

Public Accounts Committee
Consideration of Chapter 4 of the Director of Audit's Report No. 63
Administration of the air traffic control and related services

- (a) with reference to the six stages of tender evaluation conducted by the Tender Assessment Panel (“TAP”) for the Air Traffic Management System contract, please provide the activities carried out in each stage by filling in column (ii) of the table below.
Please refer to Appendix I.
- (b) the progress of seeking advice from the International Civil Aviation Organization regarding effective measures to tackle overdue en-route navigation charges, and the implementation plan of those measures; and CAD sought the advice of the International Civil Aviation Organization (ICAO) on overdue En-Route Navigation Charges (ENCs) in 2013, and further raised the issue for discussion at the Conference of Directors General of Civil Aviation, Asia and Pacific Regions in November 2014. The Conference suggested ICAO to facilitate the setting up of a mechanism for sharing information and best practices on the subject, and to continue identifying practical operational measures to deal with problems of overdue charges. ICAO has proposed to discuss the issue at its Air Navigation Services Economics Panel in May 2015. CAD will closely monitor the development.
- (c) the progress of consulting the Department of Justice (“DoJ”) on the criteria and details for implementation of demanding a one-month security deposit or banker’s guarantee from specific airline operators using the navigation services provided by the Civil Aviation Department on a case-by-case basis having regard to their payment records, including the date(s) CAD wrote to DoJ for advice and expected date of reply from DoJ.
CAD has written to the Department of Justice (DoJ) on 26 January 2015 to seek legal advice on a proposal of demanding a one-month security deposit or banker’s guarantee from specific airline operators having regard to their payment records. CAD will follow up closely with DoJ.

Encl.
Appendix I

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****Note by Clerk, PAC: Please see Appendix 22 of this Report for Appendix I.***