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| **Name of Donor** | **Name of Project** |
| **African Development Bank (AfDB)** | COMESA AIRSPACE INTEGRATION PROJECT |
| **Grant start date**:  | 24th February ,2011 |
| **Grant End date:** | 30th June,2019 |
| **Grant Amount:** | USD 8,600,000 (UA 5,750,000) |
| **Disbursed before current year:** (2019) | USD 5,735,650 (UA 3,991,393.67) |
| **Balance:** | USD 2,637,909 (UA 1,758,606.33) |
| **Disbursed in 2019**:  | Nil |
| **Balance yet to be disbursed:** |  USD2,637,909 (UA 1,758,606.33) |

1. **Brief about the programme**

**Overview**

The African Development Bank (AfDB) is financing the COMESA Integrated Air Space Project, which has a higher objective of assisting the COMESA region in implementing a unified upper airspace and deploying a regional specialized satellite-based air navigation technology. The Project consists of 5 main components; i) determining Legal and Institutional Framework, ii) assessing Technical and Financial Feasibility, iii) delivering Transaction Advisory, iv) technical assistance to establish a Regulatory Framework and Agency, v) Project Management, Monitoring and Evaluation, and Audit to support the Project Implementation Unit (PIU), which is based in Kigali, Rwanda.

The Project which was approved in August 2010 has a Grant, totaling UA 5.75 million. The Grant Agreement entered into force upon signature on 24th February 2011, and became effective on 5th August 2011, with an initial grant current disbursement closing date of 30th June 2019.

The project has an implementation unit based in Kigali, Rwanda comprising of (i) the Project Manager (ii) Legal and Regulatory Expert (iii) Senior Administrative Assistant and (iv) a Driver. The Legal and Regulatory Expert has been Acting Project Manager since the departure of the substantive Project Manager at the end of July 2016.

1. **Objectives of the COMESA Airspace Integration Project**

The objectives of the project are;

1. To determine suitable legal and institutional requirements to establish a cooperative Regional Framework for a unified airspace in the COMESA region;
2. To Prepare detailed analysis of strategic technical, financial, and operational options for the provision of upper airspace navigation services using CNS/ATM and make recommendation for implementation modalities;
3. To build the partnerships needed for implementing the project and promote private sector participation in financing and operating regional air transport infrastructure and services.

The goal of the COMESA Airspace Integration project is to deepen regional integration by providing safe, efficient air navigation services in a unified airspace to support trade, tourism and regional socio-economic integration in the COMESA region.

1. **Overview of 2019 programme and expenditure implementation**

Most of the activities between January and June 2019 were focused on the finalisation of the Project activities, under the close out period.

The activities included the Final report to African Development Bank(AFDB),the African Development Bank Project Completion Mission and The External Audit report for the 20 Months of January 2018-June 2019.

Table 1, below presents expenditure incurred in the period in implementing the above activities

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| --- | --- | --- | --- | --- |
| **No.** | **Budget Line Description [as in grant contract]** | **2018** | **2019** |  |
| **Actual** | **Original Budget** | **Actual: Six months** | **Forecast: Six months** | **Revised Forecast** | **% Budget Utilisation achieved** | **% Forecast Budget Utilisation** | **Proposed budget revision** |
| **12 months** | **12 months** | **Jan - June** | **July-Dec** | **Jan - Dec: 12 months** | **Jan - June** | **Jan - Dec: 12 months** |  |
| **Col 1** | **Col 2** | **Col 3** | **Col 4** | **Col 5** | **Col 6** |  **Col 7=5+6** | **Col 8=5/4** | **Col 9=7/4** |  |
|   |   |  |  |  |  |  |  |  |  |
| **1** | **Program Coordination** | 829,242 | 2,646,382 | 28,547 | ,26,850 | 55,312 |  2.09 |  | - |
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As reflected in the above table, budget utilisation during the first half of the year was USD 55,312 representing 2.09% of the 2019 budget.

The low absorption of the budget is because, there were very few activities in the close out period.

1. **RISK Management**

Major risks faced by the programme include;