



AD HOC COUNCIL WORKING GROUP ON  
THE ORGANIZATION'S STRATEGIC PLAN  
10th session  
Agenda item 6

CWGSP 10/6(b)  
25 August 2009  
ENGLISH ONLY

## OUTCOME OF THE COUNCIL'S 102ND SESSION

### (b) Review of working arrangements and associated budgetary factors

#### Note by the Secretariat

#### SUMMARY

<b>Executive summary:</b>	This document recalls discussions during the Council's 102nd session, and at earlier sessions of the Working Group, on working arrangements and associated budgetary factors.
<b>Strategic direction:</b>	4
<b>High-level action:</b>	4.1.1
<b>Planned output:</b>	Not applicable
<b>Action to be taken:</b>	Paragraph 11
<b>Related documents:</b>	CWGSP 10/6(b)/1; Circular letter No.2979; C 102/D (paragraph 3(a).2(iv)); C 102/3(a) (annex 2); C 102/8 and Add.1; C 102/8/1; C 102/WP.4; C 102/SR.1 and SR.4 to SR.6; CWGSP 9/3 and CWGSP 8/2

#### CWGSP discussions

1 At its eighth and ninth sessions, the *Ad Hoc* Council Working Group on the Organization's Strategic Plan (hereinafter the Working Group) considered proposals from the Secretariat on a long-term strategy for the reduction of costs of international meetings (see documents CWGSP 8/2 and CWGSP 9/3) based on the following key elements of such a strategy:

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

2 In addressing those elements, the Secretariat's proposals were aimed at a re-thinking of current meeting arrangements in order to reduce their costs, bearing in mind that the meetings programme – or the Secretariat's support to intergovernmental decision-making (IGD) – has traditionally represented a significant proportion of the Organization's biennial budget<sup>1</sup>. To that end, the annex to document CWGSP 9/3 sets out suggestions for the reduction of meeting costs by: (a) changing working arrangements concerning the production/distribution of IMO documentation, the conduct of meetings and the organization and method of work; and (b) raising awareness and making use of alternative methods.

<sup>1</sup> By way of example, no less than 50% (some £31.5 million) of the results-based budget for 2010-2011, which the Secretary-General proposed to the Council at its 102nd session, is ascribed to IGD (see Table 3 and Chart 3 in document C 102/8 and the table under paragraph 1 of document C 102/WP.4). In this regard, IGD accounts for: all staff costs (i.e. all those within the Secretariat providing technical/legal and logistic support); the costs of all temporary contractors (i.e. interpreters); and operating expenses.

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3 Having reviewed the Secretariat's suggestions, the Working Group recommended those listed in Table 1 of annex 2 to document C 102/3(a) for immediate implementation, and this was subsequently approved by C 102 (see paragraph 3(a).2(iv) of document C 102/D). These measures are now being introduced by the Secretariat – two examples being that all documentation submitted to the present session of the Working Group is in font size 11 and, in addition, the Secretariat is about to introduce a change to the typeface used to date (i.e. Times New Roman).

4 It may be noted that, although the Working Group did not, at the time, recommend the suggestions listed in Table 2 of the aforementioned annex, there was acknowledgement that, if working arrangements were indeed to be changed in the future, those suggestions would merit further consideration at an appropriate time.

### **Council discussions**

5 At its 102nd session, the Council considered the Secretary-General's first ever results-based budget (RBB) proposal for 2010-2011 which – even without additional resources and with the redeployment, where possible, of existing resources – entailed a 14.9% increase over the current biennial budget owing to unavoidable (i.e. non-discretionary) pay and price increases facing the Organization and, as a result of those factors, there would be an increase of 22% in the membership's assessments (see the covering page to document C 102/8).

6 As a consequence, and with a view to helping the Secretary-General reduce the size of the proposed budget, the Bahamas submitted document C 102/8/1 providing suggestions on reducing costs by capping the number of meeting-weeks in each year and changing the reporting procedure at the end of each meeting. Such suggestions were complemented by Denmark, in particular, whose interventions then are now reproduced in document CWGSP 10/6(b)/1.

7 In the ensuing debate, there was acknowledgement among the membership that, because of the non-discretionary nature of the budget increases, the only effective way of achieving reductions was, indeed, to change prevailing working arrangements. Moreover, it was also recognized that, in the light of constant developments in information and communication technology, in particular, and other areas also, the examination of working arrangements and of consequential improvements should be a regular function of the Council.

8 In concluding its debate, the Council generally endorsed the proposed approach and structure of the RBB and "requested the Secretary-General to undertake a review of his budget proposals, taking into account comments and proposals made by Council Members and observer delegations, as well as any recommendations that may emerge from the September session of the *Ad Hoc* Council Working Group on the Organization's Strategic Plan, in order to identify any further areas for making economies and efficiency gains, without, however, hampering the delivery of the Strategic and High-level Action Plans of the Organization. Such a revised draft budget will be presented to the Council's twenty-fifth extraordinary session for approval and submission to the twenty-sixth regular session of the Assembly for adoption" (see paragraph 8.3 of document C 102/D).

9 With reference to the envisaged role of the Working Group in the review of the budget proposals, the Council added the following task to the terms of reference for CWGSP 10 (see paragraph 2.1.7 of Circular letter No.2979): "advise on how the Council, with the support of the Secretary-General, may best review working arrangements and associated budgetary factors on a continuous basis, taking into account, in particular, suggestions made during the Council's 102nd session and in documents C 102/8/1, C 102/3(a) (table 2, annex 2) and C 102/WP.4".

10 In carrying out this task, the Working Group will wish to take into account also the suggestions contained in document CWGSP 10/6(b)/1 (Denmark).

### **Action requested of the Working Group**

11 The Working Group is invited to take note of the information provided in this document and decide as appropriate.