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RESOURCE MANAGEMENT

(e) Preliminary consideration of work programme and budget prospects for 2003

Note by the Secretary-General

SUMMARY

Executive summary: This document and its annex provide a synopsis of the status of the Major Programmes for 2003, as at 31 May 2003, including a forecast revised income and expenditure statement for the Printing Fund.

Action to be taken: Paragraph 3

Related documents: C 90/17(e)

Introduction

1 The Secretary-General provided in document C 90/17(e) an assessment of the budget prospects for 2003. As a complement to the earlier financial report, a summary of the status of the Major Programmes is annexed to this document.

Expenditure Forecast

2 The Secretary-General has further reviewed the Organization's overall expenditure position and can advise the Council that expenditure will be contained within the level of appropriation approved for 2003, as projected in document C 90/17(e). An up-date will be provided to the Council at its twenty-second extraordinary session. The status of the Printing Fund appropriations, including a forecast revised income and expenditure statement, is presented to the Council as part of the Organization's Publishing activities under Major Programme 12 – Publishing Service. This indicates that publishing sales' revenues are forecast to be approximately £570,000 higher than the original estimate.

Action requested of the Council

3 The Council is invited to take note of the status report on the Major Programmes, including a forecast revised income and expenditure statement for the Printing Fund.

For reasons of economy, this document is printed in a limited number. Delegates are kindly asked to bring their copies to meetings and not to request additional copies.

ANNEX

STATUS REPORT ON MAJOR PROGRAMMES AS AT 31 MAY 2003

MAJOR PROGRAMME 1 – GENERAL POLICY AND DIRECTION

1 This major programme aims to facilitate the adoption of policies of the Organization and to provide strategic guidance to the Organization in order to promote the achievement of its primary objectives. This major programme comprises three programmes:

- i. Governance (Assembly and Council);
- ii. Office of the Secretary-General; and
- iii. Internal Oversight.

2 The expenditure in this major programme includes the costs of the Organization's governance in respect of the Council meetings and the Assembly every other year. The Programme also embraces the costs of the Secretary-General, his office and the costs of the associated staff.

3 The Secretary-General's Change Management Programme (CMP) continued with priorities given to the reform of accounting, financial and budgetary control systems, human resource reforms, leadership and management programme and technical co-operation.

3.1 The reorganization of the Finance and Budget Section has been made in line with the recommendations of the MANNET report and new roles and responsibilities have been drawn up for the various posts to introduce procedural improvements. An analysis of an ERP system compared with the development of a bespoke system by the Government of Brazil has been prepared.

3.2 One of the immediate priorities in human resources reforms is to revise the form and content of the current staff performance appraisal system. A performance management system has been piloted in Publishing Service, Human Resource Services and the Technical Co-operation Division. The results will be evaluated and, in light of the experience, the scheme will be extended to all Divisions.

3.3 The workshops on "Leadership, change management and personal effectiveness" have been completed. Twelve workshops were conducted by March and offered to all Professional and General Service staff to strengthen management competencies and improve vertical and lateral communications at all levels.

3.4 To improve technical co-operation the Secretary-General has promulgated new organizational arrangements between the Technical Co-operation Division and other technical Divisions as implementation agents and the Organization's TC structures are being revised to accommodate the measures. Development continues of a database (TC PROMIS2) to meet the short-term reporting needs of the internal and external Technical Co-operation stakeholders.

4 Since the 89th session of the Council, the Internal Oversight Section (IOS) has completed two audits covering the activities in the Administrative Division and one on a project office. One audit on Headquarters is in progress. Audits of the separation entitlements of 15 employees were completed. The evaluations of 18 training events are in process. IOS continued to provide support on the procurement project for a management accounting and information system and served as a

member on the Steering Committee for this project. IOS also served as the focal point for matters originating from the Joint Inspection Unit and provided information and comments on various reports. IOS represented the Secretariat at the 4th Conference of International Investigators and will also be participating at the 34th Meeting of Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions.

MAJOR PROGRAMME 2 – MARITIME SAFETY

1 The objective of this major programme is to reduce the risks of accidents and mitigate the consequences by improved design, equipment and ship operations, including the handling of cargoes, by improved training and by focussing on the human element. The programmes under this major programme include:

- i. Direction and management;
- ii. Training and human element matters;
- iii. Stability, load lines and fishing vessels safety;
- iv. Ship design and equipment;
- v. Fire protection;
- vi. Radiocommunications and search and rescue;
- vii. Navigational operations and equipment;
- viii. Bulk liquid and gases;
- ix. Dry cargoes and containers; and
- x. Technical co-operation and institutional development: Implementation of safety programme.

2 Direction and management

2.1 The Secretariat, under this programme, provided management and direction within the Maritime Safety Division for the coordination and implementation of the various programmes which fall within the purview of the Division and cross sectoral activities. In this regard, activities relating to the preparation and organization of meetings of the 7th session of the COMSAR Sub-Committee, 47th session of the FP Sub-Committee, 34th session of the STW Sub-Committee, 46th session of the DE Sub-Committee, 8th session of the BLG Sub-Committee and the 11th session of the FSI Sub-Committee were successfully carried out. Preparatory work is being undertaken for the 49th session of the NAV Sub-Committee, the 46th session of the SLF Sub-Committee and the 8th session of the DSC Sub-Committee, all of which will take place in the second half of this year.

2.2 Based on the decisions taken by the 76th session of the Maritime Safety Committee, the Secretariat has executed about 94 specific actions and tasks requested of it. In doing so, final edited text of resolutions, circulars, recommendations and draft amendments were produced and preparatory work attendant to the decisions of the MSC relating to its subsidiary bodies has been undertaken.

2.3 The Secretariat has been coordinating, organizing and providing the normal secretarial support for the 77th session of the Maritime Safety Committee, which will consider and adopt amendments to SOLAS 74 and the 1988 Load Lines Protocol. Following the adoption of amendments to SOLAS 74 and the new ISPS Code by the Diplomatic Conference on Maritime Security held in December 2002, the Secretariat has carried out extensive work to put in place administrative and operational processes to deal with the expected information to be forwarded to the

Organization relating to the implementation of the ISPS Code; and has assisted in the implementation of the security measures adopted by the Conference.

2.4 The Secretariat continued to provide direction and management in the execution of major programme 6 on Cross Sectoral Activities, major programme 5 on Facilitation of Maritime Traffic and the implementation of the Organization's Integrated Technical Co-operation Programme.

2.5 With regard to major programme 6 – Cross Sectoral Activities, the subjects of Formal Safety Assessment and the voluntary IMO Model Audit Scheme continued to demand significant efforts from the Secretariat. Co-operation, monitoring and follow-up actions related to IMO's common work with international organizations (e.g. FAO, IEC, ILO, ISO, IACS, ITU, UN ECOSOC, WCO etc.) and participation in international conferences and seminars relating to technology topics of interest to IMO have also continued.

3 Training and human element matters

3.1 The Secretariat, in addition to servicing the scheduled 34th session of the STW Sub-Committee, supported panels of competent persons to evaluate the information communicated by STCW Parties concerned. The process is continuing with initial evaluations on-going in respect to 12 STCW Parties and work is underway on other reports in respect of a further 12 STCW Parties.

3.2 Under the technical assistance programme, the Secretariat, assisted by external consultants as necessary, has provided advice and guidance on the STCW Convention, ISM Code and related issues. Preparatory work and the development of seminar materials for the series of seminar/workshops aimed at raising awareness of the STCW-F Convention has been completed and the first two seminars in the programme have been successfully concluded. In response to requests from Governments, seminar materials have also been developed for the training of simulator instructors. In addition, a programme of training and technical assistance covering STCW and ISM Code implementation, including quality standards and auditing, will be progressed. The programme of translating IMO model courses into the French and Spanish languages has continued.

3.3 As a result of internal staff moves which have reduced the section complement, some re-allocation of duties, re-grading of posts and enhancement of expertise will be necessary in order to effectively respond to the increasing focus on implementation of IMO instruments and the human element.

4 Stability, load lines and fishing vessels safety

4.1 In addition to preparing for the scheduled 46th session of the SLF Sub-Committee, the Secretariat, as at 31 May 2003, has carried out intersessional work in support of the actions requested by the Sub-Committee regarding, principally, the development of the revised SOLAS chapter II-1 in respect of subdivision and damage stability, including the harmonization of damage stability provisions in other IMO instruments; the revision of the fishing vessel Safety Code and Voluntary Guidelines; the review of the Intact Stability Code and the Offshore Supply Vessel Guidelines; and the development of improved loading/stability information for bulk carriers. In preparation for MSC 77, the Secretariat has carried out all the preparatory work for the Committee's consideration, with a view to adoption, of proposed draft amendments to the 1988 Load Line Protocol, aimed, *inter alia*, at enhancing bulk carrier safety.

4.2 The Section within the Secretariat responsible for this Programme also deals directly with programmes 4 – Ship design and equipment; 5 – Fire protection; and 8 – Bulk liquids and gases, and also with cross sectoral activities from major programme 6 concerning Formal Safety Assessment and Co-operation with the United Nations and other international bodies, as well as other important activities emanating directly from the Maritime Safety Committee, in particular bulk carrier safety and large passenger ship safety. This level of activity is likely to continue or even increase in future. Therefore, the Section, whose technical staff is composed of only three Officers, is experiencing serious human resource problems, which will continue to arise unless it is adequately reinforced in the near future, including the necessary clerical support.

5 Ship design and equipment

5.1 The Secretariat, in addition to serving the scheduled 46th session of the DE Sub-Committee, has continued carrying out the intersessional work dealing with a number of issues such as amendments to the Guidelines on the enhanced programme of inspections during surveys of bulk carriers and oil tankers (resolution A.744(18)); measures to prevent accidents with lifeboats, in particular the preparation of relevant amendments to SOLAS chapter III; carriage requirements for immersion suits; large passenger ship safety; and interpretations of the 2000 HSC Code and SOLAS chapter X; among others. Regarding items referred to the Sub-Committee by the MEPC, concerning the guidelines for on-board NO_x verification procedure – direct measurement and monitoring method; the revised guidelines and specifications for pollution prevention equipment for machinery space bilges of ships; and the revised Guidelines and specifications for oil discharge monitoring and control systems for oil tankers, background work has been carried out by the Secretariat.

5.2 In preparation for MSC 77, the Secretariat has carried out all the preparatory work for the Committee's consideration, with a view to adoption, of the draft amendments to resolution A.744(18). Of special importance have been the preparations with regard to the Committee's agenda item on "Bulk carrier safety", in particular, performance standards for water level detectors on bulk carriers; guidelines on early assessment of hull damage and possible need for abandonment of bulk carriers; application of IACS Unified Requirements S26, S27, S30 and S31 to bulk carriers; guidelines for bulk carrier hatch cover surveys; and owners' inspections and maintenance, among others.

5.3 The Section within the Secretariat responsible for this programme item is experiencing human resource problems with regard to the enormous volume of work involved (see paragraph 4.2 above).

6 Fire protection

6.1 As well as serving the scheduled 47th session of the FP Sub-Committee, the Secretariat, has carried out intersessional work regarding, principally, the performance testing and approval standards for fire safety systems; unified interpretations of SOLAS chapter II-2; the Fire Safety Systems Code and related fire test procedures; revision of resolution A.654(16); revision of the fishing vessel Safety Code and Voluntary Guidelines; large passenger ship safety; and the analysis of fire casualty records, among others. The section within the Secretariat responsible for this programme item is experiencing human resource problems (see paragraph 4.2 above).

7 Radiocommunications and search and rescue

7.1 The Secretariat, in addition to finalizing its work from MSC 76 and preparing for MSC 77 has provided secretarial services for COMSAR 7 and progressed the follow-up actions therefrom and has also participated in the work of the ITU in the preparation for the WRC- 2003.

7.2 The Secretariat updated the Global Maritime Distress and Safety System (GMDSS) Master Plan and issued the latest information concerning shore-based facilities installed worldwide. Based on submissions by Member Governments, the Secretariat has been updating the International Maritime SAR plan data, containing information on the current availability of SAR services, by means of the IMO electronic chart office information system.

7.3 Pursuant to resolution 1 of the 2000 Florence SAR/GMDSS Conference, the Secretariat is currently preparing two fact finding and assessment missions to West and Southern African countries aiming at establishing regional MRCCs in the two regions concerned.

7.4 The Section within the Secretariat responsible for this programme item is experiencing human resource problems with regard to the enormous volume of work involved.

8 Navigational operations and equipment and Maritime Security

8.1 Following the previously reported meetings of the Intersessional MSC Working Group on Maritime Security (ISWG) and the Maritime Security Working Group at MSC 76, the Secretariat has provided secretarial services for the 2002 SOLAS Conference, adopting the new regulatory regime to enhance maritime security (namely SOLAS Chapter XI-2 and the ISPEs Code). Preparations for the forthcoming Maritime Security Working Group at MSC 77 have been progressed by the Secretariat.

8.2 The Secretariat has continued to give technical/expert assistance for the implementation of the global technical co-operation programme on Maritime Security and has attended another one out of the two further seminars and workshops on this project. Additionally the Secretariat has attended nine international meetings, outside IMO, related to the subject matter in the period under review.

8.3 The Secretariat has been involved in the preparatory work for NAV 49 and MSC 77. The Secretariat has also organized one follow-up meeting on piracy and armed robbery matters for West and Central African countries in co-operation with MOWCA and hosted by Ghana.

9 Bulk liquids and gases

9.1 As well as serving the scheduled 8th session of the BLG Sub-Committee, the Secretariat has carried out intersessional work regarding, principally, the probabilistic methodology for oil outflow analysis; revision of the fire protection requirements of the IBC and IGC Codes; evaluation of safety and pollution hazards of chemicals and preparation of consequential amendments; requirements for personnel protection involved in the transportation of cargoes containing toxic substances in all types of tankers; consideration of IACS unified interpretations; and amendments to requirements on electrical installations in the IBC and IGC Codes, among others. The section within the Secretariat responsible for this programme item is experiencing human resource problems (see paragraph 4.2 above).

10 **Dry cargoes and containers**

10.1 The Secretariat, in addition to finalizing its work from DSC 7, has undertaken preparatory work for the upcoming DSC 8 and the E&T group meetings in September this year and has also provided secretarial services to the March 2003 session of the E&T group in its consideration of issues related to the transport of dangerous goods and preparation of amendments to the IMDG Code. The Secretariat has provided support on a number of issues such as review of the BC Code, measures to enhance maritime security, serious structural deficiencies in containers and granting exemptions from the provisions of the IMDG Code. Substantial resources are being devoted in the preparation and finalization of the IMDG Code, 2004 edition. The Secretariat will participate in the relevant work of the IAEA, and also in meetings of the UN ECOSOC Sub-Committee of Experts on the Transport of Dangerous Goods.

10.2 In addition, the Secretariat, within the framework of the Integrated Technical Co-operation Programme (ITCP), provided technical input and conducted two courses on the implementation of the IMDG Code and a further three courses are planned for rest of the year.

11 **Technical co-operation: Implementation of safety programme**

11.1 The Secretariat has continued to coordinate and monitor the provision of technical co-operation assistance through the implementation of the Integrated Technical Co-operation Programme (ITCP) relating to maritime safety. In 2003, the Secretariat will be responsible for the execution of seminars, workshops, training courses, technical assessment/advisory missions relating to flag and port State responsibilities; training of ships inspectors and port State control officers; the harmonization of PSC procedures; the promotion of regional co-operation on piracy and armed robbery against ships; assessment, examination and certification of seafarers; implementation of the IMDG Code; safety of non-convention vessels; and SAR and GMDSS. The activities include the organization and implementation of some 22 regional and 14 national training initiatives, as well as a substantial number of technical advisory missions, all of which necessitate liaising with host governments, arrangements for participants, development of training material and course programmes, development of terms of reference, identification and briefing of consultants and technical evaluation and clearance of consultants' reports.

MAJOR PROGRAMME 3 – MARINE ENVIRONMENT PROTECTION

1 This major programme aims to prevent and control pollution of the marine environment and it comprises seven programmes:

- i. Direction and Management;
- ii. Amendments to and Implementation of MARPOL and Related Codes;
- iii. Pollution Preparedness and Response (OPRC Convention, OPRC-HNS Protocol);
- iv. Management of Waste Disposal at Sea in Relation to the London Convention 1972 and the 1996 Protocol thereto;
- v. Follow-up to UNCED;
- vi. GESAMP and GIPME; and
- vii. Technical Co-operation and Institutional Development: Implementation of Environmental Programme

2 **Direction and Management**

2.1 The Secretariat provided management and direction within the Marine Environment Division for the co-ordination and implementation of the various programmes which fall within the purview of the Division and cross-sectoral activities. In this regard, activities relating to the preparation of meetings of the 49th session of MEPC, the 8th session of the BLG Sub-Committee, the 24th Consultative Meeting of Contracting Parties to the London Convention 1972, the 26th meeting of the London Convention Scientific Group, the ESPH Working Group, the GESAMP/EHS Working Group, and the second intersessional meeting of the MEPC Ballast Water Working Group were successfully carried out.

2.2 The Secretariat continued to perform its duties and responsibilities as required in the execution of cross-sectoral activities in order to assist the DE Sub-Committee, the NAV Sub-Committees and the FSI Sub-Committee.

2.3 Co-operation with intergovernmental bodies and international organization on matters related to marine environment protection and sustainable development has continued.

3 **Pollution prevention**

Harmful aquatic organisms in ballast water

3.1 The Secretariat continued to assist the MEPC Ballast Water Working Group, including the intersessional meeting of the Group, and the MEPC in the preparation of a draft International Convention for the Control and Management of Ships' Ballast Water and Sediments, including preparation of relevant Guidelines, with a view to adoption at a diplomatic conference which is now tentatively planned for early 2004.

Recycling of ships

3.2 The Secretariat assisted the Working Group on Ship Recycling and the MEPC, which produced draft Guidelines and a draft Assembly resolution at MEPC 48. The Committee agreed to finalize the Guidelines at MEPC 49 in July for adoption by the Assembly in November 2003.

Prevention of air pollution from ships

3.3 The Secretariat continued to assist the Working Group on Air Pollution and the MEPC in developing an IMO strategy on greenhouse gas reduction to be adopted by an Assembly resolution. The Secretariat also assisted DE 46 to finalize the Guidelines for on-board NOx verification procedure "direct measurement and monitoring method", which are to be approved by MEPC 49 in July 2003.

Condition Assessment Scheme (CAS)

3.4 The Secretariat assisted the MEPC which adopted the amendments to the CAS by resolution MEPC.99(48).

3.5 An electronic database for the CAS established in 2002 has been operational.

List of substances annexed to the 1973 Intervention Protocol

3.6 The Secretariat prepared the amendments to the list of substances annexed to the 1973 Intervention Protocol which were adopted at MEPC 48 by resolution MEPC.100(48).

Identification and protection of special areas and particularly sensitive sea areas (PSSAs)

3.7 The Secretariat assisted the MEPC which approved the Guidance Document for Submission of PSSA Proposals which have been issued as MEPC/Circ.398. The Committee designated the Wadden Sea of Denmark, Germany and the Netherlands as a new PSSA by resolution MEPC.101(48). The MEPC approved, in principle, the designation of the Paracas National Reserve of Peru as a new PSSA, pending consideration of a proposal "Areas to be Avoided" by the NAV Sub-Committee. The Committee also approved proposed amendment to regulation 10 of MARPOL Annex I with a view to designating the Oman area of the Arabian Sea as Special Area under MARPOL Annex I.

Harmful effects of the use of anti-fouling systems for ships

3.8 The Secretariat assisted the FSI 10 in preparing the Guidelines for Survey and Certification of Anti-fouling Systems on Ships, which were adopted by the MEPC by resolution MEPC.102 4(48). The Secretariat assisted FSI 11 to finalize the Guidelines for Brief Sampling of Ships' Anti-fouling Systems and the Guidelines for Inspection of Ships' Anti-fouling Systems, which are to be adopted by MEPC 49 in July 2003.

3.9 The Secretariat assisted the BLG-ESPH Working Group in determining the effect of the proposed criteria for assigning Pollution Categories and Ship Types on those products subject to the IBC Code. The Secretariat also assisted the Group in determining the effect of the revised criteria for assigning carriage requirements on those products subject to the IBC Code. This was made possible by the Secretariat's continued development of a computerised database designed to store toxicology and environmental data in a form that allowed it to be manipulated in any manner deemed appropriate by the Group.

3.10 The Secretariat assisted the 39th Session of the GESAMP/EHS Working Group (28 April-2 May 2003) in re-evaluating those products subject to the IBC Code under the revised GESAMP Hazard Evaluation Procedure in line with the Globally Harmonized System resulting from the 1992 UNCED Conference. This has involved the collection and collation of toxicological and environmental data and storing it in the same database, referred to above, to facilitate the selection of appropriate representative values by the Group, which are used to reflect the hazards of the product in the form of a Hazard Profile for further consideration by the ESPH Working Group.

Revision of MARPOL Annexes I and II

3.11 The Secretariat assisted BLG 8 to finalize the revision of MARPOL Annexes I and II, which are to be approved by MEPC 49 in July 2003, with a view to adoption at a future session.

Application of MARPOL Requirements to FPSOs and FSUs

3.12 The Secretariat assisted BLG 8 to finalize the Unified Interpretations to MARPOL Annex I and an MEPC Circular for the Application of MARPOL Requirements to FPSOs and FSUs, which are to be approved by MEPC 49 in July 2003.

Revision of Resolutions MEPC.60(33) and A.586(14)

3.13 The Secretariat assisted DE 46 to finalize the revision of resolution MEPC.60(33) on Guidelines and specifications for pollution prevention equipment for machinery space bilges of ships and resolution A.586(14) on Guidelines and specifications for oil discharge monitoring and control systems for oil tankers, which are to be approved by MEPC 49 in July 2003.

4 Pollution preparedness and response

OPRC matters

4.1 The Secretariat performed the following functions and activities:

.1 Information services

The Secretariat assisted the lead country in finalizing the text of the draft Guidance document on bioremediation with a view to its approval by the Committee at its future session. The Secretariat continued to maintain and update the databases on the IMO websites of: the list of national operational contact points; the catalogue on computer programmes; and the directories of centres of expertise. The Secretariat, following a recommendation of the IMO/UNEP Forum on regional arrangements, is currently developing a specific section on the IMO website dedicated to regional co-operation on preparedness and response to pollution incidents.

.2 Education and training

The Secretariat recruited a consultant to prepare a draft new OPRC Model Training Course "Foundation Level for Managers and Operators" which shall be finalized for its adoption at MEPC 50. The Secretariat, with the financing support of the ITCP, recruited two consultants to undertake the revision of the existing Level 1, 2 and 3 OPRC Model Training Course material on the basis of the recommendations, approved by the OPRC Working Group and subsequently by the MEPC 48. The model courses shall be finalized for their adoption at MEPC 50. The Secretariat continued to provide on request the OPRC Model Training Course material to the accredited or approved training organizations.

.3 Technical assistance

Following the tanker "Limburg" incident on 6 October 2002 which resulted in an oil spill affecting the coastline of Yemen and subsequent to the request for assistance made by the Yemen Authorities, the Secretariat organized a two-man mission to advise the authorities of Yemen on matters pertaining to damage assessment and preparation of claims, and to clean-up operations.

.4 International Conference

The Secretariat participated actively at the International Oil Spill Conference (Vancouver, April 2003).

.5 Regional co-operation

The Secretariat successfully organized, jointly with UNEP, a Forum on regional arrangements for co-operation in combating marine pollution incidents. The Secretariat finalized the proceedings of the Forum which have been issued.

OPRC-HNS matters

4.2 The Secretariat is currently assisting the United Kingdom as lead country in the revision of the Manual on Chemical Pollution, Section 2: Search and recovery of packaged goods lost at sea.

4.3 The Secretariat is launching the process of developing an inventory of available information or sources of information relevant to OPRC-HNS issues which should be placed on the IMO website and kept updated.

5 Management of waste disposal at sea

5.1 The Secretariat assisted the 26th session of the London Convention Scientific Group (22-25 April 2003) with as main results:

- .1 the further development of guidelines for the selection and analysis of physical, chemical and biological parameters for the assessment of dredged material quality;
- .2 initial steps and a work programme towards the preparation of guidance to national administrations for the development of Action Lists under the London Convention Waste Assessment Guidance;
- .3 a review of the 1997 advice both to the maritime and environmental branches of national administrations concerning the management of spoilt cargoes on board vessels. The meeting acknowledged the regular occurrence of sea disposal of spoilt cargoes under a dumping permit and recommended the upgrading of this advice to more formal guidelines;
- .4 continuation of work on various technical co-operation issues, including the completion of new modules of the Waste Assessment Guidance Training Set;
- .5 a review of the major overhaul of the London Convention Web-site which is being planned in the summer of 2003; and
- .6 the off-the record discussions under “Science-day” on the topic: “beneficial use of dredged material”.

6 GESAMP

6.1 In its capacity as the Administrative Secretariat of GESAMP, the Secretariat organized the 33rd session of GESAMP, which was held at FAO Headquarters in Rome from 5 to 9 May 2003. The report of this session will be published in the course of 2003.

6.2 On behalf of the eight Sponsoring Organizations of GESAMP, the Secretariat issued a second contract to a consultant for preparation of a final draft of the Strategic Plan for the future of GESAMP. This Strategic Plan was reviewed with a view to its completion in the summer of 2003. In Resolution A/RES/57/141, paragraph 45, the UN General Assembly decided in 2002 to establish by 2004 a regular process under the United Nations for the global reporting and assessment of the state of the marine environment. In response to a request for proposals on the modalities for the conduct of regular global marine assessments, GESAMP offered to co-ordinate the scientific aspects of such assessments.

7 London Convention technical co-operation activities

7.1 The Secretariat continued with the execution of various projects under the London Convention Technical Co-operation and Assistance Programme.

8 Technical co-operation and institutional development: implementation of environmental programmes

8.1 The Secretariat has continued to co-ordinate and manage environmental programmes and the provision of technical co-operation assistance through the IMO Integrated Technical Co-operation Programme and specifically the Sub-Programme for the Protection of the Marine Environment. A number of activities have taken place during the period in consideration with a view to assisting in the implementation of the provisions of the relevant IMO conventions (OPRC, MARPOL, LC and PSSAs). In this respect, the Secretariat carried out activities aiming at:

.1 OPRC

- development of national systems for pollution preparedness and response;
- training in the field of pollution preparedness and response through the implementation of IMO model courses programme;
- development and implementation of the IMO/Industry global initiative on oil pollution preparedness and response;
- development of regional systems for pollution preparedness and response;
During the period in consideration two regional contingency plans were finalized: Caspian region and Indian Ocean;
- management and support to the regional centres and programmes (REMPEC Mediterranean region and REMPEITC Wider Caribbean);
The Secretariat carried out intensive work in the negotiation and finalization of a Memorandum of Understanding between the Ministry of traffic and transport of the Netherlands Antilles, UNEP and IMO for the RAC/REMPEITC-Carib which was signed on 26 September 2002 in Caracao.
- co-operation with and support to regional centres or Regional Seas Secretariats (ROMPE/MEMAC Gulf region – MER/RAC North West Pacific; ERAC – Black Sea region; and SACEP Secretariat – South Asia; SPREP Secretariat – Pacific PERSGA Secretariat - Red Sea and Gulf of Aden, and CPPS – Pacific South East.

.2 MARPOL

- implementation and enforcement of MARPOL and related codes; and
- promotion of the provision of port reception facilities.

.3 PSSAs

- to increase awareness on the PSSAs concept and the relevant IMO guidelines:
The Secretariat, following the request made by the Philippines Authorities, initiated the organization, back-to-back with the International Tropical Marine Ecosystems Management Symposium, of an international seminar and a regional workshop on Particularly Sensitive Sea Areas in Manila, Philippines. These events, originally scheduled in November 2002, were postponed to March 2003 and have now been postponed again.

8.2 The Secretariat has continued to implement projects that are financed through outside sources. IMO, as executing agency, is currently implementing:

.1 Three GEF projects:

- a five-year GEF/UNDP/IMO project on building partnership for environment protection and management of the East Asian Seas which commenced October 1999;
- a four-year GEF/UNDP/IMO project on Removal of Barriers to the Effective Implementation of Ballast Water Control and Management Measures in Developing Countries – GLO/99/G31/A/1G/19 which commenced March 2000; and
- a 32-month GEF/World Bank/IMO PDG/Block B grant Project on Development of a Regional Marine Electronic Highway (MEH) in the East Asian Seas with a first phase in the Straits of Malacca and Singapore, which commenced March 2001. The Secretariat finalized, in August 2002, the preparation for a four-year demonstration project for the development of the Marine Electronic Highway in the Strait of Malacca and Singapore, which has been submitted to the GEF/World Bank for

funding. The project brief for the demonstration project is expected to be approved by the GEF Council before the end of this year.

.2 One UNEP project:

The Secretariat, under an IMO/UNEP project, is managing since 1976 the Regional Centre for the Mediterranean region, REMPEC. In addition, the Secretariat supervised and monitored two EU-LIFE projects (Turkey CP in port and Syria NCP), and one EU-MEDA project (port reception facilities), all of which are directly implemented by REMPEC.

8.3 The Secretariat, under Letters of Agreement, signed with UNDP within the framework of the Caspian Environment Programme and with the World Bank within the framework of a GEF project on combating oil pollution in the Indian Ocean, finalized draft regional contingency plans for the Caspian region and for the Western Indian Ocean area respectively.

8.4 The Secretariat prepared and submitted to the MEPC 48 revised thematic priorities for future technical co-operation activities and proposed contributions for the overall IMO ITCP for 2004-2005.

MAJOR PROGRAMME 4: LEGAL AFFAIRS

1 This major programme is to provide legal advice to the secretary-General, the Divisions and intergovernmental bodies of the Organization, Secretarial services to the Legal Committee and technical co-operation assistance in the field of maritime legislation. It comprises three programmes:

- i. Direction and Management;
- ii. Legal Affairs; and
- iii. Technical-Co-operation and Institutional Development: Implementation of Maritime Legislation Programme.

2 The Legal Affairs Programme comprises five sub-programmes: Development of International Maritime Law; Provision of Secretariat assistance; Provision of Legal Advice to the Organization; Performance of Depository and Related Functions; and Litigation. These services have been delivered according to plan.

3 Development of International Maritime Law

3.1 The Legal Office provided assistance of a legal and drafting nature to the Legal Committee in its deliberations on the development of an international convention on wreck removal, the review of the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, 1988 and its Protocol of 1988 relating to Fixed Platforms Located on the Continental Shelf. The Legal Office also provided legal advice and drafting assistance to the International Conference on the revision of the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea, 1974, and to the International Conference on the Establishment of a Supplementary Fund for Compensation for Oil Pollution Damage.

3.2 The Legal Office also carried on a number of studies to assist the Legal Committee in its deliberations, including an examination prepared in consultation with the Division of Ocean Affairs and the Law of the Sea, Office of Legal Affairs, UN, on the mandate of IMO to regulate coastal State intervention powers in the EEZ. Other studies to assist the work of the Legal Committee have been or are being conducted in cooperation with the CMI, including a study on places of refuge.

3.3 The Legal Office also provided advice, both written and oral, to governmental and non-governmental organizations, as well as to different sectors of the maritime industry in response to consultations of a legal kind on matters concerning development of international law within the purview of IMO. In this regard, the Legal Office has been working closely with the International Labour Organization (ILO) to develop guidelines relating to liability and compensation regarding claims for death, personal injury and abandonment of Seafarers.

3.4 Members of the Legal Office delivered papers to professionals and students visiting IMO on matters concerning the development of international maritime law. They also participated either as lecturers or observers at several meetings of intergovernmental/non-governmental organizations and at academic institutions.

4 Provision of Secretariat assistance

4.1 The Legal Office provided secretariat assistance to the regular meetings of the Legal Committee over this period as well as to the fourth session of the Joint IMO/ILO Ad Hoc Expert Working Group on Liability and Compensation regarding Claims for Death, Personal Injury and Abandonment of Seafarers.

4.2 The Legal Office also provided assistance with the examination of credentials for representatives to meetings of the MSC, MEPC, Legal Committee, Council, Assembly, and diplomatic conferences, as well as the credentials of permanent representatives and acting permanent representatives.

5 Provision of Legal Advice to the Organization

5.1 Advice provided by the Legal Office in this respect includes:

- Requests for legal advice from Member Governments on a wide range of matters;
- privileges and immunities, including on-going negotiations with the UK Foreign and Commonwealth Office regarding application of the London Congestion Charge to official IMO vehicles;
- legal issues governing the work and working conditions of IMO staff;
- agreements of co-operation between IMO and Member Governments/Organizations; and
- advice and assistance, as necessary, to other divisions and offices of the Secretariat on legal issues arising in the course of their work, or in connection with the relations of IMO or the Secretariat with other bodies.

5.2 In addition to servicing the work of the Legal Committee, the Legal Office continued to respond to all legal questions referred to it in connection with the work of the Council, the other Committees, intergovernmental bodies of IMO, and the Meeting of Contracting Parties to the London Convention, and provided advice or undertook studies as were required.

6 Depository and Related Functions

6.1 The Legal Office continued to perform the depository and related functions assigned to the Secretary-General and the Organization in respect of the multilateral treaty instruments deposited with IMO. These functions included the preparation of authentic texts of IMO treaty instruments and of certified copies of them, monthly updating of the status of acceptance of IMO treaties, and

provision of daily advice to Governments on the procedures regarding deposit of instruments of ratification or accession regarding IMO conventions.

7 Litigation

7.1 The Legal Office advised the Secretary-General and the Administrative Division on legal and related administrative questions pertaining to the implementation of the Staff Regulations and Staff Rules, the 1947 Convention on the Privileges and Immunities of the Specialized Agencies as applicable to IMO, and the Headquarters Agreements between IMO and the Government of the United Kingdom, the Government of Sweden and the Government of Malta. The Legal Office also continued to support the Administrative Division in the drafting of amendments to the Staff Regulations and Staff Rules and to execute its responsibility regarding appeal cases before the United Nations Administrative Tribunal. In this regard, the Legal Office has negotiated with host governments for regional pollution response centres to promote the use of mediation and arbitration in settlement of dispute provisions in agreements on the establishment of such centres.

8 Technical Co-operation

8.1 The Legal Office continued to provide back-stopping assistance to the Technical Co-operation Division, in the implementation of technical assistance projects, especially in the field of maritime legislation and the training of personnel in various aspects of maritime legislation and maritime administration. Advice included preparations of terms of reference for consultants and vetting of mission reports prepared by consultants, as well as briefing and de-briefing consultants before and after missions.

MAJOR PROGRAMME 5 - FACILITATION OF MARITIME TRAFFIC

1 This major programme aims to facilitate and expedite international maritime traffic and to prevent unnecessary delays to ships, persons and property on board. Three programmes are being undertaken under this major programme:

- i. Direction and management;
- ii. Amendments to, and implementation of, the FAL Convention; and
- iii. Technical co-operation and institutional development: Implementation of the FAL programme.

2 The Secretariat, under this programme provided overall direction, management and co-ordination to address measures aimed at facilitating maritime traffic and promoting co-ordination of concern arising from ship/port interface activities. In this regard, activities relating to the preparation, organization and servicing the 30th session of the FAL Committee were successfully carried out and specific actions and tasked emanating from the Committee's session are being implemented.

3 The Secretariat has continued to monitor stowaway incidents globally, record incidents reported to IMO and produce quarterly circular, which provides information on reported incidents of stowaways. The Secretariat has also attended meetings of the WCO on Enhancement of Maritime Security.

MAJOR PROGRAMME 6 – CROSS SECTORAL ACTIVITIES

1 This major programme relates to cross sectoral activities to enhance maritime safety and to prevent and control marine pollution. It comprises nine programmes:

- i. Direction and management;
- ii. Flag State implementation;
- iii. Port State control;
- iv. Ship casualties;
- v. Survey and certification;
- vi. Dry cargoes: Review of the INF Code and related matters;
- vii. Formal Safety Assessment;
- viii. Co-operation with the United Nations and other International bodies; and
- ix. Maritime Security.

2 In addition to servicing the scheduled 11th session of the FSI Sub-Committee, the Secretariat has been fully involved in follow-up actions from the eleventh session of the FSI Sub-Committee, including entering into an appropriate database the information contained in the various SAFs submitted; developing a new database on information on recognized organizations; preparing the consolidated text of revised Survey Guidelines under HSSC; and co-operation with FAO on the development of port State measures to combat illegal, unregulated and unreported (IUU) fishing.

3 The Secretariat continues to maintain a rapidly expanding database on casualties, which supports the work of the correspondence group and the FSI Sub-Committee on casualty analysis, including the analysis of human factors in ship casualties and the release of agreed casualty data on the IMO website. The Secretariat has also continued to address issues relating to the training of surveyors and inspectors on flag State implementation and port State control matters and updating of the substantial database on port State control deficiencies and the corresponding flag State comments which will be made available to the Equasis Information System. The Secretariat maintains relevant databases on specific maritime safety issues, which involve the preparation of statistics and associated circulars on piracy and armed robbery against ships, stowaways and trafficking or transport of migrants by sea.

4 During the period under review, as a follow-up to Assembly resolution A.682(17) on the promotion of regional agreements on port State control (PSC), the Secretariat has monitored the progress of all regional PSC MoUs and Agreement and has already attended three PSC MoU Committee meetings so far this year. In this regard, work to promote the harmonization of PSC activities is continuing, in particular on maritime security and data acquisition and transmission to the Organization.

5 The Secretariat has continued to monitor on going intersessional work relating to a number of projects on the implementation of the Formal Safety Assessment approach with regard to various types of ships such as bulk carrier and activities supporting the development of maritime safety, security and pollution prevention regulations for non-SOLAS ships, fishing vessels and pleasure navigation.

6 The Secretariat has continued to monitor on-going intersessional work relating to a number of projects on the implementation of the Formal Safety Assessment approach with regard to various types of ships with special emphasis on bulk carriers.

7 With regard to co-operation with the United Nations and other international bodies, the various activities undertaken by the Secretariat have been reported under the programmes concerned.

MAJOR PROGRAMME 7 – TECHNICAL CO-OPERATION AND INSTITUTIONAL DEVELOPMENT

1 This major programme aims to promote self-sustainability among developing countries in their compliance with global rules and standards contained in the treaty and non-treaty instruments.

It comprises seven programmes:

- i. Direction and management;
- ii. ITCP: strategy and programme development;
- iii. Resource mobilization within a tripartite relationship;
- iv. Management of ITCP execution;
- v. Programme implementation;
- vi. ITCP monitoring and impact assessment; and
- vii. Training and institution support

2 Overview

2.1 The Technical Co-operation and Institutional Development Programme is the umbrella programme that brings together all the elements of the Organization's technical co-operation management and implementation functions, from the biennial planning of the Integrated Technical Co-operation Programme (ITCP) through to the execution and monitoring of the ITCP activities.

2.2 The direction of the Organization's work under the Major Programme 7 is guided by the principles expressed in Assembly resolution A.901(21), under operative paragraph 3, which states that IMO's mission statement, in relation to technical co-operation, is to help developing countries improve their ability to comply with international rules and standards relating maritime safety and the prevention and control of marine pollution, giving priority to technical assistance programmes that focus on human resource development, particularly through training, and institutional capacity-building.

2.3 Further to the information provided to the Council in November 2002 (document C 89/19(d)/Add.1), the following developments have since taken place under this Major Programme.

3 ITCP: strategy and programme development

3.1 The Integrated Technical Co-operation Programme (ITCP) for 2004-2005 has now been prepared by the Secretariat for consideration and approval by the Technical Co-operation Committee (TCC) at its 53rd session (document TC 53/4). Aside from the constituent regional and global programmes and a summary of the funding requirements, the new programme document contains the ITCP's mission statement and priorities, its long- and medium-term goals, and it also provides a description of IMO's role in promoting sustainable development through the new focus areas, namely, institutional capacity-building and human resource development.

3.2 As compared to the ITCP for the current biennium, some changes have been introduced in the ITCP for 2004-2005, particularly in respect of its medium-term goals and its constituent programmes. These changes are intended to address priority issues such as maritime security,

implementation of the revised IMDG Code, the 1995 STCW-F Convention, the OPRC-HNS Protocol and the AFS Convention, as well as support for the control and management of ships' ballast water, for the safety of small vessels and for the training of personnel in ship/port interface activities.

3.3 The future ITCP comprises 26 programmes with funding requirements of US\$14.1 million. It is the Secretariat's view that the proposed programmes and activities are the minimum to be delivered, taking into account the assessed needs of developing regions and the new thematic priorities identified by the technical Committees, and especially the increasing requests for assistance in complying with the ISPS Code. Accordingly, to support the execution of the new ITCP, the Secretary-General has proposed an allocation from the Technical Co-operation Fund (TC Fund) in the amount of US\$7.85 million, or 56% of the requirement (document TC 53/5). However, full programme delivery is dependent on the availability of additional external funding and resource mobilization work will therefore be carried out to secure the supplementary funding requirement.

3.4 In this regard, and notwithstanding the notable increase in ITCP expenditure of some 78% since 1999, the implementation capacity of the Secretariat is stretched, as witnessed by the financial delivery rates that over the same period have ranged between 50% and 55% of available resources. Without additional capacity for ITCP implementation, this situation can only improve modestly in the immediate future given the prior need to assimilate fully the new TC processes and systems introduced through the Change Management Programme, and the ever increasing partnerships that are being established simultaneously, all of which result in increased programme development and management demands that impact also on implementation.

3.5 The Organization's TC structures are being revised in 2003 to accommodate the measures approved by the Secretary-General under the Change Management Programme. At the operational level, the Programme Implementation Document (PID) has been re-designed to introduce new elements including, *inter alia*, an Implementation Contract between TCD and each Implementation Agent, respectively, which will allow greater monitoring precision against specified performance indicators and milestones.

3.6 In parallel with these new programme management features, the review of the TC finance processes has formed the basis for the design of an interim finance package, which is being developed as a temporary measure prior to the replacement of the legacy systems and pending the introduction of an updated data-management system.

4 Resource mobilization within a tripartite relationship

4.1 The ITCP resource base currently comprises a total of 32 sources of funding. Despite that relatively broad range of donors, the top eight donors accounted for some 93.3% of the total in 2002, and the TC Fund and GEF dominate the resource-profile at 41.9% and 32.3%, respectively, of programmed funds.

4.2 In light of the shortfall in the level of funds required to implement the ITCP biennial programme, the Secretariat actively explores potential avenues of financial support through donor partnerships. Recent successes include the decision by the Republic of Korea, to provide funding for IMO's ITCP on a continuous basis. Consultations are being held to establish a trust fund for this purpose and an agreement is expected to be signed in June 2003.

4.3 In addition, the African Development Bank has allocated funding of US\$430,000, through bilateral sources, for a project "Study of Maritime Waste Reception Facilities and Environmental

Impact in the Economic Community of West African States (ECOWAS) region of Africa". Terms of reference have been developed by IMO and it is expected to implement this project in 2003.

4.4 Through one of its resolutions, the Diplomatic Conference on Maritime Security invited the Secretary-General to establish a Maritime Security Trust Fund for the purpose of providing a dedicated source of financial support for maritime security technical co-operation activities. The Secretary-General has approached several international and regional organizations, as well as Government representatives, to enlist contributions to the ITCP's related activities and their support in establishing the Trust Fund.

4.5 The Secretariat also continues to mobilize significant in-kind support from a wide variety of sources, including the recipients themselves, as indicated in document TC 53/7.

5 Management of ITCP execution

5.1 On-going collaboration with donors is channelled through a range of partnership agreements, including the IMO/France Protocol, the IMO/Norway Co-operation Programme, and through MOUs with the European Commission, Finland, The Netherlands, the Prefectura Naval Argentina, Singapore, the United Kingdom, the United States Coast Guard and Hong Kong, China. Additionally, collaboration is also continuing with regional implementation partners in Asia and the Pacific Islands, the Indian Ocean, Latin America and the Caribbean and the Mediterranean.

5.2 With respect to partnerships, a new MOU has been signed with the Dirección General del Territorio Marítimo y de Marina Mercante of Chile for the provision of experts and instructors, on a no-fee basis, to deliver advisory missions and training programmes in Latin America. Additionally, and in order to encourage the development and improvement of co-operation between IMO and all its existing or potential technical assistance partners, the Secretariat is organizing a Workshop on Partnership Building to be held in June 2003 in conjunction with the 53rd session of the TCC. Representatives from national Administrations and institutions, regional organizations and programmes, as well as from the industry, have been invited to speak at the workshop to share their experiences and explore new modalities of co-operation.

5.3 On-going collaboration with the Arab Academy for Science and Technology and Maritime Transport in Alexandria includes the provision of facilities and local experts to deliver regional activities, as specified in the MOU signed in October 2001.

5.4 Regarding the extension of the IMO Regional Presence scheme in India for South Asia and in the Philippines for the East Asian countries, respectively, good progress has been made. Consultations were held between the IMO Secretariat, the Government agencies concerned and the UNDP offices in Manila and New Delhi regarding the agreements to establish regional presence offices, and their location. The posts of regional co-ordinators have been advertised locally in the two countries through UNDP, and IMO has received numerous applications. What remains to be done is to finalize the agreements, decide on the office venues offered and interview short-listed candidate for the two posts. It is expected both offices will be in operation in the second half of 2003.

5.5 It is anticipated that the IMO regional presence scheme may be extended to the Arab/Mediterranean region, through the establishment of an MOU with the selected host country by June 2004.

6 Programme implementation

6.1 The Secretariat continues to manage and implement the approved ITCP components for which funding has been secured. The 2002-2003 biennium comprises thirty operational programmes, while some 80 individual projects are also ongoing during the interim period to December 2003. Projects that remain uncompleted will be integrated into the programme structure under the 2004-2005 biennium. The Annual Report on 2002, document TC 53/2, provided an analysis of the financial aspects of the programme, as well as reporting on the work accomplished.

6.2 NEPAD (New Partnership for Africa's Development) is a new initiative by African heads of state to spearhead development in Africa, which had emerged as the main policy framework for Africa's development. IMO has through the Regional Co-ordinators participated in two cluster meetings (Environment, Population and Urbanization and Governance, Peace and Security) held in May 2003. In the Governance, Peace and Security cluster, IMO expressed the urgent need for the African countries to take steps to comply with Maritime Security as in the ISPS code which will enter into force on 1 July 2004. The cluster recommended that this important message be conveyed to the political organs of the African Union (AU) as an urgent issue to be addressed by Africa during the next Summit in Maputo.

6.3 Under the Global Programme for Maritime Security, two sub-regional seminars/workshops on maritime security were conducted in Nigeria (West and Central African sub-region) (31 March to 4 April 2003) and in India (South Asia and Indian Ocean regions) (7 to 11 April 2003). By the end of 2003, it is envisaged to conduct similar events for North Africa (Maghreb countries), the Caribbean, Black Sea and Caspian Sea regions. In addition, the seminar/workshop training materials that were revised to incorporate the decisions of the SOLAS Conference on Maritime Security in connection with the adoption of new amendments to SOLAS '74 and the ISPS Code, have now been produced in the Arabic, English, French and Spanish languages.

6.4 A number of regional and national training courses have been delivered in the CIS/Eastern Europe region on OPRC [level 2 and level 3] in the first and second quarter of 2003, and a further six national and regional courses are planned for the year. The effective implementation of MARPOL has also been addressed, and other training activities are planned on flag State implementation and casualty investigation.

6.5 The enhancement of maritime safety has been implemented through one regional course on IMDG Code implementation held to-date, with a further five regional and two national courses planned for the year.

6.6 Activities to-date in the Arab/Francophone region have centered around the setting up of maritime safety technical regulations for three countries, a marine casualty regional seminar for the PERGA region, and the preparation of eight seminars on the ISM Code, STCW and FSI. Further activities envisaged in that region for 2003 include needs assessment missions and seminar on subjects covering non-convention ships regulations, maritime security, PSC, safety of fishing vessels, and STCW.

7 ITCP monitoring and impact assessment

7.1 At the operational level, the measures adopted under the Change Management have resulted in the introduction of an Implementation Contract between TCD and each Implementation Agent, respectively, which incorporates, *inter alia*, the definition of measurable performance indicators and

project milestones. This should facilitate the close monitoring and assessment of each implementation stage, in accordance with pre-determined non-quantitative criteria.

7.2 With respect to impact assessment, early in 2004 the Secretariat will organize a second impact assessment exercise to measure the effectiveness of the technical assistance received by developing countries, through the ITCP, during the period 2000-2003. The general principles, methodology and organizational requirements of that exercise have been submitted to the TCC, for consideration and approval, at its 53rd session (document TC 53/6).

8 Training and institution support

8.1 Institutional development remains a key element of the ITCP, and in this respect the Secretariat provides on-going support to the World Maritime University, the IMO International Maritime Law Institute, the IMO International Maritime Academy, as well as other global training activities and fellowship programmes.

MAJOR PROGRAMME 8 – CONFERENCE SERVICES

1 This major programme comprises two programmes to provide logistical support and related services to all IMO intergovernmental meetings:

- i. Direction and Management; and
- ii. Conference Management and Support Services

2 To date this year, there have been 9.3 official meeting weeks, comprising the Diplomatic Conference to adopt a Protocol to the 1992 Fund Convention, two committee meetings and six sub-committee meetings, one of which was extended for three days. All these meetings were organized and serviced as planned and interpreters in Arabic, Chinese, English, French, Russian and Spanish were recruited, as appropriate. All documents related to the IMO meetings were translated into the three official working languages and processed expeditiously.

3 In addition to the above-mentioned meetings, intersessional meetings of the MEPC Ballast Water Working Group and the Ad Hoc Council Working Group on the Organization's Strategic Plan, as well as other working groups and informal meetings, have been provided with support. The IOPC Funds' meetings have also been serviced.

4 Preparations are currently underway for the 77th session of the Maritime Safety Committee, which will start at the end of this month. The remainder of the year will be extremely busy for the Conference Division with meetings of the Assembly, the Council, the Marine Environment Protection Committee, the Technical Committee, the London Convention and three sub-committees scheduled.

5 In view of the fact that at this juncture, extensive work is building up for the forthcoming MSC meeting, a report on the volume of work processed and costs incurred will be presented orally to the Council.

6 It is timely, however, to bring to the Council's attention the fact that the volume of documentation has been increasing to such an extent that a point has now been reached where it has become difficult to cope within the resources available. The combination of the increased workload,

the expectation of two night shifts for some meetings, the extension of scheduled meetings or in some cases additional meetings financed by Member States and the decisions of some meetings to change the deadlines for submission of documents has resulted in intense pressure on staff in the Translation Services, Word Processing Units and Documents Control and Printing Units. The fact that, up until now, all documentation generated has been processed has been due to staff members willing to work beyond what can reasonably be expected. During meeting weeks, many staff have been working unacceptably long shifts and this situation is becoming more and more frequent as they service each and every meeting held in IMO. Appropriations for overtime and recruitment of temporary assistance have been fully utilized to help cope with the continuous intense pressure but the demand is now so much in excess of resources available that the result may be that documentation cannot be guaranteed to be available in time for meetings.

MAJOR PROGRAMME 9 – ADMINISTRATIVE SERVICES

1 The functions under this major programme relate to the management of the Organization's resources, i.e. financial resource, human resource and office facility/ materials and supplies. It comprises four programmes (IT Services and Publishing Service are separately reported as Major programmes 11 and 12 respectively):

- i. Direction and Management;
- ii. Financial Services (including Management Accounting Services);
- iii. Human Resource Management; and
- iv. Office of General Services.

2 Direction and Management

2.1 Following the Council's decision for the Secretariat to take further clarification of an offer made by the Government of Brazil to provide a customized budgetary control and financial system based on applications and systems in place in the Brazilian Navy, the Secretariat has held a number of discussions with the Brazilian authorities in London concerning the scope of the Organization's requirements and the timing of the submission of their proposal. The scripted demonstrations by the Government of Brazil took place in April and the users of the Secretariat evaluated in detail each of the components of the Brazil proposal and assessed the extent to which the proposal effectively addresses IMO's requirements. The assessment of the Brazilian offer is provided at document C 90/13/Add.1.

2.2 An interim solution has been put in place to provide low-cost, shorter-term system improvements pending the introduction of a new system. The Secretariat has been preparing to implement a new system, whatever form it might take. An external appointment has been made to provide the expertise and focus for this work and to provide continuity for the implementation of the new system.

3 Financial Services

3.1 The Financial Services have continued to meet the ongoing financial accounting, treasury functions and the provision of income and expenditure reports ensuring that the transactions were in accordance with the Organization's Financial Regulations and Rules. The final accounts of the Organization for 2002 were completed at due dates and were submitted to the External Auditors. Previous Audit observations have been systematically followed-up and will be further reported to the

Council when they are concluded in discussion with the Intersessional Working Group on Accounts and Audit.

3.2 Treasury functions also included the administration of contribution accounts in respect of Member States, collection of contributions, and issuing of status of contributions and reminders to Members falling under Article 56 thereby securing timely payment of annual contributions from Member States. The expenditure functions included preparation of a monthly payroll within the target date, prompt settlement of vendor claims and weekly/monthly payments to short-term temporary assistance.

3.3 The Finance and Budget Section has been reorganized into two separate Services: Financial Services; and Management Accounting Services, in line with the MANNET recommendations, to facilitate the decision making-process of managers. Programme budget allotments approved by the Secretary-General were issued to Programme Directors to incur expenditure within the level of approved appropriation. The budget process for 2004-2005 has been launched on a new management-led basis, following recommendations from D&T. All Directors and their senior staff have been involved in a new zero-based budgetary approach. The aim is to inspire ownership and commitment to the budgeting process, and to help promote management accountability as part of the CMP. The Chart of Account will be revised in accordance with the new structure of the Work Programme and Budget for the next biennium. A budget manual is planned to prepare and issue to the programme managers so that the standard and transparent procedures of formulating and implementing programme budgets are established in the Organization.

4 Human Resource Management

4.1 The management of the Organization's Human Resources (HR) largely focussed on the administration of the Pay and Benefits system in accordance with the UN standards and the Organization's Staff Regulations and Staff Rules. This year, among other things, an immediate priority has been placed on introducing a performance management system to better address individual performance and to identify staff strengths and areas for development. This process will also serve to identify specific training and development needs. A new Performance Management System is currently being piloted in the Technical Co-operation Division, Human Resource Services and the Publishing Service. Based on the evaluation results, the scheme will be extended to all Divisions.

4.2 The Secretariat has played an important role in changing the culture of the Organization by becoming more client-orientated. The introduction of part-time employment is a good example of this.

4.3 The HR Service is involved with the development of the IMO Intranet to allow easy access to Staff Regulations and Staff Rules and related documents as well as individual leave records. The development of the HR database is also underway and should be fully operative by the end of the year.

5 Office of General Services

5.1 The key objectives of the Office Services programme is to provide delegates and staff a secure and conducive working environment in which to operate. This has been achieved to time and to budget. The Organization continues to work closely with the United Kingdom Government on the building maintenance and refurbishment programme. An Options Review in respect of the

Organization's Headquarters premises will be undertaken by the United Kingdom Government's external consultants to assess the Organization's and the United Kingdom's prospective exposure over the next 10-20 years and to advise on the capital expenditure in prospect. A report of the consultants' findings and recommendations will be made to the Council at its 23rd extraordinary session.

5.2 The Administrative Division continues to review and keep up to date with market developments to ensure that goods and services and procured at the most competitive rates. Arrangements are under way to further enhance security within the Building. The catering staff will continue to provide a service to the highest standards within the Building.

MAJOR PROGRAMME 10 - EXTERNAL RELATIONS

1 This major programme aims to promote harmonious relations with States, Organizations of UN system and intergovernmental and non-governmental organizations and to disseminate information about the Organization, its strategy and activities. It comprises two programmes:

- i. External Relations; and
- ii. Information Services

2 External Relations

2.1 This programme has been delivered according to plan.

2.2 The External Relations Office has continued to co-ordinate the relations of IMO with the United Nations and its specialized agencies, including the contributions of IMO to the work of the United Nations Chief Executives Board for Coordination (CEB) (formerly ACC) in 2003 and to its two High Level Committees and its network of focal points; organized the consideration and response to invitations to IMO to attend meetings and exhibitions sponsored by organizations in the UN system and those sponsored by intergovernmental and non-governmental organizations; considered requests by Member States for the use of the name and logo of the Organization as a co-operating body; co-ordinated the relations of IMO with intergovernmental organizations, including the preparation of agreements or arrangements of co-operation and implemented the procedures and guidelines on the granting of consultative status to interested non-governmental organization; invited nominations for the 2003 International Maritime Prize and initiated arrangements for the award for the Prize for 2002 and the commemoration of the World Maritime Day 2003; organized group visits to IMO in response to requests from academic or other institutions; responded to enquiries and requests for attachments to the Organization and co-ordinated the activities of the interns during their attachment at IMO; prepared letters and communications of a protocol character in connection with the arrival and departure of Ambassadors/High Commissioners and the accreditation of Permanent Representatives of Member States to IMO and other members of Permanent Missions; liaised with Missions in London to update the lists of Heads of Diplomatic Missions in London, Permanent Representatives, among other important activities entrusted to this Office.

2.3 The Office has also continued to serve as a focal point for initiatives to promote acceptance of the amendments to the IMO Convention by which the size of the Facilitation Committee will be institutionalised, provided advice to other divisions on external relations issues; co-ordinated the designation by Member States of Focal Points for communication with the Secretary-General, prepared information sheets on Member States in connection with official visits by the

Secretary-General and also, to serve as focal point for the IMO contribution to the work of other Organizations and Programmes of the United Nations system.

3 Information Services

3.1 Public Information Services (PIS) handles an ever increasing number of enquiries from the general public, media and the shipping and maritime industries. These enquiries are handled mainly by email and telephone. PIS continues to be responsible for creating original text for, and updating and maintaining large parts of the IMO website. Summary reports of all IMO meetings are prepared and written. The website has now become a valuable resource in meeting external demands for information and the timely recruitment of the web editor would ensure this resource is able to continue to be of value in the future. PIS continues to co-ordinate IMO's relations with the media. As well as preparing and issuing press releases, the unit co-ordinates requests for interviews with IMO staff, writes articles for external publications, handles media requirements around major meetings and conferences.

3.2 PIS also drafts the Secretary-General's speeches for external fora, as well as the message and background paper for World Maritime Day, for which it also arranges the recording and production of web files. The editorial content and design of the quarterly magazine *IMO News* as well as the maintenance of the extensive distribution list (10,000 readers worldwide) are also undertaken by PIS. The IMO Focus papers are updated by PIS in co-ordination with the Technical Divisions. PIS has also continued to build its electronic and "hard copy" photo library, and continues to offer presentations to groups of visitors to IMO, such as maritime students and members of national delegations, and to new IMO staff members. This year PIS has also produced an information leaflet for visitors.

3.3 The IMO Library continued to develop its resources in order to maintain its role of maritime information centre to meet the Secretariat's needs, the needs of Delegates attending meetings and those of researchers, students and the public at large. As well as providing traditional reference services, the IMO Library Services responded to many worldwide e-mail requests for information. Enquirers were provided with material, documents, bibliographies, and information resources documents drawn from the Library databases or referred to other Organisations if applicable. The monthly Current Awareness Bulletins and new acquisitions lists were produced and posted on the web. The IMO Library Services also monitored for the Secretariat and regional offices, the trade, legal and technical press together with various external newswires on a daily basis. Developments on the conflict in the Middle East, maritime security matters and the question of SARS as reported in the press, were followed up closely and disseminated to the Secretariat.

3.4 The catalogue of books/reports/selected IMO documents reached 11.100 records and the database of bibliographic details of articles over 57.300 records. New information resources documents for research were introduced on maritime security, ports of refuge and the Prestige accident. In addition, the Directory of Maritime Links increased to over 1,800 links. The Library continued to monitor information content on the IMO website with the Public Information Services. In addition, the Librarian as co-editor of the United Nations Atlas of the Ocean updated several areas of the Atlas in partnership with the Marine Environment Division.

MAJOR PROGRAMME 11 - IT AND OFFICE AUTOMATION SERVICES

1 The IT and Office Automation Services Programme aims to position information and communication technology to support various Divisions and Sections for effective programme delivery. It is formed of two programmes:

- i. Improving Office Automation-IT Infrastructure; and
- ii. New Information Technology systems and Software Development

2 Focus was given to development and maintenance of information systems, information and communication technology infrastructure and user support initiatives with a view to improving information management and to help guide policy and strategic decisions in a timely manner. In this respect:

3 A number of systems were developed and implemented, including MEPC - Condition assessment Scheme (CAS), the Compendium of Maritime Training Institutes, Interactive inventory of ongoing and planned technical assistance activities, Technical co-operation project management system (TCPromis2), ePublishing - system for selling electronic books in PDF format on the IMO web site, Meeting Management System – system for issuing ID cards to delegates and for automating the preparation of the List of Participant at IMO meetings, Multiterm - Translation Assistant System, Intranet – a system that uses the web technology to improve collaboration and exchange of information within the secretariat, electronic payment for payroll and accounts payable, electronic staff leave recording system and online payslip system.

4 Security on the network was further enhanced. New services such as a Virtual Private Network to Geneva and New York were established; wireless LAN facility was enhanced and new user support initiatives were implemented. A real time Backup facility was setup at the International Computer Centre in Geneva to mirror our core data in the unlikely event of the IMO building being inaccessible.

5 The Information Management Strategy and the IT strategy were reviewed to further ensure alignment with core business requirements of the organization. Work also commenced on a number of software development initiatives, such as the redesign and development of a new integrated ship information system, an interim solution for financial accounting system including preparation for the new system and a number of administrative systems for improving information management.

MAJOR PROGRAMME 12 - PUBLISHING SERVICE

1 The objective of Publishing Service Programme is to produce high-quality publications containing IMO rules and regulations and to disseminate them as widely as possible to the international maritime community and in particular to those responsible for their effective implementation. It is formed of five programmes:

- i. Strategic Planning of IMO Publications;
- ii. Editorial Production;
- iii. Printing and Binding Operations;
- iv. Sales and Marketing; and
- v. Printing Fund.

2 The Programme delivery up to the end of May has been achieved. The Publishing Service's sales activities are on course to reach its estimated revenues for the year 2003. By the end of May 2003, the estimated annual revenues will have reached more than 50% of the total sales forecast for 2003. The first and most important publication - the ISPS Code - was produced at the beginning of the year, in only six weeks after the adoption of this Code by the Maritime Safety Committee in December 2002. Other important titles, published in the first quarter of 2003, were revised editions of: Load Lines; COLREG; Life-Saving Appliances; Anti-Fouling Systems; Amendments to volume III of the IAMSAR Manual; and a consolidated edition of volume III. Furthermore, the French and Spanish editions of the IMDG Code and several other publications in the official languages of the Organization were published.

Electronic publications are also on target and the first virtual publication ever published by the Organization (available as a downloadable file from the IMO website) was the ISPS Code. Other recently published CD-ROMs include the IMO/ITF Seafarers Manual and version 9.0 of the IMO-Vega database.

3 The remainder of 2003 will see more new publications produced in printed format, CD-ROM and virtual. A new eighth edition of Ships' Routeing is scheduled for November 2003. Other publications to be published in 2003 include: the new Bunker Oil Pollution Damage Convention; a Manual on Maritime Safety Information; a new edition of the Code on Cargo Stowage and Securing; a revised PAL Convention; a new MARPOL How To Do It; and several other recommendations and guidelines. On the electronic publishing side, the Publishing Service is intensifying its efforts to produce most of its publications as CD-ROM products as well as virtual publications. By mid-June 2003 the IMDG Code will be available on CD-ROM and as a virtual publication in the three working languages. SOLAS and the IMDG Code will be available by subscription on the IMO website. Downloadable PDF (portable document format) versions of Load Lines, COLREG, Life-Saving Appliances and the ISM Code are scheduled for delivery within this year. The STCW Convention and Code will be available in the three working languages on CD-ROM and so will MARPOL and SOLAS. Also scheduled for delivery before the end of this year will be an audio version of the Standard Marine Communication Phrases (as a CD-ROM) and some 20 printed Model Courses in English, French and Spanish.

4 The Secretariat continues to promote the Organization's publications as actively as possible and it is planned to provide several new product posters and advertisements in the trade press and mailing shots to distributors. Efforts are also directed towards the continuous improvement of the presentation and quality of IMO publications. Ongoing studies of ways to steadily increase the dissemination of publications are being actively pursued.

5 The estimated annual revenue and expenditure foreseen as at 30 April 2003 is shown in the following table. It should be noted that the estimated revenue for 2003 has been revised upwards to around £5.5 million on the basis of higher than expected sales during the first quarter of 2003.

Printing Fund
Estimated revenue and expenditure
(forecast as at 30 April 2003)

	<u>Approved estimates</u>	<u>Out-turn Jan-April</u>	<u>Estimates May-Dec</u>	<u>Total estimates</u>	<u>Variance</u>
Revenue	4,935,400	2,213,317	3,286,683	5,500,000	564,600
Less: expenditure/transfers to other funds					
DNV-IMO/Vega Database	70,500	4,963	65,537	70,500	0
IMO Model Courses	129,900	83,061	46,839	129,900	0
Promotion of sales	112,700	43,601	73,699	117,300	4,600
Personnel					
Financed by the Printing Fund	1,204,900	355,185	592,700	947,885	(257,015)
Reimbursement of the regular budget direct costs	568,300	189,700	423,700	613,400	45,100
Goods and services					
Office reproduction supplies and paper	300,000	25,921	291,619	317,540	17,540
Equipment	174,100	23,013	66,554	89,567	(84,533)
Postage, freight and courier	180,000	26,290	131,779	158,069	(21,931)
Other supplies & services	187,400	62,265	125,268	187,533	133
Contracting out (external printing)	353,300	67,599	389,754	457,353	104,053
Electronic/on line publications	101,200	10,293	71,406	81,699	(19,501)
Reimbursement of the regular budget indirect costs	251,600	167,730	83,870	251,600	0
Total expenditure	<u>3,633,900</u>	<u>1,059,621</u>	<u>2,362,725</u>	<u>3,422,346</u>	<u>(211,554)</u>
Net income for 2003	<u>1,301,500</u>	<u>1,153,696</u>	<u>923,958</u>	<u>2,077,654</u>	<u>776,154</u>
Reserves & fund balances					
Interest and miscellaneous income	110,000	16,795	33,600	50,395	(59,605)
Net income	<u>1,411,500</u>	<u>1,170,491</u>	<u>957,558</u>	<u>2,128,049</u>	<u>716,549</u>
Accumulated surplus less transfers 1/	30,080			-	(30,080)
Working capital reserves & fund balances (net) 2003	<u>1,441,580</u>	<u>1,170,491</u>	<u>957,558</u>	<u>2,128,049</u>	<u>686,469</u>
1/ Accumulated surplus from prior periods	2,680,080				
Less: Transfers approved by A.906(22) in 2003					
Regular Budget	(400,000)				
Technical Co-operation Fund	(2,250,000)				
Accumulated surplus (net)	<u>30,080</u>				