2016 CANSO AFRICA REGIONAL CONFERENCE

Lessons Learnt from the Re-structuring of GCAA

Presentation by
Ing. Simon Allotey
Director-General, Ghana Civil Aviation Authority
Presentation Outline

• Introduction
• Decoupling of GCAA in 2006
  • Legal Mandate
  • Separation Model
• Change Management Issues
• Challenges & Lessons Learnt
• Separation of Air Navigation Services from Regulatory
• Way forward
Introduction

• GCAA is the Regulatory Agency of Government on civil air transportation - Ghana Civil Aviation Act, 2004 (Act 678); Ghana Civil Aviation (Amendment) Act, 2016 (Act 906)

• GCAA also provides air navigation services within the Accra FIR (Flight Information Region) which comprises the airspace of Ghana, and a large sector of the Atlantic Ocean up to latitude 9.5 Degree South

• Prior to 2006 GCAA was also an Airports Operator

• Act 678 provided for the separation of Airports Management from GCAA. The Ghana Airports Company Ltd (GACL) was established in 2006
Decoupling of GCAA

Legal Mandate

- **Cabinet Memorandum**: Cabinet gave directives on the decoupling of the Airports Operations from the GCAA. Full organisational (structural) separation with Government being the sole shareholder. The Airports Company was to be registered as a Limited Liability company under the Companies code of Ghana.

- **Act 678**
  - Gave further direction on Government’s vision: Company was to undertake airports development and operate on sound commercial principles
  - Made provision for transitional arrangements.
Implementation Methodology

• In house-decoupling Committee established chaired by the Deputy Director-General
• Representatives of key external stakeholders (Ministry of Transport, Labour Union etc) included to ensure buy-in and early resolution of problems
• Sub-Committees formed (HR & Finance, Assets Review & Strategic Planning)
• Key objective was to ensure sustainability of both entities after separation
• Communications Strategy – Regular Staff meetings, Flyers, Q & A, Board Briefs
Challenges

• Trust issues
  • Staff perception about bias in posting support staff to both entities
  • Staff perception about disproportionate sharing of assets
• Assets Sharing
  • Over-simplistic approach to Assets sharing
  • Provision was not made for future separation of the ANSP from the Regulator
  • Staff discontentment over Assets sharing still persists
Lessons Learnt

• Need to have an independent process Champion. Could have eliminated the perception of bias

• Assets sharing could have been “soft” for a period to enable further review if necessary.

• The Decoupling Studies was rushed through. Originally intended for 3 months duration but took 7-months to finalise Report.

• Post-Decoupling issues poorly dealt with. A high level Post-decoupling Committee should have been in place to review and address emerging issues promptly
Ongoing Separation of ANSP from Regulator

- Initiated process in July 2016 to further decouple Air navigation services provision from Regulatory Services in line with ICAO and CANSO Recommendations. **Has total commitment and buy-in from staff**

- Guiding Principles:
  - Sustainability: Both entities should be financially sustainable after decoupling
  - Objectivity: The GCAA Board has directed that the Process Consultant should be “independent, neutral and objective”.

- In House- Committee formed and given Terms of Reference. Has started with Ground Rules, review of appropriate guidance materials and the formation of Sub-Committees.

- Expression of Interest to be advertised for an Independent Consultant to drive the Process

- Committee Report to be ready by end of June 2017.
An Old Adage

“Where there is a will, there is always a way!”

Thank you