

AD HOC COUNCIL WORKING GROUP ON
THE ORGANIZATION'S STRATEGIC PLAN
12th session
Agenda item 6

CWGSP 12/6
13 September 2011
ENGLISH ONLY

ALIGNMENT OF THE PLANNING AND BUDGETING CYCLES

Note by the Secretariat

SUMMARY

<i>Executive summary:</i>	This document provides information, in response to the request of the Council, for the Group to consider the modalities by which it will carry out its work once the planning and budgeting cycles are aligned
<i>Strategic direction:</i>	4
<i>High-level action:</i>	4.0.3
<i>Planned output:</i>	4.0.3.1
<i>Action to be taken:</i>	Paragraph 4
<i>Related documents:</i>	Circular letter No.3218; C 106/D; C 105/D and C 105/3(a)

Background

1 The Council, at its 106th session, approved revised terms of reference (ToR) for its Ad Hoc Working Group on the Organization's Strategic Plan – both in general and, specifically, for its twelfth session – as set out at annex in Circular letter No.3218, with the following paragraph:

"2.1.5 consider the modalities by which it will carry out its work once the planning and budgeting cycles are aligned (see paragraphs 1.1.4 and 1.1.5 above);"

This document provides the Secretariat's broad understanding of the way the Working Group might carry out its work on the basis of the aligned budgeting and planning cycles (the overlapping framework – C 105/3(a), annex), as was agreed by Council at its 105th session.

Work required

2 In the Secretariat's estimation, the main elements of the work involved in establishing the High-level Action Plan (HLAP) and results-based budget (RBB) under the aligned cycles will not be markedly different from the current situation although the timing and content of the various documents will change. In this respect, to inform the Working Group's consideration of the issue, a chronology of future discussions is presented below, while an indication of the way the work might be carried out, in line with the revised ToR of the Group, is given at annex.

Chronology of future discussions

3 The agreed framework for aligning the planning and budgeting cycles requires that the various IMO organs should, during the 2012-2013 biennium, carry out their related work in the following sequence:

- .1 by the end of June 2013, the Council, committees and Secretariat will have considered and finalized their planned outputs for inclusion in a projected HLAP for the 2014-2015 biennium;
- .2 in July 2013, the Secretary-General will submit to the Council an outline of the budgetary implications of the projected HLAP for 2014-2015;
- .3 based on that projected HLAP and any advice/directions the Council may give with respect to the abovementioned outline of budgetary implications, the Secretary-General will prepare his proposed RBB for 2014-2015, as a document to the Council's extraordinary session later in the year;
- .4 in September 2013, the Working Group will convene to review, holistically, the draft Strategic Plan (SP), HLAP and the Secretary-General's proposed RBB and advise the Council accordingly;
- .5 in November/December 2013, the Council's extraordinary session will:
 - .1 receive, in addition to the Secretary-General's *initially* proposed budget (developed on the basis of the Council's earlier advice/directions), the report of the Working Group, based on its 'holistic' review of the SP, HLAP and RBB, with a consideration of how changes in one might impact the others and, possibly, a further document from the Secretariat reflecting any developments, changes or recommendations requested or made by the Working Group in respect of the HLAP and resource assessments and requirements; and
 - .2 forward its own conclusions and recommendations to the Assembly; and
- .6 in December 2013, the Assembly will adopt the Strategic Plan, HLAP and RBB, following consideration of the Council's conclusions and recommendations.

Action requested of the Working Group

4 The Working Group is invited to consider the information provided above on the anticipated modalities of its work when the planning and budgeting cycles are aligned and to provide its advice to the Council accordingly.

ANNEX

Terms of reference		Inputs to Group discussions	Conclusions and outputs
2.1 Review the Secretary-General's draft updated SP "rolled forward" to the subsequent six-year period, and draft updated HLAP covering the subsequent biennium and, in so doing:	<p>2.1.1 screen all proposed planned outputs to ensure that they respond appropriately to the strategic directions and high-level actions of the draft SP and HLAP;</p> <p>2.1.2 ensure that the planned outputs are formulated in SMART terms; and</p> <p>2.1.3 advise the Council accordingly.</p>	<p>1. Draft SP and HLAP</p> <p>2. Council views on priorities and directions based on high-level budget outlook</p> <p>3. High-level view of Organizational risks in the context of Trends Developments and Challenges¹</p>	<p>Revised draft SP and HLAP along with draft Assembly resolution for consideration by Council's extraordinary session.</p>
2.2 Review the Secretary-General's draft results-based budget (RBB) for the subsequent biennium and, in so doing:	<p>2.2.1 determine whether the proposed meetings' programme and the organizational structure (or any proposed changes thereto) will ensure the delivery of the planned outputs;</p> <p>2.2.2 examine whether there is room for volume reductions, economies, or efficiency gains and identify any recommended changes to the proposed SP, HLAP and RBB;</p> <p>2.2.3 confirm, as a consequence of all the foregoing, that a reasonable match exists between the Organization's work plans and the resources to deliver them, which are proposed in the draft RBB; and</p> <p>2.2.4 advise the Council accordingly.</p>	<p>1. Revised draft SP and HLAP under ToR 2.1 above</p> <p>2. Estimated resource implications of revisions to SP and HLAP under ToR 2.1 above</p> <p>3. Detailed draft RBB prepared by the Secretary-General</p> <p>4. Comments from the July Council on high-level budget outlook, including target budget levels.</p>	<p>Report to the Council on:</p> <ul style="list-style-type: none"> • the Group's conclusion on the level of 'resource requirements' – staffing and meeting weeks – required to deliver the revised SP and HLAP, noting the assumptions made in the RBB; • the Group's consideration of the RBB including either: <ul style="list-style-type: none"> ○ a conclusion that the RBB is the most efficient and effective means of delivering the SP and HLAP; or ○ specific recommendations on additional efficiency savings, noting for each any impact on ability to deliver the HLAP; • the Group's consideration of the RBB taking into account the Council's comments, in particular whether there is a match between the RBB, the HLAP and Council's budgetary requirements and, if not, a set of prioritized options available to change the HLAP so as to adjust resource requirements, each option setting out: <ul style="list-style-type: none"> ○ impact on POs to be delivered; ○ an assessment of the increased organizational risks through not addressing these POs; and ○ the budgetary changes achieved thereby.

¹ Option 2 set out in paragraphs 14-16 of document CWGSP 12/8.