

**International Business
Aviation Council**

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Continuous Improvement

IBAC Business Plan

2003 - 2008



www.ibac.org

Preface

IBAC is as strong as the collective resolve of its Members. Achievements in the global aviation community are dependent on the combined vision, expectations and leadership of the Council, and in its ability to work together for common purpose.

This Business Plan provides the strategic objectives, action plan and financial plan for the International Business Aviation Council (IBAC) for the period covering 2003 to 2008. Recognizing that change must be continuous, and that IBAC is a progressive and forward looking organization, the Plan will be dynamic and constantly under review, with updates made approximately every three years or at the call of the IBAC Governing Board.

Aviation is a large, complex and multinational global industry. It is a highly interdependent industry, requiring a large number of technical and professional disciplines working in a partnership to ensure a safe, effective and integrated aviation system. Business aviation is one of the many partners in the global aviation community. As a full and active partner, it fulfills its obligations in the orderly planning and development of the aviation system.

Given business aviation's significant size and active participation in the aviation system, the business aviation community must take a participatory and leadership role in the challenges inherent in the orderly development and implementation of the world's airspace and airport infrastructure and in promoting international harmonization of rules.

This Business Plan is developed in recognition that the business aviation community must be an influential and active partner in the global aviation community. The Business Plan is dedicated to maintaining and building on effective partnerships within business aviation and with the broad global aviation community.



Chairman



Director General



**IBAC
Member
Associations**



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Renewal for Continuous Improvement

Objective of Renewal

The IBAC Business Plan was last approved by the Governing Board in 1999. Although the 1999 Business Plan provided for a five-year horizon, it was agreed that consideration would be given to updating the Plan following three years of operation. This 2003 Business Plan renewal is dedicated to continuous improvement.

Renewal of the Business Plan commenced with a Strategic Planning Meeting, with the Governing Board and Members reviewing results of the 1999 Plan and developing a vision for business aviation in a ten-year horizon. The final task of the meeting was to consider actions addressing issues forecasted to impact business aviation in the planning horizon.

The draft renewal plan was then discussed at the 37th meeting of the IBAC Governing Board and Members; the final Plan was approved at the 38th meeting, in 2003.

The Strategic Planning Meeting identified six broad subject groups for attention over the next five years. They were:

- ✓ Safety;
- ✓ Security;
- ✓ Access;
- ✓ Business sustainability;
- ✓ Environment; and
- ✓ Internal management and processes.

Actions to address the issues in each of these broad categories are included in the Action Plan.

Definition of Business Aviation

That sector of aviation which concerns the operation or use of aircraft by companies for the carriage of passengers or goods as an aid to the conduct of their business, flown for purposes generally considered not for public hire and piloted by individuals having, at the minimum, a valid commercial pilot license with an instrument rating.

1999 Business Plan Revisited

The Strategic Planning Meeting endorsed the Vision, Mission and Strategic Objectives established in 1999 and noted the actions made pursuant to the Plan. Most of the goals of the '99 Plan were achieved and the Council operated within budget in each of the years of the Plan. The financial position of the Council was enhanced by 125% during the period of the Plan delivery.

Notable achievements pursuant to the 1999 Business Plan are:

- ✓ Development and implementation of IS-BAO;
- ✓ Introduction of IS-BAO Audit and Certificate of Registration programs;
- ✓ Substantial increase in representation at ICAO Panels and Work Groups;
- ✓ Substantial number of Position Papers at ICAO Conferences;
- ✓ New management structure with Planning and Operations Committee, Finance Committee and Work Groups established;
- ✓ Annual accident statistics and Business Aviation Safety Brief;
- ✓ Restructuring and implementation of a new communications policy featuring an updated website and use of e-mail;
- ✓ Increase in Aircrew Card distribution and implementation of new design and technologies; and
- ✓ Completion of a study of worldwide accident statistics and release of a summary Brief.

IS-BAO

IBAC's number one priority and the most significant initiative evolving from the 1999 IBAC Business Plan was the development and introduction of the International Standard for Business Aircraft Operations (IS-BAO). The industry standard provides a vast range of benefits for business aviation as described in the IS-BAO Concept Paper reviewed by the Governing Board in 2000 (subsequently published in the IS-BAO Brochure and repeated on the IS-BAO website). The IS-BAO was launched in 2002 and is starting to gain strong acceptance from the industry. Also launched in 2002 was the Certificate of Registration program. An Audit Procedures Manual (APM) was published and a workshop developed for auditors and other interested parties. A total of 15 auditors were accredited in 2002.

A separate Business Plan for the IS-BAO has been established and approved by the IBAC Governing Board. The IS-BAO Business Plan summarizes the financial projections for the IS-BAO. The IS-BAO Business Plan calls for a revenue neutral operation, although the Governing Board has agreed to review this principle in 2004-2005.



IS-BAO's future success is highly dependent on promotion efforts by the Member Associations and 'word of mouth' growth. Ongoing success of the program should have a very significant positive impact on aviation safety and security.

IBAC Focus for 2003 - 2008

IBAC is dedicated to providing leadership for business aviation and in working collectively with other aviation leaders in the design of the aviation system for the future.

IBAC has represented business aviation interests for over two decades, and although the fundamental objectives of the Council are as relevant today as they were when founded in 1981, the rapidly changing global environment necessitates continuous re-evaluation and improvement of standards and procedures. Characteristics of the changing environment considered during IBAC's 2002 Strategic Planning Meeting include the following:

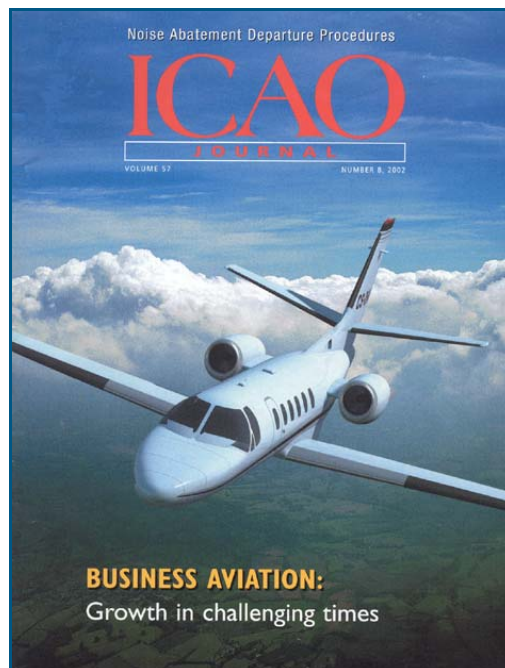
- ✓ security issues have become more significant to business aviation subsequent to September 2001 and the resulting focus of regulatory security authorities around the world;
- ✓ the significant increase in the number of micro jets in the near future will have an impact on safety, training and access;
- ✓ the emergence of vastly different air navigation technologies and systems, featuring the introduction of CNS/ATM and resulting new cockpit environments and the need to be more involved in the system design;
- ✓ continuing globalization and transnationalization of the aviation industry;
- ✓ rapid growth of aviation in developing regions of the world where safety regulation is limited or evolving;
- ✓ constraints on airport and airspace access due to rapid growth of air transport without an appropriate increase in infrastructure;
- ✓ rapidly expanding business aircraft community, with increased intercontinental range operations;
- ✓ demographic and compensation problems related to the unavailability of trained maintenance personnel;
- ✓ air traffic management and airport privatization and the potential for increased charges;
- ✓ need for business aviation to promote a unified and cohesive voice; and
- ✓ the need to actively promote widespread application of the International Standard for Business Aircraft Operations (IS-BAO).

IBAC is willing to assume an increasing sectorial leadership role, representing business aviation in developing standards and procedures for acceptance by the world's regulatory authorities. IBAC's strength is in the power to leverage the extensive professional and technical resources of its member associations, to serve the community as a whole. IBAC will apply this leverage to manage the oversight necessary for the advancement of business aviation into the future.

Representing Business Aviation at ICAO

IBAC has ICAO approved status at the following Panels and Regional Groups:

- All Planning and Regional Groups – ICAO (ALLPIRG)
- Air Traffic Management Concept Panel – ICAO (ATMCP)
- Asia Pacific Air Navigation Planning and Implementation Regional Group – ICAO (APANPIRG)
- CAR/SAM Regional Planning and Implementation Group (GREPECAS)
- Committee on Aviation Environmental Protection – ICAO (CAEP)
- Select CAEP workgroups.
- European Air Navigation Planning Group – ICAO (EANPG)
- Global Navigation Satellite System Panel – ICAO (GNSSP)
- ICAO Air Navigation Commission – (ANC)
- North Atlantic Systems Planning Group – ICAO (NAT SPG)
- North Atlantic Implementation Management Group (NAT/IMG)
- North Atlantic Economics and Finance Group (NAT/EFM)
- North Atlantic Air Traffic Management Group (NAT/ATMG)
- Operations Panel (OPSP)
- Airport Economics Panel (AEP)
- Air Navigation Services Economics Panel (ANSEP)
- Facilitation Panel (FALP)
- Aviation Security Panel (AVSECP)
- Flight Crew Licensing and Training Panel (FCLTP)



Governance

Incorporation

IBAC was incorporated in Washington D.C. in 1981.

Bylaws

IBAC Bylaws were initially established September 14, 1981, and amended on November 22, 1996 and August 5, 1997. The Bylaws are reproduced on the IBAC web page at www.ibac.org.

Governing Board

The management and business concerns of the Council are vested with the Governing Board. The Governing Board is responsible for establishing policies and controls necessary and desirable for the orderly conduct of the Council's affairs.

Management

The day-to-day operations of IBAC are managed by a Director General appointed by the Board, who serves as the Council's Chief Operating Officer. In addition, the management team consists of:

- ✓ a Director, ICAO Liaison;
- ✓ a Standards Manager;
- ✓ a Corporate Secretary;
- ✓ Technical Representatives;
- ✓ Support Staff; and
- ✓ Professional Services, as required.

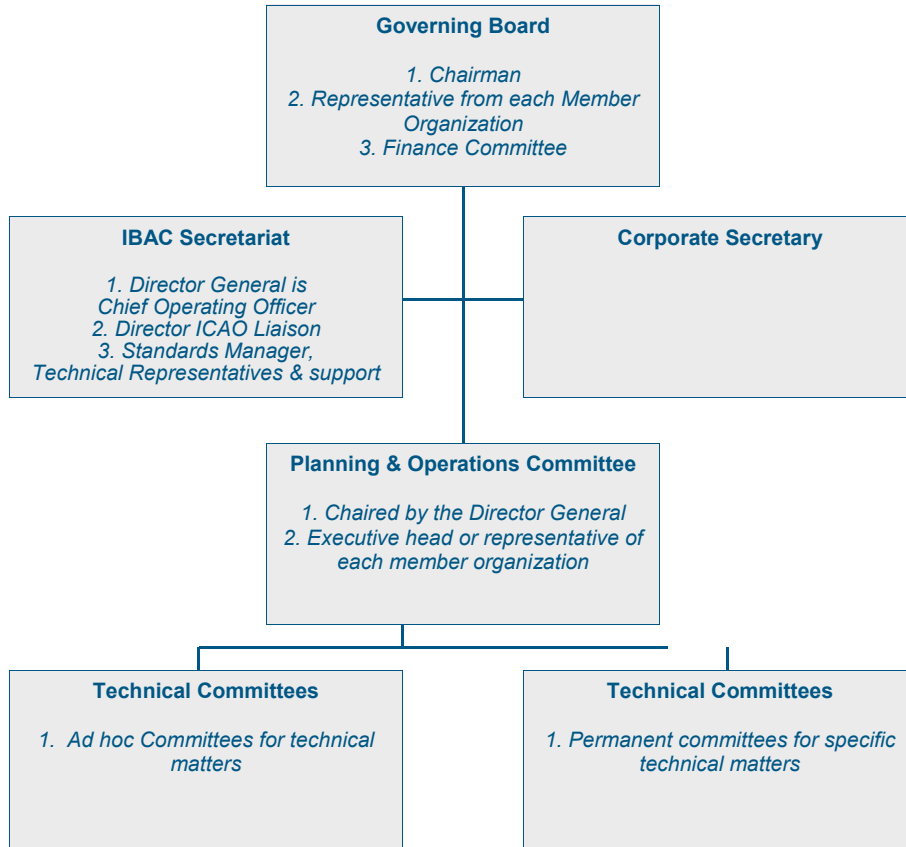
Policies

The day-to-day management of IBAC's affairs are conducted in accordance with policies approved by the Council's Governing Board. The IBAC Policy Manual is continuously under review to ensure current and effective direction.

Meetings

IBAC Bylaws require that meetings of the Governing Board are held at a minimum once per year, but they have routinely been held twice per year to accommodate the necessary work. See record in Attachment A.

IBAC's Governing Organization



IBAC Corporate Identity

Vision

- ❖ The recognized forum for leveraging strengths of Members to enhance the safety, acceptance and economic contribution of business aviation globally.

Mission

- ❖ To serve the needs of Members internationally and to foster mutual cooperation.

Values

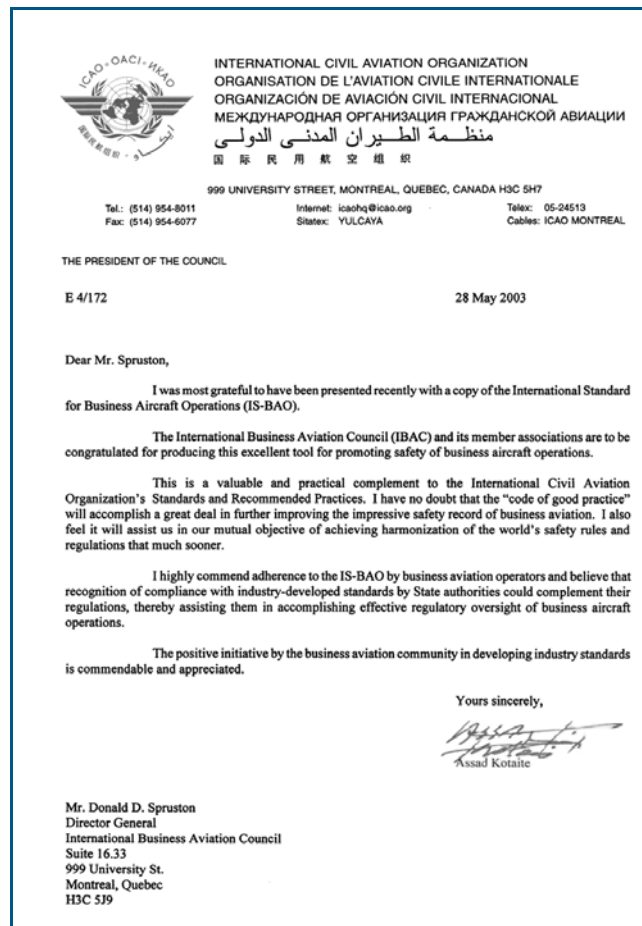
- ❖ Professionalism
- ❖ Integrity
- ❖ Respect
- ❖ Teamwork
- ❖ Accountability

IBAC's Operating Principles are to:

1. Promote safe, secure and environmentally responsible business aircraft operations.
2. Provide effective communication internally and externally.
3. Leverage the experience, knowledge and availability of resources in member organizations, to the benefit of the whole.
4. Facilitate business aircraft operations internationally.
5. Encourage the fair and equitable treatment of business aviation by civil aviation authorities, standards setters and service providers.
6. Promote the safe and orderly growth of business aviation throughout the world.
7. Promote the growth of the Council membership.
8. Participate as a full partner in international planning and implementation forums.

Advantages of Operating a Business Aircraft

- Financial savings for many travel options.
- Maximizing personal safety, security and peace of mind.
- Maximizing business opportunities by getting the right people to the right place at the right time.
- Efficient employee scheduling and employee time saved.
- Increasing productivity enroute.
- Minimizing non-business hours away from home.
- Ensuring industrial security.
- Exercising management control over efficient, reliable scheduling.
- Projecting a positive corporate image.
- Attracting and retaining key people.
- Reducing post-trip fatigue
- Optimizing payroll.
- Charging the entrepreneurial spirit.



Strategic Objectives

Strategic Objective 1

Foster safe, secure and efficient global business aviation operations.
(*Safety, Security and Efficiency*)

Strategic Objective 2

Seek means to achieve fair and equitable access by business aviation to the world's airports and airspace.
(*Equitable Access*)

Strategic Objective 3

Contribute to the orderly development of a safe, secure, efficient and environmentally responsible global aviation system, through participating and contributing as a partner in international standards and planning forums.
(*Standards and Planning Forums*)

Strategic Objective 4

Establish an international presence and structured management programme representing global business aviation interests.
(*Presence*)

Strategic Objective 5

Promote the growth of business aviation throughout the world.
(*Growth*)

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Action Plan

Strategic Objective 1

Foster safe, secure and efficient global business aviation operations.

Action Plan

- 1.1 Monitor and study worldwide aviation safety data and develop proposals to change standards in response to safety issues and initiatives applicable to business aviation.
- 1.2 Publish an annual summary of global business aviation safety data.
- 1.3 Complete an analysis of the Business Aviation Safety Brief to determine the statistical validity of its assumptions.
- 1.4 Complete an analysis of the accident record to determine if the IS-BAO may have reduced the probability of the accidents occurring.
- 1.5 Continue to actively promote the International Standard for Business Aircraft Operations (IS-BAO), in particular emphasizing the importance of a good safety standard for entry-level operators.
- 1.6 Promote IS-BAO and its benefits to manufacturers, insurance companies and regulatory authorities.
- 1.7 Manage ongoing improvement and delivery of the IS-BAO and present IS-BAO Workshops to satisfy demand.
- 1.8 Develop a plan to incorporate a pilot decision making section in IS-BAO.
- 1.9 Ensure that new ICAO Standards and Recommended Practices (SARPS) for Aviation Security recognize the specific requirements of business aviation.
- 1.10 Promote and assist in development of an FBO Security Program.
- 1.11 Develop a plan to promote business aviation security within the community, with the goal being the improvement of security in business aviation operations.
- 1.12 Develop a policy regarding Flight Data Monitoring Systems.
- 1.13 Complete a study on competence of aircrew that may be required for accessing the upper level airspace system.

- 1.14 Administer the IBAC aircrew identification card program.
- 1.15 Work with and encourage ICAO to adopt a universal global aircrew identification system compatible with business aviation objectives.
- 1.16 Contribute to the development of JAR OPS 0 & 2 requirements and promote the use of incorporated industry standards.
- 1.17 Maintain good communication linkages with civil aviation authorities, to promote conflict resolution assistance.

Strategic Objective 2

Seek means to achieve fair and equitable access by business aviation to the world's airports and airspace.

Action Plan

- 2.1 Support a study of global airport access issues, in coordination with ICAO or as a separate study.
- 2.2 Present papers to public representatives, officials, airport owners/operators and municipal leaders on the benefits of business aviation to achievement of local prosperity.
- 2.3 Develop and distribute promotional material on advantages of regional airports as economic generators, with the airport used by clean quiet business aviation aircraft.
- 2.4 Update the IBAC Video titled "Business Aviation – A Key to Community Prosperity" with information gathered over two years of use.
- 2.5 Complete a study of customs and cabotage issues impacting the business aviation environment.
- 2.6 Complete a study on how taxes impact business aviation.
- 2.7 Review and update IBAC policy on ANS and Airport charges.
- 2.8 Develop a process to capture early identification of access issues.

Strategic Objective 3

Contribute to the orderly development of a safe, secure, efficient and environmentally responsible global aviation system, through participating and contributing as a partner in international standards and planning forums.

Action Plan

- 3.1 Continue strong communication links with the ICAO Council and Air Navigation Commission, and participate on ICAO Panels of interest to business aviation.
- 3.2 Continue strong communication links with IATA, ACI, IFALPA, IAOPA, IFATCA, CANSO and other aviation organizations.
- 3.3 Represent business aviation interests at RTCA, ARINC and other standards setting forums.
- 3.4 Increase the membership and scope of the Planning and Operations Committee (POC).
- 3.5 Increase the distribution of the POC Decision Record to include Governing Board Members.
- 3.6 Promulgate a policy on environmental emissions for promotion to ICAO.

Strategic Objective 4

Establish an international presence and structured management programme to represent global business aviation interests.

Action Plan

- 4.1 Continue strong linkages with ICAO and other international bodies, and ensure summarized information reaches members on a timely basis. To accomplish this to best effect, obtain additional office space in the ICAO Headquarters Building.
- 4.2 Contribute widely to aviation journals.
- 4.3 Participate as speakers at international aviation events.
- 4.4 Develop generic aviation policies on behalf of the Council Members, for national application as each member determines appropriate.
- 4.5 Update IBAC policies applicable to staff responsibilities (position descriptions).

- 4.6 Develop succession-planning guidelines for IBAC staff.
- 4.7 Conduct a review of potential revenue sources for IBAC and develop proposals for a policy on member contributions.

Strategic Objective 5

Promote the growth of business aviation throughout the world.

Action Plan

- 5.1 Develop and introduce a new kiosk concept, which better reflects the coordination and cooperation of all business aviation associations and the value to all flight departments of having representative bodies.
- 5.2 Develop a plan for the gradual increase of the IBAC Membership.
- 5.3 Develop a plan in conjunction with Member Associations to improve the visibility of business aviation representative associations and their cooperative working arrangements.

Dimensions of Business Aviation Worldwide

- Approximately 22,500 turbine-powered aircraft
- Approximately 12,000 jet aircraft
- Over 14,000 operating companies

Financial Plan

Financial Summary

This five-year projection of revenues and expenditures provides an overview of how IBAC proposes to exercise its strategic objectives. Since IBAC is a non-profit organization, the summary reflects the balance between revenues and expenditures.

Financial Management Principles

1. As an organization created to represent the collective interests of its members, the primary source of funding is from member contributions.
2. Additional operational revenue sources will be developed and maintained to supplement or reduce member contributions where considered appropriate by the Governing Board (i.e. the aircrew card).
3. Funding assistance for specific projects will be sought on an ad hoc basis (for example - hosting an event or production of promotional material such as videos, brochures etc.).
4. No deficit will be contemplated, with the target being a balance between revenues and expenditures.
5. A Reserve fund shall be established and maintained in accordance with Policy 40-8.
6. Expenditures will be managed by IBAC's Director General, and overseen by the Finance Committee, in accordance with the approved Business Plan as updated by the annually approved budget.

Revenues (USD)

	2003	2004	2005	2006	2007
Contributions	\$277,800.	\$278,500.	\$282,000.	\$283,000.	\$284,000.
Operations	\$45,000.	\$45,000.	\$45,000.	\$45,000.	\$45,000.
Interest Income	\$2,500.	\$5,000.	\$5,500.	\$6,000.	\$6,500.
Total Revenues *	\$325,300.	\$328,500.	\$332,500.	\$334,000.	\$335,500.

*One of IBAC's strategic objectives is to increase membership. Increased contributions will provide improved leverage to assist business aviation globally.

Expenditures USD

	2003	2004	2005	2006	2007
1. Staff (3 pers)	\$138,000.	\$142,000.	\$142,000.	\$143,000.	\$144,000.
2. Office Lease	\$14,500.	\$14,500.	\$15,000.	\$15,000.	\$15,000.
3. Furniture & Equipment	\$12,000.	\$10,000.	\$10,000.	\$10,000.	\$10,000.
4. Supplies, Postage and Telephone	\$12,000.	\$14,200.	\$14,200.	\$15,000.	\$15,000.
5. Insurance	\$6,000.	\$6,000.	\$6,000.	\$8,000.	\$8,000.
6. Professional Fees	\$6,000.	\$6,000.	\$6,000.	\$6,000.	\$6,000.
7. Publications (Newsletter, Promotional Material, Website)	\$11,000.	\$11,000.	\$11,000.	\$11,500.	\$12,000.
8. Staff travel, hospitality and technical forums	\$50,000.	\$54,000.	\$54,000.	\$54,000.	\$54,000.
9. Aircrew Card ops.	\$11,500.	\$9,500.	\$9,500.	\$10,000.	\$10,000.
10. Contract Services (Studies & techn representation)	\$16,000.	\$17,000.	\$17,000.	\$17,000.	\$17,000.
11. Travel for Tech Reps	\$34,200.	\$25,000.	\$25,000.	\$25,000.	\$25,000.
12. Promotion at Conferences		\$3,000.	\$3,500.	\$3,500.	\$3,500.
13. Contingencies & Miscellaneous	\$14,100.	\$16,300.	\$19,300.	\$16,000.	\$16,000.
Totals	\$325,300.	\$328,500.	\$332,500.	\$334,000.	\$335,500.

IS-BAO Financial Management

In accordance with IBAC Policy, the IS-BAO is managed to be revenue neutral. The IS-BAO Business Plan is the authoritative document, giving the Director General approval for the ongoing management of the IS-BAO program.

Summary

The globalization of all sectors of the aviation community, including business aviation, demands that business aviation has an institutional body to provide a voice in the development and coordination of safety, security and environmental standards, airspace design and airport infrastructure. The business aviation community is resolved to assume an active role in the evolution of the aviation system and to help in the design of the system for the future.

The IBAC Governing Board, representing the eleven regional and national associations that make up the IBAC partnership, has resolved that IBAC will work towards continuous improvement. Although good progress was made through the period of the last Business Plan (1999-2004), there is still much to be done to ensure progressive recognition of the IBAC Strategic Objectives.

This Plan provides the framework for IBAC's continuous improvement.



ICAO Assembly 2001

Courtesy ICAO

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Appendix A Record of Board Meetings

<u>No</u>	<u>Date(s)</u>	<u>Location</u>	<u>Time Between</u>	<u>Comments</u>
#0	14 September 1981	Anaheim	0 Begin	Ceremonial
#1	20-21 January 1982	Montreal	4 months	ICAO
#2	20-21 May 1982	Hanover	4 months	ILA '82
#3	10-11 November 1982	London	4 months	BAe
#4	25-26 May 1983	Paris	6 months	Dassault
#5	7-8 October 1983	Dallas	5 months	Bell w/NBAA
#6	20-21 June 1984	Brussels	8 months	Abelag
#7	19-20 February 1985	Montreal	8 months	ICAO w/Kotaite
#8	29-30 October 1985	London	8 months	Aero Society
#9	7-9 May 1986	Vancouver	7 months	w/CBAA
#10	5-7 February 1987	Genoa	9 months	Piaggio
#11	2-3 October 1987	New Orleans	8 months	w/NBAA
#12	2-3 May 1988	Hanover	9 months	w/ILA
#13	20-22 February 1989	Montreal	11 months	w/CBAA
#14	27-28 November 1989	Gold Coast	9 months	w/ABAA
#1Spl	17 August 1990	Montreal	(Special)	Special
#15	5-6 October 1990	New Orleans	11 months	w/NBAA
#16	24-25 June 1991	Munich	8 months	w/P.A.Show
#17	31 March - 1 April 1992	Montreal	9 months	
#18	25-26 Sept 1992	Dallas	6 months	w/NBAA

Continuous Improvement

<u>No</u>	<u>Date(s)</u>	<u>Location</u>	<u>Time Between</u>	<u>Comments</u>
#19	11-12 June 1993	Edinburgh	9 months	BAUA host
#20	23-23 March 1994	Melbourne	9 months	ABAA host
#21	7 October 1994	New Orleans	7 months	w/NBAA
#22	6-7 April 1995	Brussels	6 months	EBAA host
#23	11-12 August 1995	Vancouver	4 months	CBAA
#24	4-5 April 1996	Rio	8 months	ABAG host
#2Spl	6-7 September 1996	UK	(Special)	Farnborough
#25	22-23 November 1996	Orlando	7 months	w/NBAA
#26	5 August 1997	Vancouver	9 month	w/CBAA
#27	8 May 1998	Washington	9 months	at NBAA, changed from South Africa
#28	22 October 1998	Las Vegas	5 months	at NBAA
#29	6-7 May 1999	Montreal	7 months	at ICAO
#30	15 October 1999	Atlanta	5 months	at NBAA
#31	8-9 June 2000	Montreal	8 months	at ICAO
#32	13 October 2000	New Orleans	4 months	at NBAA
#33	21 April 2001	Geneva	6 months	at EBACE
#34	21 September	New Orleans	5 months	at NBAA
#35	20 June 2002	Montreal	9 months	at CBAA
#36	13-14 Sept 2002	Orlando	3 months	at NBAA
#37	9 May 2003	Geneva	8 months	at EBACE
#38	10 October 2003	Orlando	5 months	at NBAA