behalf of the Jamaica Civil Aviation Authority. This included ensuring that the equipment used and owned by the Authority, for the provision of aeronautical services, operated effectively and in keeping with prescribed international standards.

For the twelve months ended March 31, 2016, the Authority recorded a net surplus of J\$2.781 billion, as compared to J\$2.254 billion for year ended March 31, 2015. The J\$527 million (23%) increase is largely attributable to a significant up-tick in the fee income from passenger traffic through the country's international airports, and the containment and astute management of our operating expenses.



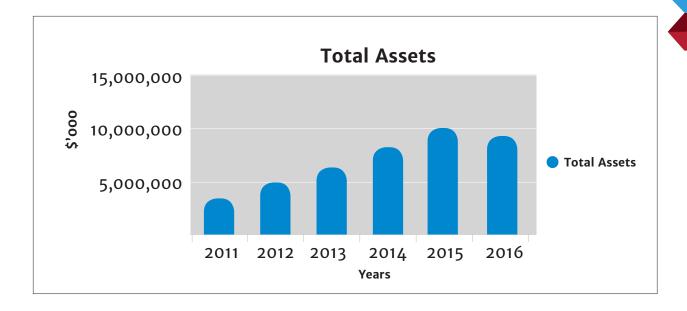
The increase in our fee income was also favourably influenced by foreign exchange gains, arising from the depreciation of the Jamaican dollar.

At March 2016, total Passenger Aviation Service Charge (PASC) revenue was recorded at \$2.274 billion, an increase of \$199M or 10% over the \$2.075 billion recorded in 2015. The increase of \$199M resulted from foreign exchange gains of 54% or \$107M, with the remaining 46% or J\$91.75 million arising from increased activity in Passenger Seats of 222,662 or 4.42%, when the number increased to 5,258,759 from 5,036,097 over the previous year.

Air Navigation fees grew by 3% or \$47 million from \$1.874 billion earned 2015 to \$1.921 billion earned for year ended March 31, 2016.

Assets, Reserves and Liabilities

Total assets at year-end were \$10.418 billion, a decrease of \$544M or 5% when compared with the 2015 yearend balance of \$10.963 billion. This was mainly as a result of a decrease in short-term investments of \$328 million or 5%, together with cash and cash equivalents of \$566 million or 11%, which occurred in order to fully settle the Export Development Corporation (EDC) loan with the Government of Jamaica. Total current assets decreased by 13% and included liquid assets of J\$6.087 billion this year, compared to J\$6.982 billion last year.



Total non-current assets recorded a net increase of J\$450 million or 15%. This was influenced by net increases in Property, Plant and Equipment of J\$275 million, in addition to final expenditure on the construction of the air traffic control towers, as a result of contract variations. Increases in employee benefits of J\$175 million or 54%, resulted from growth in the value of the pension fund's assets.

Reserves increased by J\$2,285 million or 24%, after allowing for a special distribution of J\$316.36 million and normal distribution of J\$278.08 million (totalling J\$594.43 million) to the Ministry of Finance and Planning, at year ending March 31, 2016.

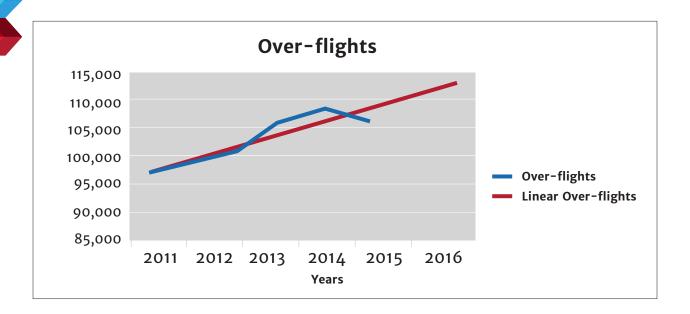
Overall, growth is positive and performance good. Return on Assets for the year is twenty-seven per cent (27%), as compared to 21% in 2015. Liquidity, as measured by the Current Ratio, is 9 times current liabilities this year, compared to 12 times at yearend 2015.

All activities of the Authority for the year, both capital and recurrent, were financed from internally generated funds.

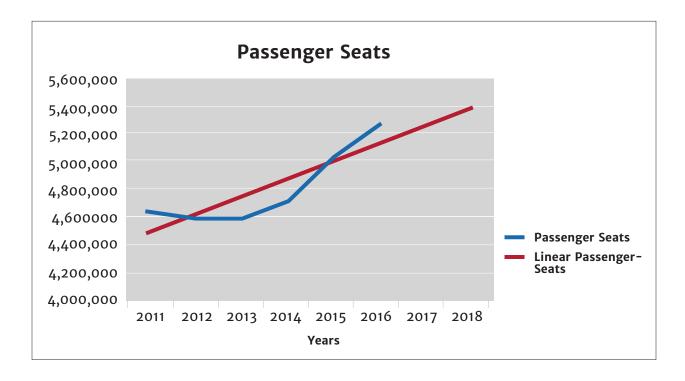
Outlook for Next Year

The Authority has embarked on a large-scale modernisation of its communications, navigation and surveillance systems with budgeted outlay of J\$3.329 billion extending to yearend 2021. For year ending March 31, 2017, expenditure is anticipated at J\$1.654 billion.

The earnings prospects for the Authority remain positive, as indications are that its income base should remain relatively stable. Air navigation fee income is expected to grow in line with over-flight activities, which have displayed an average growth rate of about 3.6% over the last five years. The slight decrease in activities for this year resulted from frequent breakdown of our equipment and the implementation of flow control procedures at the Kingston Air Traffic Control Centre (KATCC). A recurrence is not anticipated in 2017.



Passenger seats to and from Jamaica was less predictable, as there have been significant peaks and troughs in the data over the last five years. These fluctuations, however, have all occurred above the 4.6 million passenger seats level and rose to 5.2 million at yearend March 2016. The trend indicates that the activity levels should remain just above 5.2 million passenger seats.



At this level, earnings from PASC, coupled with those anticipated for air navigation fees, will be able to sustain the operation of the Authority for the next year.

BOARD OF DIRECTORS' COMPENSATION FOR THE YEAR APRIL 1, 2015 TO MARCH 31, 2016

POSITION OF DIRECTOR	FEES (\$)	MILEAGE (\$)	MOTOR VEHICLE UPKEEP/ TRAVELLING OR VALUE OF ASSIGNMENT OF MOTOR VEHICLE (\$)	ALL OTHER COMPENSATION INCLUDING NON- CASH BENEFITS AS APPLICABLE (\$)	TOTAL (\$)
Chairman - Byron Hylton	164,000.00	-	-	-	164,000
Deputy Chairman - Wilford Heaven	115,000.00	-	-	-	115,000
Director - Keith Senior	130,500.00	-	-	-	130,500
Director - Kevin Powell	125,000.00	4,032.00	-	-	129,032
Director - Tasha Manley	93,000.00	-	-	-	93,000
Director - Janine Dawkins	93,000.00	12,400.00	-	-	105,400
Director - Maria Jones	96,000.00	-	-	-	96,000
Director - Dr. Wesley Hughes	144,000.00	18,040.00	-	-	162,040
Director - Rear Adm. Harley Lewin	145,500.00	33,280.00	-	-	178,780
Director - Lt. Col. Jaime Ogilvie	106,500.00	-	-	-	106,500
Director - Hon Shirley Tyndall	139,000.00	12,920.00	-	-	151,920
Balance as per General Ledger	1,351,500	80,672	-	-	1,432,172

SENIOR EXECUTIVES' COMPENSATION FOR YEAR APRIL 1, 2015 TO MARCH 31, 2016

POSTION OF SENIOR EXECUTIVE	YEAR	SALARY (\$)	GRATUITY OR PERFORMANCE INCENTIVE (\$)	
Director General	2015/2016	10,697,237	-	
Deputy Director General Reg. Affairs	2015/2016	9,053,106	-	
Deputy Director General Corporate Services	2015/2016	9,171,876	-	
Deputy Director General Air Navigation Services (Acting)	2015/2016	9,203,106	-	
Director Planning Research & Risk Assessment	2015/2016	6,391,438	-	
Director Economic Regulation	2015/2016	6,049,038	-	
Director Flight Safety	2015/2016	7,787,588	-	
Director Human Resource	2015/2016	6,049,038	-	
Director Finance	2015/2016	5,963,438	-	
General Counsel	2015/2016	6,733,838	-	
TOTAL		77,099,703	-	

Notes

- 1. Where contractual obligations and allowances are stated in a foreign currency, the sum in that stated currency must be clearly provided and not the Jamaican equivalent.
- 2. Other Allowances (including laundry, entertainment, housing, utility, etc.)
- 3. Where a non-cash benefit is received (e.g. government housing), the value of that benefit shall be quantified and stated in the appropriate column above.

TRAVELLING ALLOWANCE OR VALUE OF ASSIGNMENT OF MOTOR VEHICLE (\$)	PENSION OR OTHER RETIREMENT BENEFITS (\$)	OTHER ALLOWANCES (\$)	NON- CASH BENEFITS (\$)	TOTAL (\$)
140,000	1,107,224	98,830	-	12,043,291
140,000	942,811	98,830	-	10,234,747
140,000	954,688	98,830	-	10,365.394
1,219,656	957,811	319,506	-	11,700,079
1,219,656	676,644	98,830	-	8,386,568
1,219,656	642,404	98,830	-	8,009,928
1,219,656	816,259	98,830	-	9,922,333
1,219,656	642,404	98,830	-	8,009,928
1,219,656	633,844	98,830	-	7,915,768
1,219,656	710,884	98,830	-	8,763,208
8,957,592	8,084,970	1,208,976	-	95,351,241

AD/ARO AIS Aerodrome Reporting Office

ADAP Aviation Data Analysis Panel

ADS-B Automatic Dependent Surveillance Broadcast

AEROTEL Aeronautical Telecommunications Ltd.

A-G Air-to-Ground

AGA Aerodromes & Ground Aid

AIDC ATS Interfacility Data Communication Implementation

AIG Aircraft Accident & Incident Investigation

AIM Aeronautical Information Management

AIS Aeronautical Information Services

AIXM Aeronautical Information Exchange Model

AMHS Air Traffic Management Message Handling System

AMOs Approved Maintenance Organizations

ANS Air Navigation Services

ANSP Air Navigation Services Provider

AOC Air Operators Certificate

APV Approach Procedures with Vertical Guidance

ASBU Aviation System Block Upgrade

ATCs Air Traffic Centres/ Air Traffic Controllers

ATFM Air Traffic Flow Management

ATM Air Traffic Management

ATOs Approved Training Organizations

ATS Air Traffic Services/ Air Traffic Systems

AVSEC Aviation Security

AW Air Worthiness

BASA Bilateral Air Service Agreement

BITU Bustamante Industrial Trade Union

Baro-VNAV Barometric Vertical Navigation

CAATI Civil Aviation Authority Training Institute

CAR/SAM Caribbean & South American (region)

CASSOS Caribbean Aviation Safety & Security Oversight System

CAP Corrective Action Plan

CAR Caribbean

CDO Continuous Descent Operations

CNS Communications, Navigation & Surveillance

COTS Commercial-Off-The-Shelf

CPDLC Controller Pilot Data Link Communication

CPL/LAM Current Flight Plan/Logical Acknowledgement Message

DANS Director, Air Navigation Services

DDGANS Deputy Director General, Air Navigation Services

DNOTAM Digital Notices to Airmen

EAIPs Electronic Aeronautical Information Publications

EECP Energy Efficiency Conservation Programme

FAA Federal Aviation Authority

FAL Facilitation

FAOC Foreign Air Operator Certificate

FAT Factory Acceptance Test

FDP Flight Data Processor

FIR Flight Information Region

FSD Flight Safety Department

FSN Flight Safety Notification

GANP Global Air Navigation Plan

GASP Global Aviation Safety Plan

GDP Gross Domestic Product

GOJ Government Of Jamaica

HQ/NOT AIS Headquarters NOTAM Office

HVAC Heating Ventilation & Air Conditioning Unit

IATA International Air Transport Association

ICAO International Civil Aviation Organization

ICAO USAP-CMA ICAO Universal Safety Audit Programme-Continuous

Monitoring Approach

IFSET ICAO Fuel Saving Estimating Tool

ILS Instrument Landing System

IP Internet Protocol

IR Industrial Relations

IWAF ICAO World Aviation Forum

JAIA Jamaica Aviation Inspectors Association

JATCA Jamaica Air Traffic Controllers Association

JCAA Jamaica Civil Aviation Authority

JCAR Jamaica Civil Aviation Regulations

KATCC Kingston Air Traffic Control Centre

KFIR Kingston Flight Information Region

KRA Key Results Area

MAJ Maritime Authority of Jamaica

NAM/CAR North American/Caribbean

MANSA Management Staff Association

MASA Multinational Air Services Agreement

MIND Management Institute for National Development

MOU Memorandum Of Understanding

MRO Mass Rescue Operation

NACC North American, Central American & Caribbean Region

NMIA Norman Manley International Airport

NOCC Network Operations & Control Centre

NOTAM Notice to Airmen

NTSB National Transportation Safety Board (U.S.)

ODPEM Office of Disaster Preparedness & Emergency Management

OEPD Obstacle Evaluation & Procedure Development

OJT On-The-Job-Training

OLF Online Framework

OPS Operations

PBMA Public Bodies Management and Accountability Act

PBN Performance Based Navigation

PEL Personnel Equipment Licensing

PMS Performance Management System

PWC Pricewaterhouse Coopers

QAM Quality Assurance Manual

QMS Quality Management System

RNAV Area Navigation Approaches

RPAS Remotely Piloted Aircraft Systems

RSOO Regional Safety Oversight Organization

SARPs Standards & Recommended Practices

SD System Design

SDR System Design Review

SIA Sangster International Airport

SMS Safety Management System

SNMP Simple Network Management Protocol

SWIM System Wide Information Management

TCB Technical Cooperation Bureau

TDC Training Developers Course

TIC Training Instructors Course

TPLS Training & Personnel Licensing Manual

UASs Unmanned Aircraft Systems

UAVs Unmanned Aerial Vehicles

UNFCC United Nations Framework Convention on Climate Change

USAP Universal Safety Audit Programme

USM Unit Specific Manual

USOAP Universal Safety Oversight Audit Programme

VCCS Voice Communication & Control System

VOIP Voice Over Internet Protocol

VOR Very High Frequency Omnidirectional Range

VSAT Very Small Aperture Terminal

