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**RESULTS-BASED BUDGET
FOR THE TWENTY-SIXTH FINANCIAL PERIOD 2010-2011**

Note by the Secretary-General

SUMMARY

Executive summary: This document sets out the Secretary-General's proposals for the 2010-2011 biennium budget – the first ever results-based (RBB) one. After careful review of the objectives, high-level actions and anticipated outputs in support of the Organization's Strategic Plan, it has been concluded that, even without additional resources and with the redeployment, where possible, of existing resources, in order to meet the unavoidable (i.e. non-discretionary) pay and price increases facing the Organization, a **budget increase of £8.2m** (14.9%) over the current biennium figure will be required (in annual terms, the increase is 11.7% for 2010 and 1.8% for 2011). The unavoidable pay and price changes are **chiefly** due to the effects of:

- the **sharp fall in the value of sterling (contributing 4.1% points);** and
- **Professional staff salary adjustments** promulgated by the ICSC (**contributing 5.5% points**).

The net **assessment** is estimated to **increase by approximately £11m** (representing a 22% increase) over the current biennium (year-on-year, an 18.4% rise for 2010 and 1.8% for 2011), which is higher than the budget increase due to a reduction in offsetting income.

The proposed expenditure plan under the **Organization's Funds** for the 2010-2011 biennium represents, in aggregation, a **£5.5m increase** over the current biennium. This is largely driven by the increased resource requirement in the Technical Co-operation Fund (£4.0m) and, if established, the Trading Fund (£2.2m) and the reduced provisions in the Headquarters Capital Fund (-£0.9m).

Strategic direction: 4.1
High-level action: 4.1.3
Planned output: 4.1.3.1
Action to be taken: Paragraph 19
Related documents: C 102/4/1, C 102/5(e); TC 59/5 and resolution A.991(25)

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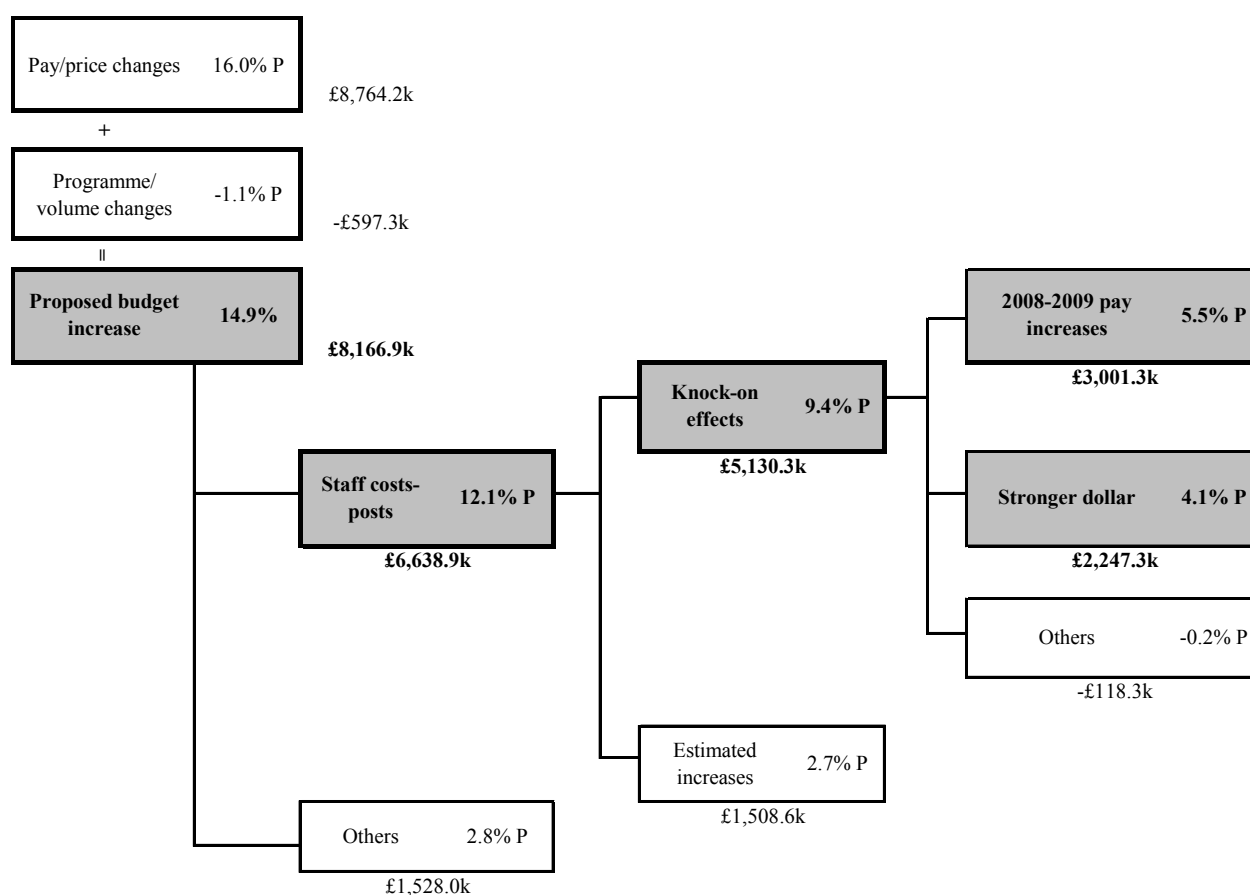
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EXECUTIVE SUMMARY

This document sets out the Secretary-General's proposals for the 2010-2011 biennium budget – the first ever results-based (RBB) one. After careful review of the objectives, high-level actions and anticipated outputs in support of the Organization's Strategic Plan, it has been concluded that, even without additional resources and with the redeployment, where possible, of existing resources, in order to meet the unavoidable (i.e. non-discretionary) pay and price increases facing the Organization, a **budget increase of £8.2m** (14.9%) over the current biennium figure will be required (in annual terms, the increase is 11.7% for 2010 and 1.8% for 2011). The unavoidable pay and price changes are **chiefly** due to the effects of:

- the **sharp fall in the value of sterling (contributing 4.1% points)**; and
- **Professional staff salary adjustments** promulgated by the ICSC (**contributing 5.5% points**)

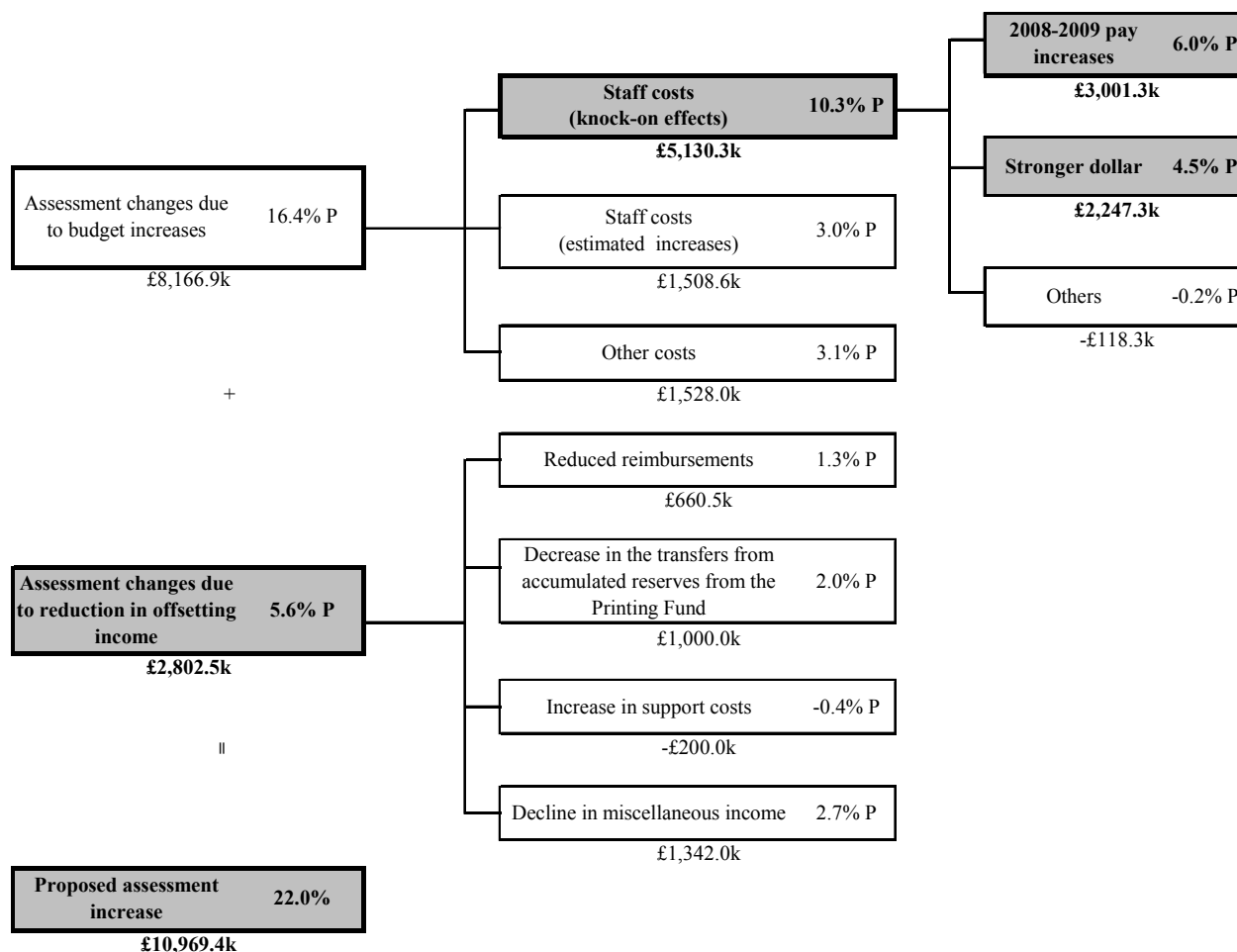
The components of the **proposed budget** for the 2010-2011 biennium are diagrammatically shown below.



* The % points indicate the impact against the expenditure budget of the current biennium of £54,669.3k

The net **assessment** is estimated to **increase by approximately £11m** (representing a 22% increase) over the current biennium (year-on-year, an 18.4% rise for 2010 and 1.8% for 2011), which is higher than the budget increase due to a reduction in offsetting income (i.e. reduced reimbursements from the Printing/Trading Fund; no transfer from the accumulated reserves of the Printing/Trading Fund; and declines in miscellaneous income).

The components of the **proposed assessment** for the 2010-2011 biennium are diagrammatically shown below.



* The % points indicate the impact against the assessment of the current biennium of £49,827.4k

The proposed expenditure plan under the Organization's Funds for the 2010-2011 biennium represents, in aggregation, a £5.5m increase over the current biennium. This is largely driven by the increased resource requirement in the Technical Co-operation Fund (£4.0m) and, if established, the Trading Fund (£2.2m) and the reduced provisions in the Headquarters Capital Fund (-£0.9m).

I CHALLENGES AND OPPORTUNITIES

1 Each new biennium brings challenges and opportunities for the Organization and the forthcoming 2010-2011 biennium looks likely to present more challenges than most – not least amongst them introducing the first “results-based” budget at a time when the world is experiencing an almost unparalleled period of financial instability. For IMO’s work, the effects of the global economic downturn on the demand for shipping services and the challenge of delivering a real reduction in atmospheric emissions from shipping operations, whilst also addressing on-going issues such as safety, security, piracy, efficiency and providing technical co-operation – not to mention next year’s planned Diplomatic Conferences on the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (the HNS Convention) and the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW Convention) and the provision of assistance to implement the Hong Kong International Conference on the Safe and Environmentally Sound Recycling of Ships, 2009 – will stretch both the Organization’s resources and its resourcefulness to the extreme.

IMPACT OF THE CURRENT GLOBAL FINANCIAL CRISIS AND ECONOMIC DOWNTURN

2 After almost four years of relatively fast growth at an unusually high rate, the rapid economic downturn that began in the second half of 2008, precipitated by the collapse of the sub-prime mortgage market in the United States and in other large economies and the resultant restriction on credit in a number of countries has had significant knock-on effects, impacting the real economy, undermining consumer and business confidence and triggering further contraction in demand. World trade fell and commodity prices declined sharply. The financial instability experienced worldwide at the time of writing has resulted in significant fluctuations in the world markets and in currency values; reductions in interest rates; cuts in industrial production; and indications of a prolonged recession in the major economies – all of which are expected to have an effect on Member States, the shipping industry and the Organization.

World trade – The contribution of shipping

2.1 The growth of world economies, which is the principal driver of world trade, is now in recession and global maritime activity is projected to drop to below 2006 levels in 2010. In physical terms, world seaborne trade grew by 4% in 2007, to reach a record high of 7.7 billion tons. Adding distance travelled into the mix, gives an overall figure for global maritime activity of 32 thousand billion ton-miles in the same year, up from 30.7 thousand billion ton-miles in 2006. Global maritime activity, measured in billions of ton-miles, has, therefore, quadrupled over the last four decades from just over 8 thousand billion ton-miles in 1968.

World fleet update and prospects

2.2 At the end of 2007, the world fleet had grown to 1.12 billion dwt, which represented a 7.2% growth over the previous year, with newbuildings in 2007 reaching the highest level ever recorded at some 81.9 million dwt, while 4 million dwt were dismantled or lost. Oil tankers and dry bulk carriers, which together account for nearly 71.5% of the world fleet, increased by 6.5% and 6.4%, respectively; the containership fleet was up by 12.7%; while the specialist liquefied gas fleet grew by 11.5%¹.

¹ Source: Review of Maritime Transport 2008 (UNCTAD/RMT/2008).

2.3 Since the heady days of 2006-2007, the situation has changed markedly in line with the global economic downturn. The spreading economic recession has compelled many governments to adopt policies aimed at increasing public sector debt to boost national economies, which, in turn, may lead to pressure on government-supported entities, including international organizations, to curb their expenditure to the possible maximum extent, as Member States aim to limit their own costs.

2.4 Notwithstanding the difficult trading position for many economies and banks, shipowners and shipbuilders, world trade continues and shipping, which is credited with carrying over 90% of world trade, remains the cheapest way of transporting raw materials and manufactured goods in bulk over great distances in the most energy-efficient and environmentally-friendly way. IMO's over-arching regulatory regime aims at ensuring safe, secure and efficient shipping on clean oceans and, in the difficult economic climate described above, the Organization cannot, in these challenging times, afford not to keep abreast of technological, social and other trends and developments in order not only to ascertain that its regulations continue to respond to the expectations of the community by meeting the high standards required but also meet those required for the future.

CHALLENGES FOR THE ORGANIZATION

3 In addition to the Diplomatic Conference aimed at developing a new international convention for the safe and environmentally sound recycling of ships, successfully concluded in Hong Kong, China in May 2009, another two Conferences are planned to be held in 2010: one, in London, in respect of the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (the HNS Convention); and, the other, in Manila, The Philippines, to adopt amendments emanating from the comprehensive review of the STCW Convention and Code – which provide an indication of two of the key areas of challenge for the next biennium: **environmental issues** and the **seafarer**.

3.1 On the former (**environmental issues**), ship recycling is only one of the environmental challenges currently faced. Following on from the theme chosen by the Council for World Maritime Day 2009 – "**Climate change: a challenge for IMO too!**" – that challenge will continue undiminished, throughout the year and beyond, with the Organization determined to add its own contribution to the ongoing efforts of the international community to address the phenomena of climate change and global warming. The successful development of technical and operational measures to address emissions followed by consensus adoption and effective implementation worldwide will demonstrate IMO's and the shipping industry's commitment to addressing the global challenge. A successful outcome of the on-going work on market-based measures will complete the picture.

3.2 On the latter (**the seafarer**), the launch of the "**Go to Sea!**" campaign in November 2008, aimed to raise awareness of the need to attract young people to the maritime profession at a time when a looming shortage of ships' officers looks likely to cause, in the near future, problems in manning ships with sufficient skilled professional personnel. The global economic downturn and the related reduction in trade carried by sea, which may provide some short-term relief from the problem, should not, however, act as an excuse not to invest in recruitment and training, which should continue unabated to meet the inevitable demands when the economic situation improves. Accordingly, in a biennium when the international convention governing seafarer training and certification will be at the epicentre of the work of the Organization, efforts will be intensified, with the support of ILO and the industry, to encourage young people to go to sea.

3.3 Whilst significant progress has been made in raising awareness of, and encouraging a global response to, the issue of **piracy and armed robbery against ships** (with significant improvement in the Malacca Strait), the political and economic situation in some parts of the world (in particular, in the western part of the Indian Ocean adjacent to the coast of Somalia and in the Gulf of Aden) is unlikely to be sufficiently settled during the next biennium to generate a significant downturn in these unlawful acts. The work of the Organization on this high profile subject will, in all likelihood, have to continue in order to provide seafarers the protection they need and deserve to be able to go about their lawful business on the high seas. On a related issue, the Organization's work on enhancing **maritime security** will have to continue in order to ensure that any measures developed and adopted are commensurate with the needs of ship and port facility security, whilst also taking into account the social consequences for seafarers. Work should also continue on other areas of concern to Members and the industry, such as **migrants' and illicit drug trafficking by sea, stowaways**, etc.

3.4 The forthcoming biennium will also take forward work on the implementation of the **Voluntary IMO Member State Audit Scheme** in order to build on its successful progress so far. The development of **goal-based standards** constitutes one of the Organization's strategic directions and further progress on this will ensure that IMO continues to play a leading role in the global regulation of shipping (from the essential standards, against which the design and construction of new ships are determined, through to their safe operation).

3.5 Through its **Integrated Technical Co-operation Programme (ITCP)**, the Organization contributes to the implementation of those Millennium Development Goals (MDGs), which are relevant to its scope and work – at the same time, assisting developing countries to implement IMO instruments aimed at safer and more secure and efficient shipping and enhanced environmental protection. As the prime responsibility for ensuring that vessels conform to the Organization's standards rests with flag States, work to achieve their wide and effective implementation is a significant contributor to enhanced safety and environmental protection through assisting administrations to fully meet their international obligations under instruments to which they are party.

THE ORGANIZATION'S BUDGETARY AND FINANCIAL POSITION

4 Against the background of the concurrent challenges that have to be addressed decisively, effectively and responsibly, such as the aforementioned financial crisis in the world economy, the global efforts aimed at addressing the MDGs and the on-going UN system reform initiatives, there are five key issues that have to be taken into account in drawing up the Organization's budget for the next biennium: the shift to a results-based budget; the changes in the scope of the budget to comply with the International Public Sector Accounting Standards; the establishment of a Trading Fund; consideration of a strategy to reduce international meetings costs; and moving towards a Climate Neutral UN. Each of them is addressed in the following paragraphs.

Results-based budget

4.1 A results-based budget (RBB) is a component part of results-based management (RBM), that is a management approach that emphasizes the achievement of results in planning, implementation, feedback and reporting. The RBB process involves defining objectives and expected results against which resource requirements are identified and linked to the achievement of outputs. In developing this, the Organization's first RBB, preparation had to change to an iterative and active procedure between planning and budgeting. To achieve this, a process has been triggered of setting priorities, assessing corresponding expenditure requirements, reviewing resource availability and making adjustments – a methodology involving the whole Organization and requiring strong commitment, thorough consideration and a structured approach.

For the 2010-2011 biennium, the process has been complicated to some degree by the need to **prepare a budget in advance of the development of the related high-level action plan**, which provides the immediate outputs to be achieved by the Organization for the biennium. More details on the Organization's approach to RBB are given in annex 1.

International Public Sector Accounting Standards

4.2 The adoption of International Public Sector Accounting Standards (IPSAS) from 1 January 2010 will change the Organization's income and expenditure budget projections as a result of differences in the way revenue, assets, liabilities and expenditure are addressed in IPSAS, which has a direct effect on the preparation of the budget, particularly in the areas outlined below:

- revenue will be captured on an accrual basis (e.g., when a publication is sold) rather than on a cash basis (when the money is received), thus affecting the income streams from publications, catering and other funding agreements and the surplus in a given budget/financial year;
- expenditure will be recognized similarly (on the basis of services or goods delivered, rather than simply at the time of contracting), thus obviating the need to record unliquidated obligations (ULO);
- fixed assets, which have a useful life of more than one year, will be shown on the balance sheet when they are purchased and only a portion (a charge for depreciation) of the purchase price of the assets will be reported in the expenditure statement, effectively spreading the cost of the assets over their useful life. As funds are still required to purchase an asset from a budget point of view, the 2010-2011 budget proposal is based on the "modified accruals" basis – meaning that budgeting for the first/new purchase of a capital asset is made on a cash basis but, at the same time, the same amount as the depreciation expenses of the asset will be budgeted on an accrual basis to build up funds for its replacement after its economic life;
- the stock of publications held for sale will be shown on the balance sheet as assets, until sold, so that the expenditure in the year reflects only the cost of books sold, not of books published; and
- liabilities (e.g., the liability for end-of-service benefits, including after-service health insurance (ASHI), accrued annual leave and repatriation costs for existing staff) are required to be fully shown as items on the balance sheet. As the liabilities are considerable sums (more than £10m as at the end of 2007), their accounting on the balance sheet will have the direct impact of showing the Organization's fund balance in deficit; therefore, the budget includes a proposal for funding this liability over time.

4.3 In addition, as IPSAS requires an annual comparison of actual outturn with the "original budget" (as estimated at the beginning of the year) and the "final/revised budget" (the actual budget status at the end of the year), which has to be approved by the legislative body concerned, the Integrated Technical Co-operation Programme (ITCP) budgets under the Technical Co-operation (TC) Fund are now split by year, and any amounts to be carried over from one year to the next will have to be approved, in advance, for the following year. As a consequence and in accordance with IPSAS, to properly report TC Fund programme implementation (budgets and expenditure), the annual ITCP budget will, henceforth, be reflected in the Assembly resolution on the biennial budget.

Establishment of the Trading Fund

4.4 At its 101st session, the Council approved, in principle, the establishment of a Trading Fund through reconstituting the present Printing Fund with wider terms of reference. A budget for the Trading Fund is, therefore, included in the 2010-2011 budget proposals and, if approved by the Council, will be adopted by the Assembly at its forthcoming session. The purpose of the new Fund is to reorganize all revenue-generating commercial activities (currently limited to the two main ones: publishing and catering) to increase transparency by identifying all of the costs of generating revenue and matching them to the income earned, thus providing a more accurate picture of the Organization's commercial activity performance. It also aims to provide a more effective means for the Organization to explore and develop other sources of income.

4.5 Due to the need to fully account for all of the costs involved in the business operations under the trading fund model, the introduction of the Trading Fund will affect the levels of appropriation and assessment in the regular budget. The true status of the available fund balances and reserves will become clearer through accounting for long-term liabilities and the valuation of the publications stock, in compliance with IPSAS.

A strategy to reduce international meetings costs

4.6 In its "Review of management and administration in the International Maritime Organization (IMO)" (JIU/REP/2007/7), the Joint Inspection Unit (JIU) has recommended the development of a long-term strategy for the reduction of costs of international meetings. Such a strategy will include, *inter alia*, measures aimed at:

- reducing the number of meetings of committees, sub-committees and working groups; and their duration; and
- enforcing the documentation rules and guidelines adopted by the Council and the committees more consistently; and reducing the volume of documentation.

4.7 In response to that recommendation, the Council's Working Group on the Organization's Strategic Plan considered preliminary proposals (CWGSP 8/2), in the context of which the Council identified three elements, which should form the basis of a long-term cost-reduction strategy:

- improving meeting efficiency and effectiveness;
- improving cost-effective delivery of the meeting programme; and
- reducing the Organization's fixed cost base.

4.8 As a first step towards that long term strategy, the 2010-2011 budget aims to reflect, as transparently as possible, the full costs of international meetings undertaken by the Organization. This will provide future opportunities to benchmark against other similar organizations and to develop, where possible, short- and medium-term efficiency measures whilst balancing the need for strategic direction and focus on IMO's mission, with the need to remain agile enough to respond to emerging concerns quickly and effectively.

Moving towards a Climate Neutral UN

4.9 The Chief Executives Board on Coordination (CEB) has agreed a policy aimed at achieving a “Climate Neutral” UN (document C 102/18(a) refers). As a first step, during 2009 UN system organizations have to estimate their greenhouse gas (GHG) emissions in a manner consistent with accepted international standards in order to ascertain their “carbon footprint”. In line with UNEP guidance, the Organization has established the organizational and operational boundaries within which it will monitor its GHG volume and, during 2009, data will be collected to establish the Organization’s carbon footprint with a view, in future years, to demonstrate measurable reductions.

4.10 To eventually achieve the goal of “climate neutrality” at a date to be set in the future, the Organization will exercise various measures to reduce emissions first and then offset the remainder through the purchase of offsets. The measures that will assist the UN common system to move towards climate-neutrality include: changes in the current travel policy to support the most sustainable mode and to add a requirement to consider travel alternatives that minimize the footprint of the mission; energy-efficiency investment in office space; more use of video-conferencing and tele-conferencing facilities; and adoption of sustainable procurement measures. In considering budgetary proposals for the next biennium, account has been taken of the measures, which can be adopted to reduce the Organization’s carbon footprint, including the purchase of offsets, the current cost of which is in the region of £14 per tonne and is predicted to reach £40 per tonne by 2020.

PAY AND PRICE FACTORS: BUDGETARY ASSUMPTIONS

5 The Organization’s overall costs continue to be affected by external **pay and price factors in the United Kingdom economy** as well as by changes to the **remuneration levels of staff** as recommended by the International Civil Service Commission (ICSC) and approved by the General Assembly of the United Nations.

Rates of inflation and Average Earnings in the United Kingdom economy

5.1 The approved budget for the current biennium 2008-2009 took into account forecast movements of the economic indices in the United Kingdom economy during the biennium as well as currency fluctuations. A comparison of the actual movements, based on the latest statistics available on the performance of the United Kingdom’s economy and the United Nations US dollar operational exchange rate, are presented in Table 1 and also illustrated in Chart 1 below to show the trend in the indicators.

5.2 The annual inflation rate seen in the United Kingdom’s Retail Price Index (RPI) has fluctuated between -0.4% and 5.0% in the period from January 2008 to March 2009 (an average of 3.2%), with the latest information available showing a sharp drop to -0.4% for March 2009 due to an overall downturn of the British economy; whilst the 12-month change of the United Kingdom’s Average Earnings Index (AEI) has been more stable with a narrow range between 2.9% and 4.0% (an average of 3.6%) The UN operational US dollar exchange rate against the pound sterling averaged 1.78 during the period January 2008 to March 2009. In the light of these developments and trends and also on the basis of past biennia practices, appropriate budgetary assumptions have been made in the formulation of the 2010-2011 budget, as set out in Table 1.

Table 1
Comparison of budgetary assumption indicators

	Assumption		Actual (01/2008-03/2009)		Assumption
	2006-2007	2008-2009	Average	Range	2010-2011
UK Average Earnings Index(AEI) ^{1/}	4.2	3.5	3.6	2.9 ~ 4.0	2.7
UK Average Retail Price Index(RPI) ^{2/}	2.0	3.0	3.2	-0.4 ~ 5.0	1.8
USD/GBP exchange rate ^{3/}	1.75	1.97	1.78	1.431 ~ 1.996	1.4

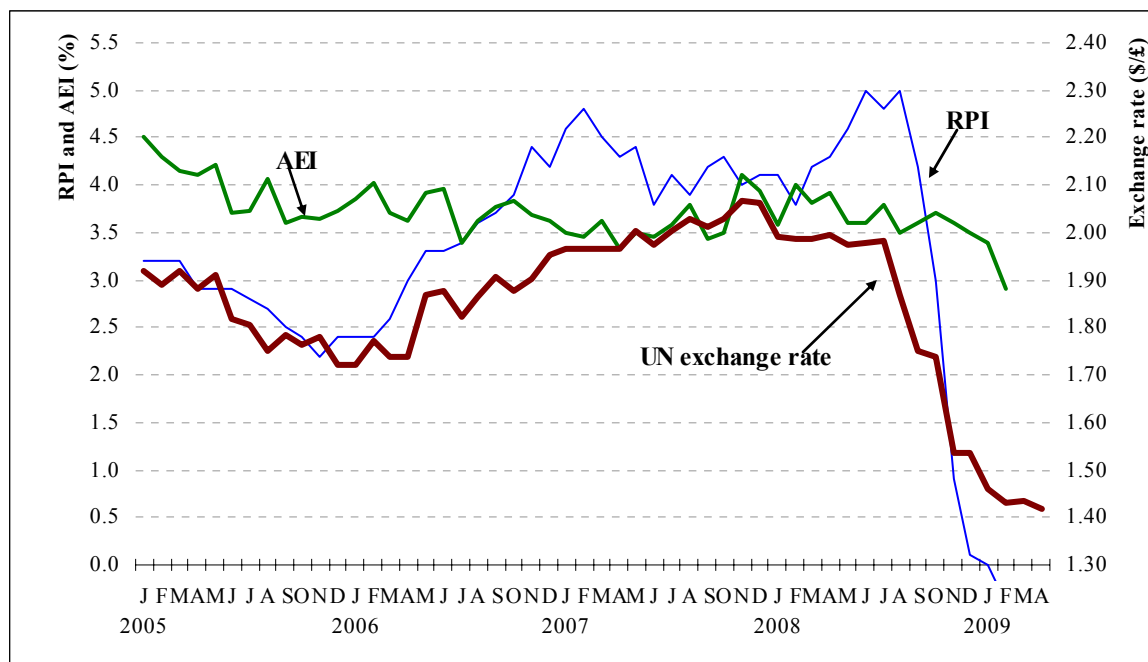
1/ 12-month percentage change of regular pay (excluding bonuses) *: average figure up to February 2009

2/ Annual inflation rate - 12-month percentage change *: average figure up to March 2009

3/ United Nations operational exchange rates (1GBP expressed in USD) : average figure up to March 2009

* Source of AEI and RPI: UK Office for National Statistics (AEI and RPI are updated monthly)

Chart 1
Movements of the United Kingdom economy indicators (01/2005 - 03/2009)



II PROPOSED REGULAR BUDGET

RESULTS-BASED APPROACH TO PLANNING AND BUDGETING

Strategic Plan and strategic results

6 The starting point for the preparation of the Organization's RBB is the Organization's Strategic Plan and Strategic Directions together with the approved High-level Action Plan (HLAP). The Strategic Plan provides the basis for an RBB framework linking required resources, through prioritization, to planned outputs and target results, as explained in detail in annex 1. The Organization's Strategic Plan for the period 2008 to 2013 was approved in resolution A.989(25) and included 3 broad strategic objectives and 13 key strategic directions to enable IMO to achieve its mission objectives.

6.1 To provide an RBB logical framework, the approved strategic directions have been re-cast as strategic results (e.g., the strategic direction "Enhance the safety of life at sea" has been re-cast in the form of a result "Enhanced safety of life at sea") and thereby identifying the Organization's target results, as shown in annex 1, appendix 1. To measure the achievement of the strategic directions/results, the resolution also listed a total of 42 performance indicators. However, since the current strategic directions/results are set for the timeframe of three biennia (2008-2013), in order to meet the requirements of RBB, they need to be accompanied by agreed biennial targets, which will be measured by means of relevant performance indicators. In the absence of such indicators at present, an extensive review needs to be undertaken of the current performance indicators in the context of their relevance, usefulness and timely² measurability. In the meantime, the current performance indicators will remain as the basis for constructing the RBB for 2010-2011 but additional performance indicators will be developed regarding, in particular, management performance. The Council is aware that the role of the Secretariat in the achievement of the planned results is generally limited to the planning and alignment of activities and the use of resources to meet agreed corporate objectives; reporting on progress against agreed indicators; and demonstration of active management.

6.2 In order to meet its strategic objectives, the Organization has adopted a biennial HLAP and related detailed outputs, which provide the link between overall strategy and work of the various IMO organs. The current planning cycle is such that the HLAP for the 2010-2011 biennium has not yet been adopted (so this cycle needs to be revisited by the Council in due course) but, for the purposes of preparing the RBB for 2010-2011, the current HLAP structure has been used as the basis for these proposals. As far as possible, the current HLAP has been revised to reflect the anticipated plan for 2010-2011 by removing the actions and related outputs that have been completed or are obsolete, inefficient or marginally useful in the current biennium and, at the same time, by identifying new, essential actions, together with their outputs to be carried out during the forthcoming biennium, based, where known, on the anticipated work of the Committees and the related Secretariat's Divisional business plan.

PROPOSALS BY STRATEGIC RESULTS

7 As the RBB provides a direct linkage between input/resources and planned output/results, the related budget structure changes from the current *programme* basis to a *strategic results* basis for the forthcoming biennium. In tandem, the previous work programme narratives (as previously submitted to the Council) will be replaced by the proposed actions and planned

² Many of the indicators cannot be measured immediately after a certain target year because it takes time to capture and process even some raw data, in particular those emanating from Members States.

outputs reflected in the HLAP and the Secretariat's Divisional business plan. The business plan, which is attached as appendix 3 to annex 1, provides the Divisional objectives and deliverables/outputs associated with the high level actions.

Proposed budgets by Strategic result

7.1 In order to facilitate the identification of the relevant categories of expenditure and the process of compilation and collation of resource requirements, various budget forms and worksheets were prepared by each Division. The Divisional resource requirements were defined on the basis of what resource is needed to deliver the planned outputs. For costing purposes, it was necessary to decide the quantities (e.g., work-months, days, hours, numbers, volumes, pages, etc.) of the different types of resource input required to implement the prescribed activities and produce the planned outputs.

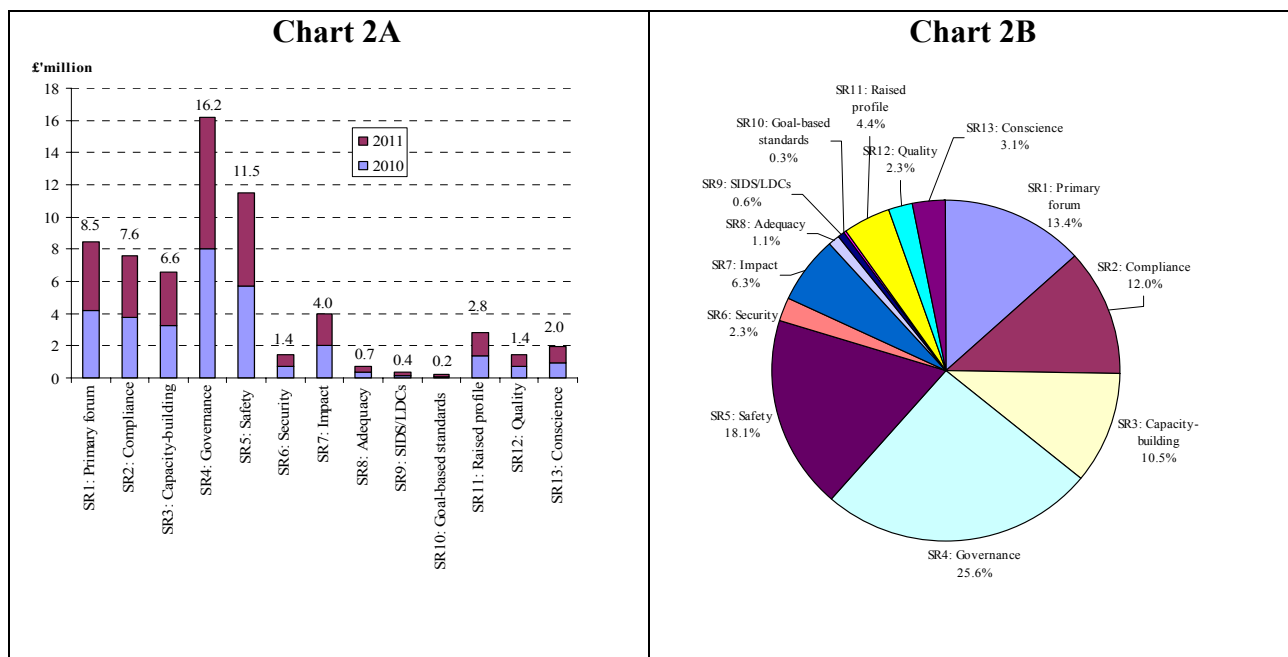
7.2 The planned allocation of resources for the 2010-2011 biennium on the basis of the strategic results derived from the Strategic Plan is summarized in Table 2 below. The detailed allocation of resources, by reference to high-level actions, is presented in annex 2. This preliminary distribution of resources between the strategic results and high-level actions may need to be adjusted following the Assembly's adoption of the High-level Action Plan for 2010-2011 at its forthcoming 26th regular session.

Table 2
Summary of proposed budgets for 2010-2011 by Strategic result

STRATEGIC RESULTS		2010	2011	TOTAL	
		(£'000)	(£'000)	(£'000)	%
SR 1	Enhanced status as a primary international maritime forum	4,183.7	4,276.9	8,460.6	13.4%
SR 2	Enhanced global compliance and uniform implementation	3,771.3	3,812.3	7,583.6	12.0%
SR 3	Strengthened capacity-building	3,259.9	3,350.5	6,610.4	10.5%
SR 4	Enhanced governance, management and administration	8,021.5	8,189.2	16,210.7	25.6%
SR 5	Enhanced safety of human life at sea	5,685.8	5,786.7	11,472.5	18.1%
SR 6	Enhanced security of the maritime transport network	746.9	697.6	1,444.5	2.3%
SR 7	Reduced adverse impact on the environment	2,037.6	1,971.1	4,008.7	6.3%
SR 8	Ensured adequacy, effectiveness and relevance	325.5	379.4	704.9	1.1%
SR 9	Increased attention to SIDS and LDCs	171.4	182.9	354.3	0.6%
SR 10	Promoted establishment of goal-based standards	89.3	98.4	187.7	0.3%
SR 11	Raised profile of the safety, security and environmental records	1,384.9	1,422.7	2,807.6	4.4%
SR 12	Enhanced quality of shipping	706.8	714.2	1,421.0	2.3%
SR 13	Enhanced environmental conscience	950.6	1,019.1	1,969.7	3.1%
Total full costs (a)		31,335.2	31,901.0	63,236.2	100.0%
Staff turnover (b)		200.0	200.0	400.0	
TOTAL PROPOSED BUDGETS (c=a-b)		31,135.2	31,701.0	62,836.2	

7.3 Chart 2 presents a breakdown of the resources required to undertake the high-level actions associated with each strategic result for the forthcoming biennium. In order for the Organization to achieve its overall Strategic objectives through the delivery of the outcomes expected in the HLAP, a significant portion of the available resources, accounting for some three quarters of the estimated resources, is allocated to meeting these objectives and the remainder of the resources is required to enhance overall governance, management and administration of the Organization (SR4).

Chart 2
Allocation of resources by Strategic results



Strategic results by category of work

7.4 The Strategic results will be accomplished through four broad strands of activity, which can be categorized as: Intergovernmental decision-making (IGD); Services to Member States (SMS); Organizational outreach and events (OOE); and Internal management and support (IMS), as outlined below:

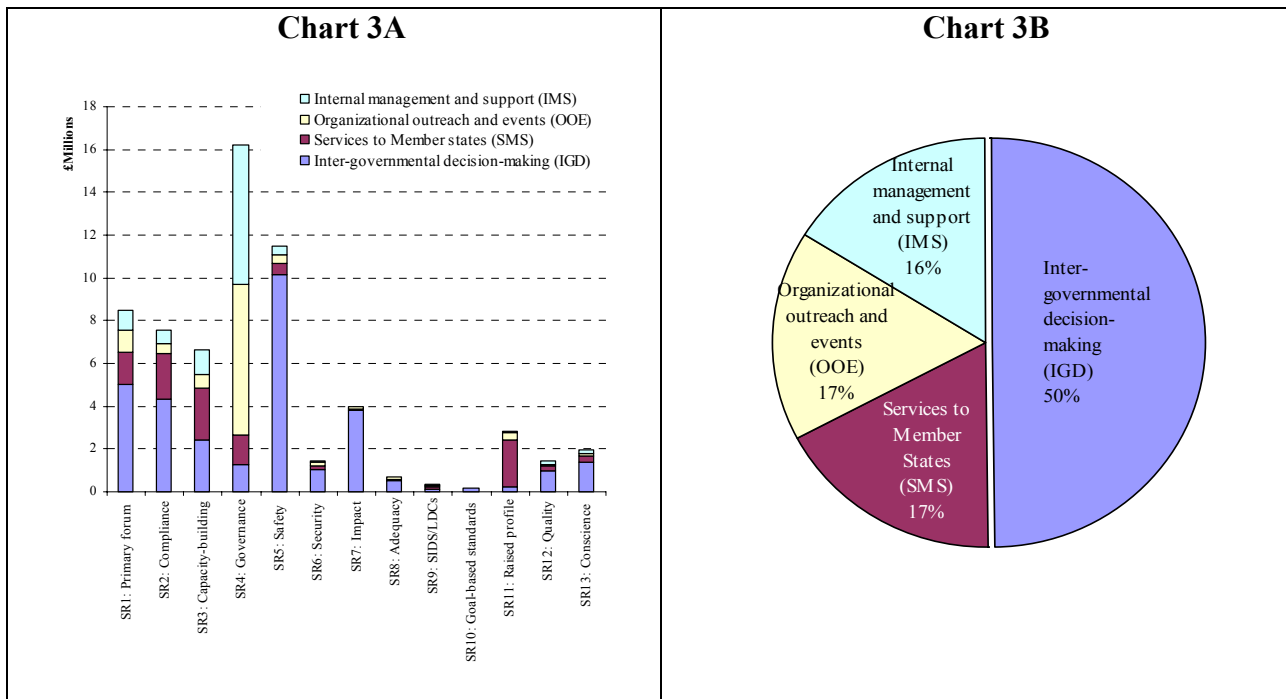
- (a) the main elements making up the **IGD work** comprise the Secretariat's assistance to the decision-making of the Organization's various organs; providing linguistic and logistical support to the meetings of these organs; preparing the necessary documentation and briefing; and undertaking the related follow-up work of promulgating new instruments, convention amendments, revised codes and guidelines and other related information;
- (b) a key component of the **SMS work** involves the provision of technical and legal advice to Member States, not only through the Organization's technical co-operation activities but also through undertaking various extra-budgetary activities (e.g., the Voluntary IMO Member State Audit Scheme);
- (c) the main **OOE activities** are those aiming at ensuring that the work of the Organization is effectively promulgated through all available media (including the IMO News and the IMO website) and maintaining harmonious and productive relationships with the Membership, other UN bodies, IGOs, NGOs and the industry; and lastly,
- (d) the functions under the **IMS category** cover all work related to the management of the Organization's financial, human and physical resources; the Secretariat's support to external and internal governance; facilitation of the progression of the Organization to a knowledge-based Organization through prudent investment in IT systems and support; and promotion of staff development, innovation and management reforms, consistent with supportive internal controls and effective oversight.

7.5 Table 3 and Chart 3 show the resource distribution by those four categories. The resources allocated to the provision of IGD represent a significant component (50%) of the budget due to the Organization’s intergovernmental character and its Committee decision-making structure. As can be seen in Table 3 and Chart 3A, most of the Strategic results, except SRs 4 (Governance) and 11 (Raised profile), are based on the output of intergovernmental decision-making activities. The IGD cost estimation is based on the proposed 41.4 meeting-weeks for the 2010-2011 biennium, which are detailed in paragraph 9.2 onwards. The resource requirements for OOE and IMS represent 17% and 16%, respectively, of the biennial budget. Those two components are related, among others, to the activities to achieve SR4 (Governance).

Table 3
Allocation of resources by category of work for 2010-2011

	Inter-governmental decision-making (IGD)	Services to Member States (SMS)	Organizational outreach and events (OOE)	Internal management and support (IMS)	TOTAL (£'000)
SR1: Primary forum	5,001.5	1,513.4	1,035.8	909.9	8,460.6
SR2: Compliance	4,314.9	2,125.6	473.9	669.2	7,583.6
SR3: Capacity-building	2,436.9	2,390.0	640.9	1,142.6	6,610.4
SR4: Governance	1,291.6	1,355.7	7,045.7	6,517.7	16,210.7
SR5: Safety	10,130.2	561.0	388.1	393.2	11,472.5
SR6: Security	1,053.9	185.0	118.5	87.1	1,444.5
SR7: Impact	3,835.0	32.3	122.2	19.2	4,008.7
SR8: Adequacy	497.3	97.2	74.1	36.3	704.9
SR9: SIDS/LDCs	105.5	147.8	19.4	81.6	354.3
SR10: Goal-based standards	187.7	-	-	-	187.7
SR11: Raised profile	249.0	2,152.2	359.7	46.7	2,807.6
SR12: Quality	958.4	237.6	98.8	126.2	1,421.0
SR13: Conscience	1,364.0	293.6	129.6	182.5	1,969.7
Total	31,425.9	11,091.4	10,506.7	10,212.2	63,236.2

Chart 3
Allocation of resources by category of work



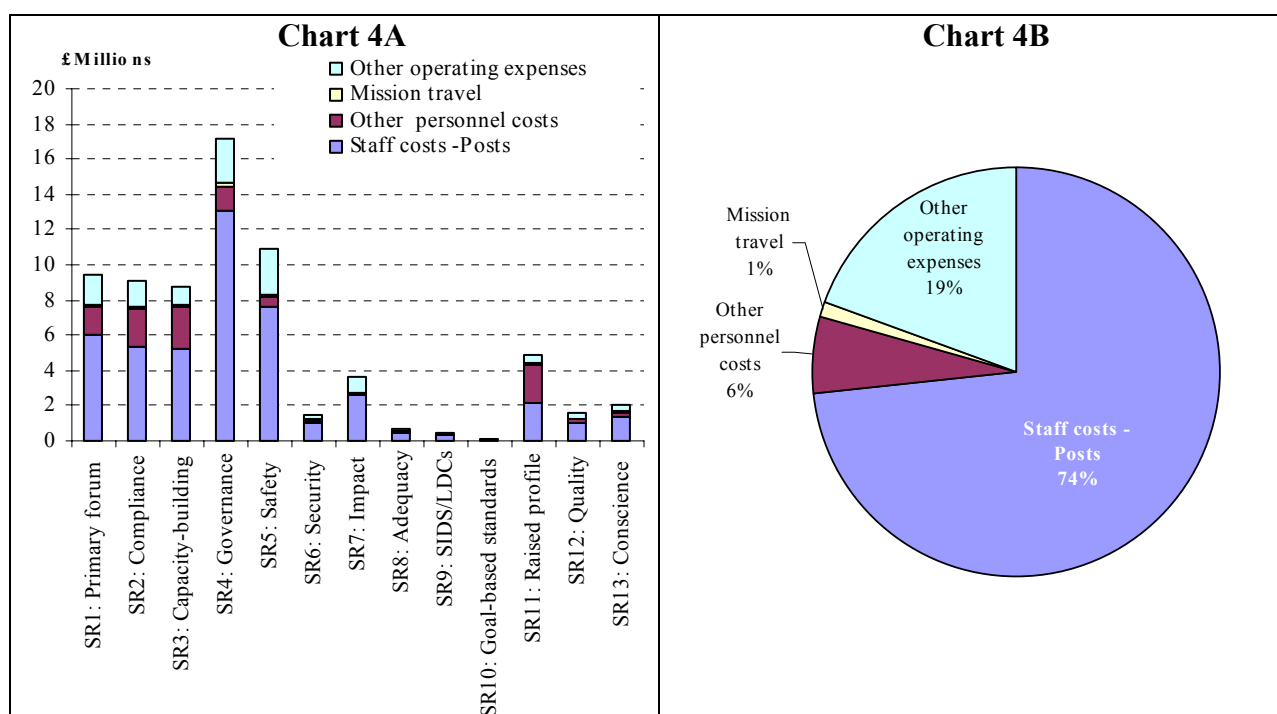
Strategic results provision by cost group

7.6 Table 4 and Chart 4, which present the resource requirements by cost group for achieving the planned Strategic results in the 2010-2011 biennium, show that **fixed Staff costs alone account for nearly three quarters (74%) of the total resource requirement**. The total personnel costs, which include variable Other personnel cost items (such as overtime, temporary assistance, consultants, temporary interpreters and translators to meet peak demands), make up 80% of the estimated resource. The remaining 20% is allocated to non-personnel items which include official mission travel (1%) and other operating expenses (19%).

Table 4
Allocation of resources by cost group for 2010-2011

	Personnel items		Non-personnel items		TOTAL (£'000)
	Staff costs -Posts	Other personnel costs	Mission travel	Other operating expenses	
SR1: Primary forum	6,044.7	541.2	208.1	1,666.6	8,460.6
SR2: Compliance	5,381.1	611.6	62.8	1,528.1	7,583.6
SR3: Capacity-building	5,226.4	240.7	74.3	1,069.0	6,610.4
SR4: Governance	13,032.4	361.5	235.6	2,581.2	16,210.7
SR5: Safety	7,637.7	1,161.6	46.4	2,626.8	11,472.5
SR6: Security	999.3	113.2	28.6	303.4	1,444.5
SR7: Impact	2,661.7	379.9	-	967.1	4,008.7
SR8: Adequacy	461.0	72.6	9.3	162.0	704.9
SR9: SIDS/LDCs	285.2	9.7	5.4	54.0	354.3
SR10: Goal-based standards	123.0	19.4	-	45.3	187.7
SR11: Raised profile	2,203.5	52.1	31.3	520.7	2,807.6
SR12: Quality	1,005.7	113.1	8.7	293.5	1,421.0
SR13: Conscience	1,342.1	188.5	43.6	395.5	1,969.7
Total	46,403.8 74%	3,865.1 6%	754.1 1%	12,213.2 19%	63,236.2 100%

Chart 4
Allocation of resources by cost group



BUDGET DEVELOPMENT CONSIDERATIONS

8 The Secretary-General's proposal for the 2010-2011 biennium regular budget amounts to £62,836.2k, which is based on the resource requirement (£63,236.2k) described in previous paragraphs less staff turnover of £400k. The proposal, which represents a **14.9% increase over the current biennium**, reflects a two-tier assessment of the Organization's financial needs for 2010-2011. The first tier, shown as pay/price changes in Table 5 below, represent a **baseline cost increase of 16% (£8,764.2k)** as a consequence of the forecast external pay and price increases in the United Kingdom economy and knock-on effects of the United Nations Common System remuneration adjustments. The increase is partly offset by the second tier, representing a **1.1% (£597.3k) reduction due to programme/volume changes**, which reflect the combined net impact of new policy challenges and initiatives facing the Organization, including the establishment of a Trading Fund, introduction of IPSAS, working towards a Climate Neutral UN and an increased number of meeting-weeks. Details of the two tiers are provided in the following paragraphs by reference to the main cost groups. Overall year-on-year estimates of the costs are attached as annex 3.

Table 5
Summary of proposed budget increases by cost group

	Approved 2008-09 a	Estimates 2010-11 b	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			c=d+e	c/A	d	d/A	e	e/A
Staff costs (posts)**	39,364.9	46,003.8	6,638.9	12.1%	7,236.3	13.2%	-597.4	-1.1%
Other personnel	3,701.8	3,865.1	163.3	0.3%	241.8	0.4%	-78.5	-0.1%
Mission travel	690.3	754.1	63.8	0.1%	12.4	0.02%	51.4	0.1%
Operating provisions	10,912.3	12,213.2	1,300.9	2.4%	1,273.7	2.33%	27.2	0.05%
Total	(A) 54,669.3	62,836.2	8,166.9	14.9%	8,764.2	16.0%	-597.3	-1.1%

* % impact indicates the percentage changes against the current biennium total budget of £54,669.3k

** Staff costs shown here take into account staff turnover of £400k for each biennium.

Changes in Staff costs

8.1 As indicated in Chart 4B above, the most significant component affecting the size of the Organization's budget is the pay bill for established posts for the 2010-2011 biennium, a summary analysis of which is provided in Table 6 below. Pursuant to the UN General Assembly resolution to revise the base/floor salary scale effective 1 January 2009 for the Professional and higher categories of staff; the ICSC's various salary item adjustments (*inter alia*, interim changes in post adjustment multipliers applicable for London, new pensionable remuneration scales and increases in dependency allowances and education grants); prevailing USD/GBP exchange rates; and the updated staff profile, the **re-costed staff costs** result in an overall budget **increase of 9.4% (£5,130.3k)** over the current biennium's total approved budget of £54,669.3k.

8.2 The prevailing economic situation worldwide has a direct effect on the Organization's budgetary position. With the appreciation of the US dollar against the Organization's operating currency, more funds are required to pay the Professional staff salaries, the scales of which (base salary and pensionable remuneration scales) are approved in US dollars by the United Nations General Assembly. Based on the current biennium's budget calculation exchange rate of US\$ 1.97 to the pound sterling, the application of a rate of US\$ 1.436 to the pound applicable for March 2009 represents a **37% appreciation of the US dollar**, resulting in an **increase in Staff costs of £2,247.3k (4.1% points impact)** for the next biennium. An additional £244.7k will be required if a rate of US\$1.4 to the pound sterling is applied as shown in Table 6.

Table 6
Breakdown of Staff costs increases for the 2010-2011 biennium

		Staff costs	
		Changes (£'000)	% impact*
2008-09 Staff costs recosting (base change)	(a=i+ii+iii)	5,130.3	9.4%
<i>Pound sterling depreciation (£1=\$1.97 -> \$1.436)</i>	(i)	2,247.3	4.1%
<i>Impact of salary increases during Jan 2008- Mar 2009</i>	(ii)	3,001.3	5.5%
<i>Other price changes (allowances and statutory increments)</i>	(iii)	-118.3	-0.2%
2009 Prospective pay adjustments (General Service)	(b)	80.2	0.1%
Re-costed 2008-2009 base budget for Staff costs	(c=a+b)	5,210.5	9.5%
2010-11 Statutory increments	(d)	907.8	1.7%
2010-11 Salary adjustment (pay & price factors)	(e)	873.3	1.6%
2010-11 Additional impact of currency fluctuation	(f)	244.7	0.4%
2010-11 Effect of the Trading Fund establishment	(g)	-830.4	-1.5%
2010-11 Bionalization impact of 2009 new posts (2P and 1GS)	(h)	233.0	0.4%
Increases in gross Staff costs for 2010-2011	(i=d+e+f+g+h)	1,428.4	2.6%
Total net increases on approved Staff cost for 2010-2011	(j=c+i)	6,638.9	12.1%

* % impact indicates the percentage changes against the current biennium total budget of £54,669.3k

a / Calculation was made by applying pay and price factors as of March 2009

b/ Reflects a prospective increase of salary increase of 1.4% for General Service from October 2009

d/ Step increments for 2010 and 2011

e/ Assumed take-home pay increases of 2% for Professional and GS and Pensionable remuneration increase of 5% for Professional staff for each year

f/ Based on the assumed exchange rate (£1=US\$1.4)

g/ Changes in the composition of staff involved in the publishing activities due to the Trading Fund

h/ The new posts for the current biennium 2008-09 were budgeted for one year (2009) only; hence the full cost impact for 2010-11 is separately presented

i/ The currently vacant Deputy Secretary-General post is not budgeted

8.3 The estimated Staff costs have been adjusted to reflect the incidence of annual **statutory incremental awards** and the age profile of the staff of the Organization. The annual statutory increment payable in accordance with the Organization's Staff Regulations and Staff Rules is equivalent to between 2-4% of the base salary. To cater for such adjustments, a budget provision of £907.8k has been made for 2010-2011, which represents an increase of 1.7% over the total budget for the current biennium.

8.4 The regular **place-to-place surveys**³ will be carried out for both Professional and General Service staff in 2010 and the anticipated outcome needs to be reflected in the 2011 provisions. However, in accordance with past practice, the prospective adjustments based on the place-to-place survey results are not reflected in this proposal other than a nominal pay rise of 2% in each year of the biennium. It should be noted that the Secretary-General may need to revisit the issue should the impact of the survey outcome be assessed to be too significant to be absorbed within the approved budget, although every possible measure would be exercised to negate any financial burden as far as practicable.

8.5 The **programme/volume changes in Staff costs** shown in Table 5 above are associated with two effects indicated in Table 6: firstly, the **biennialization effect** of the new posts to strengthen the programmes for maritime security and marine environment protection, which were approved for the current biennium but budgeted for only one year (2009); and secondly, the Trading Fund effect which brings changes in the composition of staff budgeted in the regular budget. It is estimated that the **establishment of the Trading Fund will reduce** Staff costs in the regular budget by **£830.4k** for the next biennium since currently the costs of some staff members undertaking publishing activities are borne by the regular budget appropriation and the estimated costs are reimbursed from the Printing Fund to the regular budget as income.

³ A place-to-place survey is undertaken on a five-yearly cycle by the ICSC to reassess the relative costs-of-living in London for Professional staff and to review the comparative external public and private sectors' salary levels for General Service staff. In between the five-yearly cycle, annual interim adjustments are normally made in accordance with movements in the United Kingdom economy of general pay and price and in the pound sterling/dollar exchange rates.

The proposed revision to the staff complement is provided in annex 4. The corresponding Organizational structure is illustrated in annex 5. The issues associated with the shift to the Trading Fund structure are addressed in detail in paragraphs 12 to 12.6 below.

8.6 As shown in Table 5, the unavoidable pay and price changes affecting Staff costs are estimated at £7,236.3k, resulting in a 13.2% increase on the total budget for 2008-2009. Although the increase is partly offset by the **overall programme/volume reduction of £597.4k**, the net increase of £6,638.9k represents such a significant sum that the Secretary-General has decided, notwithstanding the challenges and new demands over the coming biennium and subsequent years, requiring **additional posts** (particularly to address the issues of IMO instruments, the GESAMP Office and climate change) that he has **no option** other than temporarily re-positioning staff resources and re-adjusting responsibilities within the resources available. In addition, the Secretary-General has deferred taking any action on the Ombudsman post recommended by the JIU in its review of the Organization (JIU/REP/2007/7).

Changes in Other personnel costs

8.7 The total change in Other personnel costs of £163.3k shown in Table 5 above is composed of an overall reduction in Short-term assistance of £143.1k and an increase in Meetings personnel of £306.4k (chiefly interpreters and translators).

8.8 Provision for **Short-term assistance** (which includes overtime work, temporary assistance and consultancy) is **reduced**, notwithstanding the pressure on the budget due to pay and price factors, to the minimum possible which will require the strong pursuit of efficiency gains by management at a difficult financial time.

Table 7
Summary of changes in Other personnel costs

	Approved 2008-09 a	Estimates 2010-11 b	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			c=d+e	c/A	d	d/A	e	e/A
Short-term assistance	1,305.3	1,162.2	-143.1	-0.3%	109.8	0.2%	-252.9	-0.5%
Meetings personnel	2,396.5	2,702.9	306.4	0.6%	132.1	0.2%	174.3	0.4%
Total	3,701.8	3,865.1	163.3	0.3%	241.9	0.4%	-78.6	-0.1%

* % impact indicates the percentage changes against the current biennium total budget of £54,669.3k

8.9 In respect of Meetings personnel, the increase reflects some unavoidable increases in fees for external interpreters and translators recruited for servicing meetings. Fees for the external interpreters and translators are negotiated centrally at inter-agency level with the International Association of Conference Interpreters (AIIC) and the Association internationale des traducteurs de conférence (AITC). Pay rises for interpreters and translators of 14% and 8%, respectively, are included in the budget estimate based on recent trends. The cost increase from volume changes, as shown in Table 7, results from the **expanded meetings programme** for 2010-2011 which totals 41.4 meeting-weeks, exceeding the current biennium by 3 meeting-weeks.

Changes in Official mission travel costs

8.10 The 0.1% points increase in the cost of Official mission travel over the 2008-2009 budget, as shown in Table 5, comprises a small increase due to price changes and programme/volume changes to address the provisions necessary (approximately 10% of the mission budget) to **purchase offsets** under the move towards the **Climate Neutral UN**, as explained in paragraphs 4.9 and 4.10. The management will continue exercising stringent measures to ensure the most suitable

economic mode of travel. Within the Organization's mission travel programme, priority is given to inter-agency coordination to enable the Organization to play a full and effective part in global initiatives of relevance to the Organization.

Changes in Operating provisions

8.11 The Secretary-General proposes overall increases of £1,300.9k for the next biennium in the cost group addressing budgets associated with operating costs: the Headquarters accommodation, Office consumables and services; Ancillary provisions; and Funds replenishment. This increase can be split into pay/price changes of £1,273.7k (2.33% points impact on the total current biennium budget) and programme/volume changes of £27.2k (0.05% points impact). Table 8, which summarises the changes by cost sub-group, shows that the main driver for the increase lies in Headquarters accommodation attributable, in particular, to pay/price changes.

Table 8
Summary of changes in Operating provisions

	Approved 2008-09 a	Estimates 2010-11 b	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			c=d+e	c/A	d	d/A	e	e/A
Headquarters accommodation	5,971.0	6,122.8	151.8	0.3%	1,073.5	2.0%	-921.7	-1.7%
Office consumables/services ♣	3,127.3	3,646.6	519.3	0.9%	35.8	0.1%	483.5	0.9%
Ancillary provisions ♣	648.0	816.5	168.5	0.3%	164.4	0.3%	4.1	0.0%
Funds replenishment ♥	1,166.0	1,627.3	461.3	0.8%	-	0.0%	461.3	0.8%
Total	10,912.3	12,213.2	1,300.9	2.4%	1,273.7	2.33%	27.2	0.05%

* % impact indicates the percentage changes against the current biennium total budget of £54,669.3k

♣ This includes operating expenses classified under the Meetings heading in the current biennium

♣ ASHI provisions are grouped under the heading of Funds replenishment

♥ Line items to replenish funds required under other Funds of the Organization

8.12 The major expenditure items in **Headquarters accommodation** are those associated with running the premises (rent, rates and insurance); utilities (gas, electricity, water and sewage); and contractual maintenance/services (minor repair and alteration, cleaning and security). As presented in Table 8, a total reduction of £921.7k in programme/volume changes is planned whilst pay/price changes are estimated to increase by £1,073.5k. The programme/volume changes reflect the shift of the costs associated with the Organization's commercial activities (initially, publishing and catering) to the Trading Fund rather than being reimbursed to the regular budget and accounted for as income. The increase in pay/price changes is a direct result of the dramatic rises over the recent years of utilities costs despite efforts to reduce overall usage. The increase in utility costs alone accounts for approximately 60% of the pay/price changes under the Headquarters accommodation cost group. The increasing costs of contractual maintenance/services due to the expansion of scope of such services under the Headquarters accommodation and rising pay/price levels are reflected in the increased costs.

8.13 The proposed budget increase under the heading of **Office consumables/services** (which include the costs for ICT/IS maintenance, minor office equipment/furniture, communications, expendable supplies, library books/magazines, medical material, local transport and hospitality) is comprised chiefly of three programme/volume changes. The first is catering costs, which are budgeted at £1,099.6k for the current biennium under the regular budget but are now presented in the budget estimate for the Trading Fund (as referred to in paragraphs 12.1 to 12.3). Another change is the reflection of the costs of SAP hosting and maintenance of £1.3m for the biennium. As explained in document C 102/4/1 addressing Organizational reforms, the increase in these recurrent costs will be offset by the reduction in the capital costs to be incurred under the

Headquarters Capital Fund and by efficiency savings from the enhanced maintenance and support as opposed to increased fixed staff costs. Lastly, operating expenses (non-personnel costs such as document printing charges and miscellaneous costs) for meetings has risen by approximately £290k due mainly to the increased number of meeting-weeks for the next biennium.

8.14 Under the heading of **Ancillary provision** lie the costs for jointly-financed UN agencies, external audit, recruitment, public information and language courses. The increase under this heading mostly reflects the pay/price changes arising, in particular, from the Organization's increased share of the costs of financing the UN agencies which address UN common system issues (e.g., JIU, ICSC, Department of Safety and Security, UN Cares, Chief Executive Board, etc.). It also includes the cost of hosting the 57th session of the tripartite meeting of the United Nations Joint Staff Pension Fund at IMO in 2010. The Fund meetings are hosted by UN system organizations on a rotational basis. The Organization last hosted the meeting in 1990.

8.15 **Funds replenishment** includes two components. One is a capital component to address the sustained contribution of funds to the Headquarters Capital Fund, which is proposed to increase by £70k to £400k for the next biennium. The other component is to address the Organization's liabilities in compliance with IPSAS, such as the liability for After Service Health Insurance (ASHI) costs, accrued annual leave and repatriation benefits, which are required to be fully revealed in the financial statements. While the liabilities are assessed to be approximately £18.9m, the initial funding for this proposal, taking into account the budgetary constraints due to the overall financial situation, is set at a very low level of £1,227.3k, which includes the estimate of ASHI premiums to be paid for the next biennium of £897.3k. The liability funds will be transferred to the Termination Benefit Fund in accordance with resolution A.991(25), by means of which the scope of the Termination Benefit Fund has been widened to encompass the financing and accounting of those liabilities. Further details are given in paragraph 14.2.

COST REDUCTION STRATEGIES

9 In response to the JIU recommendation aiming at reducing the cost of international meetings, this budget proposal transparently reflects the full costs of international meetings and also provides possible measures for improving the cost-effective delivery of the meetings programme through reducing the overall costs.

Proposed meeting weeks

9.1 The resource allocated to the provision for Intergovernmental decision-making (IGD) represents approximately half the proposed budget for 2010-2011, as noted in Table 3 and Chart 3 above, because of the Organization's intergovernmental character and its working methods utilizing the Committee and Sub-Committee structure. Efficiently and effectively serviced meetings provide the basis for the work to secure the Organization's strategic results. The timely production of documents in the three working languages remains essential to the proper functioning of the Committees and other intergovernmental bodies.

9.2 For the next biennium, provision has been made for a total of 41.4 meeting-weeks, an increase of 3 weeks over the 2008-2009 figure. The detailed programme of meeting-weeks for each year of the biennium is set out in annex 6.

Table 9
Meeting-weeks proposed for the 2010-2011 biennium

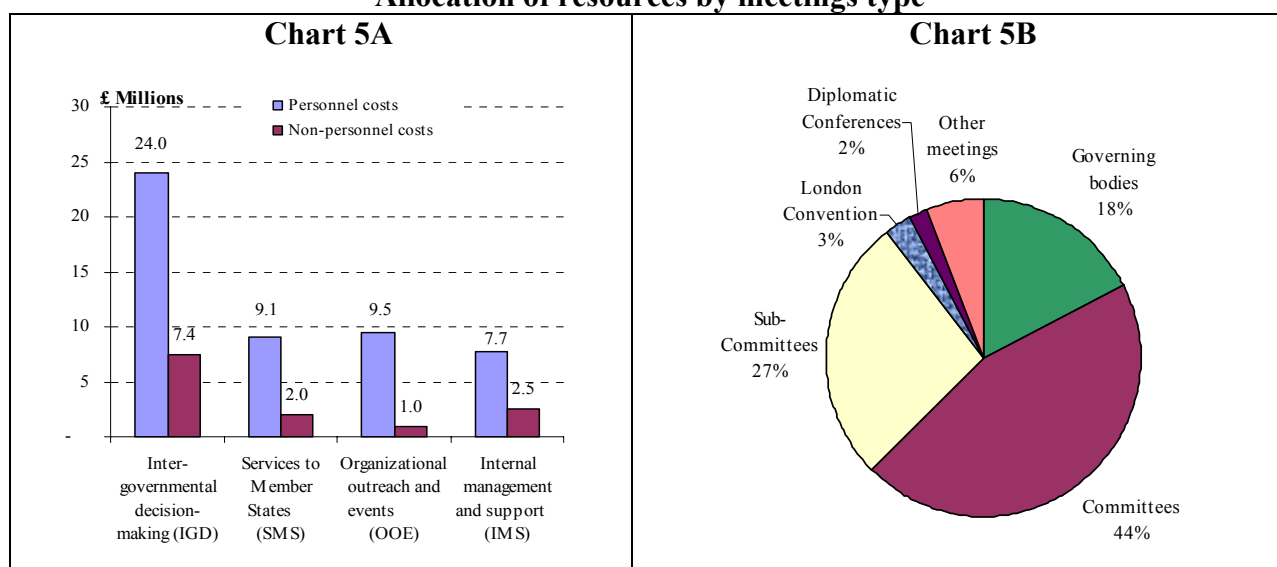
	Approved meeting-weeks			Proposed meeting-weeks		
	2008	2009	Total	2010	2011	Total
Governing bodies	2.0	3.4	5.4	2.0	3.4	5.4
Committees	7.8	6.2	14.0	7.8	5.2	13.0
Sub-Committees	9.0	7.0	16.0	10.0	9.0	19.0
London Convention	1.0	1.0	2.0	1.0	1.0	2.0
Diplomatic conferences	0.0	1.0	1.0	2.0	0.0	2.0
Total	19.8	18.6	38.4	22.8	18.6	41.4

9.3 The demand for three additional meeting-weeks is led by the Sub-Committees, based on a joint recommendation of the MSC and the MEPC for the nine subsidiary bodies to meet once each year for the next biennium, except for the DE Sub-Committee which plans to hold two sessions in 2010⁴. Two diplomatic conferences are also planned to address the revision of the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978 (STCW Convention) and the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996 (HNS Convention). The Legal Committee recommended⁵ to the Council that it should hold one session in the latter half of 2010 (LEG 97) and one session in 2011 (LEG 98), which results in the reduction of one meeting-week in the Committees meetings programme.

Resource requirements for IGD

9.4 Chart 5A below shows that the personnel costs to support Intergovernmental decision-making (IGD) requires a budget of approximately £24m with an additional £7.4m budget of other operating expenses related to the servicing of international meetings, both of which are the highest costs compared with other categories. The human resources required are not limited to those directly providing meeting services (documentation, translation, interpretation, etc.) but also include the technical staff involved in the preparation for and follow-up to the technical output of the meetings. The resource allocation by reference to the Organization's Strategic results and meeting types is set out in Table 10.

Chart 5
Allocation of resources by meetings type



⁴ Paragraph 23.52 of document MSC 85/26.

⁵ Paragraph 8.14 of document LEG 95/WP.4.

Table 10
Resource requirements for the Strategic results by meetings type

	Governing bodies	Committees	Sub-Committees	London Convention	Diplomatic Conferences	Other meetings	TOTAL	
							£'000	%
SR1: Primary forum	1,122.0	2,563.5	740.7	-	142.9	432.4	5,001.5	15.9%
SR2: Compliance	606.2	1,742.8	1,631.0	-	95.4	239.5	4,314.9	13.7%
SR3: Capacity-building	439.7	1,826.2	-	-	71.5	99.5	2,436.9	7.8%
SR4: Governance	660.6	485.3	31.7	8.6	23.8	81.6	1,291.6	4.1%
SR5: Safety	1,382.3	3,016.9	5,193.5	-	144.1	393.4	10,130.2	32.2%
SR6: Security	219.2	677.7	-	-	95.3	61.7	1,053.9	3.4%
SR7: Impact	520.2	2,361.7	578.4	-	-	374.7	3,835.0	12.2%
SR8: Adequacy	118.5	358.0	-	-	-	20.8	497.3	1.6%
SR9: SIDS/LDCs	31.9	70.4	-	-	-	3.2	105.5	0.3%
SR10: Goal-based standards	56.1	116.7	-	-	-	14.9	187.7	0.6%
SR11: Raised profile	98.4	128.1	-	-	-	22.5	249.0	0.8%
SR12: Quality	168.8	451.0	280.1	-	-	58.5	958.4	3.0%
SR13: Conscience	79.3	340.7	35.5	850.2	-	58.3	1,364.0	4.3%
TOTAL	5,503.2	14,139.0	8,490.9	858.8	573.0	1,861.0	31,425.9	100.0%

9.5 Of the total IGD resource estimate of approximately £31.4m, the largest portion is required for Committees (44%, £14.1m) followed by Sub-Committees (27%, £8.5m) and governing bodies (18%, £5.5m), as can be seen in Chart 5B and Table 10. Other meetings, which are not included in the proposed meeting-weeks (Table 9), also have some significant cost implications (6%, £1.9m) because of staff work-time and other logistical support even though those meetings are being held without interpretation and translation (documentation in original language only). Examples include the various intersessional meetings, working groups, GESAMP (EHS, Ballast water), Model Audit Scheme, drafting groups, correspondence groups, etc.

9.6 As can be seen in the total column of Table 10, based on the Secretariat-wide allocation of work-time, nearly one-third (32%) of the IGD resources are allocated to enhance the safety of human life at sea (SR5), followed by SR1 to enhance the status of the Organization as a primary maritime forum (16%) and SR2 which is to enhance global compliance with IMO instruments (14%).

Proposed approaches to the reduction in the costs of IGD

9.7 Although the Organization's meeting programme operates, for the most part, efficiently and effectively at present, the resources for IGD accounts for almost half the estimated total regular budget, as noted in Chart 3. Appropriate initiatives taken to change or improve the current arrangement of work associated with meetings could lead to a significant reduction in the overall costs of the management and operation of meetings.

Cost structure of IGD

9.8 Table 11 and Chart 6 below present the IGD resource requirements for 2010-2011 by reference to the cost type and activity, from which areas of exploration for possible cost-saving measures can be identified.

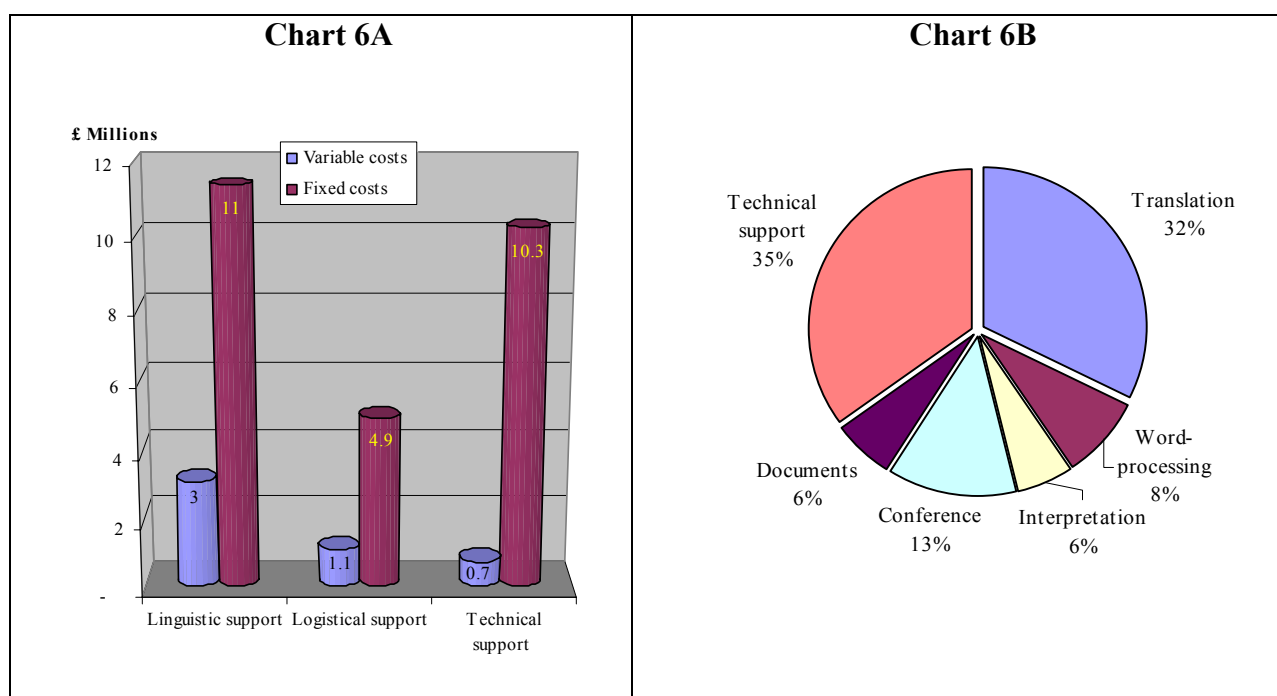
Table 11
Intergovernmental decision-making (IGD) cost types

	Linguistic support ♠			Logistical support ♠		Technical support ♥	TOTAL	
	Translation	Word-processing	Interpretation	Conference	Documents		£'000	%
Fixed costs (Personnel)	7,634.2	1,853.6	-	1,001.2	1,000.8	9,186.5	20,676.3	66%
Fixed costs (Operating expenses)	1,187.8	559.0	151.4	2,635.8	279.5	1,064.9	5,878.4	19%
Subtotal Fixed costs	8,822.0	2,412.6	151.4	3,637.0	1,280.3	10,251.4	26,554.7	85%
Variable costs (Personnel)	1,206.6	196.1	1,514.1	181.8	-	189.1	3,287.7	10%
Variable costs (Operating expenses)	107.4	36.4	9.9	250.5	651.0	528.3	1,583.5	5%
Subtotal Variable costs	1,314.0	232.5	1,524.0	432.3	651.0	717.4	4,871.2	15%
TOTAL	10,136.0	2,645.1	1,675.4	4,069.3	1,931.3	10,968.8	31,425.9	100%

♠ Conference Division

♥ Other than the Conference Division

Chart 6
Resource requirements for 2010-2011 in terms of areas of work

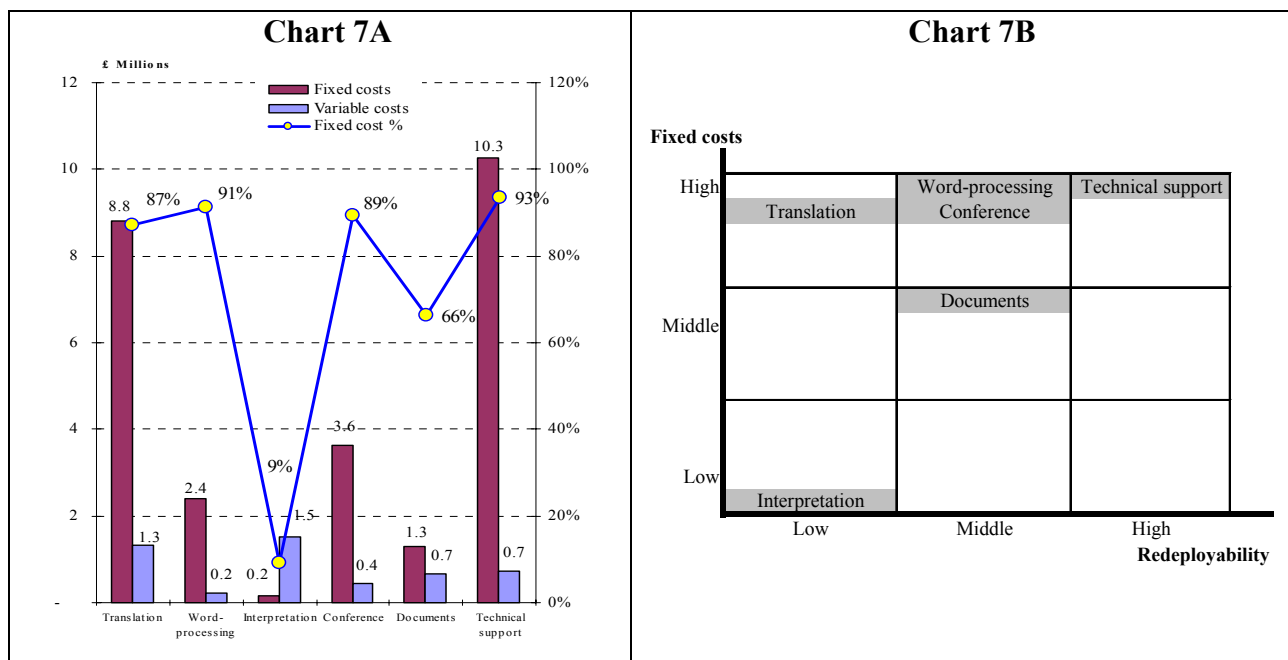


9.9 It may be seen in Table 11 that the proposed total costs of personnel and operating expenses associated with support to intergovernmental meetings for 2010-2011 are composed of fixed costs (85%) and variable/marginal costs (15%). The fixed costs in personnel reflect the staff costs based on the approved complement, whilst the variable personnel costs are related to those personnel other than staff posts (such as interpreters, external translation, temporary assistance, consultancy and overtime). Included in the fixed operating expenses are the main Headquarters expenditure components (building rents/rates/insurances, maintenance, cleaning and security), Ancillary provisions and budget line items (ASHI and capital investment), whereas such items as utility bills, document printing and postage, expendables and minor equipment are classified as variable operating expenses. In the event that a decision is made not to proceed with a particular meeting, savings would be realized only in the variable costs.

9.10 In terms of areas of work, the costs of technical support from the technical Divisions account for 35% (amounting to approximately £11m) of the total IGD resource requirement whilst the linguistic and logistical support to meetings provided by the Conference Division

accounts for 65% (approximately £20.5m). Chart 7A below further details the portions of the fixed costs by reference to areas of work and Chart 7B indicates the level of flexibility in the redeployment of the fixed costs resources (personnel and operating expenses) in the event of reduced meetings programmes. In the area of Technical support work, which shows a very high-fixed costs ratio (93%), a reduction in the meetings programme does not necessarily lead to a cost cut, but the resources can be redeployed to other priority programmes within the same technical discipline or even across disciplines. With respect to Translation, which also shows a high fixed-costs ratio (87%), this offers, by its very nature, less scope for redeployment. The cost-saving which may accrue in Word-processing and Conference services is also limited as there would be little scope to redeploy the resources across the Organization. The area of Documents shows lower fixed costs (66%) because of comparatively higher variable costs required for document printing.

Chart 7
Comparison of fixed costs for IGD by area of work



9.11 From the points made above, it is clear that, without adopting a strategy to reduce the fixed costs, any reduction on costs based on various short- and medium-term measures, including even a reduction in meeting-weeks, would have a limited effect. In this context, to complement the short- and medium-term options⁶ for the reduction of costs for international meetings, which have been considered by the *Ad Hoc* Council Working Group on the Organization’s Strategic Plan (CWGSP) and reported in document C 102/3(a), the long-term target is to gradually reduce the overall fixed-costs base in the IGD area.

ASSESSMENT LEVELS

Factors affecting assessment levels

10 The proposed total expenditure in the regular budget for the next biennium represents, as noted in Table 5 above, **an increase of 14.9% over the current biennium**. This proposal does not preclude the Council’s own view on alternative sources of replenishment, from the regular budget or other funds, to the various Funds of the Organization, the resource requirements of

⁶ These are, if agreed, mostly targeted for quick implementation, focusing initially on “low-hanging fruit”.

which are set out in the subsequent section. The increase in the total assessment level (being of the order of 22% over the current biennium) is not only dependent on the proposed expenditure level but is also affected by: the lapse factor; the extent of any offsetting income including reimbursements; and the scope of optional transfers from the Printing/Trading Fund reserves to the regular budget.

Lapse factor (staff turnover)

10.1 The primary aim of building a lapse factor into the budget is to achieve efficiency gains as well as to reduce the budgetary provision needed for the estimated staff costs by taking into account vacant work-months for part of the biennium resulting from delayed recruitment to posts left vacant through staff retirement or separation. Taking into account prospective staff separations and a manageable staggering of the recruitment to vacant posts, the Secretary-General has set the lapse factor to be maintained at the current biennium level of £400k, representing £200k for each year of the biennium. It should be noted that the lapse factor is set at the Organizational level rather than at Divisional or strategic results levels, to provide additional flexibility in redeploying the Organization's staff resources to the most pressing programmes in the Organization's High-level Action Plan for the 2010-2011 biennium.

Support costs income

10.2 The Organization receives annual support costs income normally set at the rate of 13% levied on the total project expenditure of the donor/trust funds to offset administrative and technical backstopping costs of the projects. In light of the forecast of the Organization's extra-budgetary delivery, the support cost income is set at £600k for the next biennium, representing a £200k increase over the current biennial figure of £400k.

Reimbursements from the proposed Trading Fund

10.3 The reimbursements from the Trading Fund for administrative backstopping costs are set at £1,339.4k, which is much lower than those of the current biennium of £1,999.9k from the Printing Fund, as noted in Table 12 below, because a portion of the relevant costs are to be directly charged to the Trading Fund accounts.

Transfers from the Trading Fund reserves

10.4 The Council will recall that a transfer of £1m from the accumulated reserves of the Printing Fund was approved for the current biennium to reduce the level of assessment for Member States. However, there are no accumulated reserves for similar transfers in the next biennium because all of the in-year surpluses of the Printing Fund have been transferred out to the various Funds of the Organization, in accordance with resolution A.991(25).

Miscellaneous income

10.5 The total miscellaneous income is estimated at £100k for the next biennium, which is a significant reduction from the current biennium's estimated total of £1,442k. This is because the earnings from the Organization's catering services, which, at £917.8k, are one of the major components in miscellaneous income for the current biennium, will not be accounted for under the regular budget but under the Trading Fund. The other main source of miscellaneous income represents interest earned from funds not needed for immediate requirements, which are invested with major banks, but the global economic downturn has led to very low interest rates and a correspondingly low income for the next biennium.

Assessment levels for the 2010-2011 biennium

10.6 Table 12 below summarizes the factors affecting the assessment levels. Total offsetting income, other than the estimated turnover level, is forecast at £2,039.4k representing a reduction of 58% (£2,802.5k) compared with the estimates for the current biennium of £4,841.9k. The overall effect of this reduction in the offsetting income is to bring up the **assessment increase to 22%** compared with the proposed increase in appropriation of 14.9%. In annual terms, the assessment increase is 18.4% for 2010 and 1.8% for 2011.

Table 12
Estimated income and assessments for the 2010-2011 biennium

	Approved budgets		Estimates		Biennium totals		Biennial changes	
	2008 a	2009 b	2010 c	2011 d	2008-09 e=a+b	2010-11 f=c+d	£'000 g=f-e	% g/e
Expenditure (i)	26,999.3	28,070.0	31,335.2	31,901.0	55,069.3	63,236.2	8,166.9	14.8%
Staff turnover (ii)	200.0	200.0	200.0	200.0	400.0	400.0	-	-
Appropriation (A=i-ii)	26,799.3	27,870.0	31,135.2	31,701.0	54,669.3	62,836.2	8,166.9	14.9%
Reimbursements from PF/TF	987.0	1,012.9	664.5	674.9	1,999.9	1,339.4	-660.5	-33%
Transfers from the PF/TF	500.0	500.0	-	-	1,000.0	-	- 1,000.0	-100%
Programme support cost income	200.0	200.0	300.0	300.0	400.0	600.0	200.0	50%
Miscellaneous income	721.0	721.0	50.0	50.0	1,442.0	100.0	- 1,342.0	-93%
Offsetting income total (b)	2,408.0	2,433.9	1,014.5	1,024.9	4,841.9	2,039.4	- 2,802.5	-57.9%
Net to be assessed (C=A-B)	24,391.3	25,436.1	30,120.7	30,676.1	49,827.4	60,796.8	10,969.4	22.0%

III PROPOSED BUDGETS FOR THE ORGANIZATION'S FUNDS

11 This section reviews the resource requirements for the Organization's budgetary Funds, namely, the Trading Fund, the Headquarters Capital Fund, the Termination Benefit Fund, the Training and Development Fund and the Technical Co-operation Fund, which all play a part in achieving the Organization's strategic results.

THE TRADING FUND

12 As noted in paragraphs 4.4 and 4.5, the Secretary-General's budget proposal for the 2010-2011 biennium includes a budget for the Trading Fund, which is expected to be formally established by means of a resolution to be adopted by the Assembly at its 26th session. The proposed terms of reference for the Trading Fund are attached as an appendix to the draft resolution at annex 7. The Secretary-General seeks the Council's approval of the Terms of Reference and the related resolution for submission to the forthcoming 26th regular session of the Assembly.

12.1 The Trading Fund will support all of the commercial activities of the Organization and account for all revenue and expenses, including administrative backstopping costs, associated with its activities, thereby revealing the true performance of the business operation and enhancing transparency in compliance with IPSAS. An estimated budget to undertake those revenue-generating activities in 2010-2011, under the Trading Fund structure, is given in Table 13 below. Although not directly comparable, Table 13 also provides a comparison with the equivalent components in the Printing Fund and the regular budget for this biennium. The proposed 2010-2011 budget amounts to £11.6m in total, representing an increase of 23.6% over and above the comparable one for the current biennium. An explanation of the elements causing the increases is given in paragraph 12.2 below.

Table 13
Estimated expenditure by business operation for the 2010-2011 biennium
under the Trading Fund

	PF+RB♣ 2008-09 a	Trading Fund 2010-11 b	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			c=d+e	c/A	d	d/A	e	e/A
Marketing (PF)	3,652.6	4,430.7	778.1	8.3%	119.6	1.3%	658.5	7.0%
Editorial (PF)	1,327.3	1,724.3	397.0	4.2%	58.6	0.6%	338.4	3.6%
Production (PF)	2,350.7	3,292.9	942.2	10.0%	117.4	1.2%	824.8	8.8%
Technical support (PF)	988.1	-	-988.1	-10.5%	-	0.0%	-988.1	-10.5%
Catering (RB)	1,101.4	2,193.9	1,092.5	11.6%	196.3	2.1%	896.2	9.5%
Total (A)	9,420.1	11,641.8	2,221.7	23.6%	491.9	5.2%	1,729.8	18.4%

* % impact indicates the percentage changes against the current biennium total budget of £9,420.1k

♣ This reflects the components in the Printing Fund (publishing) and the Regular budget (catering) comparable to those in the Trading Fund

12.2 The estimated increase of 23.6% is comprised of pay/price changes of £491.9k (5.2% points) and programme/volume changes of £1,729.8k (18.4% points). The programme/volume changes reflect partly the establishment of the Trading Fund and partly the projected increase in sales (as referred to in paragraph 12.3 below). The budget changes arising from the introduction of the Trading Fund can be seen in three cost groups, which are provided in Table 14, reflecting:

- **rearrangement of posts** – a total of 24 posts (6 Professional and 18 General Service) dealing directly with commercial activities (which are currently budgeted in the regular budget) will be transferred to the Trading Fund, whilst a total of 5 posts (4 Professional and 1 General Service), providing indirect technical and linguistic support to the publishing operation (which are currently budgeted under the Printing Fund) have been included in the proposed regular budget. The consequential staff complement for the 2010-2011 biennium is provided at annex 4. It should be noted that the proposed staff complement actually reflects a reduction of 3 posts, which can be seen as an initial positive effect of the consolidation of all commercial posts under the Trading Fund;
- **the associated operating expenses** (such as rent and utility bills; capital investments, depreciated over their useful life; and the liabilities in respect of staff benefits including ASHI) will be directly charged to the Trading Fund; and
- **the Organization's administrative back-stopping services** (such as accounting, payroll, budgeting, procurement, human resource services, training, IT and facilities management) are charged to the Trading Fund at a rate of 13% on the expenses incurred, which is the common rate being applied by the Organization in respect of the support costs related to extra-budgetary activities financed by donors. The collected back-stopping costs are then reimbursed to the regular budget as income, reducing Member States' assessment by that amount.

Table 14
Estimated expenditure by cost group for the 2010-2011 biennium
under the Trading Fund

	PF+RB♣ 2008-09 a	Trading Fund 2010-11 b	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			c=d+e	c/A	d	d/A	e	e/A
Personnel	2,778.3	3,922.1	1,143.8	12.1%	185.5	2.0%	958.3	10.2%
Operating expenses	4,641.9	6,380.3	1,738.4	18.5%	306.4	3.3%	1,432.0	15.2%
Reimbursement/support	1,999.9	1,339.4	-660.5	-7.0%	-	0.0%	-660.5	-7.0%
Total	A	9,420.1	2,221.7	23.6%	491.9	5.2%	1,729.8	18.4%

* % impact indicates the percentage changes against the current biennium total budget of £9,420.1k

♣ This reflects the components in the Printing Fund (publishing) and the Regular budget (catering) comparable to those in the Trading Fund

12.3 The estimated expenditure budget of £11.6m is based on an anticipated level of business operations with a target revenue of approximately £19.8m, resulting in a prospective surplus of £8.2m for the next biennium, as can be seen in Table 15. However, it should be noted that, to take full advantage of the benefits to be generated from establishing the Trading Fund, flexibility should be allowed in using the funds over and above the operational budget to support additional volumes of business, provided that any overrun in expenditure is used for the purchase of supplies, production and marginal personnel costs (overtime and temporary assistance) to meet additional demands, which generate sales exceeding the target set out in the budget. This flexibility is articulated in paragraph 3 of the proposed terms of reference for the Trading Fund provided at annex 7.

Table 15
Estimated Trading Fund revenue and surplus for the 2010-2011 biennium

	Printing Fund & regular budget			Trading Fund		
	2008	2009	2008-2009	2010	2011	2010-2011
Publication sales	7,988.0	7,828.0	15,816.0	9,000.0	9,100.0	18,100.0
Catering	437.9	479.9	917.8	560.8	611.1	1,171.9
Miscellaneous	430.0	430.0	860.0	282.5	290.4	572.9
Total revenue estimate (a)	8,855.9	8,737.9	17,593.8	9,843.3	10,001.5	19,844.8
Expenditure plan (b)	4,558.7	4,861.4	9,420.1	5,775.5	5,866.3	11,641.8
Prospective surplus (c= a-b)	4,297.2	3,876.5	8,173.7	4,067.8	4,135.2	8,203.0

The concept of surplus under the Trading Fund

12.4 Under the current United Nations System Accounting Standards (UNSAS), the surplus shown in Table 15 above can be fully transferable to other Funds of the Organization, whilst a totally different level of surplus could be presented in the IPSAS-compliant financial statements. This is mainly because of inventory accounting under IPSAS; the cost of inventories⁷ is recognized as expenses when these are sold, exchanged or distributed, in the year in which the related revenue arises and the amount of any write-off or loss of inventories are recognized as expenses. Table 16 demonstrates the difference: in 2010, the expense⁸ amount recognized under IPSAS is less than the expenditure based on the UNSAS accounting, whilst the 2011 figures show the *vice-versa* situation. Consequently, the prospective surplus under IPSAS would vary significantly depending on the level of inventories added and consumed/expensed in the year. Another point to note is that the surplus based on the expense recognition under IPSAS cannot be fully transferable to other Funds because it is not a 100% cash surplus (some of the surplus is registered as inventory assets, not a cash/deposit asset). In this context, it is proposed that a cash approach be adopted to budget the expenditure estimate, recognize revenue/income and also identify the transferable in-year surplus of the Trading Fund.

Table 16
Comparison of in-year surplus of the Trading Fund under UNSAS and IPSAS

	2010			2011		
	UNSAS * Cash disbursement (a)	IPSAS Expense recognition (b)	Difference (c=a-b)	UNSAS Cash disbursement (a)	IPSAS Expense recognition (b)	Difference (c=a-b)
Marketing	2,195.1	2,195.1	-	2,235.6	2,235.6	-
Editorial/production**	2,502.7	1,801.9	700.8	2,514.5	2,665.0	-150.5
Catering	1,077.7	1,077.7	-	1,116.2	1,116.2	-
Total	5,775.5	5,074.7	700.8	5,866.3	6,016.8	-150.5

* UNSAS Cash disbursement indicates the expenditure shown in Table 15 above

** Expense recognition under IPSAS is based on the assumption that 28% of the value of production each year (valued as equivalent to the total costs/cash disbursements of editorial/production) and the previous year-end stock is kept as inventory for 2010 year-end and the same assumption for 2011 but applying a write-off of £350k.

⁷ IPSAS 12 defines inventories as "... assets: a) In the form of materials or supplies to be consumed in the production process; b) In the form of materials or supplies to be consumed or distributed in the rendering of services; c) Held for sale or distribution in the ordinary course of operations; or d) In the process of production for sale or distribution".

⁸ The scope of the accounting policies and practices for the Organization's inventory stock will only have effect on Publications inventory; not in cafeteria and stationery inventories which will be expensed on purchase.

12.5 Since 100% of the in-year surplus of the current Printing Fund is distributed to the other Funds of the Organization, in accordance with resolution A.991(25), and the accumulated reserves are used to reduce Member States' assessments in the regular budget, there will be no reserve left, if the current 100% distribution formula is maintained, to meet the Organization's liabilities for staff benefits⁹ (estimated at £1.5m), thus resulting in a deficit of the same amount in the Trading Fund. To avoid a deficit in the account and to build up funds to meet the liabilities and other requirements in the Trading Fund, the Secretary-General proposes that the current formula of the Printing Fund surplus distribution be re-established under the Trading Fund and IPSAS requirements as shown in Table 17 below.

Table 17
Proposed allocation of in-year surplus of the Trading Fund

	In-year surplus distribution			Distribution of TF surplus *		
	Printing Fund (Approved)	Trading Fund (Proposed)	Difference	based on the proposed formula		
				2010	2011	Total
Technical Co-operation	75.0%	75.0%	0.0%	3,050.9	3,101.3	6,152.2
Headquarters Capital Fund	15.0%	10.0%	-5.0%	406.8	413.5	820.3
Termination Benefit Fund	8.5%	0.0%	-8.5%	-	-	-
Training and Development Fund	1.5%	1.5%	0.0%	61.0	62.0	123.0
Reserves	0.0%	13.5%	13.5%	549.2	558.2	1,107.4
Total	100.0%	100.0%	-	4,067.8	4,135.1	8,202.9

* The cash surpluses shown in Table 15 above have been used

12.6 The proposed formula has maintained the same percentage distribution to the Technical Co-operation Fund (75%) but established a new distribution (13.5%) for reserves to discharge the Trading Fund's own liabilities, whilst reducing the allocation to the Headquarters Capital Fund (-5.0% points) and removing the component for the Termination Benefit Fund (-8.5% points). The Trading Fund reserves, at the end of the next biennium, are calculated at £1,107.4k on the basis of the proposed formula and the estimated cash surplus shown in Table 15. Although the reserves do not reach the estimated liabilities of £1.5m, it is expected that those will be able to be met in the 2012-2013 biennium.

THE HEADQUARTERS CAPITAL FUND

13 The provisions, under the Headquarters Capital Fund, are to meet the capital expenditure necessary for the efficient operation of the Organization, and for fulfilling the Organization's liabilities under the terms of the Lease Agreement with the Host Government for the Headquarters building. The overall resource requirements for the next biennium, as shown in Table 18, are estimated to reduce by 21.1% to £3,396.2k compared with those of the current biennium. The reduction is mainly accountable for programme/volume changes: reduced liability for the payment of the cost of the Headquarters refurbishment and a scaling down in IT/IS and SAP investment.

⁹ In compliance with IPSAS, benefits in respect of accrued annual leave, repatriation benefits and ASHI costs for staff under the Trading Fund should be disclosed.

Table 18
Estimated expenditure for 2010-2011 under the Headquarters Capital Fund

	Approved 2008-09 a	Estimates 2010-11 b	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			c=d+e	c/A	d	d/A	e	e/A
Major building repairs	145.0	145.0	-	0.0%	-	0.0%	-	0.0%
HQs refurbishment liability	1,750.0	1,600.0	-150.0	-3.5%	0.0	0.0%	-150.0	-3.5%
Equipment/furniture/vehicles	104.8	108.1	3.3	0.1%	3.3	0.1%	-	0.0%
IT/IS and SAP	2,304.5	1,543.1	-761.4	-17.7%	15.4	0.3%	-776.8	-18.0%
Total	A 4,304.3	3,396.2	-908.1	-21.1%	18.7	0.4%	-926.8	-21.5%

* % impact indicates the percentage changes against the current biennium total budget of £4,304.3k

13.1 Almost half the expenditure estimate is the funds required for the final repayments of the Organization's liability¹⁰ to the United Kingdom Government associated with the Headquarters refurbishment project, which was completed in April 2008. The discharge of the repayment liability does not result in any corresponding "capital" component in the Organization's financial statements being recognized in compliance with IPSAS. The same applies to the expenditure under the heading of Major building repairs (such as lifts/escalators, air conditioning system, overall carpet replacement, etc.) in respect of which the Organization bears 20%¹¹ of the cost. This 20% share cannot be shown as capital investment in the Organization's financial statements under IPSAS because there is no physical building part owned, and accordingly depreciated, by the Organization. In this context, it would, under IPSAS, be more appropriate if the provisions to meet the costs under the Lease Agreement are budgeted in the regular budget. However, due to the budgetary constraints for the next biennium, those two items of expenditure are maintained in the Headquarters Capital Fund for the 2010-2011 biennium.

13.2 The investment in the Organization's IT/IS equipment and facilities, software development and SAP system is estimated at £1,543.1k for the next biennium, representing some 18% reduction on the current biennium's figure. This is because of the Organizational reform, reported in document C 102/4/1, to outsource the SAP hosting and supporting functions, rather than maintaining these as in-house operations, the costs of which will then become a running cost, which is reflected in the proposed regular budget for the next biennium (paragraph 8.13 refers).

13.3 In terms of funding of the £3.4m, which is estimated on the basis of cash disbursement required for 2010-2011, a total of £4.2m is available comprising: a forecast balance of the Headquarters Capital Fund of £2.5m at the end of 2009; transfers from the regular budget line item of £0.4m; allocation of the final in-year surplus of the Printing/Trading Funds of £1.2m; and miscellaneous income of £0.1m.

THE TERMINATION BENEFIT FUND

14 The Termination Benefit Fund meets the costs associated with payment of termination and separation benefits; post-retirement benefits; and also covers the additional costs of temporary staff employed to replace staff members on long-term sick leave. Table 19 below

¹⁰ The payment has been spread over the Organization's share of the costs of Phases 1 and 2 of the Headquarters refurbishment project totalling £4.6m under the special cost sharing terms of 90:10, the payment of which has been spread over three biennia: an initial payment of £1.25m in the 2006-2007 biennium, £1.75m in the 2008-2009 biennium and the rest of £1.6m in the next 2010-2011 biennium.

¹¹ In accordance with the Lease Agreement with the United Kingdom Government.

shows that the total resource requirement under this Fund is estimated at £1,726.4k for the 2010-2011 biennium, representing a 17.6% (£258k) increase over the current biennium level. The estimate for expenditure on termination and repatriation shows a 12.2% increase on the basis of the Organization's staff age profile. The provision for after-service health insurance (ASHI) is set to increase by 5.4%, which mainly reflects the rise in the number of retired staff members benefiting from the Organization's ASHI scheme.

Table 19
Estimated expenditure for 2010-2011 under the Termination Benefit Fund

	Approved 2008-09 a	Estimates 2010-11 b	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			c=d+e	c/A	d	d/A	e	e/A
Termination and repatriation	556.2	734.7	178.5	12.2%	28.5	2.0%	150.0	10.2%
After service health insurance	818.0	897.5	79.5	5.4%	16.4	1.1%	63.1	4.3%
Replacement of staff**	94.2	94.2	-	0.0%	-	0.0%	-	0.0%
Total	A 1,468.4	1,726.4	258.0	17.6%	44.9	3.1%	213.1	14.5%

* % impact indicates the percentage changes against the current biennium total budget of £1,468.4k

** Temporary assistance costs to replace staff on long-term sick leave

14.1 The estimated cash expenditure of approximately £1.73m for 2010-2011 can be met by funding totalling £3.75m raised from: the forecast 2009 year-end balance of the Termination Benefit Fund (£2.0m); transfers from the regular budget line item (£1.23m); allocation of the in-year surplus of the Printing/Trading Funds (£0.46m); and miscellaneous income (£0.06m).

14.2 It may be noted that the Fund balance expected at the end of the next biennium of £2.02m (= £3.75m - £1.73m) is far short of the Organization's liability in respect of repatriation costs, accrued annual leave and ASHI costs under the provisions of the Organization's Staff Regulations and Staff Rules. The total liability related to staff paid through the regular budget and retirees is currently estimated at approximately £18.9m comprised of: repatriation £2.3m; accrued annual leave £1.6m; and ASHI £15.0m. To meet these IPSAS-compliant liabilities within a reasonable period, say over three biennia, an additional fund of £6.3m (one third of £18.9m) needs to be identified from an appropriate budget source in 2010-2011.

14.3 In this context, the Council may wish to note that the surplus of the Trading Fund will be limited and no longer be available for transfer to the Termination Benefit Fund following the IPSAS requirement for the former to build up its own reserves to meet similar liabilities for Trading Fund staff, as noted in paragraph 12.5 above. To begin to address the liability for regular budget staff, in addition to an ASHI line item reflected in the proposed regular budget of £1.23m (paragraph 8.15 refers), the Secretary-General proposes that 50% of the un-obligated cash surplus of the General Fund be transferred to the Termination Benefit Fund, unless otherwise decided by the Council from time to time, until sufficient funds are built up to meet the prevailing liabilities. If approved, an initial amount to be transferred in 2010 is estimated at some £1.4m.

THE TRAINING AND DEVELOPMENT FUND

15 The Training and Development Fund (TDF) covers the costs associated with staff training. In line with the emphasis placed on establishing a strengthened system of performance management, the proposed £240k for the 2010-2011 biennium (which represents a 26.7% increase compared with the current biennium figure (Table 20)), is relatively modest at 0.5% of the total staff costs budget (£46,003.8k) proposed under the regular budget (Table 5 refers).

Table 20
Estimated expenditure for 2010-2011 under the Training and Development Fund

	Approved	Estimates	Total changes		Pay/price changes		Prog/volume changes	
	2008-09	2010-11	c=b-a	% impact*	£'000	% impact*	£'000	% impact*
	a	b	c=d+e	c/A	d	d/A	e	e/A
Performance/ HR management	55.5	136.0	80.5	42.5%	1.1	0.6%	79.4	41.9%
Finance and budgetary training	35.6	20.0	-15.6	-8.2%	-	0.0%	-15.6	-8.2%
SAP and IT training	76.3	62.0	-14.3	-7.6%	1.5	0.8%	-15.8	-8.4%
Induction	22.0	22.0	0.0	0.0%	-	0.0%	0.0	0.0%
Total	A	189.4	50.6	26.7%	2.6	1.4%	48.0	25.3%

*% impact indicates the percentage changes against the current biennium total budget of £189.4k

15.1 The increased training requirement is based on a survey of demand, as identified by line managers and takes into consideration the need for staff to undertake specific technical training, including developmental training.

15.2 The available funding of the proposed budget will rely on the balance of the Training and Development Fund (forecast at £258k at the end of 2009) and the allocation of the in-year surplus of the Printing/Trading Funds (estimated at £143k).

THE TECHNICAL CO-OPERATION FUND

16 Under IPSAS, the budget for the Technical Co-operation Fund (TCF) should, for budget-expenditure variation analysis, be included within the budget approved by the Assembly; whereas, currently, the budget for technical co-operation is considered by the Technical Co-operation Committee (TCC) and endorsed by the Council. As the scope and content of the Organization's Integrated Technical Co-operation Programme (ITCP) is separately considered by the TCC, this document does not address the detailed allocation of funds from the TCF other than the level of transfers, which will be made from the Trading Fund surplus to the TCF.

16.1 In his initial proposals for the 2010-2011 biennium, submitted to TC 59 for consideration (see document TC 59/5), the Secretary-General has recommended that, of the overall funding requirement for the 2010-2011 ITCP (which is estimated at US\$22.4m), a total of US\$14m be financed by the Organization's TCF. The US\$14m figure represents approximately 62% of the total ITCP funding estimates, which is an increase of 16.7% compared with US\$12m (59% of the 2008-2009 ITCP funding requirement) allocated from the TCF for the current biennium.

16.2 Table 21 below shows the two-tier changes by region: overall, programme changes account for 9.7% points out of the proposed 16.7% increase, whilst the remaining 7% points increase is ascribed to pay and prices changes. One of the main reasons for the pay and price change is increased salary levels applicable to the regional coordinators. Currently, the regional coordination functions are undertaken in 6 regions through contracts (5 regional programme officers stationed in Ghana, Côte d'Ivoire, Kenya, the Philippines and the Caribbean and 1 sub-contractor representing the Latin America region) under the TCF. The total costs of regional coordination are estimated at US\$2.15m for the next biennium, which includes the cost associated with the maintenance of offices and the co-financing of secretarial assistance with the host governments, representing 15% of the total TCF allocation. These regional coordinator posts are now reflected in the staff complement table attached as annex 4. In respect of the programme changes, the increase is largely accounted for by the emphasis placed in most regions on strengthening capacity-building in marine environmental protection.

Table 21
Estimated expenditure for the 2010-2011 biennium under the Technical Co-operation Fund
(expressed in thousand United States dollars)

	Approved 2008-09	Estimates 2010-11	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	US\$'000	% impact*	US\$'000	% impact*
			a	b	c=d+e	c/A	d	d/A
Africa	2,675	3,850	1,175	9.8%	571.1	4.8%	603.9	5.0%
Arab States/Mediterranean	600	800	200	1.7%	20.6	0.2%	179.4	1.5%
Asia	1,400	1,400	-	0.0%	38.0	0.3%	-38.0	-0.3%
Pacific Islands	315	350	35	0.3%	-27.9	-0.2%	62.9	0.5%
CIS/Eastern Europe	400	500	100	0.8%	13.6	0.1%	86.4	0.7%
Latin America	950	1,100	150	1.3%	28.1	0.2%	121.9	1.1%
Caribbean	650	750	100	0.8%	56.0	0.5%	44.0	0.3%
Global programmes	5,010	5,250	240	2.0%	134.7	1.1%	105.3	0.9%
TOTAL	A	12,000	2,000	16.7%	834.2	7.0%	1,165.8	9.7%

*% impact indicates the percentage changes against the current biennium total budget of US\$12m

16.3 The Council will recall that, under IPSAS, the main financial statements will reflect the Organization's consolidated financial position and performance as an entity, rather than on a fund-by-fund basis. Thus, in order to produce a single set of consolidated accounts, a single currency must be used. For consistency with prior reports on the Organization's funds, which have been expressed in pounds sterling, the budget of the TCF should also be expressed in pounds sterling even though the expenditure of the TCF is incurred mostly in US dollars. As can be seen in Table 22 below, the proposed TCF budget, expressed in pounds sterling, represents a 64.2% increase over the previous biennium, which compares with the 16.7% increase, when expressed in US dollars (Table 21). This is mainly because of the appreciation of the US dollar: the US\$1.4 to the pound sterling rate, applied in the calculation of the sterling base budget for the 2010-2011 biennium, corresponds approximately to a 41% appreciation in the dollar value when compared with that of US\$1.97 rate applied for translation of the US dollar base items in the budget for the current biennium.

Table 22
Estimated expenditure for the 2010-2011 biennium under the Technical Co-operation Fund
(expressed in thousand pounds sterling)

	Approved** 2008-09	Estimates** 2010-11	Total changes		Pay/price changes		Prog/volume changes	
			c=b-a	% impact*	£'000	% impact*	£'000	% impact*
			a	b	c=d+e	c/A	d	d/A
Africa	1,357.9	2,750.0	1,392.1	22.8%	960.7	15.8%	431.4	7.0%
Arab States/Mediterranean	304.6	571.4	266.8	4.4%	138.7	2.3%	128.1	2.1%
Asia	710.7	1,000.0	289.3	4.8%	316.4	5.2%	-27.1	-0.4%
Pacific Islands	159.9	250.0	90.1	1.5%	45.2	0.8%	44.9	0.7%
CIS/Eastern Europe	203.0	357.1	154.1	2.5%	92.4	1.5%	61.7	1.0%
Latin America	482.2	785.7	303.5	5.0%	216.4	3.6%	87.1	1.4%
Caribbean	329.9	535.7	205.8	3.4%	174.4	2.9%	31.4	0.5%
Global programmes	2,543.1	3,750.1	1,207.0	19.8%	1,131.8	18.6%	75.2	1.2%
TOTAL	A	6,091.3	3,908.7	64.2%	3,076.0	50.5%	832.7	13.7%

*% impact indicates the percentage changes against the current biennium total budget of £6,091.3k

** The conversion of US\$ to GBP is made using the budget assumption rates of £1=US\$1.97 for 2008-2009 and £1=US\$1.4 for 2010-2011

16.4 The requirement of £10m for the next biennium is expected to be met by available funds totalling £14.1m comprising: the 2009 year-end balance of the TCF forecast at £6.6m; the allocation of the in-year surplus of the Printing/Trading Funds estimated at £7.1m; and miscellaneous income of £0.4m.

EXTRA-BUDGETARY RESOURCES (DONOR/TRUST FUNDS)

17 As indicated above, the Organization's major financial resource for the ITCP has always been the TCF, which, as far as the 2010-2011 biennium is concerned, will account for 62% of the resource requirement to support the technical co-operation activities planned. Notwithstanding TCF's contribution, extra-budgetary activities and resources are becoming increasingly important in achieving the strategic objectives of the Organization as well as the successful implementation, by Member States, of IMO's standards. Consequently, when extra-budgetary activities are planned and extra-budgetary resources identified, consideration also has to be given to the effect on the resources and activities supported by the regular budget.

17.1 As set out in Table 23, approximately US\$8.4m of the 2010-2011 ITCP delivery is to be financed by donor/trust funds, constituting almost 38% of the US\$ 22.4m ITCP cost proposed to TCC (document TC 59/5 refers). The inflow of funds has averaged at US\$12.3m over the last four years (2005-2008), whilst the average expenditure and balance of the donor/trust funds for the same period stood at US\$8.1m and US\$13m, respectively. Although the global economic situation may have an effect on the Organization's extra-budgetary resource position in the future, the total prospective extra-budgetary funds available for the next biennium are projected at some US\$14m on the basis of the funds balance, growth and expenditure trends.

Table 23
ITCP expenditure plan for the 2010-2011 biennium
under donor/trust funds

	Approved	Estimates
	2008-09	2010-11
	US\$'000	US\$'000
Africa	2,585	2,100
Arab States/Mediterranean	465	700
Asia	908	820
Pacific Islands	445	480
CIS/Eastern Europe	402	464
Latin America	845	960
Caribbean	1,255	1,030
Global programmes	1,540	1,890
TOTAL	8,445	8,444

17.2 The extra-budgetary resources include provision for the costs of project staff and Associate Professional Officers (APOs). Currently, a total of 25 posts (17 Professional and 8 General Service) are engaged in extra-budgetary activities with funding provided directly by the relevant donor/trusts funds or Member States. These posts are reflected in the staff complement table attached as annex 4. The total costs for these project staff and APOs are estimated at US\$5.5m for the next biennium.

IV SUMMARY OF THE BUDGET PROPOSALS FOR THE 2010-2011 BIENNIUM

18 In drawing up budget proposals for the 2010-2011 biennium, the Secretary-General has aimed at:

- ensuring that the planned allocation of resources for the biennium are in line with, and support, the Organization's strategic directions/results so that IMO continues to play fully its part in the international arena as the pre-eminent global regulatory authority on maritime safety and security, environmental protection, facilitation of international maritime traffic and legal matters related thereto;
- providing a transparent framework of resource allocation to support the efficient and effective delivery of the Council's governance duties and responsibilities; and
- reflecting on opportunities for enhanced efficiency through improved ways of functioning and organizational reforms and also by reviewing, as an on-going process, all areas of IMO operations, whilst recognizing the Membership's public expenditure constraints and the need for prudent management of the Organization's financial affairs.

18.1 Table 24 below summarizes the Secretary-General's proposed **regular budget expenditure and assessment** for the 2010-2011 biennium. The proposed expenditure reflects a **14.9% biennial increase** over the current biennium, representing year-on-year increases of **11.7% (£3,265.2k) for 2010 and 1.8% (£565.8k) for 2011**. Of the 14.9% increase, uncontrollable pay and price changes amount to 16% points, which are partly offset by a reduction in programme/volume of 1.1% points (Table 5 refers). The majority of pay and price changes lie in Staff costs (Table 6 refers), for which a total of 12.1% points are accountable, mainly **because of two knock-on effects¹²: sterling depreciation (contributing 4.1% points); and the Professional staff salary adjustments promulgated by ICSC (contributing 5.5% points)**, both significantly exceeding the estimates approved for the current biennium. Due to these uncontrollable budgetary burdens, the Secretary-General has, in preparation of these budget proposals, concluded that, by continued redeployment of resources and careful prioritization of work, along with the continued review of the Organization's work process for increases in efficiency, short-term assistance can be maintained at its minimum level.

Table 24
Summary of the regular budget expenditure and assessments
for 2010-2011 compared with 2008-2009

	Approved £'000		Proposed £'000		Biennial Total £'000	
	2008	2009	2010	2011	2008-09	2010-11
Expenditure* (a)	26,799.3	27,870.0	31,135.2	31,701.0	54,669.3	62,836.2
Changes over previous year/biennium (%)	5.4%	4.0%	11.7%	1.8%	9.9%	14.9%
Other income, reimbursements (b)	2,408.0	2,433.9	1,014.5	1,024.9	4,841.9	2,039.4
Changes over previous year/biennium (%)	29.2%	1.1%	-0.2%	1.0%	29.4%	-57.9%
Assessments (c=a-b)	24,391.3	25,436.1	30,120.7	30,676.1	49,827.4	60,796.8
Changes over previous year/biennium (%)	3.5%	4.3%	18.4%	1.8%	8.4%	22.0%

* This indicates net appropriations reflecting staff turnover of £200k per annum

¹² Due to these knock-on effects, the first year of the ensuing biennium bears a significant increase (year-on-year 11.7%), whilst the second year shows a nominal increase of 1.8%.

18.2 In recognizing the budgetary constraints faced by Member States and the need to restrain increases in assessment levels, the Assembly, at its last session, approved transfers of £1m from the accumulated reserves of the Printing Fund for this biennium. However, the anticipated establishment of the Trading Fund does not provide for surplus transfers to the regular budget to reduce assessments and also results in a drop in miscellaneous income (in particular, catering revenue), thereby leading to a further decline in the offsetting income. Thus, the **net amount to be assessed is estimated to increase by 22% for the next biennium**, which represents, on a year-on-year basis, increases of **18.4% (£4,687.9k) for 2010 and 1.8% (£565.1k) for 2011**.

18.3 Table 25 below sets out a summary of the proposed expenditure plan under the **Organization's Funds** for the 2010-2011 biennium, which will be managed in accordance with the Assembly resolutions in respect of budgetary control and variation analyses. These represent, in aggregation, a **25.8% (£5.5m) increase** on the current biennium's comparative level. This is largely driven by the increased resource requirement in the TCF (£4.0m) and the Trading Fund (£2.2m) and the reduced provisions in the Headquarters Capital Fund (-£0.9m).

Table 25
Summary of expenditure plans for the Organization's Funds

	Approved £'000		Proposed £'000		Biennial Total £'000	
	2008	2009	2010	2011	2008-09	2010-11
Trading Fund*	4,558.7	4,861.4	5,775.5	5,866.3	9,420.1	11,641.8
Changes over previous year/biennium (%)	3.2%	6.6%	18.8%	1.6%	7.5%	23.6%
Headquarters Capital Fund	2,742.7	1,561.6	1,713.0	1,683.2	4,304.3	3,396.2
Changes over previous year/biennium (%)	117.3%	-43.1%	45.6%	-1.7%	71.6%	-21.1%
Termination Benefit Fund	777.6	690.8	874.8	851.6	1,468.4	1,726.4
Changes over previous year/biennium (%)	447.2%	-11.2%	26.6%	-2.7%	132.9%	17.6%
Training and Development Fund	97.8	91.6	119.4	120.6	189.4	240.0
Changes over previous year/biennium (%)	48.2%	-6.3%	30.3%	1.0%	43.5%	26.7%
Technical Co-operation Fund**	3,045.6	3,045.7	5,000.0	5,000.0	6,091.3	10,000.0
Changes over previous year/biennium (%)	13.7%	0.0%	64.2%	0.0%	13.7%	64.2%
TOTAL	11,222.4	10,251.1	13,482.7	13,521.7	21,473.5	27,004.4
Changes over previous year/biennium (%)	31.0%	-8.7%	31.5%	0.3%	23.5%	25.8%

* For a comparison, the 2008-2009 expenditure is reconstructed to include provisions of both the regular budget and the Printing Fund

** As there has been no annual breakdown for the approved ITCP plan, the 50% figures are used for annual comparisons

ACTION REQUESTED OF THE COUNCIL

19 In accordance with Article 54 of the IMO Convention, the Council is invited to consider the Secretary-General's budget proposals for the biennium 2010-2011 and submit them to the Assembly, at its forthcoming 26th session, with its comments and recommendations. In this context, the Secretary-General invites the Council to:

Regular budget

- .1 endorse the Organization's approach towards a results-based budget (annex 1);
- .2 approve the proposed appropriation of the regular budget for the 2010-2011 biennium of £62,836,200, comprising an appropriation of £31,135,200 for 2010 and an appropriation of £31,701,000 for 2011, as summarized in Table 2 and detailed in annexes 2 and 3;

- .3 agree to the financing of the appropriations by assessments upon Member States of £30,124,000 for 2010 and £30,689,100 for 2011, taking into account estimated offsetting incomes of £1,011,200 for 2010 and £1,011,900 for 2011, as shown in Table 13;
- .4 endorse the Organization's complement for 2010-2011 (annex 4);
- .5 agree to the number of meeting weeks of 41.4, comprising 22.8 meeting weeks for 2010 and 18.6 meeting-weeks for 2011 (annex 6);
- .6 consider the long-term approach to reduction in the costs of intergovernmental decision-making, as presented in paragraph 9.11;

Organization's Funds

- .7 approve the draft Assembly resolution on Establishment of a Trading Fund (annex 7);
- .8 approve the proposed expenditure budget for the Trading Fund of £5,755,500 for 2010 and £5,866,300 for 2011, with a corresponding target revenue of £9,843,300 and £10,001,500, respectively, as shown in Table 1 at annex 8;
- .9 approve the proposed budget for the Headquarters Capital Fund of £1,713,000 for 2010 and £1,683,200 for 2011, as shown in Table 2 at annex 8;
- .10 approve the proposed budget for the Termination Benefit Fund of £874,800 for 2010 and £851,600 for 2011, as shown in Table 3 at annex 8;
- .11 approve the proposed budget for the Training and Development Fund of £119,400 for 2010 and £120,600 for 2011, as shown in Table 4 at annex 8;
- .12 approve the proposed budget for the Technical Co-operation Fund of £5,000,000 for each year of the 2010-2011 biennium, as shown in Table 5 at annex 8;

Transfers

- .13 approve transfers to the Headquarters Capital Fund: from the capital line item reflected in the regular budget of £200,000 for each year of the 2010-2011 biennium (paragraph 8.15); and of the 10% of the Trading Fund cash surplus in each year as articulated in the terms of reference for the Trading Fund (annex 7);
- .14 approve transfers to the Termination Benefit Fund from: the liability line item reflected in the regular budget of £608,100 in 2010 and £619,200 in 2011 (paragraph 8.15); and 50% of the un-obligated cash surplus of the General Fund in each year (paragraph 14.2);
- .15 approve transfers to the Training and Development Fund of the 1.5% of the Trading Fund cash surplus in each year, as articulated in the terms of reference for the Trading Fund (annex 7); and
- .16 approve transfers to the Technical Co-operation Fund of not less than 75% of the Trading Fund cash surplus in each year, as provided for in resolution A.986(24) in respect of the Printing Fund and as articulated in the proposed terms of reference for the Trading Fund (annex 7).

ANNEX 1

RESULTS-BASED APPROACH TO PLANNING AND BUDGETING

1 This annex provides the Organization's results-based approach to planning and budgeting – the so-called results-based management (RBM) – and explains the conceptual and methodological building blocks as well as the elements which make up the Organization's application of the RBM framework.

JIU recommendation and the Council's commitment in respect of RBM

2 Results-based management (RBM) is a management approach that emphasizes the achievement of results in planning, implementation, feedback and reporting. As the Council affirmed its commitment to RBM at its 100th session (in response to JIU recommendations in JIU/REP/2007/7), the JIU benchmark on RBM (JIU/REP/2004/5) now has to be integrated into the Organization's planning and budgeting process. The JIU identified 9 benchmarks as critical success factors at the corporate level for the effective implementation of RBM, as follows:

- a clear conceptual framework for RBM exists as a broad management strategy;
- the respective responsibilities of the Organization's main parties are clearly defined;
- long-term objectives have been clearly formulated for the Organization;
- the Organization's programmes are well aligned with its long-term objectives;
- the Organization's resources are well aligned with its long-term objectives;
- an effective performance monitoring system is in place;
- evaluation findings are used effectively;
- RBM is effectively internalized throughout the organization; and
- a knowledge-management strategy is developed to support RBM.

RBM environment in IMO

3 In light of the benchmarks identified by JIU, a comparison with the situation at IMO demonstrates that the Organization does have a number of structures in place that enable RBM to be fully implemented in the short- to medium-term. Among other things, these include:

- the Organization's Strategic Plan with corresponding strategic directions and performance indicators;
- the High-level Action Plan (HLAP) has been developed with the aim of developing a fully integrated work planning and budgeting system;
- some RBM components are already incorporated in the management of the Integrated Technical Co-operation Programme (ITCP) through its structured Programme Implementation Documents (PIDs);
- a risk management framework on the Organization's work has been developed;

- the Council's *Ad Hoc* Working Group on the Organization's Strategic Plan (CWGSP) regularly monitors the progress of the HLAP implementation;
- a Staff Performance Appraisal system is now in full operation;
- progress has been made in decentralizing management structures through the delegation of authority and accountability; and
- a knowledge management environment has been established, which will be enhanced through the upgrading of the Organization's ERP system (SAP).

4 Although the items listed above go some way to providing a structure and culture within the Organization in support of the implementation of an RBM, one essential component to achieve full implementation of RBM in IMO is missing: the establishment of a direct linkage between input/resources and output/results, which is termed as "results-based budgeting" (RBB). In this context, the JIU recommended that IMO implement RBB from the 2010-2011 biennium.

Results-based budgeting in IMO

5 The RBB is defined as a results-driven budgeting process in which:

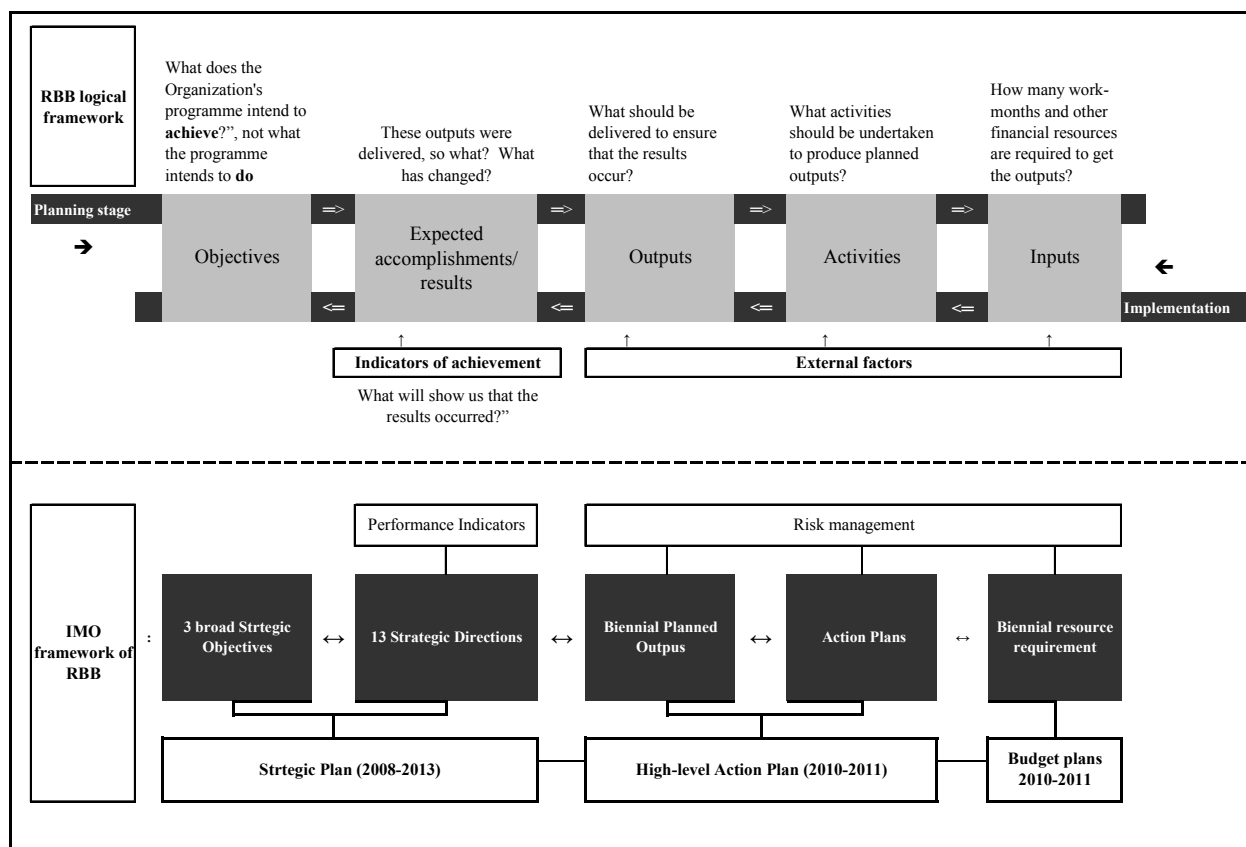
- programme formulation and resources justification involve a set of predefined objectives, expected/target results, outputs, inputs and performance indicators which constitute a "logical framework";
- expected results justify resource requirements, which are derived from – and linked to – outputs to be delivered, with a view to achieving such results; and
- actual performance in achieving results is measured by predefined performance indicators.

6 This definition captures three of the main features of RBB, namely:

- the use of a "logical framework" for informed budgetary decision-making;
- resources justification by results; and
- incorporation of performance measurement into the budgetary decision-making process.

7 Thus, an RBM framework is critical, if not a prerequisite, for implementing RBB. The following diagram sets out a proposed RBB framework of the Organization for the 2010-2011 biennium, as compared to the general RBB logical framework.

Organization's RBB framework for the 2010-2011 biennium



Strategic Plan, strategic results and performance indicators

8 The Organization's RBB preparation for the next biennium starts with the review and contemplation of the Organization's Strategic Plan and Strategic Directions, together with the approved High-level Action Plan, as the Strategic Plan provides the basis for a RBB framework linking required resources, through prioritization, to planned outputs and target results/outcomes.

9 The Organization's Strategic Plan for the period 2008 to 2013 was approved in resolution A.989(25), which included 3 broad strategic objectives and 13 key strategic directions to enable IMO to achieve its mission objectives. The three strategic objectives are:

- enhancing the status and effectiveness of the Organization;
- developing and maintaining a comprehensive framework for safe, secure, efficient and environmentally sound shipping; and
- enhancing the profile of shipping and instilling a quality culture and environmental conscience.

10 In light of the general RBB logical framework, the approved strategic directions have been re-cast, as shown in appendix 1, in order to clearly disclose the Organization's target results component contained in them. To measure the achievement of the strategic directions/results, the resolution also listed a total of 42 performance indicators. However, since the current strategic directions/results are set for the timeframe of three biennia (2008-2013), they need to be accompanied by agreed biennial targets, which will be measured by means of relevant

performance indicators. To set up biennial targets for each strategic result to be measured by a series of performance indicators, an extensive review needs to be undertaken on the current performance indicators in the context of their relevance, usefulness and timely¹ measurability. As JIU recommended, a further sophistication of the indicators will need to be explored on the basis of continuous subsequent statistical analysis and increased experience with their use – thereby enhancing the planning and monitoring capacity of the Organization. In the meantime, the current performance indicators will remain as a basis for constructing the RBB for 2010-2011 but there will be an addition of performance indicators regarding, in particular, the management performance results.

11 However, it should be noted that, when determining whether results are achieved or not, the Secretariat is not directly accountable for all strategic results, but it does have responsibility for the planning and alignment of activities against allotted resources to meet the Organization's agreed objectives; reporting on progress against agreed indicators; and demonstrating effective management of the resources available.

High-level Action Plan for 2010-2011

12 In order for the Organization to effectively address those strategic results, a High-level Action Plan (HLAP) for the 2008-2009 biennium (see appendix 2) was also adopted in resolution A.990(25). As the HLAP identified the actions required and the related biennial outputs, thus providing the linkage between the Organization's strategy and the work of the various IMO organs, the RBB preparation for the biennium should be preceded by the new HLAP, including planned outputs for the 2010-2011 biennium.

13 In this context, the current planning cycle needs to be revisited to ensure at least a preliminary draft HLAP for the ensuing biennium is endorsed by the Council at its November session of the first year of the biennium. As the process of constructing the HLAP involves inputs from the Organization's various organs (Assembly, Council, Committees and their subsidiary bodies and the Secretariat) all leading to the preparation of a draft resolution for formal adoption by the Assembly, it is expected that this issue will be addressed during this biennium by the Council.

14 In the meantime, as there is no HLAP agreed for this biennium with which the required budget estimates are to be aligned, the RBB for 2010-2011 has been based on the current HLAP structure but modified by removing the actions and related outputs that have been completed or are obsolete, inefficient or marginally useful in the current biennium and, at the same time, by including new, essential actions expected to be carried out during the forthcoming biennium based, where known, on the anticipated work of the Committees and the Divisional business plan, which is attached at appendix 3.

¹ Many of the indicators cannot be measured immediately after a certain target year because it will take time to capture and process even raw data, in particular that emanating from Members States.

Appendix 1: Strategic results derived from the Organization's Strategic Directions

SR1.0	Enhanced status as a primary international forum for maritime matters, by
SR1.1	further developing its role in maritime affairs <i>vis-à-vis</i> other intergovernmental organizations
SR1.2	actively engaging the various stakeholders to ensure a more inclusive approach to decision-making
SR1.3	actively seeking to reap synergies, while avoiding duplication, of efforts made by other UN agencies in shipping matters
SR2.0	Enhanced global compliance with its instruments and their uniform implementation by Member States
SR3.0	Strengthened capacity-building programmes, focusing on
SR3.1	developing capacity-building partnerships with governments, organizations and industry
SR3.2	ensuring the long-term sustainability of the ITCP
SR3.3	contributing to the attainment of the MDGs
SR3.4	meeting the needs of its developing Member States
SR3.5	improving the delivery, utilization and effectiveness of its technical co-operation programmes
SR4.0	Enhanced governance, management and administration of the Organization
SR5.0	Enhanced safety of human life at sea, by
SR5.1	ensuring that all related systems are adequate, including those concerned with large concentrations of people
SR5.2	enhancing technical, operational and safety management standards
SR5.3	eliminating shipping that fails to meet and maintain these standards on a continuous basis
SR5.4	increasing the emphasis on the role of the human element in safe shipping
SR6.0	Enhanced security of the maritime transport network, including vital shipping lanes, and reduced piracy and armed robbery against ships, as well as the frequency of stowaway incidents, by:
SR6.1	promoting a comprehensive and co-operative approach, both among Member States within the Organization and between IMO and other intergovernmental and non-governmental organizations
SR6.2	raising awareness of IMO security measures and promoting their effective implementation
SR6.3	increasing the emphasis on the role of the human element and safeguarding the human rights of seafarers in secure shipping
SR7.0	Reduced adverse impact by shipping on the environment, by:
SR7.1	identifying and addressing possible adverse impacts
SR7.2	developing effective measures for mitigating and responding to the impact on the environment caused by shipping incidents and operational pollution from ships
SR7.3	contributing to international efforts to reduce atmospheric pollution and addressing global warming
SR7.4	increasing the emphasis on the role of the human element in environmentally sound shipping
SR8.0	Ensured adequacy, effectiveness and relevance of the measures to promote safe, secure and environmentally sound shipping to prevent any undue effect on the efficiency of shipping
SR9.0	Increased attention to the shipping needs of small island developing States (SIDS) and the least developed countries (LDCs)
SR10.0	Promoted establishment of goal-based standards for the design and construction of new ships
SR11.0	Raised profile of the safety, security and environmental records of shipping in the eyes of civil society, by
SR11.1	actively publicizing the vital importance of shipping as a safe, secure and environmentally sound mode of transport
SR11.2	actively developing its community relations programmes
SR12.0	Enhanced quality of shipping, by:
SR12.1	encouraging the utilization of the best available techniques not entailing excessive costs
SR12.2	encouraging proper management of ships
SR12.3	promoting and enhancing the availability of, and access to, information – including casualty information – relating to ship safety and security (i.e. transparency)
SR12.4	ensuring that all stakeholders understand and accept their responsibilities regarding safe, secure and environmentally sound shipping by developing a 'chain of responsibility concept' among them
SR12.5	identifying, correlating and evaluating the factors, including human interaction on board ships, that influence safety and security culture, and developing practical and effective mechanisms to address them
SR13.0	Enhanced environmental conscience within the shipping community, by:
SR13.1	strengthening awareness of the need for a continuous reduction of the adverse impact of shipping on the environment
SR13.2	promoting and enhancing the availability of, and access to, information relating to environmental protection (i.e. transparency)
SR13.3	encouraging the use in shipping of the best available environmental technology not entailing excessive costs, in line with the goal of sustainable development

Appendix 2: High-level Actions for 2008-2009 approved by the Assembly

Codes	High-level Actions for 2008-2009 (resolution A.990(25)) *
HA1.1.1	Take the lead and actively promote its role as the primary international forum on matters within its purview
HA1.1.2	Co-operate with the United Nations and other international bodies on matters of mutual interest
HA1.2.1	Further encourage the active participation of all stakeholders to achieve mission objectives through consultation and liaison
HA1.3.1	Consider issues under the United Nations Law of the Sea Convention relevant to the role of the Organization
HA1.3.2	Follow-up to the activities of UNCED and WSSD, including prevention of marine pollution from offshore oil and gas activities
HA1.3.3	Monitor developments within GESAMP and make full use of the knowledge available and gained
HA1.3.4	Promote facilitation measures
HA1.3.5	Harmonize IMO instruments with other relevant international instruments, as necessary
HA2.0.1	Monitor and improve conventions, etc., and provide interpretation thereof if requested by Member States
HA2.0.2	Encourage and support implementation of the Voluntary IMO Member State Audit Scheme
HA2.0.3	Encourage the worldwide provision of maritime search and rescue services
HA3.1.1	Participate in environmental programmes with UNDP, UNEP, WORLD BANK, etc.
HA3.1.2	Establish partnerships with governments, organizations and industry to enhance the delivery of IMO's capacity-building programmes
HA3.1.3	Promote and strengthen partnerships with global maritime training institutions and training programmes
HA3.2.1	Mobilize and allocate resources to promote technical and economic co-operation among developing countries (TCDC and ECDC)
HA3.2.2	Implement the approved mechanism to ensure the sustainable financing of the ITCP
HA3.3.1	Establish, maintain and promote the linkage between the ITCP and the MDGs
HA3.4.1	Implement the arrangements to identify the emerging needs of developing States and the developmental needs of SIDS and LDCs
HA3.5.1	Consider and prioritize the ITCP
HA3.5.2	Strengthen the role of women in the maritime sector
HA3.5.3	Develop new measures to improve the delivery of technical assistance
HA3.5.4	Undertake regular TC impact assessments
HA4.0.1	Ensure that the Organization, within agreed appropriations, uses its resources efficiently and effectively
HA4.0.2	Create a knowledge and information-based Organization through improved management and dissemination of information
HA4.0.3	Enhance transparency in the Organization's operations
HA4.0.4	Establish and maintain a risk management framework
HA4.0.5	Keep under review working methods and processes
HA5.1.1	Review adequacy of passenger ship safety provisions
HA5.1.2	Development/ review of safe evacuation, survival, recovery and treatment of people following maritime casualties or distress
HA5.1.3	Enhance the safety of navigation in vital shipping lanes
HA5.2.1	Keep under review the technical and operational safety aspects of all types of ships, including fishing vessels
HA5.2.2	Development and review of training and watchkeeping standards and operational procedures for maritime personnel
HA5.2.3	Keep under review standards for safe handling and carriage by sea of solid and liquid cargoes carried in bulk and packaged form
HA5.2.4	Keep under review measures to improve navigational safety, including e-navigation, ships' routing, ship reporting systems, vessel traffic services, requirements and standards for shipborne navigational aids and systems
HA5.2.5	Monitor the operation of the Global Maritime Distress and Safety System (GMDSS)
HA5.3.1	Keep under review flag and port State procedures for the control of ships
HA5.4.1	Develop a strategy for the work related to the role of the human element including the chain of responsibility in maritime safety
HA6.1.1	Keep under review measures (e.g., ISPS Code) to enhance security for ships and port facilities including the ship/port interface and shipping lanes of strategic importance
HA6.1.2	Review the adequacy of the legal framework to suppress unlawful acts against ships and fixed platforms through the SUA Convention
HA6.2.1	Assist in introducing and implementing effective security measures and measures against piracy and armed robbery against ships
HA6.3.1	Actively participate in work of the Joint IMO/IL and <i>ad hoc</i> expert working groups on safeguarding the human rights of seafarers
HA6.3.2	Develop a strategy for the work related to the role of the human element in maritime security
HA7.1.1	Monitor and keep under review the provision of reception facilities in ports and their adequacy
HA7.1.2	Consider the need for the development of measures to prevent and control marine pollution from small craft
HA7.2.1	Keep under review the guidelines on the identification of places of refuge
HA7.2.2	Keep under review the adequacy of the legal framework
HA7.2.3	Foster co-operation and mutual assistance between Member States under the OPRC Convention and OPRC-HNS Protocol
HA7.3.1	Keep under review IMO measures to reduce atmospheric pollution and address global warming
HA8.0.1	Promote wider acceptance of the FAL Convention and adoption of measures contained therein, to assist the Committee's effort and work towards the universal implementation of measures to facilitate international maritime traffic
HA8.0.2	Encourage the use of ICT to drive continuous improvement and innovation in the facilitation of maritime traffic
HA9.0.1	Identify and address the special shipping needs of SIDS and LDCs
HA10.0.1	Develop goal-based standards for the design and construction of new ships
HA11.1.1	Enhance the image of the role of the human element in the context of the shipping industry
HA11.2.1	Actively promote and encourage the development of community relations programmes
HA12.1.1	Use formal safety assessment techniques in the development of technical standards
HA12.1.2	Use risk-based tools that take account of costs and the human element in the development of operational standards
HA12.2.1	Keep under review the effectiveness of the ISM Code with regard to safety and protection of the marine environment
HA12.3.1	Consider the wider dissemination of information, analyses and decisions, taking account of the financial implications
HA12.4.1	Raise awareness of the "chain of responsibility" concept among all stakeholders through organizations that have consultative status
HA12.5.1	Promote bridge resource management
HA13.1.1	<u>Consider the wider dissemination of information, analyses and decisions, taking account of the financial implications</u>

* Codes and contents shown here are adjusted and edited in relation to the Divisional Business Plan for 2010-2011(appendix 3)

Appendix 3
Secretariat's Divisional Business Plan for the biennium 2010-2011

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
Executive governance				
4.0	4.0.7N	Support for the coordination, organization and implementation of the Secretary-General's activities .	Enhanced efficiency and productivity of OSG through streamlined processes and procedures using ICT. Correspondence, briefs/files for missions/meetings. Meetings/decisions of senior management arranged, recorded, disseminated and followed-up	Documentation of the Office of the Secretary-General and SMC processed within established deadlines and archived electronically and physically. Correspondence log and office archives maintained up to date. Timely and accurate briefs for missions/meetings for use by the Secretary-General and others, as appropriate. SMC decisions implemented
4.0	4.0.3, 4.0.5	Strategic planning, monitoring and reporting	Statistical and other analyses on developments in the maritime sector. At least two sessions of the CWGSP organized/serviced. Biennial Assembly resolutions on the SP and HLAP prepared and adopted. Improvement of database on performance indicators and development of a new one for the HLAP. Reports to the Council and Assembly on performance indicators and planned outputs. Strengthened statistical resources in support of policy research and decision-making	Documentation submitted to the Secretary-General and other IMO organs with established deadlines. Reports of CWGSP approved by the Council and resolutions adopted by the Assembly. Improved data input for existing databases. System established for the further development/monitoring of the HLAP and in use by all stakeholders
4.0	4.0.2, 4.0.3, 4.0.4, 4.0.5	Policy development in support of governance and management.	Improved linkages between IMO's strategic directions, planned outputs and the work of IMO organs. Policy documentation prepared, approved and disseminated, as appropriate. At least one session of the CWGRM organized/serviced. IMO's risk management framework and its knowledge management/transfer system	Improved planning/ prioritization/ work programme construction and results-based budgeting. Effective policy implementation. Timely submission of documentation submitted to the Secretary-General, CWGRM and the Council. Reports of CWGRM approved by the Council. Approval by the SMC of recommendations from the Knowledge Management Steering Group
1.1 1.2 11.1	1.1.1, 1.1.2, 1.2.1, 11.1.1	Promotion of IMO's role as the primary international forum on matters within its purview	Documents, reports and statistics prepared on industry-wide issues. Updated register of activities carried out by IMO and partners under the "Go to Sea!" campaign. Speeches, articles, papers and press briefings issued. Activities carried out to celebrate WMD and two IMO award schemes	Coverage by Member States and the shipping/general media of IMO/joint activities, initiatives and award schemes. IMO recommendations recognized/ agreed by other UN and international organizations
1.1	1.1.2	Co-operation with the Joint Inspection Unit (JIU) on matters relevant and of interest to the Organization	Completed questionnaire by relevant division Directors. Comments on the JIU issued reports and work programme. Council document on the topic "Joint Inspection Unit". Report on the follow-up of JIU recommendations applicable to the Organization	Timely submission of completed questionnaire, comments on reports and work programme, report on follow-up of recommendations to JIU. Council documents on JIU and copies of all available reports distributed to Council members within established deadlines

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
2.0	2.0.2	Support to the Secretary-General in the discharge of his responsibilities under resolution A.974(24) for the successful implementation of the Voluntary IMO Member State Audit Scheme	Updated database of Member States which have volunteered for audit and nominated auditors. Selection and appointment of audit team. Conclusion of Memorandum of Co-operation with Member States to be audited. Completed travel arrangements. Final audit report and summary report for each Member State audited. Consolidated report covering several individual audits of Member States. Council and Assembly documents on VIMSAS. Approval for the participation of observers in audits. Identification and arrangement of support and assistance to be provided to Member States	Up to date data on Member States and auditors. Sufficient auditors who are competent as defined in section 4 of the Procedures and meeting the required standards of training. Timely conclusion of Memorandum of Co-operation by the Secretary-General and Member States' authorized officials. Travel arrangement completed on time. Accurate audit report timely issued to Member State. Issuance of circular containing audit summary reports and submission of documents to the Council or Assembly. Increased participation by Member States
2.0	2.0.2	Support to the Secretary-General, the Council and relevant Committees in the further development of the Audit Scheme	Proposals for the further development of the Audit Scheme. Relevant documentation	Proposals approved by the Council
2.0	2.0.2	Develop and increase the number of competent and qualified auditors under the Audit Scheme within the agreed ITCP for the biennium	Trained auditors, i.e. approximately 60 auditors per year. 4 training courses per year	Increased number of competent and experienced auditors
4.0	4.0.6N	Provide and strengthen internal audit services by providing the Secretary-General and management with independent and objective assurance and report on the: adequacy and appropriateness of the existing policies and system of internal controls; effectiveness of operations; efficient and economic use of resources; integrity and accuracy of financial reports, statements and information; security of assets; and compliance with regulations, rules and policies	Implementation of the annual audit programme. Submission of draft reports to management for comments and subsequent submission to the Secretary-General for approval. Issuance of certification or confirmation on the accuracy and/or validity of: annual assessment and contribution incentive scheme; value of publication stock and inventory at year-end; write-off of losses and assets; tax claims for VAT, airport and insurance premium tax; and other financial and management reports. Completion of the follow-up audit and reporting the results to the Secretary-General and management for information and further action, if necessary. Attendance in the annual meeting of RIAS	Improved effectiveness, efficiency and economy of operations and use of resources. Integrity of financial information and compliance with regulations, rules and policies. Accuracy of annual assessment and contribution incentive scheme figures for each Member State. Approval by the External Auditors at year-end. Refund of full tax claims by the Foreign Commonwealth Office based on the certified tax claims. Approved Annual Audit Plan and timely issuance to management before the end of the current year. Timely implementation of audit recommendations
4.0	4.0.6N	Provide the Secretary-General and management with objective reports on the evaluation of training events	Approved report on the evaluation of training events for submission to the Secretary-General. Attendance in the annual meeting or conference	Timely transmittal of approved evaluation reports to the relevant Directors
Maritime Safety and Security				
1.1	1.1.2	Co-operate with the UN, UN organizations, bodies and programmes and other international organizations (UN, UNECE, UN Sub-Committee on Dangerous Goods, UN CTC, UN CTITF, IAEA, ICAO, FAO, ILO, ISO, IHO, ITU, UNODC, UNHCR, WCO, IACS, etc.)	Harmonized amendments to various technical provisions with relevant international requirements; Harmonized amendments to the IMDG Code and SBC Code; Meetings of IMO/FAO and IMO/ILO joint working groups; UN Interagency groups on persons rescued at sea, illegal migrants etc.	Harmonization of IMO's technical provisions with relevant international requirements and standards, including ISO; Harmonization of multimodal transport of dangerous goods Outcome of joint meetings to be reflected in various IMO decision; Number of meetings attended and timely information promulgation of information

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
2.1 5.1 5.2 5.3	2.1.1 5.1.1 5.1.2 5.2.1 5.2.3 5.3.1	Monitor and assist Member States in the implementation and review of technical requirements for all types of ships that fall under the purview of SOLAS, LL and other relevant instruments, including fishing vessels safety	Meeting documents relating to Amendments to various conventions, code, guidelines, etc.; Implementation of the goal-based standards (GBS), and verification of compliance with GBS; Agreement on the implementation of the 1993 Torremolinos Protocol	Adoption/approval of amendments/guidance and publication thereof; Number of verifications of compliance with the GBS; and entry into force of an Agreement on 1993 Torremolinos Protocol and its early entry into force
12.1	12.1.1	Support and facilitate Member States in the use of formal safety assessment (FSA) in decision making	Establishment of the FSA Experts Group to review various FSA studies submitted	Number of reviews by the FSA Experts Group on various FSA studies
5.1	5.1.3	Assist Member States in the enhancement of the safety of navigation, radio-communications and search and rescue	Enhanced safety and environmental protection in the Straits of Malacca and Singapore; Development of shore-based facilities of the GMDSS including the Global SAR Plan; and the establishment and equipping of MRCCs and MRSCs in east, west and South Africa including training of personnel.	Reduction in accidents and pollution incidents; Implementation of the Global SAR Plan through establishment of MRCCs and MRSCs and training completed
5.2	5.2.4	Monitor measures related to navigational safety including e-navigation, ships' routing, ship reporting systems, vessel traffic services and performance standards for shipborne navigational equipment	Amendments to the General Provisions on Ships' Routing including Guidelines and Criteria for ship reporting systems; Improved pilot transfer arrangements; Minimization of incorrect AIS transmissions; Implementation of the e-navigation strategy; Accelerated development of ENCs; and Implementation of the LRIT system/LRIT Data Distribution Plan	Timely issue of amendments; less accidents due to revised pilot transfer arrangements and a reduction in AIS transmission errors; ENCs available readily; Availability of LRIT System and DD Plan to agreed standards
5.2	5.2.4	Assist Member States to monitor the operation of the Global Maritime Distress and Safety System (GMDSS)	Relevant amendments to NAVTEX, SafetyNET and MSI manuals; Guidelines on emergency radiocommunications; Evaluation and recognition of future mobile satellite communications; and Update of performance standards for radiocommunication systems revised	Timely availability of revised versions of publications; effective emergency radiocommunications; growth of mobile satellite systems
5.2	5.2.2	Monitor implementation of the STCW Convention and Code by Parties; assist Member States in the preparation of the revised training and watchkeeping standards for seafarers; and revise or develop model courses to assist in implementation of various international conventions. Assist Member States in the preparation of operational procedures for maritime personnel and shipping companies on matters related to the human element and management of ships	Secretary-General's report to MSC on the information communicated by STCW Parties pursuant to Article IV and STCW regulation I/7 and I/8; Revised STCW Convention and Code; Review and revision of model courses; revised principles for establishing the safe manning levels of ships; guidelines to assist in the implementation of the ISM Code; implementation of the Organization's human element strategy	Timely preparation of accurate reports; Adoption of revised STCW Convention and Code; Timely publication of model courses; reduction in accidents due to fatigue related to insufficient manning; reduction in PSC action on ISM Code deficiencies; HE Strategy incorporated in all instruments

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
2.1	2.1.1	Assist Member States in the review and enhancement of the implementation of measures related to the security for ships and port facilities	Improved implementation of the provisions of SOLAS chapter XI-2 and the ISPS Code, taking into account related developments within the UN system and other inter-governmental organizations; Promotion of a cooperative approach, both among SOLAS Contracting Governments within the Organization and between IMO and other intergovernmental and non-governmental organizations	Reduction in security incidents; reduction in PSC action on ISPS Code deficiencies
6.1	6.1.1	Assist Member States in the review and enhancement of the implementation of measures related to prevention and suppression of acts of piracy and armed robbery against ships	Assistance to developing countries in the introduction, where necessary	Reduction in the number of reported acts or attempted acts of piracy and armed robbery against ships
6.2	6.2.2	Promotion of a co-operative approach, both among Member States within the Organization and between IMO and other intergovernmental and non-governmental organizations; Promulgation of information on prevention and suppression of acts of piracy and armed robbery against ships	Effective implementation of measures designed to repress piracy and armed robbery against ships	Reduction in the number of reported acts or attempted acts of piracy and armed robbery against ships
2.1	2.1.1	Assist Member States in the review and enhancement of the implementation of the FAL Convention	Revised FAL Convention Standards; An appropriate balance is maintained between measures to enhance maritime security and measures to facilitate international maritime traffic	Wider acceptance of the FAL Convention and adoption of measures contained therein; Better understanding of FAL Convention
8.1 8.2	8.1.1 8.2.1	Assist Member States in the review and enhancement of the implementation of the FAL Convention	An explanatory manual on the FAL Convention Standards and Recommended Practices; Information on illegal migrants and stowaways	The transfer of best practices between countries which are parties to the FAL Convention
3.4 3.5	3.4.1 3.5.1	Identification and implementation of technical co-operation activities in the fields of maritime safety and security and facilitation	Workshops/seminars/advisory missions/training courses, etc, within the framework of the ITCP, on: Revised STCW Convention New casualty investigation code Maritime security, including piracy and armed robbery against ships Long Range Identification and Tracking (LRIT) Search and Rescue (SAR) Harmonization of Port State Control Flag State Implementation IMO Voluntary Model Audit Scheme Facilitation of international maritime traffic (FAL), including the use of single window concept Safety of non-convention vessels, including fishing vessels and the IMO-Interferry project on ferry safety, etc.	Number and quality of activities delivered; Number of personnel trained; Effective Implementation of relevant instruments in the field of maritime safety, security and facilitation

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
1.1 4.2 5.3 12.3	1.1.2 4.2.1 5.3.1 12.3.1	Assist Member States in the establishment of a knowledge-based policy for the global harmonization of port State control activities and implementation thereof	Risk analysis PSC regimes-related developments; GISIS module on PSC including data exchange protocols with PSC regimes; Harmonized PSC coding and provision of references for new codes Analysis of PSC data	Harmonized PSC activities and mutual recognition of inspections carried out Complete and up-to-date data set in GISIS on PSC PSC data analysis used in risk assessment
2.1 12.1 12.3	2.1.1 12.1.2 12.3.1	Assist in the development and implementation of a knowledge-based policy on marine casualties-related matters for the benefit of the Organization and the general public	Code for investigation of marine casualties. Support to and monitoring of the casualty analysing process recommendations to other SC based on FSI review of casualty investigation reports Enhanced GISIS module on casualties	Early entry into force of the SOLAS amendments (new regulation XI-1/6) Complete and up-to-date GISIS module populated with casualty data and connected to other data systems (e.g., EMCIP)
2.1 2.2 4.2 5.2	2.1.1 2.2.1 4.2.1 5.2.1	Assist Member States in monitoring and promotion of relevant international requirements for the enhancement of the implementation thereof by flag, port and coastal States	Updated code for the implementation of mandatory IMO instruments Code for ROs Updated Guidelines for HSSC Implementation of IMO number schemes GISIS module on mandatory and non-mandatory requirements to feed the rule-making process	Code for the implementation of mandatory IMO instruments (Audit standard) updated every two years. Code for ROs adopted and implemented. Existing Ship identification and new Company and registered owner IMO number schemes fully implemented and progress in the global record for fishing vessels. Issuance of revised HSSC Guidelines every two years. Completed up-to-date GISIS module populated with mandatory and non-mandatory requirements
Marine Environment Protection				
1.1	1.1.2	Execute the functions of the GESAMP Office by coordinating the activities of the Sponsoring Organizations of GESAMP	Organization of and support to all the meetings of GESAMP and its Executive Committee Implementation of the fundraising strategy. Expansion of GESAMP membership Execution of the second SIDA support agreement. GESAMP contributing to the next phase of the "UN Regular Process"	New UN agencies joining GESAMP as sponsors Increased level of support for GESAMP Influx of sufficient new GESAMP experts and successful GESAMP sessions and activities Increased awareness and impact of GESAMP through its publications, advice and website GESAMP remaining well-connected with global and regional science networks
2.0	2.0.1	Promote Member State ratification and implementation of IMO's <u>Multilateral Environmental Agreements</u> – MEAs (AFS, BWM, LC/LP, MARPOL, OPRC, OPRC-HNS Protocol, PSSAs, Ship Recycling Convention) and keeping these up to date by: 1. Improving Member States' record of ratification 2. Improving Member States' record of compliance with mandatory reporting requirements	Reports and analyses to Committees and Sub-Committees. Preparation of circulars Circulation of notification of CAS statements of compliance. Advice and assistance to member States in ratification and implementation of IMO's as well as Codes, Guidelines and recommendations GISIS modules. Annual sessions of the LP Compliance Group	Increased rectification and implementation Improved reporting within deadlines and according to guidelines Timely adoption of amendments Complete and up-to-date GISIS modules

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
2.0	2.0.1	Assistance to the MEPC and other relevant meetings to address GHG emission from ships	Adoption and promotion of implementation of technical and operational measures for the reduction of GHG emissions from ships A market-based mechanism to address GHG emissions from ships	International requirements developed through IMO; Reduction in GHG from ships Delivery of project objectives to time and to budgets
3.1	3.1.2	Management of current large scale projects financed by outside sources: i) SAFEMED II ii) Globallast Partnership iii) MEH project iv) ITF Fuel study Resource mobilization to enhance the delivery of IMO's capacity-building environmental programmes through the design of new major projects to be financed by outside sources	Implementation of deliverables set by the current project (s); Design of new projects for potential funding	Various – Set by project(s) Funding obtained for new major projects
3.4	3.4.1	Implement capacity-building activities within the framework of the ITCP in the field of protection of the marine environment and within project budgets	TC Activities under the various PIDs delivered	Number of activities delivered Number of personnel trained Number of needs assessment missions carried out Number of reports received by IMO showing progress with implementation
3.1	3.1.2	Administrative and technical backstopping of existing collaborative arrangements/partnerships (e.g., REMPEC, REMPEITC, ROPME/MERRAC Gulf region, NOWPAP/MERRAC etc.) and development of new collaborative arrangements (partnerships) with relevant international governmental and non-governmental organizations to promote the implementation of IMO's MEAs	Coordinated policies and co-operation with relevant international governmental (e.g., UNFCCC, UNEP, ILO, EMG, Basel Convention, ISO, etc.) and non-governmental organizations (e.g., IPIECA) Management of IMO regional centres (e.g., REMPEC, REMPEITC) Joint initiatives with non- IMO managed centres (e.g., COBSEA Secretariat East Asia Seas region; ROPME/MERRAC Gulf region; NOWPAP/MERRAC; ERAC Black Sea region; SPREP Secretariat South Pacific; SACEP Secretariat South Asia Seas region; PERSGA/MEMAC Red Sea and Gulf of Aden region; and CPPS Secretariat South-East Pacific region) Common publications/tools and activities with various partners	New partnerships developed Effective policy implementation and co-operation Harmonized implementation Projects run to time and budget
7.2	7.2.3	Prepare, for publication and distribution of technical and operational manuals and guidelines on prevention of pollution from ships, preparedness for and response to accidental marine pollution, which have been approved by the MEPC	Codes, guidelines and manuals	Timely availability of accurate publications

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
13.1	13.1.1	Raising awareness through continued promotion of the World Maritime Day 2007 theme – “IMO’s response to current environmental challenges” and the World Maritime Day 2009 – “Climate change: a challenge for IMO too!”	Outreach material; Press statements Side-events; Environmental awards	Profile of IMO raised within the field of protection of the marine and atmospheric environment
13.1	13.1.1	Perform, in consultation and coordination with Contracting Parties, “outreach” and promotion activities for the London Protocol aimed at States which are not yet party to it	Advice; National/Regional Workshops in countries interested in the Protocol; Issuance of contact bulletin	Continuing growth in membership to the Protocol Barriers to accession to LP identified and removed
13.1	13.1.1	Facilitate the exchange of information and the provision of technical assistance and advice, upon request of States on IMO’s MEAs	Technical assistance and advice to States	Improved implementation of IMO’s MEAs
Legal Affairs and External Relations				
1.1 1.2 1.3	1.1.1, 1.1.2, 1.2.1, 1.3.1	Promote the role of IMO and ensure coordination with Governments, the UN system, intergovernmental organizations (IGOs) and non-governmental organizations (NGOs)	Coordinated activities and relations with other agencies within the UN system: Input and follow-up to CEB meetings; Sent and received invitations; Meeting reports and correspondence; Letters for the accreditation of Permanent representatives of Member States to IMO and the Other protocol letters; New IMO members. Agreements of co-operation with IGOs	Profile of IMO raised within UN System; Increased participation of IGOs, NGOs in IMO fora. Timely accreditation of new Permanent Representative to IMO
2.1	2.1.1	Advice to Secretary-General, other divisions and Member States on legal issues	Memoranda, verbal advice and drafting assistance and meeting support (e.g., UNCLOS; IMO conventions; SUA; piracy; seafarer rights)	Reliable, timely and accurate legal advice
3.5	3.5.3	Support to TC/ITCP activities relating to maritime legislation	Workshops, guidance and advice	More effective maritime legislation in Member States; Increased ratification of IMO instruments
4.5 11.1	4.5.1 11.1.1, 11.1.2	Manage Depositary functions Promotion of the objectives, work and activities of IMO	Acknowledgement of deposits; provision of advice; issue of circulars to Member States; maintenance of databases relating to treaty status information; updating of database of scanned certified treaty texts Information on the objectives, work and activities of IMO: Press releases and briefings; Press conferences, background briefings, press, television and radio interviews; Responses to information requests by phone, fax, email; Talks and presentations on the work of IMO; Summary reports of all IMO meetings; Materials for exhibitions and events; Speeches and articles on the work of IMO and related topics; IMO’s quarterly magazine; IMO public-access website. Information resources in the Maritime Knowledge Centre; Monthly Current Awareness Bulletin; Briefs for missions of the Secretary-General; Daily Intelligence News	Accurate documentation and smooth functioning of depositary system. Timely, accurate and informative information tailored to needs of users. Positive feedback from customers, level of subscriptions. Enlightened, informed and satisfied attendees on internship and visits programmes Events are run on time to budget and to the satisfaction of stakeholders

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
			<p>Service to IMO on worldwide current developments; Response to enquiries by phone, fax, e-mail; Assistance to delegates, researchers, interns and other visitors in the MKC; Brief group visits; information packages; Intranet pages; Information Resources Pages of the public website: Information Resources Documents on Current Topics; Index of IMO Resolutions (full text); Directory of Maritime Links; Information on role and Importance of Shipping; International Shipping and World Trade – Facts and Figures; Studies and Careers in Shipping etc.; IMO pages on the UN Atlas of the Oceans. Internship programme and group visits to IMO; World Maritime Day celebration, the Parallel Event celebrations, the International Maritime Prize, the Bravery Award and other events organization: Circular letters and provide support to the Member State hosting the parallel event; Circular letters and invitations; photographs</p>	
Technical co-operation and institutional development				
<p>1.1, 3.1, 3.3, 3.4, 3.5, 9.0, 11.1</p>	<p>1.1.1, 3.1.1, 3.1.2, 3.1.3, 3.3.1, 3.4.1, 3.5.1, 3.5.2, 9.0.3, 11.1.1</p>	<p>Contribution to the achievement of the Millennium Development Goals (MDGs) through the Integrated Technical Co-operation Programme (ITCP)</p>	<p>Strengthened environmental programmes identified thus contributing to the effective implementation of the relevant IMO conventions and to the protection of the marine environment Strengthened partnership arrangements to provide support for TC implementation Fellowships provided for global maritime training institutions/programmes Maritime developmental needs of developing countries, in particular, Africa, Small Island Developing States (SIDS) and Least Developed Countries (LDCs) identified and included in the PIDs. Regional frameworks for the career development of women in the maritime sector established or strengthened</p>	<p>All Programme Implementation Documents (PIDs) are developed and activities are delivered Annual MDG report produced by the Secretariat for TCC Increased number of partnership arrangements Number of people trained and completed courses Number of activities delivered for SIDS and LDCs are addressed Increased number of women in higher managerial posts</p>
<p>2.0, 3.5, 4.0, 6.2, 9.0</p>	<p>2.0.2, 2.0.3, 3.5.1, 3.5.3, 3.5.4, 4.0.1, 4.0.2, 4.0.3, 6.2.1, 9.0.1, 9.0.3</p>	<p>Improvement of the delivery, utilization and effectiveness of technical co-operation</p>	<p>Effective ratification/implementation and/or full compliance with IMO conventions Prioritized ITCP programmes developed Trained auditors for the Voluntary IMO Member State Audit Scheme. Trained personnel in maritime administrations, maritime safety and security, marine environment protection and facilitation Measures to closely monitor TC delivery Maintained TC website and improved channels of data exchange (Martecaïd and CMTI) Shipping needs of the SIDS and LDCs are identified Regional channels of communication established through the assistance of GEOFP (TCD) and IMO regional coordinators</p>	<p>All planned outputs are delivered on time and within budget Number of beneficiary countries that have taken steps to ratify and/or implement IMO Conventions Number of people trained to conduct audits and more developing countries audited Number of maritime SAR services established in the developing regions Increased capability to respond effectively and promptly to rescue persons in need of assistance at sea Number of personnel trained in maritime administration, maritime safety and security, marine environment and facilitation Measures to monitor TC delivery are used</p>

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
				Increased use of website by external and internal users Needs of SIDS and LDCs are addressed Enhanced regional co-operation
1.1, 3.2	1.1.2, 3.2.1, 3.2.2	Ensure sustainable delivery of the ITCP by mobilizing external resources	Raised awareness of donor institutions of the ITCP linkage to the MDGs Activities identified under TCDC arrangements External resources for the ITCP Measures to improve the ITCP delivery Additional funding and in-kind support Additional partnership arrangements	All planned outputs are delivered Additional activities planned Additional funds secured Number of partnerships arrangements concluded New measures identified to mobilize external resources Enhanced regional co-operation
1.1, 1.2	1.1.2, 1.2.1	Co-operate with United Nations Agencies, international bodies and regional organizations on matters related to technical co-operation	Relevant technical co-operation activities and joint programmes identified for implementation ITCP aligned, where appropriate, to regional programmes and action plans	All planned outputs are delivered
Resource management				
4.0	4.0.1 4.0.3	Organizational reforms to enhance efficiency and effectiveness	SAP Business Support Unit Improved governance Information for Member States, management and staff Effective and efficient use of resources	Reduced operating costs; within budget; reduced bureaucracy; uninterrupted services; and reduce carbon footprint
4.0	4.0.1	Strengthened financial controls over expenditure Timely and accurate issuance of invoices and funding agreements with all Member States and other external donors Revised treasury management policies and procedures while ensure value for money from banking service providers Implement agreed SAP governance and support structure in a timely and effective manner	All expenditures in line with Organization policy procedures, and financial Rules and Regulations. Issuing of Note Verbale, Member State assessments, quarterly statements and associated reporting. Final audited financial statements. Donor invoices and reports in line with individual donor agreements. Monthly account reconciliation and reporting packs Revised treasury policy and procedures, including indicators to benchmark return on investments. Safeguarded financial assets. Return investments Revised SAP governance structure. Prioritized SAP development plan with progress tracking. SAP training plan with progress tracking	No losses through fraud. Full response provided to all internal and external audit queries. Unqualified audit opinion Unqualified audit opinion for all accounts produced in the period. All donor reports produced in required format with minimal donor queries. Maintenance of Member State collection rates Return on deposits in line with defined indicator. No loss on deposits Reduction in total support call volume. Support contract running without variation. User satisfaction levels increased
4.0	4.0.1	Implementation of the Organization-wide result-based budget (RBB) mechanism with effective and efficient delivery during the 2010-2011 biennium	Provision of guidelines on result-based programme management; Linkage of RBB delivery with the Strategic Directions and HLAPs with the programme outputs; Provide clear and relevant financial and budgetary information to Member States and to managers of the Secretariat	Developed and revised biennial RBB in line with priorities set within the common UN System framework

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
		<p>Establishment of the Trading Fund and capital investment programmes in line with IPSAS</p> <p>Development of result-based budget (RBB) proposals for the 2012-2013 biennium</p>	<p>Provision of guidance on the interpretation of accounting policies for the operation of the Trading Fund and on capital investments; implementation of the new requirements emanated from IPSAS adoption; and</p> <p>Development of time, accurate and user friendly reports which can be converted into statistics, modified as needed and saved for future reference</p> <p>Guidelines on result-based programme budget setting and resource estimates through a “logical framework”, which defines sets of objectives, expected results, inputs, outputs, and performance indicators;</p> <p>Initial analysis report of the divisional resource requirements</p>	<p>Achieved best use of the financial resources efficiently and effectively</p> <p>Achieved best use of the financial resources efficiently and effectively</p>
4.0	4.0.1	<p>Provision of effective and efficient budgetary management support across the Organizational programmes under all sources of funds, with relevant management reporting at all levels</p>	<p>Timely set up of budgets and allotments in SAP for the regular budget and extra-budgetary programmes including the activities under the Trading Fund;</p> <p>Production of periodic budgetary performance reports and various cost analyses to the management/ programme managers to provide timely and complete information for support of proper control of regular and extra-budgetary programmes and adequate management decisions; and</p> <p>Measures devised to mitigate budgetary risks</p>	<p>Strengthened, decentralized budgetary and financial responsibilities; and</p> <p>Achieve unqualified audit opinion for the annual expenditure accounts</p>
4.0	4.0.5	<p>Development and implementation of Human resources policies and procedures to attract and retain top talent for IMO</p>	<p>Advice and support on all matters that relate to the direction and coordination of human resources management strategies and policies at IMO;</p> <p>Salaries, benefits and leave entitlements accurately and on time;</p> <p>Rules and procedures reviewed and simplified;</p> <p>An electronic compilation of all administrative issuances to improve speed, transparency and access to vital information for staff across the Organization;</p> <p>Surveys to ascertain that compensation levels are properly adjusted</p> <p>Surveys to ascertain that compensation levels are properly adjusted</p> <p>Statistical data</p> <p>Administration of and participation in Classification Committee</p>	<p>The number of JABs limited to four in a year</p> <p>Less than 3 cases of write off per year</p> <p>Two staff rule amendments per year</p> <p>Compilation published on time</p> <p>Full data collection meeting ICSC requirements</p> <p>Full data collection meeting ICSC requirements</p> <p>Timely submission of statistics to inter-agency bodies and Member States as and when required</p> <p>Accurate classification of posts</p>
4.0	4.0.5	<p>Development and implementation of health-related and social security policies that are suitable to attract and retain top talent for IMO and to provide official visa services to staff and delegates</p>	<p>Advice and support on all matters that relate to social security policies (Pension, Medical and Insurance) at IMO;</p> <p>Processing payment of social security entitlements and benefits</p> <p>Relocation including removal of household goods.</p> <p>Arrangements of official visas to staff and delegates, security clearance and UNLP.</p> <p>Advise on staff health matters and the administration of medico-administrative services</p>	<p>Staff fully aware of social security matters.</p> <p>Pension and insurance documentation submitted accurately and in a timely fashion</p> <p>No delays in travel of newly recruited staff, aware of their entitlements and arrival of their personal goods in time.</p> <p>Staff members and delegates travel on time without visa problems.</p> <p>Health-related (insurance and absenteeism) costs to be lower than in the previous biennium</p>

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
		Monitor staff performance and develop Secretariat staff in line with the Organization's needs	Future workforce need plans Objective selection tools and more extensive dissemination of vacancies Training and development programmes Enhanced performance management system	Timely filling of posts Staff skills enhanced Wider participation, variety of programmes and certification. An expanded programme for staff will include substantive, technical and technological skills, and language and communications courses; Streamlining of process, greater staff involvement and completion of appraisal cycle
4.0	4.0.1	Ensure that the Organization, within agreed appropriations, uses its resources efficiently and effectively	Increased sales of electronic products; increased unit sales, especially of digital products, royalties and biennial publications. Publications on time, to budget and without errors; achieve economies of scale and reduce production costs accordingly; analyse, monitor and reduce GHG footprint of all publishing processes Efficient and cost-effective use of HQ building and facilities through comprehensive monitoring, regular review, assiduous management and robust procurement Efficient and cost-effective distribution of publications and other materials worldwide through comprehensive monitoring, regular review, assiduous management and robust procurement Efficient and cost-effective provision of catering services to Secretariat and Member States through cost control and appropriate pricing	£8.5 million in net sales of publications; improved surplus of revenues over expenditure All publications produced to high quality standards and to deadline; costs and GHG emissions reduced Reduced energy consumption, efficient use of resources All materials correctly sent and received in a timely manner; reduced energy consumption, efficient use of resources Reduced cafeteria deficit
4.0	4.0.5	Establish and maintain systems to monitor and reduce energy and resource consumption in support of a Climate Neutral UN Enhance transparency in the Organization's operations Keep under review working methods and processes	Reduction of energy consumption, HQ building and operations, including travel by air Compliance with all provisions of the Procurement Manual and Financial Regulations & Financial Rules; comprehensive documentation of all procurement and contractual arrangements Streamlined procurement and inventory-control processes, improved forward planning Implement IPSAS and Trading Fund	Consumption of energy reduced by more than 5%. GHG levels reduced Unqualified opinion from internal and external auditors Smooth, timely and efficient procurement of goods and services; reliable and error-free inventory Smooth transition to IPSAS standards for inventory control; working practices well adapted to Trading Fund procedures
4.0	4.0.2	To improve management and dissemination of information through the use of appropriate technology in support of a knowledge and information-based Organization	A knowledge management mechanism for obtaining a global insight into the organization and for measuring key performance against targets	Updated knowledge management system; KPI's; Effective dissemination of information 98% availability

Related SD/SR	Related HLA	Divisional Objectives	Deliverables	Indicators of success
4.0	4.0.2	<p>To provide effective information systems in an environment that allows for secure, seamless collaboration and interaction between Staff Members, Delegates and Member States</p> <p>Implement application systems to support Organization's administrative and core business objectives; and provide an enabling environment for sharing information from different sources and build core competency within the organization to provide management with critical information</p> <p>To maintain, enhance and implement Information and Communication Technology infrastructure to meet the organizations business objective</p>	<p>Enhanced Global Integrated Shipping Information System to meet the requirements of the Secretariat, its committees and sub-committees. Enhanced public website with improved functionalities on Maritime matters; Enhanced Meeting Management Systems – with collaboratory tools</p> <p>Redesigned and enhanced Intranet with collaborative tools; Databases and special purpose applications</p> <p>Servers, ICT infrastructure and related services are up and running 24x7 at 98% availability. Enhance and implement new services on the network to support PC users and provide remote access capabilities for accessing corporate information seamlessly from any location</p>	<p>Reliable and efficient access to accurate information meeting the need of stakeholders</p> <p>98% reliable, available and efficient computer system</p> <p>Availability targets met</p>
Conference services				
1.0 4.0 5.0		<p>Ensure all IMO international meetings, held both at HQ and externally, are run efficiently and effectively</p> <p>Provision of high-quality translation services to international meetings at HQ and elsewhere</p> <p>Efficient word processing and formatting without delay and at the highest quality standard of texts of all documents received from Member Governments, the Secretariat and Translation Sections</p> <p>Efficient processing and printing of all documentation within deadlines set for the meetings</p> <p>Efficient dissemination of the IMO documents including their timely placement on IMODOCS</p>	<p>Full interpretation and audio-visual services and efficient registration of delegates in accordance with the IMO programme of meetings</p> <p>Translation of all IMO meeting documents in the 3 working languages as well as all conventions, resolutions, reports and other substantive documents in the 6 official languages (minimum 57,000 pages)</p> <p>Word processing of all IMO meeting documentation, circulars, letters, reports, etc. (minimum 80,000 pages)</p> <p>IMO meeting documentation for the meetings (minimum 80,000 pages; 18,000,000 impressions)</p> <p>Documentation posted on IMODOCS</p>	<p>Accurate, timely provision of meetings and related documentation to established guidelines</p>

ANNEX 2

RESULTS-BASED BUDGET RESOURCE ALLOCATION FOR 2010-2011

Table 1: Resource allocation by strategic result for 2010-2011 (Summary)

High-level Action and Strategic Plans	Cost Object				TOTAL	Cost Category			
	Personnel items		Non-personnel items			Inter-governmental decision-making	Services to Member States	Organizational outreach and events	Internal management and support
	Staff costs - Posts	Other personnel costs	Mission	Other operating expenses					
	(IGD)	(SMS)	(OOE)	(IMS)					
SR 1.0	2,985,500	280,700	90,600	826,900	4,183,700	2,490,300	742,400	494,500	456,500
SR 2.0	2,651,500	325,000	31,100	763,700	3,771,300	2,187,400	1,032,200	229,100	322,600
SR 3.0	2,569,500	124,600	36,300	529,500	3,259,900	1,202,000	1,162,100	308,400	587,400
SR 4.0	6,439,000	186,500	114,600	1,281,400	8,021,500	573,200	675,400	3,550,700	3,222,200
SR 5.0	3,763,100	600,000	21,800	1,300,900	5,685,800	5,026,700	280,700	180,200	198,200
SR 6.0	512,000	63,300	16,100	155,500	746,900	556,700	87,600	60,200	42,400
SR 7.0	1,354,700	187,700	-	495,200	2,037,600	1,969,300	6,700	52,900	8,700
SR 8.0	215,400	32,500	2,700	74,900	325,500	226,200	46,500	34,800	18,000
SR 9.0	138,700	4,200	2,700	25,800	171,400	46,600	74,100	9,900	40,800
SR 10.0	57,900	9,800	-	21,600	89,300	89,300	-	-	-
SR 11.0	1,085,200	24,100	19,000	256,600	1,384,900	110,200	1,069,100	182,400	23,200
SR 12.0	499,400	57,100	4,300	146,000	706,800	470,900	121,500	46,700	67,700
SR 13.0	640,700	94,400	23,600	191,900	950,600	660,500	142,700	63,700	83,700
2010 Total	22,912,600	1,989,900	362,800	6,069,900	31,335,200	15,609,300	5,441,000	5,213,500	5,071,400
SR 1.0	3,059,200	260,500	117,500	839,700	4,276,900	2,511,200	771,000	541,300	453,400
SR 2.0	2,729,600	286,600	31,700	764,400	3,812,300	2,127,500	1,093,400	244,800	346,600
SR 3.0	2,656,900	116,100	38,000	539,500	3,350,500	1,234,900	1,227,900	332,500	555,200
SR 4.0	6,593,400	175,000	121,000	1,299,800	8,189,200	718,400	680,300	3,495,000	3,295,500
SR 5.0	3,874,600	561,600	24,600	1,325,900	5,786,700	5,103,500	280,300	207,900	195,000
SR 6.0	487,300	49,900	12,500	147,900	697,600	497,200	97,400	58,300	44,700
SR 7.0	1,307,000	192,200	-	471,900	1,971,100	1,865,700	25,600	69,300	10,500
SR 8.0	245,600	40,100	6,600	87,100	379,400	271,100	50,700	39,300	18,300
SR 9.0	146,500	5,500	2,700	28,200	182,900	58,900	73,700	9,500	40,800
SR 10.0	65,100	9,600	-	23,700	98,400	98,400	-	-	-
SR 11.0	1,118,300	28,000	12,300	264,100	1,422,700	138,800	1,083,100	177,300	23,500
SR 12.0	506,300	56,000	4,400	147,500	714,200	487,500	116,100	52,100	58,500
SR 13.0	701,400	94,100	20,000	203,600	1,019,100	703,500	150,900	65,900	98,800
2011 Total	23,491,200	1,875,200	391,300	6,143,300	31,901,000	15,816,600	5,650,400	5,293,200	5,140,800
SR 1.0	6,044,700	541,200	208,100	1,666,600	8,460,600	5,001,500	1,513,400	1,035,800	909,900
SR 2.0	5,381,100	611,600	62,800	1,528,100	7,583,600	4,314,900	2,125,600	473,900	669,200
SR 3.0	5,226,400	240,700	74,300	1,069,000	6,610,400	2,436,900	2,390,000	640,900	1,142,600
SR 4.0	13,032,400	361,500	235,600	2,581,200	16,210,700	1,291,600	1,355,700	7,045,700	6,517,700
SR 5.0	7,637,700	1,161,600	46,400	2,626,800	11,472,500	10,130,200	561,000	388,100	393,200
SR 6.0	999,300	113,200	28,600	303,400	1,444,500	1,053,900	185,000	118,500	87,100
SR 7.0	2,661,700	379,900	-	967,100	4,008,700	3,835,000	32,300	122,200	19,200
SR 8.0	461,000	72,600	9,300	162,000	704,900	497,300	97,200	74,100	36,300
SR 9.0	285,200	9,700	5,400	54,000	354,300	105,500	147,800	19,400	81,600
SR 10.0	123,000	19,400	-	45,300	187,700	187,700	-	-	-
SR 11.0	2,203,500	52,100	31,300	520,700	2,807,600	249,000	2,152,200	359,700	46,700
SR 12.0	1,005,700	113,100	8,700	293,500	1,421,000	958,400	237,600	98,800	126,200
SR 13.0	1,342,100	188,500	43,600	395,500	1,969,700	1,364,000	293,600	129,600	182,500
2010-2011 TOTAL	46,403,800	3,865,100	754,100	12,213,200	63,236,200	31,425,900	11,091,400	10,506,700	10,212,200

Table 2: Resource allocation by sub-strategic result for 2010-2011

High-level Action and Strategic Plans	Cost Object				2010 TOTAL	Cost Category			
	Personnel items		Non-personnel items			Inter-governmental decision-making (IGD)	Services to Member States (SMS)	Organizational outreach and events (OOE)	Internal management and support (IMS)
	Staff costs - Posts	Other personnel costs	Mission	Other operating expensess					
SR1.0	2,985,500	280,700	90,600	826,900	4,183,700	2,490,300	742,400	494,500	456,500
SR1.1	2,156,300	206,700	70,200	593,400	3,026,600	1,823,300	480,700	378,500	344,100
SR1.2	323,100	11,200	17,400	64,700	416,400	78,400	163,400	101,500	73,100
SR1.3	506,100	62,800	3,000	168,800	740,700	588,600	98,300	14,500	39,300
SR2.0	2,651,500	325,000	31,100	763,700	3,771,300	2,187,400	1,032,200	229,100	322,600
SR3.0	2,569,500	124,600	36,300	529,500	3,259,900	1,202,000	1,162,100	308,400	587,400
SR3.1	691,100	26,200	22,500	130,900	870,700	270,800	286,300	174,200	139,400
SR3.2	312,000	11,200	6,000	60,000	389,200	126,800	141,600	44,800	76,000
SR3.3	94,000	12,600	700	17,500	124,800	42,300	53,100	6,200	23,200
SR3.4	580,700	15,500	700	103,500	700,400	126,200	430,500	51,000	92,700
SR3.5	891,700	59,100	6,400	217,600	1,174,800	635,900	250,600	32,200	256,100
SR4.0	6,439,000	186,500	114,600	1,281,400	8,021,500	573,200	675,400	3,550,700	3,222,200
SR5.0	3,763,100	600,000	21,800	1,300,900	5,685,800	5,026,700	280,700	180,200	198,200
SR5.1	533,500	85,800	5,700	178,600	803,600	674,300	46,800	44,000	38,500
SR5.2	2,802,100	464,200	11,800	996,500	4,274,600	3,952,600	135,000	88,400	98,600
SR5.3	291,200	35,100	3,900	90,000	420,200	288,400	65,100	30,800	35,900
SR5.4	136,300	14,900	400	35,800	187,400	111,400	33,800	17,000	25,200
SR6.0	512,000	63,300	16,100	155,500	746,900	556,700	87,600	60,200	42,400
SR6.1	276,000	37,100	7,100	86,900	407,100	337,600	28,800	28,300	12,400
SR6.2	131,300	5,900	9,000	27,900	174,100	53,400	58,800	31,900	30,000
SR6.3	104,700	20,300	-	40,700	165,700	165,700	-	-	-
SR7.0	1,354,700	187,700	-	495,200	2,037,600	1,969,300	6,700	52,900	8,700
SR7.1	973,700	143,400	-	371,200	1,488,300	1,488,300	-	-	-
SR7.2	251,000	25,300	-	74,300	350,600	282,300	6,700	52,900	8,700
SR7.3	102,600	15,100	-	39,300	157,000	157,000	-	-	-
SR7.4	27,400	3,900	-	10,400	41,700	41,700	-	-	-
SR8.0	215,400	32,500	2,700	74,900	325,500	226,200	46,500	34,800	18,000
SR9.0	138,700	4,200	2,700	25,800	171,400	46,600	74,100	9,900	40,800
SR10.0	57,900	9,800	-	21,600	89,300	89,300	-	-	-
SR11.0	1,085,200	24,100	19,000	256,600	1,384,900	110,200	1,069,100	182,400	23,200
SR11.1	1,053,700	21,300	19,000	248,600	1,342,600	67,900	1,069,100	182,400	23,200
SR11.2	31,500	2,800	-	8,000	42,300	42,300	-	-	-
SR12.0	499,400	57,100	4,300	146,000	706,800	470,900	121,500	46,700	67,700
SR12.1	163,300	20,100	200	46,700	230,300	151,100	37,700	18,700	22,800
SR12.2	43,400	7,400	-	16,200	67,000	67,000	-	-	-
SR12.3	223,200	17,900	4,100	55,700	300,900	144,200	83,800	28,000	44,900
SR12.4	27,400	3,900	-	10,400	41,700	41,700	-	-	-
SR12.5	42,100	7,800	-	17,000	66,900	66,900	-	-	-
SR13.0	640,700	94,400	23,600	191,900	950,600	660,500	142,700	63,700	83,700
SR13.1	472,400	70,800	23,600	130,100	696,900	406,800	142,700	63,700	83,700
SR13.2	86,300	11,800	-	30,600	128,700	128,700	-	-	-
SR13.3	82,000	11,800	-	31,200	125,000	125,000	-	-	-
Total	22,912,600	1,989,900	362,800	6,069,900	31,335,200	15,609,300	5,441,000	5,213,500	5,071,400

Table 2: Resource allocation by sub-strategic result for 2010-2011 (continued)

High-level Action and Strategic Plans	Cost Object				2011 TOTAL	Cost Category			
	Personnel items		Non-personnel items			Inter-governmental decision-making (IGD)	Services to Member States (SMS)	Organizational outreach and events (OOE)	Internal management and support (IMS)
	Staff costs - Posts	Other personnel costs	Mission	Other operating expenses					
SR1.0	3,059,200	260,500	117,500	839,700	4,276,900	2,511,200	771,000	541,300	453,400
SR1.1	2,216,700	167,400	85,300	604,700	3,074,100	1,810,500	507,100	411,100	345,400
SR1.2	315,200	8,400	23,100	61,200	407,900	62,700	164,300	109,700	71,200
SR1.3	527,300	84,700	9,100	173,800	794,900	638,000	99,600	20,500	36,800
SR2.0	2,729,600	286,600	31,700	764,400	3,812,300	2,127,500	1,093,400	244,800	346,600
SR3.0	2,656,900	116,100	38,000	539,500	3,350,500	1,234,900	1,227,900	332,500	555,200
SR3.1	721,600	26,000	22,300	136,600	906,500	273,600	295,000	191,900	146,000
SR3.2	330,800	13,200	7,600	64,200	415,800	151,800	143,000	43,800	77,200
SR3.3	100,100	13,300	800	18,900	133,100	50,600	52,900	6,100	23,500
SR3.4	653,300	11,900	800	114,300	780,300	139,700	479,800	58,700	102,100
SR3.5	851,100	51,700	6,500	205,500	1,114,800	619,200	257,200	32,000	206,400
SR4.0	6,593,400	175,000	121,000	1,299,800	8,189,200	718,400	680,300	3,495,000	3,295,500
SR5.0	3,874,600	561,600	24,600	1,325,900	5,786,700	5,103,500	280,300	207,900	195,000
SR5.1	578,100	78,900	6,600	190,400	854,000	710,400	50,900	53,400	39,300
SR5.2	2,906,300	444,100	13,600	1,022,800	4,386,800	4,046,000	139,800	100,100	100,900
SR5.3	292,800	33,500	4,000	90,800	421,100	297,900	58,300	35,800	29,100
SR5.4	97,400	5,100	400	21,900	124,800	49,200	31,300	18,600	25,700
SR6.0	487,300	49,900	12,500	147,900	697,600	497,200	97,400	58,300	44,700
SR6.1	263,300	29,500	5,300	82,600	380,700	305,800	33,800	27,400	13,700
SR6.2	144,800	7,100	7,200	32,200	191,300	65,800	63,600	30,900	31,000
SR6.3	79,200	13,300	-	33,100	125,600	125,600	-	-	-
SR7.0	1,307,000	192,200	-	471,900	1,971,100	1,865,700	25,600	69,300	10,500
SR7.1	914,700	132,600	-	348,300	1,395,600	1,395,600	-	-	-
SR7.2	268,400	41,900	-	76,700	387,000	281,600	25,600	69,300	10,500
SR7.3	98,700	14,100	-	37,300	150,100	150,100	-	-	-
SR7.4	25,200	3,600	-	9,600	38,400	38,400	-	-	-
SR8.0	245,600	40,100	6,600	87,100	379,400	271,100	50,700	39,300	18,300
SR9.0	146,500	5,500	2,700	28,200	182,900	58,900	73,700	9,500	40,800
SR10.0	65,100	9,600	-	23,700	98,400	98,400	-	-	-
SR11.0	1,118,300	28,000	12,300	264,100	1,422,700	138,800	1,083,100	177,300	23,500
SR11.1	1,080,500	24,600	12,300	254,700	1,372,100	88,200	1,083,100	177,300	23,500
SR11.2	37,800	3,400	-	9,400	50,600	50,600	-	-	-
SR12.0	506,300	56,000	4,400	147,500	714,200	487,500	116,100	52,100	58,500
SR12.1	178,500	20,200	200	50,300	249,200	164,100	40,100	23,300	21,700
SR12.2	48,800	7,200	-	17,800	73,800	73,800	-	-	-
SR12.3	207,700	17,000	4,200	51,800	280,700	139,100	76,000	28,800	36,800
SR12.4	25,200	3,600	-	9,600	38,400	38,400	-	-	-
SR12.5	46,100	8,000	-	18,000	72,100	72,100	-	-	-
SR13.0	701,400	94,100	20,000	203,600	1,019,100	703,500	150,900	65,900	98,800
SR13.1	548,000	72,900	20,000	147,000	787,900	472,300	150,900	65,900	98,800
SR13.2	77,600	10,500	-	27,800	115,900	115,900	-	-	-
SR13.3	75,800	10,700	-	28,800	115,300	115,300	-	-	-
Total	23,491,200	1,875,200	391,300	6,143,300	31,901,000	15,816,600	5,650,400	5,293,200	5,140,800

Table 2: Resource allocation by sub-strategic result for 2010-2011 (continued)

High-level Action and Strategic Plans	Cost Object				2010-2011 TOTAL	Cost Category			
	Personnel items		Non-personnel items			Inter-governmental decision-making (IGD)	Services to Member States (SMS)	Organizational outreach and events (OOE)	Internal management and support (IMS)
	Staff costs - Posts	Other personnel costs	Mission	Other operating expensess					
SR1.0	6,044,700	541,200	208,100	1,666,600	8,460,600	5,001,500	1,513,400	1,035,800	909,900
SR1.1	4,373,000	374,100	155,500	1,198,100	6,100,700	3,633,800	987,800	789,600	689,500
SR1.2	638,300	19,600	40,500	125,900	824,300	141,100	327,700	211,200	144,300
SR1.3	1,033,400	147,500	12,100	342,600	1,535,600	1,226,600	197,900	35,000	76,100
SR2.0	5,381,100	611,600	62,800	1,528,100	7,583,600	4,314,900	2,125,600	473,900	669,200
SR3.0	5,226,400	240,700	74,300	1,069,000	6,610,400	2,436,900	2,390,000	640,900	1,142,600
SR3.1	1,412,700	52,200	44,800	267,500	1,777,200	544,400	581,300	366,100	285,400
SR3.2	642,800	24,400	13,600	124,200	805,000	278,600	284,600	88,600	153,200
SR3.3	194,100	25,900	1,500	36,400	257,900	92,900	106,000	12,300	46,700
SR3.4	1,234,000	27,400	1,500	217,800	1,480,700	265,900	910,300	109,700	194,800
SR3.5	1,742,800	110,800	12,900	423,100	2,289,600	1,255,100	507,800	64,200	462,500
SR4.0	13,032,400	361,500	235,600	2,581,200	16,210,700	1,291,600	1,355,700	7,045,700	6,517,700
SR5.0	7,637,700	1,161,600	46,400	2,626,800	11,472,500	10,130,200	561,000	388,100	393,200
SR5.1	1,111,600	164,700	12,300	369,000	1,657,600	1,384,700	97,700	97,400	77,800
SR5.2	5,708,400	908,300	25,400	2,019,300	8,661,400	7,998,600	274,800	188,500	199,500
SR5.3	584,000	68,600	7,900	180,800	841,300	586,300	123,400	66,600	65,000
SR5.4	233,700	20,000	800	57,700	312,200	160,600	65,100	35,600	50,900
SR6.0	999,300	113,200	28,600	303,400	1,444,500	1,053,900	185,000	118,500	87,100
SR6.1	539,300	66,600	12,400	169,500	787,800	643,400	62,600	55,700	26,100
SR6.2	276,100	13,000	16,200	60,100	365,400	119,200	122,400	62,800	61,000
SR6.3	183,900	33,600	-	73,800	291,300	291,300	-	-	-
SR7.0	2,661,700	379,900	-	967,100	4,008,700	3,835,000	32,300	122,200	19,200
SR7.1	1,888,400	276,000	-	719,500	2,883,900	2,883,900	-	-	-
SR7.2	519,400	67,200	-	151,000	737,600	563,900	32,300	122,200	19,200
SR7.3	201,300	29,200	-	76,600	307,100	307,100	-	-	-
SR7.4	52,600	7,500	-	20,000	80,100	80,100	-	-	-
SR8.0	461,000	72,600	9,300	162,000	704,900	497,300	97,200	74,100	36,300
SR9.0	285,200	9,700	5,400	54,000	354,300	105,500	147,800	19,400	81,600
SR10.0	123,000	19,400	-	45,300	187,700	187,700	-	-	-
SR11.0	2,203,500	52,100	31,300	520,700	2,807,600	249,000	2,152,200	359,700	46,700
SR11.1	2,134,200	45,900	31,300	503,300	2,714,700	156,100	2,152,200	359,700	46,700
SR11.2	69,300	6,200	-	17,400	92,900	92,900	-	-	-
SR12.0	1,005,700	113,100	8,700	293,500	1,421,000	958,400	237,600	98,800	126,200
SR12.1	341,800	40,300	400	97,000	479,500	315,200	77,800	42,000	44,500
SR12.2	92,200	14,600	-	34,000	140,800	140,800	-	-	-
SR12.3	430,900	34,900	8,300	107,500	581,600	283,300	159,800	56,800	81,700
SR12.4	52,600	7,500	-	20,000	80,100	80,100	-	-	-
SR12.5	88,200	15,800	-	35,000	139,000	139,000	-	-	-
SR13.0	1,342,100	188,500	43,600	395,500	1,969,700	1,364,000	293,600	129,600	182,500
SR13.1	1,020,400	143,700	43,600	277,100	1,484,800	879,100	293,600	129,600	182,500
SR13.2	163,900	22,300	-	58,400	244,600	244,600	-	-	-
SR13.3	157,800	22,500	-	60,000	240,300	240,300	-	-	-
Total	46,403,800	3,865,100	754,100	12,213,200	63,236,200	31,425,900	11,091,400	10,506,700	10,212,200

Table 3: Resource allocation by High-level actions for 2010-2011

High-level Action and Strategic Plans	Cost Object				2010 TOTAL	Cost Category			
	Personnel items		Non-personnel items			Inter-governmental decision-making (IGD)	Services to Member States (SMS)	Organizational outreach and events (OOE)	Internal management and support (IMS)
	Staff costs - Posts	Other personnel costs	Mission	Other operating expenses					
HL1.1.1	212,300	2,800	9,000	38,600	262,700	6,700	160,800	32,700	62,500
HL1.1.2	1,944,000	203,900	61,200	554,800	2,763,900	1,816,600	319,900	345,800	281,600
HL1.2.1	323,100	11,200	17,400	64,700	416,400	78,400	163,400	101,500	73,100
HL1.3.1	208,500	16,900	3,000	59,300	287,700	135,600	98,300	14,500	39,300
HL1.3.2	62,500	6,700	-	19,400	88,600	88,600	-	-	-
HL1.3.3	79,000	11,200	-	29,900	120,100	120,100	-	-	-
HL1.3.4	23,100	3,900	-	9,400	36,400	36,400	-	-	-
HL1.3.5	133,000	24,100	-	50,800	207,900	207,900	-	-	-
HL2.0.1	1,869,000	284,500	22,900	560,900	2,737,300	1,817,300	425,600	217,100	277,300
HL2.0.2	631,000	18,700	6,300	152,000	808,000	195,300	576,600	8,400	27,700
HL2.0.3	151,500	21,800	1,900	50,800	226,000	174,800	30,000	3,600	17,600
HL3.1.1	163,100	11,200	700	39,400	214,400	140,900	44,100	6,200	23,200
HL3.1.2	435,600	9,800	21,100	70,300	536,800	83,900	198,100	161,800	93,000
HL3.1.3	92,400	5,200	700	21,200	119,500	46,000	44,100	6,200	23,200
HL3.2.1	171,700	7,000	3,000	34,000	215,700	84,500	70,800	22,400	38,000
HL3.2.2	140,300	4,200	3,000	26,000	173,500	42,300	70,800	22,400	38,000
HL3.3.1	94,000	12,600	700	17,500	124,800	42,300	53,100	6,200	23,200
HL3.4.1	580,700	15,500	700	103,500	700,400	126,200	430,500	51,000	92,700
HL3.5.1	388,100	32,800	1,900	102,000	524,800	312,500	146,500	15,200	50,600
HL3.5.2	94,000	3,600	700	17,500	115,800	42,300	44,100	6,200	23,200
HL3.5.3	335,900	19,800	1,900	83,100	440,700	238,800	30,000	7,200	164,700
HL3.5.4	73,700	2,900	1,900	15,000	93,500	42,300	30,000	3,600	17,600
HL4.0.1	1,865,100	66,800	41,100	539,500	2,512,500	131,600	169,700	1,433,300	777,900
HL4.0.2	1,538,200	37,500	24,300	291,300	1,891,300	354,700	124,100	460,400	952,100
HL4.0.3	396,400	3,300	12,500	140,000	552,200	23,400	81,000	119,800	328,000
HL4.0.4	277,200	900	7,200	36,000	321,300	23,400	41,000	84,900	172,000
HL4.0.5	1,887,300	69,000	23,100	193,900	2,173,300	40,100	249,700	1,452,300	431,200
HL4.0.6	202,200	200	6,400	24,700	233,500	-	9,900	-	223,600
HL4.0.7	272,600	8,800	-	56,000	337,400	-	-	-	337,400
HL5.1.1	276,900	49,100	-	98,600	424,600	397,500	9,500	10,700	6,900
HL5.1.2	193,600	36,100	-	69,800	299,500	272,400	9,500	10,700	6,900
HL5.1.3	63,000	600	5,700	10,200	79,500	4,400	27,800	22,600	24,700
HL5.2.1	996,400	189,900	-	367,100	1,553,400	1,484,700	36,100	15,500	17,100
HL5.2.2	337,600	37,600	400	105,800	481,400	405,400	33,800	17,000	25,200
HL5.2.3	654,800	107,500	-	238,900	1,001,200	974,100	9,500	10,700	6,900
HL5.2.4	566,400	91,800	5,700	201,400	865,300	790,200	27,800	22,600	24,700
HL5.2.5	246,900	37,400	5,700	83,300	373,300	298,200	27,800	22,600	24,700
HL5.3.1	291,200	35,100	3,900	90,000	420,200	288,400	65,100	30,800	35,900
HL5.4.1	136,300	14,900	400	35,800	187,400	111,400	33,800	17,000	25,200
HL6.1.1	160,600	26,300	-	57,100	244,000	244,000	-	-	-
HL6.1.2	115,400	10,800	7,100	29,800	163,100	93,600	28,800	28,300	12,400
HL6.2.1	71,200	5,000	1,900	17,800	95,900	44,700	30,000	3,600	17,600
HL6.2.2	60,100	900	7,100	10,100	78,200	8,700	28,800	28,300	12,400
HL6.3.1	90,300	17,800	-	35,300	143,400	143,400	-	-	-
HL6.3.2	14,400	2,500	-	5,400	22,300	22,300	-	-	-
HL7.1.1	54,600	7,900	-	20,800	83,300	83,300	-	-	-
HL7.1.2	812,600	119,700	-	310,700	1,243,000	1,243,000	-	-	-
HL7.1.3	79,100	11,900	-	29,300	120,300	120,300	-	-	-
HL7.1.4	27,400	3,900	-	10,400	41,700	41,700	-	-	-
HL7.2.1	91,400	15,100	-	34,900	141,400	141,400	-	-	-
HL7.2.2	27,400	3,900	-	10,400	41,700	41,700	-	-	-
HL7.2.3	132,200	6,300	-	29,000	167,500	99,200	6,700	52,900	8,700
HL7.3.1	102,600	15,100	-	39,300	157,000	157,000	-	-	-
HL7.4.1	27,400	3,900	-	10,400	41,700	41,700	-	-	-
HL8.0.1	51,500	5,900	900	15,900	74,200	41,100	15,500	11,600	6,000
HL8.0.2	88,000	14,800	900	32,200	135,900	102,800	15,500	11,600	6,000
HL8.0.3	75,900	11,800	900	26,800	115,400	82,300	15,500	11,600	6,000
HL9.0.1	138,700	4,200	2,700	25,800	171,400	46,600	74,100	9,900	40,800
HL10.0.1	57,900	9,800	-	21,600	89,300	89,300	-	-	-
HL11.1.1	588,400	14,000	12,500	137,900	752,800	63,500	565,800	100,300	23,200
HL11.1.2	465,300	7,300	6,500	110,700	589,800	4,400	503,300	82,100	-
HL11.2.1	31,500	2,800	-	8,000	42,300	42,300	-	-	-
HL12.1.1	37,900	2,500	-	9,000	49,400	22,300	9,500	10,700	6,900
HL12.1.2	125,400	17,600	200	37,700	180,900	128,800	28,200	8,000	15,900
HL12.2.1	43,400	7,400	-	16,200	67,000	67,000	-	-	-
HL12.3.1	223,200	17,900	4,100	55,700	300,900	144,200	83,800	28,000	44,900
HL12.4.1	27,400	3,900	-	10,400	41,700	41,700	-	-	-
HL12.5.1	42,100	7,800	-	17,000	66,900	66,900	-	-	-
HL13.1.1	472,400	70,800	23,600	130,100	696,900	406,800	142,700	63,700	83,700
HL13.2.1	86,300	11,800	-	30,600	128,700	128,700	-	-	-
HL13.3.1	82,000	11,800	-	31,200	125,000	125,000	-	-	-
Total	22,912,600	1,989,900	362,800	6,069,900	31,335,200	15,609,300	5,441,000	5,213,500	5,071,400

Table 3: Resource allocation by High-level actions for 2010-2011 (continued)

High-level Action and Strategic Plans	Cost Object				2011 TOTAL	Cost Category			
	Personnel items		Non-personnel items			Inter-governmental decision-making (IGD)	Services to Member States (SMS)	Organizational outreach and events (OOE)	Internal management and support (IMS)
	Staff costs - Posts	Other personnel costs	Mission	Other operating expenses					
HL1.1.1	214,500	3,400	15,200	39,200	272,300	12,200	161,600	38,200	60,300
HL1.1.2	2,002,200	164,000	70,100	565,500	2,801,800	1,798,300	345,500	372,900	285,100
HL1.2.1	315,200	8,400	23,100	61,200	407,900	62,700	164,300	109,700	71,200
HL1.3.1	197,100	13,800	9,100	55,600	275,600	118,700	99,600	20,500	36,800
HL1.3.2	69,300	7,000	-	20,600	96,900	96,900	-	-	-
HL1.3.3	79,500	10,600	-	29,400	119,500	119,500	-	-	-
HL1.3.4	33,800	5,800	-	13,400	53,000	53,000	-	-	-
HL1.3.5	147,600	47,500	-	54,800	249,900	249,900	-	-	-
HL2.0.1	1,910,200	244,600	22,200	553,900	2,730,900	1,732,000	469,400	232,900	296,600
HL2.0.2	652,400	19,300	7,600	155,300	834,600	199,300	594,200	8,400	32,700
HL2.0.3	167,000	22,700	1,900	55,200	246,800	196,200	29,800	3,500	17,300
HL3.1.1	161,900	10,400	800	38,200	211,300	137,800	43,900	6,100	23,500
HL3.1.2	467,200	10,100	20,700	77,000	575,000	89,100	207,200	179,700	99,000
HL3.1.3	92,500	5,500	800	21,400	120,200	46,700	43,900	6,100	23,500
HL3.2.1	184,300	8,300	3,800	36,800	233,200	101,200	71,500	21,900	38,600
HL3.2.2	146,500	4,900	3,800	27,400	182,600	50,600	71,500	21,900	38,600
HL3.3.1	100,100	13,300	800	18,900	133,100	50,600	52,900	6,100	23,500
HL3.4.1	653,300	11,900	800	114,300	780,300	139,700	479,800	58,700	102,100
HL3.5.1	382,100	27,400	1,900	98,700	510,100	289,900	153,700	15,300	51,200
HL3.5.2	100,100	4,300	800	18,900	124,100	50,600	43,900	6,100	23,500
HL3.5.3	289,500	16,500	1,900	71,500	379,400	228,100	29,800	7,100	114,400
HL3.5.4	79,400	3,500	1,900	16,400	101,200	50,600	29,800	3,500	17,300
HL4.0.1	1,938,800	69,100	40,200	554,100	2,602,200	180,200	163,600	1,430,900	827,500
HL4.0.2	1,607,900	34,900	23,100	292,600	1,958,500	401,200	118,500	469,000	969,800
HL4.0.3	406,300	2,600	13,000	140,900	562,800	34,500	82,600	108,400	337,300
HL4.0.4	290,000	1,100	7,500	38,200	336,800	34,500	42,600	72,800	186,900
HL4.0.5	1,883,300	58,300	28,700	193,200	2,163,500	68,000	263,100	1,413,900	418,500
HL4.0.6	202,900	200	8,500	24,700	236,300	-	9,900	-	226,400
HL4.0.7	264,200	8,800	-	56,100	329,100	-	-	-	329,100
HL5.1.1	304,800	46,600	-	105,900	457,300	424,000	11,200	15,100	7,000
HL5.1.2	207,300	31,000	-	73,100	311,400	278,100	11,200	15,100	7,000
HL5.1.3	66,000	1,300	6,600	11,400	85,300	8,300	28,500	23,200	25,300
HL5.2.1	1,067,200	172,600	-	384,600	1,624,400	1,541,700	40,300	20,000	22,400
HL5.2.2	286,700	38,100	400	96,400	421,600	346,000	31,300	18,600	25,700
HL5.2.3	682,200	105,400	-	246,900	1,034,500	1,001,200	11,200	15,100	7,000
HL5.2.4	598,200	90,300	6,600	207,800	902,900	828,300	28,500	23,200	22,900
HL5.2.5	272,000	37,700	6,600	87,100	403,400	328,800	28,500	23,200	22,900
HL5.3.1	292,800	33,500	4,000	90,800	421,100	297,900	58,300	35,800	29,100
HL5.4.1	97,400	5,100	400	21,900	124,800	49,200	31,300	18,600	25,700
HL6.1.1	156,300	22,700	-	56,000	235,000	235,000	-	-	-
HL6.1.2	107,000	6,800	5,300	26,600	145,700	70,800	33,800	27,400	13,700
HL6.2.1	74,100	4,900	1,900	18,900	99,800	49,200	29,800	3,500	17,300
HL6.2.2	70,700	2,200	5,300	13,300	91,500	16,600	33,800	27,400	13,700
HL6.3.1	62,900	10,900	-	27,200	101,000	101,000	-	-	-
HL6.3.2	16,300	2,400	-	5,900	24,600	24,600	-	-	-
HL7.1.1	50,600	7,100	-	19,200	76,900	76,900	-	-	-
HL7.1.2	766,800	110,600	-	291,800	1,169,200	1,169,200	-	-	-
HL7.1.3	72,100	11,300	-	27,700	111,100	111,100	-	-	-
HL7.1.4	25,200	3,600	-	9,600	38,400	38,400	-	-	-
HL7.2.1	94,000	14,800	-	35,000	143,800	143,800	-	-	-
HL7.2.2	25,200	3,600	-	9,600	38,400	38,400	-	-	-
HL7.2.3	149,200	23,500	-	32,100	204,800	99,400	25,600	69,300	10,500
HL7.3.1	98,700	14,100	-	37,300	150,100	150,100	-	-	-
HL7.4.1	25,200	3,600	-	9,600	38,400	38,400	-	-	-
HL8.0.1	57,600	7,300	2,200	18,300	85,400	49,300	16,900	13,100	6,100
HL8.0.2	101,300	18,200	2,200	37,600	159,300	123,200	16,900	13,100	6,100
HL8.0.3	86,700	14,600	2,200	31,200	134,700	98,600	16,900	13,100	6,100
HL9.0.1	146,500	5,500	2,700	28,200	182,900	58,900	73,700	9,500	40,800
HL10.0.1	65,100	9,600	-	23,700	98,400	98,400	-	-	-
HL11.1.1	605,200	16,700	9,200	142,400	773,500	79,900	572,600	97,500	23,500
HL11.1.2	475,300	7,900	3,100	112,300	598,600	8,300	510,500	79,800	-
HL11.2.1	37,800	3,400	-	9,400	50,600	50,600	-	-	-
HL12.1.1	45,100	2,400	-	10,400	57,900	24,600	11,200	15,100	7,000
HL12.1.2	133,400	17,800	200	39,900	191,300	139,500	28,900	8,200	14,700
HL12.2.1	48,800	7,200	-	17,800	73,800	73,800	-	-	-
HL12.3.1	207,700	17,000	4,200	51,800	280,700	139,100	76,000	28,800	36,800
HL12.4.1	25,200	3,600	-	9,600	38,400	38,400	-	-	-
HL12.5.1	46,100	8,000	-	18,000	72,100	72,100	-	-	-
HL13.1.1	548,000	72,900	20,000	147,000	787,900	472,300	150,900	65,900	98,800
HL13.2.1	77,600	10,500	-	27,800	115,900	115,900	-	-	-
HL13.3.1	75,800	10,700	-	28,800	115,300	115,300	-	-	-
Total	23,491,200	1,875,200	391,300	6,143,300	31,901,000	15,816,600	5,650,400	5,293,200	5,140,800

Table 3: Resource allocation by High-level actions for 2010-2011 (continued)

High-level Action and Strategic Plans	Cost Object				2010-2011 TOTAL	Cost Category			
	Personnel items		Non-personnel items			Inter-governmental decision-making (IGD)	Services to Member States (SMS)	Organizational outreach and events (OOE)	Internal management and support (IMS)
	Staff costs - Posts	Other personnel costs	Mission	Other operating expenses					
HL1.1.1	426,800	6,200	24,200	77,800	535,000	18,900	322,400	70,900	122,800
HL1.1.2	3,946,200	367,900	131,300	1,120,300	5,565,700	3,614,900	665,400	718,700	566,700
HL1.2.1	638,300	19,600	40,500	125,900	824,300	141,100	327,700	211,200	144,300
HL1.3.1	405,600	30,700	12,100	114,900	563,300	254,300	197,900	35,000	76,100
HL1.3.2	131,800	13,700	-	40,000	185,500	185,500	-	-	-
HL1.3.3	158,500	21,800	-	59,300	239,600	239,600	-	-	-
HL1.3.4	56,900	9,700	-	22,800	89,400	89,400	-	-	-
HL1.3.5	280,600	71,600	-	105,600	457,800	457,800	-	-	-
HL2.0.1	3,779,200	529,100	45,100	1,114,800	5,468,200	3,549,300	895,000	450,000	573,900
HL2.0.2	1,283,400	38,000	13,900	307,300	1,642,600	394,600	1,170,800	16,800	60,400
HL2.0.3	318,500	44,500	3,800	106,000	472,800	371,000	59,800	7,100	34,900
HL3.1.1	325,000	21,600	1,500	77,600	425,700	278,700	88,000	12,300	46,700
HL3.1.2	902,800	19,900	41,800	147,300	1,111,800	173,000	405,300	341,500	192,000
HL3.1.3	184,900	10,700	1,500	42,600	239,700	92,700	88,000	12,300	46,700
HL3.2.1	356,000	15,300	6,800	70,800	448,900	185,700	142,300	44,300	76,600
HL3.2.2	286,800	9,100	6,800	53,400	356,100	92,900	142,300	44,300	76,600
HL3.3.1	194,100	25,900	1,500	36,400	257,900	92,900	106,000	12,300	46,700
HL3.4.1	1,234,000	27,400	1,500	217,800	1,480,700	265,900	910,300	109,700	194,800
HL3.5.1	770,200	60,200	3,800	200,700	1,034,900	602,400	300,200	30,500	101,800
HL3.5.2	194,100	7,900	1,500	36,400	239,900	92,900	88,000	12,300	46,700
HL3.5.3	625,400	36,300	3,800	154,600	820,100	466,900	59,800	14,300	279,100
HL3.5.4	153,100	6,400	3,800	31,400	194,700	92,900	59,800	7,100	34,900
HL4.0.1	3,803,900	135,900	81,300	1,093,600	5,114,700	311,800	333,300	2,864,200	1,605,400
HL4.0.2	3,146,100	72,400	47,400	583,900	3,849,800	755,900	242,600	929,400	1,921,900
HL4.0.3	802,700	5,900	25,500	280,900	1,115,000	57,900	163,600	228,200	665,300
HL4.0.4	567,200	2,000	14,700	74,200	658,100	57,900	83,600	157,700	358,900
HL4.0.5	3,770,600	127,300	51,800	387,100	4,336,800	108,100	512,800	2,866,200	849,700
HL4.0.6	405,100	400	14,900	49,400	469,800	-	19,800	-	450,000
HL4.0.7	536,800	17,600	-	112,100	666,500	-	-	-	666,500
HL5.1.1	581,700	95,700	-	204,500	881,900	821,500	20,700	25,800	13,900
HL5.1.2	400,900	67,100	-	142,900	610,900	550,500	20,700	25,800	13,900
HL5.1.3	129,000	1,900	12,300	21,600	164,800	12,700	56,300	45,800	50,000
HL5.2.1	2,063,600	362,500	-	751,700	3,177,800	3,026,400	76,400	35,500	39,500
HL5.2.2	624,300	75,700	800	202,200	903,000	751,400	65,100	35,600	50,900
HL5.2.3	1,337,000	212,900	-	485,800	2,035,700	1,975,300	20,700	25,800	13,900
HL5.2.4	1,164,600	182,100	12,300	409,200	1,768,200	1,618,500	56,300	45,800	47,600
HL5.2.5	518,900	75,100	12,300	170,400	776,700	627,000	56,300	45,800	47,600
HL5.3.1	584,000	68,600	7,900	180,800	841,300	586,300	123,400	66,600	65,000
HL5.4.1	233,700	20,000	800	57,700	312,200	160,600	65,100	35,600	50,900
HL6.1.1	316,900	49,000	-	113,100	479,000	479,000	-	-	-
HL6.1.2	222,400	17,600	12,400	56,400	308,800	164,400	62,600	55,700	26,100
HL6.2.1	145,300	9,900	3,800	36,700	195,700	93,900	59,800	7,100	34,900
HL6.2.2	130,800	3,100	12,400	23,400	169,700	25,300	62,600	55,700	26,100
HL6.3.1	153,200	28,700	-	62,500	244,400	244,400	-	-	-
HL6.3.2	30,700	4,900	-	11,300	46,900	46,900	-	-	-
HL7.1.1	105,200	15,000	-	40,000	160,200	160,200	-	-	-
HL7.1.2	1,579,400	230,300	-	602,500	2,412,200	2,412,200	-	-	-
HL7.1.3	151,200	23,200	-	57,000	231,400	231,400	-	-	-
HL7.1.4	52,600	7,500	-	20,000	80,100	80,100	-	-	-
HL7.2.1	185,400	29,900	-	69,900	285,200	285,200	-	-	-
HL7.2.2	52,600	7,500	-	20,000	80,100	80,100	-	-	-
HL7.2.3	281,400	29,800	-	61,100	372,300	198,600	32,300	122,200	19,200
HL7.3.1	201,300	29,200	-	76,600	307,100	307,100	-	-	-
HL7.4.1	52,600	7,500	-	20,000	80,100	80,100	-	-	-
HL8.0.1	109,100	13,200	3,100	34,200	159,600	90,400	32,400	24,700	12,100
HL8.0.2	189,300	33,000	3,100	69,800	295,200	226,000	32,400	24,700	12,100
HL8.0.3	162,600	26,400	3,100	58,000	250,100	180,900	32,400	24,700	12,100
HL9.0.1	285,200	9,700	5,400	54,000	354,300	105,500	147,800	19,400	81,600
HL10.0.1	123,000	19,400	-	45,300	187,700	187,700	-	-	-
HL11.1.1	1,193,600	30,700	21,700	280,300	1,526,300	143,400	1,138,400	197,800	46,700
HL11.1.2	940,600	15,200	9,600	223,000	1,188,400	12,700	1,013,800	161,900	-
HL11.2.1	69,300	6,200	-	17,400	92,900	92,900	-	-	-
HL12.1.1	83,000	4,900	-	19,400	107,300	46,900	20,700	25,800	13,900
HL12.1.2	258,800	35,400	400	77,600	372,200	268,300	57,100	16,200	30,600
HL12.2.1	92,200	14,600	-	34,000	140,800	140,800	-	-	-
HL12.3.1	430,900	34,900	8,300	107,500	581,600	283,300	159,800	56,800	81,700
HL12.4.1	52,600	7,500	-	20,000	80,100	80,100	-	-	-
HL12.5.1	88,200	15,800	-	35,000	139,000	139,000	-	-	-
HL13.1.1	1,020,400	143,700	43,600	277,100	1,484,800	879,100	293,600	129,600	182,500
HL13.2.1	163,900	22,300	-	58,400	244,600	244,600	-	-	-
HL13.3.1	157,800	22,500	-	60,000	240,300	240,300	-	-	-
Total	46,403,800	3,865,100	754,100	12,213,200	63,236,200	31,425,900	11,091,400	10,506,700	10,212,200

ANNEX 3

COST ESTIMATES FOR THE 2010-2011 BIENNIUM BY COST GROUP

	Appropriation		Estimates		Approved	Estimates	Biennial
	2008	2009	2010	2011	2008-09	2010-11	changes
Staff costs-Posts	19,496,400	20,268,500	22,912,600	23,491,200	39,764,900	46,403,800	6,638,900
Staff turnover	-200,000	-200,000	-200,000	-200,000	-400,000	-400,000	0
Staff costs reflecting lapse factor	19,296,400	20,068,500	22,712,600	23,291,200	39,364,900	46,003,800	6,638,900
Other personnel costs							
Overtime	155,700	161,000	171,600	173,100	316,700	344,700	28,000
Temporary assistance	304,300	314,900	230,500	235,500	619,200	466,000	-153,200
Consultancy	194,500	174,900	178,500	173,000	369,400	351,500	-17,900
Meetings personnel	1,163,000	1,233,500	1,409,600	1,293,300	2,396,500	2,702,900	306,400
	1,817,500	1,884,300	1,990,200	1,874,900	3,701,800	3,865,100	163,300
Total Personnel Costs	21,113,900	21,952,800	24,702,800	25,166,100	43,066,700	49,868,900	6,802,200
Mission travel	336,700	353,600	363,100	390,900	690,300	754,000	63,700
General Operating Expenses							
Hospitality	20,600	21,700	23,100	23,500	42,300	46,600	4,300
Expendable supplies	110,900	113,500	48,200	49,100	224,400	97,300	-127,100
Minor equipment and furniture	53,400	54,000	104,800	106,700	107,400	211,500	104,100
Communications	236,900	238,200	276,800	281,800	475,100	558,600	83,500
IT maintenance and minor equipment	267,000	277,000	927,900	932,900	544,000	1,860,800	1,316,800
Catering	486,500	613,100	-	-	1,099,600	-	-1,099,600
Medical materials/fees	28,400	28,900	25,500	26,000	57,300	51,500	-5,800
Local transportation	50,500	51,700	54,000	55,000	102,200	109,000	6,800
Library	55,000	56,000	51,900	52,800	111,000	104,700	-6,300
Meetings general operating expenses*	154,500	160,200	283,300	272,900	314,700	556,200	241,500
Miscellaneous charges and supplies	25,000	24,300	24,900	25,500	49,300	50,400	1,100
	1,488,700	1,638,600	1,820,400	1,826,200	3,127,300	3,646,600	519,300
Headquarters Premises							
Rental	1,195,800	1,195,800	1,058,300	1,058,300	2,391,600	2,116,600	-275,000
Rates	70,000	72,100	63,900	63,900	142,100	127,800	-14,300
Insurance	97,900	100,800	70,700	70,700	198,700	141,400	-57,300
Gas	161,000	161,000	140,600	143,100	322,000	283,700	-38,300
Electricity	280,000	289,000	484,900	493,700	569,000	978,600	409,600
Water	25,300	26,100	27,000	27,500	51,400	54,500	3,100
Maintenance, rental-building equip.	430,000	444,400	468,000	493,200	874,400	961,200	86,800
Alteration	25,000	26,500	25,500	26,200	51,500	51,700	200
Cleaning	280,000	288,400	303,700	311,400	568,400	615,100	46,700
Security	395,000	406,900	391,300	401,000	801,900	792,300	-9,600
	2,960,000	3,011,000	3,033,900	3,089,000	5,971,000	6,122,900	151,900
Ancillary provisions							
External Audit	54,000	54,000	54,000	54,000	108,000	108,000	0
Recruitment	76,000	71,000	72,800	74,600	147,000	147,400	400
Language classes	33,000	33,000	35,000	35,000	66,000	70,000	4,000
Jointly financed UN bodies	109,000	125,000	195,900	196,800	234,000	392,700	158,700
Public information and miscellaneous	35,000	38,000	49,200	49,200	73,000	98,400	25,400
Unforeseen	10,000	10,000	-	-	20,000	0	-20,000
	317,000	331,000	406,900	409,600	648,000	816,500	168,500
Funds replenishment							
Headquarters Capital Fund	165,000	165,000	200,000	200,000	330,000	400,000	70,000
Termination Benefit Fund	418,000	418,000	608,100	619,200	836,000	1,227,300	391,300
	583,000	583,000	808,100	819,200	1,166,000	1,627,300	461,300
Total Non-personnel Costs	5,685,400	5,917,200	6,432,400	6,534,900	11,602,600	12,967,300	1,364,700
Total proposed appropriations	26,799,300	27,870,000	31,135,200	31,701,000	54,669,300	62,836,200	8,166,900
Less							
Reimbursement**	-987,000	-1,012,900	-664,500	-674,900	-1,999,900	-1,339,400	660,500
Transitional transfer**	-500,000	-500,000	-	-	-1,000,000	0	1,000,000
Miscellaneous income	-721,000	-721,000	-50,000	-50,000	-1,442,000	-100,000	1,342,000
TC Support cost income	-200,000	-200,000	-300,000	-300,000	-400,000	-600,000	-200,000
	-2,408,000	-2,433,900	-1,014,500	-1,024,900	-4,841,900	-2,039,400	2,802,500
Net to be assessed	24,391,300	25,436,100	30,120,700	30,676,100	49,827,400	60,796,800	10,969,400

* Including document printing charges

** From the Printing Fund for 2008-2009 and the Trading Fund for 2010-2011

ANNEX 4 STAFF COMPLEMENT FOR 2010-2011

		Posts financed by the Organization's funds				Posts financed by Donor/Trust Funds or Member States	Total operational posts for 2010-2011
		Regular budget *	Trading Fund**	Technical Co-operation Fund	Total		
		(a)	(b)	(c)	(d=a+b+c)		
Office of the Secretary-General	Professional and higher	9	0	0	9	0	9
	General Service	5	0	0	5	0	5
	Sub-Total	14	0	0	14	0	14
Maritime Safety Division	Professional and higher	25	0	0	25	5 ^{1/}	30
	General Service	19	0	0	19	0	19
	Sub-Total	44	0	0	44	5	49
Marine Environment Division	Professional and higher	16	0	0	16	12 ^{2/}	28
	General Service	10	0	0	10	8 ^{3/}	18
	Sub-Total	26	0	0	26	20	46
Legal Affairs and External Relations Division	Professional and higher	14	0	0	14	0	14
	General Service	11	0	0	11	0	11
	Sub-Total	25	0	0	25	0	25
Administrative Division	Professional and higher	23	8	0	31	0	31
	General Service	43	28 ^{4/}	0	71	0	71
	Sub-Total	66	36	0	102	0	102
Conference Division	Professional and higher	44	0	0	44	0	44
	General Service	55	0	0	55	0	55
	Sub-Total	99	0	0	99	0	99
Technical Co-operation Division	Professional and higher	16	0	5 ^{5/}	21	0	21
	General Service	9	0	0	9	0	9
	Sub-Total	25	0	5	30	0	30
TOTAL	Professional and higher	147	8	5	160	17	177
	General Service	152	28	0	180	8	188
	TOTAL	299	36 ^{6/}	5	340	25	365

* The posts shown under the regular budget are rearranged (including those previously non-established) following establishment of a Trading Fund

**The posts associated with the commercial activities are now all rearranged under the Trading Fund

1/ Five Associate Professional Officers (APO) seconded by the Governments of China, Germany, the Republic of Korea, Turkey and the United States, respectively

2/ Four APOs seconded by the Governments of Germany, Japan and Sweden (2), eight Project officers (PO) based in the Headquarters (2), Indonesia (1) and Malta (5)

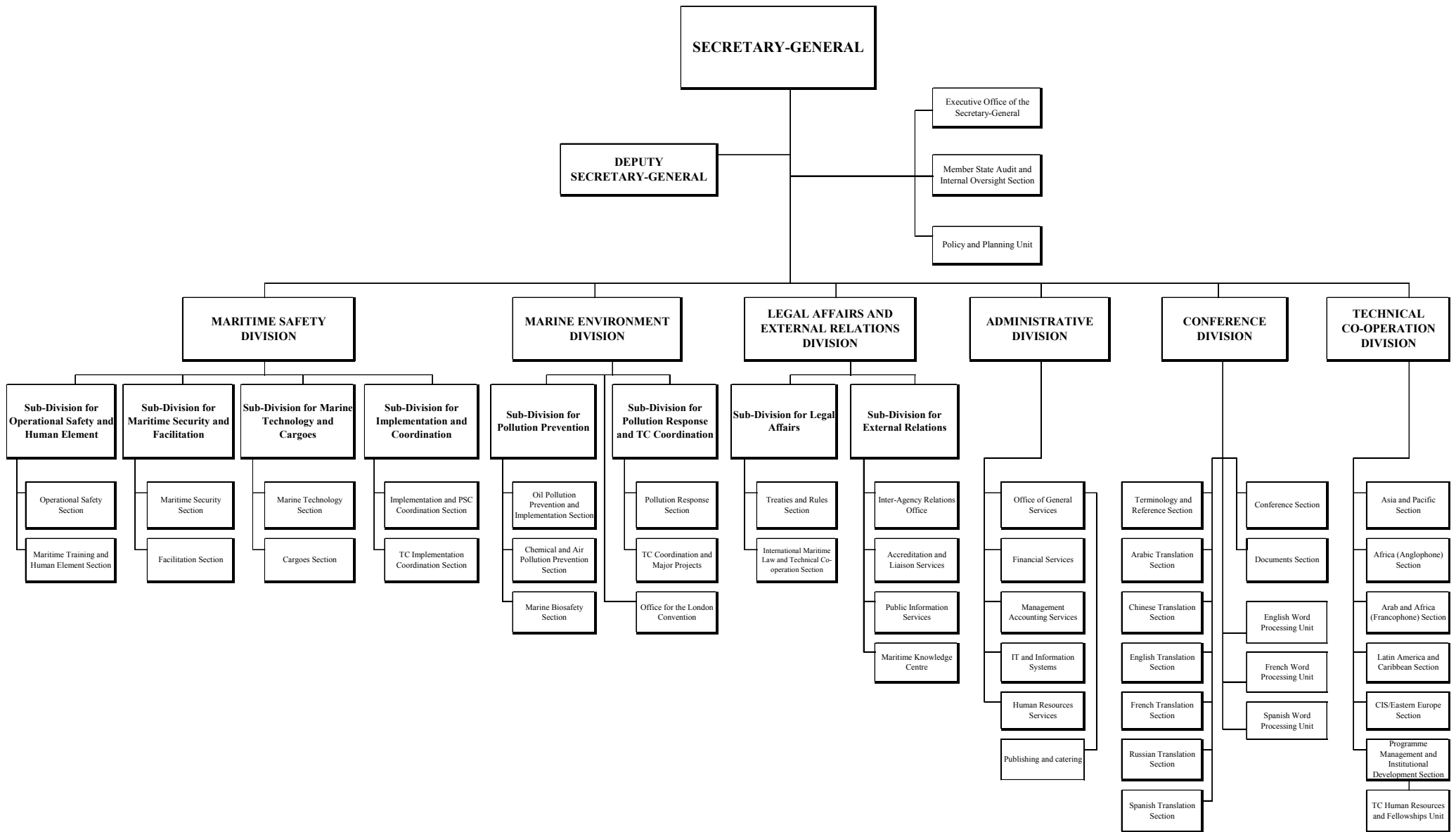
3/ Eight project assistants based in Headquarters (1) and Malta (7)

4/ The General Service posts associated with commercial activities are reduced by 3 compared with the 2008-2009 numbers

5/ Experts for regional coordination based in Ghana, Côte d'Ivoire, Kenya, the Philippines and the Caribbean

6/ The number of total posts under the regular budget (299) and Trading Fund (36) is 335, which is less by 3 posts compared with the posts approved for the 2008-2009 biennium of 338 (regular budget 315 and Printing Fund 20) following a decision to abolish 3 posts through prospective efficiency gains from the establishment of the Trading Fund

**ANNEX 5
ORGANIZATIONAL CHART**



ANNEX 6 PROPOSED MEETING-WEEKS FOR 2010-2011

	Session No.	Approved meeting-weeks			Session No.	Proposed meeting-weeks		
		2008	2009	Total		2010	2011	Total
GOVERNING BODIES								
ASSEMBLY	26	-	2.0	2.0	27	-	2.0	2.0
COUNCIL (regular session)	100, 101,102 & 103	2.0	0.1	2.1	104, 105,106 & 107	2.0	0.1	2.1
COUNCIL (Extraordinary session)	25	-	1.3	1.3	26	-	1.3	1.3
Sub-total		2.0	3.4	5.4		2.0	3.4	5.4
COMMITTEES								
Maritime Safety	84, 85 & 86	3.2	1.6	4.8	87, 88 & 89	3.2	1.6	4.8
Marine Environment Protection	57, 58 & 59	2.0	1.0	3.0	60, 61 & 62	2.0	1.0	3.0
Legal	94, 95 & 96	1.0	2.0	3.0	97 & 98 ^{1/}	1.0	1.0	2.0
Technical Co-operation	58 & 59	0.6	0.6	1.2	60 & 61	0.6	0.6	1.2
Facilitation	35 & 36 ^{2/}	1.0	1.0	2.0	36 & 37	1.0	1.0	2.0
Sub-total		7.8	6.2	14.0		7.8	5.2	13.0
SUB-COMMITTEES								
Bulk Liquids and Gases	12 & 13	1.0	1.0	2.0	14 & 15	1.0	1.0	2.0
Dangerous Goods, Solid Cargoes and Containers	13 & 14	1.0	1.0	2.0	15 & 16	1.0	1.0	2.0
Fire Protection	52 & 53	1.0	1.0	2.0	54 & 55	1.0	1.0	2.0
Flag State Implementation	16 & 17	1.0	1.0	2.0	16 & 17	1.0	1.0	2.0
Radiocommunications and Search and Rescue	12 & 13	1.0	1.0	2.0	14 & 15	1.0	1.0	2.0
Safety of Navigation	54 & 55	1.0	1.0	2.0	56 & 57	1.0	1.0	2.0
Ship Design and Equipment	51 & 52	1.0	1.0	2.0	53, 54 & 55 ^{4/}	2.0	1.0	3.0
Stability and Load Lines and on Fishing Vessel Safety	51	1.0	-	1.0	52 & 53	1.0	1.0	2.0
Standards of Training and Watchkeeping	39 ^{3/}	1.0	-	1.0	41 & 42	1.0	1.0	2.0
Sub-total		9.0	7.0	16.0		10.0	9.0	19.0
LONDON CONVENTION	30 & 31	1.0	1.0	2.0	32 & 33	1.0	1.0	2.0
DIPLOMATIC CONFERENCES	^{5/}	-	1.0	1.0	^{6/}	2.0	-	2.0
Total		19.8	18.6	38.4		22.8	18.6	41.4

1/ LEG recommended to the Council that it should hold one session in the latter half of 2010 (LEG 97) and one session in 2011 (LEG 98)

2/ The planned FAL 35 was deferred to take place in 2009 instead of in 2008 and, consequently, FAL 36 is now planned to be held in 2010

3/ STW 40, which was not originally planned to be held in 2009, was convened with the funding available from the unused provision for FAL 36

4/ As recommended jointly by the MSC and the MEPC, two sessions of DE are planned for 2010

5/ International Conference on the Safe and Environmentally Sound Recycling of Ships

6/ Diplomatic Conferences planned in 2010 on the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS Convention) and the International Convention on Standards of Training, Certification and Watchkeeping (STCW Convention)

ANNEX 7
Draft Assembly Resolution
ESTABLISHMENT OF A TRADING FUND

THE ASSEMBLY,

RECALLING the United Nations General Assembly resolution 60/283 of 17 August 2006 adopting the International Public Sector Accounting Standards (IPSAS),

RECALLING ALSO the adoption of resolution A.[..](26), through which it adopted revised Financial Regulations to give effect to a change in the Organization's accounting standards from the United Nations System Accounting Standards to IPSAS, from 1 January 2010,

RECOGNIZING that this change in applicable accounting standards has a consequential impact on the framework of financial control and reporting and thus provides for greater transparency in the Organization's finances,

RECALLING that regulation 6.7 of the Organization's Financial Regulations provide that the Secretary-General or the Assembly may establish trust, reserve and special funds, as may, from time to time, be required to deliver results in pursuance of the Organization's Strategic Plan,

RECALLING ALSO that the Council, at its one hundred and first session, approved, in principle, the reconstitution of the Printing Fund as a "Trading Fund" to provide for enhanced transparency under IPSAS,

RECOGNIZING the need to ensure that the Technical Co-operation Fund should continue to be replenished in such a manner as to ensure the proper delivery of the Organization's Integrated Technical Co-operation Programme,

HAVING CONSIDERED the recommendations of the Council [at its twenty-fifth extraordinary session],

1. DECIDES to establish a Trading Fund, which shall be administered in accordance with the Organization's Financial Regulations;
2. APPROVES the initial terms of reference for the operation of the said Fund, as set out at appendix;
3. DECIDES ALSO that the Printing Fund shall be closed on 31 December 2009 and that all its assets and liabilities transferred to the Trading Fund on 1 January 2010;
4. ALSO DECIDES that, notwithstanding the closure of the Printing Fund, the net in-year surplus of the Printing Fund realized in 2009 shall be distributed to the Organization's other Funds at such a percentage as approved in resolution A.991(25), namely, 75% to the Technical Co-operation Fund; 15% to the Headquarters Capital Fund; 8.5% to the Termination Benefit Fund; and 1.5% to the Training and Development Fund;
5. REQUESTS the Secretary-General to keep under review the terms of reference for the operation of the Trading Fund; and to report to the Council as and when necessary;
6. REVOKES resolutions A.101(IV), A.200(VI) and A.307(VIII).

APPENDIX
Terms of reference for the Trading Fund

- 1 The scope of the expenditure under the Trading Fund will cover the following purposes:
 - .1 to pay all direct and indirect costs associated with editing, producing and selling the Organization's publications, in all formats;
 - .2 where appropriate, to pay all or part of the costs of developing and producing other administrative publications and publicity materials required to support the work of the Organization; and
 - .3 to pay all direct and indirect costs associated with providing catering services at the Organization.

- 2 The Trading Fund shall be credited with:
 - .1 income derived from the sale of publications and advertisements in IMO News;
 - .2 income derived from the provision of catering services; and
 - .3 interest earnings accruing in the Fund.

- 3 The Secretary-General may draw on the un-obligated funds over and above the operational budget approved by the Assembly for a financial period, provided that any overrun in expenditure is used for the purchase of supplies, production and marginal personnel costs (overtime and temporary assistance) to meet additional demands, which generate sales exceeding the target set out in the budget.

- 4 The Secretary-General shall transfer, unless otherwise directed by the Assembly, at the beginning of each year, not less than 75% of the net annual cash surplus in the Fund to the Technical Co-operation Fund; 10% to the Headquarters Capital Fund; and 1.5% to the Training and Development Fund. He will keep the rest as the Fund's reserves to meet the liabilities accrued in compliance with the International Public Sector Accounting Standards (IPSAS).

- 5 The costs of administrative backstopping services utilized by the Fund shall be reimbursed to the regular budget at the rate of 13% on the total annual expense incurred in the Fund.

ANNEX 8

PROPOSED BUDGETS FOR THE ORGANIZATION'S FUNDS

Table 1
Proposed budget for the Trading Fund

TF	Approved budget*		Estimates		Approved 2008-09	Estimates 2010-11	Biennial changes
	2008	2009	2010	2011			
Estimated revenue							
Publication sales	7,988,000	7,828,000	9,000,000	9,100,000	15,816,000	18,100,000	2,284,000
Catering	437,900	479,900	560,800	611,000	917,800	1,171,800	254,000
Miscellaneous	430,000	430,000	282,500	290,400	860,000	572,900	-287,100
TOTAL REVENUE	8,855,900	8,737,900	9,843,300	10,001,400	17,593,800	19,844,700	2,250,900
Expenditure							
<i>Personnel costs</i>							
Marketing	292,600	252,500	863,200	891,100	545,100	1,754,300	1,209,200
Editorial/production	465,300	458,600	666,000	685,300	923,900	1,351,300	427,400
Catering	350,300	370,300	400,700	415,800	720,600	816,500	95,900
Technical support	258,300	330,400	-	-	588,700	-	-588,700
	1,366,500	1,411,800	1,929,900	1,992,200	2,778,300	3,922,100	1,143,800
<i>Operating expenses</i>							
Marketing	887,000	983,400	1,079,400	1,087,300	1,870,400	2,166,700	296,300
Editorial/production	1,176,000	1,202,700	1,548,700	1,539,900	2,378,700	3,088,600	709,900
Catering	136,200	244,600	553,000	572,000	380,800	1,125,000	744,200
Technical support	6,000	6,000	-	-	12,000	-	-12,000
	2,205,200	2,436,700	3,181,100	3,199,200	4,641,900	6,380,300	1,738,400
<i>Reimbursement/support</i>							
Marketing	606,400	630,700	252,500	257,200	1,237,100	509,700	-727,400
Editorial/production	178,900	196,500	288,000	289,300	375,400	577,300	201,900
Catering	-	-	124,000	128,400	-	252,400	252,400
Technical support	201,700	185,700	-	-	387,400	-	-387,400
	987,000	1,012,900	664,500	674,900	1,999,900	1,339,400	-660,500
TOTAL EXPENDITURE	4,558,700	4,861,400	5,775,500	5,866,300	9,420,100	11,641,800	2,221,700
FORECAST CASH SURPLUS	4,297,200	3,876,500	4,067,800	4,135,100	8,173,700	8,202,900	29,200

* Comparable figures for 2008-2009 are reconstructed from the relevant ones in the regular budget and the Printing Fund

Table 2
Proposed budget for the Headquarters Capital Fund

HQCF	Approved budget		Estimates		Approved 2008-09	Estimates 2010-11	Biennial changes
	2008	2009	2010	2011			
Major building repairs	70,000	75,000	70,000	75,000	145,000	145,000	-
HQs refurbishment liability	1,250,000	500,000	800,000	800,000	1,750,000	1,600,000	-150,000
Equipment/furniture/vehicles	78,200	26,600	79,800	28,300	104,800	108,100	3,300
IT/IS and SAP	1,344,500	960,000	763,200	779,900	2,304,500	1,543,100	-761,400
	2,742,700	1,561,600	1,713,000	1,683,200	4,304,300	3,396,200	-908,100

Table 3
Proposed budget for the Termination Benefit Fund

TBF	Approved budget		Estimates		Approved 2008-09	Estimates 2010-11	Biennial changes
	2008	2009	2010	2011			
Termination and repatriation	328,200	228,000	385,200	349,500	556,200	734,700	178,500
After service health insurance	403,000	415,000	443,200	454,300	818,000	897,500	79,500
Replacement of staff*	46,400	47,800	46,400	47,800	94,200	94,200	0
	777,600	690,800	874,800	851,600	1,468,400	1,726,400	258,000

* Temporary assistance costs to replace staff on long-term sick leave

Table 4
Proposed budget for the Training and Development Fund

TDF	Approved budget		Estimates		Approved 2008-09	Estimates 2010-11	Biennial changes
	2008	2009	2010	2011			
Performance/HR management	28,600	26,900	67,400	68,600	55,500	136,000	80,500
Finance and budgetary training	19,600	16,000	10,000	10,000	35,600	20,000	-15,600
SAP and IT training	38,600	37,700	31,000	31,000	76,300	62,000	-14,300
Induction	11,000	11,000	11,000	11,000	22,000	22,000	0
	97,800	91,600	119,400	120,600	189,400	240,000	50,600

Table 5
Proposed budget for the Technical Co-operation Fund

TCF	Approved budget*		Estimates		Approved 2008-09	Estimates 2010-11	Biennial changes
	2008	2009	2010	2011			
Africa	678,950	678,950	1,375,000	1,375,000	1,357,900	2,750,000	1,392,100
Arab States/Mediterranean	152,300	152,300	285,700	285,700	304,600	571,400	266,800
Asia	355,350	355,350	500,000	500,000	710,700	1,000,000	289,300
Pacific Islands	79,950	79,950	125,000	125,000	159,900	250,000	90,100
CIS/Eastern Europe	101,500	101,500	178,550	178,550	203,000	357,100	154,100
Latin America	241,100	241,100	392,850	392,850	482,200	785,700	303,500
Caribbean	164,950	164,950	267,850	267,850	329,900	535,700	205,800
Global programmes	1,271,550	1,271,550	1,875,050	1,875,050	2,543,100	3,750,100	1,207,000
	3,045,650	3,045,650	5,000,000	5,000,000	6,091,300	10,000,000	3,908,700

* The annual budgets shown here are the equal split of the approved biennial budget