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## STRATEGY, PLANNING AND REFORM

### Draft Performance Indicators for the 2018-2023 period

#### Note by the Secretary-General

#### SUMMARY

*Executive summary:* This document contains a series of draft Performance Indicators, which would form the basis for assessing the progress being made by the Organization in achieving its Strategic Directions as well as the draft Assembly resolution for the adoption of the Strategic Plan for the 2018-2023 period

*Strategic direction:* 4

*High-level action:* 4.0.3

*Output:* 4.0.3.1

*Action to be taken:* Paragraph 70

*Related documents:* C 112/D, C 113/3, C 113/D, C 114/3/2, C 114/D, A.1097(29), A.1099(29), C 116/4/1, C 116/4/4, C 116/D, C 117/3, C 117/WP.3, C 117/D, C 118/3 and C 118/3/Add.1

#### Introduction

1 The draft Performance Indicators to assess the Organization's performance towards achieving its Strategic Directions for the 2018-2023 period were prepared by the Secretariat and the consultant, as requested by the Council, at its 117th session (C 117/D, paragraph 3.7 (ii)).

2 The document contains the relevant background information on how the Secretariat and the consultant arrived at the draft Performance Indicators, which are set out in annex 1.

3 In addition, the Secretariat prepared the draft Assembly resolution for the adoption of the Strategic Plan for the Organization for 2018-2023, which is set out in annex 2. As the consultant proposed in his recommendations (C 113/3) that all components of the Strategic Plan should be presented in one place, the Mission Statement, the Vision Statement, the Overarching Principles, the Strategic Directions (as set out in C 117/WP.3), the Performance Indicators (as set out in annex 1) and the list of outputs (as set out in C 118/3/Add.1) will be combined. The draft resolution will therefore replace the previous resolutions on the Strategic Plan and on the High-level Action Plan.

4 Over the six-year period 2018-2023, it is envisaged that a resolution for the adoption of the Strategic Plan will be adopted every biennium, containing any changes to the Strategic Plan and Performance Indicators, as well as the list of outputs for the following biennium.

### **Background**

5 The following paragraphs set out the decisions of the Council in relation to the development of the Organization's Strategic Plan and, in particular, the development of the Performance Indicators.

6 The Council, at its 112th session, endorsed the proposal of Canada for a fundamental review of the Strategic Plan through an external consultant, to be contracted to work with the Secretariat (C 112/D, paragraph 3.4).

7 At its 113th session, the Council noted the consultant's recommendations in the report on the fundamental review of the Strategic Plan (C 113/3, C 113/D, paragraph 3.2) and decided that:

- .1 the Strategic Plan should be reviewed to ensure simplicity and to make sure that it would continue to serve the Organization going forward; and
- .2 the Strategic Plan should be fixed for a six-year period.

8 At its 114th session, the Council agreed, inter alia:

- .1 on the timeline for the development of a new strategic framework (paragraph 12 of annex 2 to document C 114/3/2 and paragraph 3.14 of document C 114/D); and
- .2 that the new strategic framework should be finalized in time for it to be implemented for the 2018-2019 biennium (C 114/D, paragraph 3.13).

9 With regard to the structure of the new strategic framework, the Council further:

- .1 agreed to the development of a Vision Statement, following on from the development of the Trends, Developments and Challenges (TDCs) (C 114/D, paragraph 3.7);
- .2 endorsed the view that the Strategic Directions should be limited to the primary areas of action for the six-year period, and not to recreate the entire mandate of IMO (C 114/D, paragraph 3.8);
- .3 noted that work would still be undertaken outside the primary areas of action in the six-year period (C 114/D, paragraph 3.9 (i));
- .4 agreed that all outputs should be listed in one place, and that those identified as strategic should be clearly highlighted on that list (C 114/D, paragraph 3.11); and
- .5 noted that the Performance Indicators (PIs) should provide a close-loop feedback mechanism to improve processes, efficiency and effectiveness of the work of the Organization, and that these should be monitored and measured throughout the six-year period (C 114/D, paragraph 3.9 (ii)).

10 The Assembly, at its twenty-ninth session, adopted resolution A.1097(29) on the *Strategic Plan for the Organization (for the six-year period 2016 to 2021)*, including the following preamble: "BEING AWARE of the Council's decision to develop a new strategic framework for the Organization for implementation in the 2018-2019 biennium".

11 At its 117th session, the Council approved:

- .1 the Strategic Directions;
- .2 the Overarching Principles; and
- .3 the Vision Statement, as set out in document C 117/WP.3 (C 117/D, paragraph 3.4).

12 The Council further approved the Mission Statement (paragraph 1 of the annex to document C 117/3 and C 117/D, paragraph 3.6).

13 The Council also requested the Secretary-General to prepare:

- .1 a first draft of the alignment of the outputs to the new strategic framework for the sub-committees' and committees' consideration;
- .2 proposals for Performance Indicators for consideration at C 118; and
- .3 a draft proposal for an adjusted document on Application of the Strategic Plan and High-level Action Plan (currently set out in A.1099(29)) to apply to the new strategic framework for consideration at C 118 (C 117/D, paragraph 3.7).

14 The Council recalling that, at its 114th session, it had agreed to a timeline for the newly developed Performance Indicators to be presented at C 118 for consideration by a working group, and having requested the Secretary-General to prepare a revised document on the application of the Strategic Plan, agreed to establish a working group during this session to consider the draft Performance Indicators and the revised document on the application of the Strategic Plan (C 117/D, paragraph 3.8).

### **Development of the Performance Indicators**

15 The foundation for the development of the Performance Indicators was:

- .1 the concepts and methodology proposed by the consultant in document C 113/3; and
- .2 the Strategic Plan for the Organization for the six-year period 2018-2023 (C 117/WP.3), as approved by C 117.

16 It should also be noted that, although the initial recommendation by the consultant was to develop two or three measures per Strategic Direction, the current proposal for some Strategic Directions contains more Performance Indicators. The main reason for this being that some of the Strategic Directions are much broader than initially envisaged. It is recognized that the PIs will continue to be refined and possibly reduced in number over time, as they are reported on and used by the Organization.

17 Some of the agreed Strategic Directions are aspirational, in particular, Strategic Directions 2, 4 and 6, which describe processes and areas where IMO needs to develop new approaches. This makes performance measurement difficult, as there might not be available data to underpin the underlying aims of these Strategic Directions. Should the Council wish to do so, it could consider developing the necessary mechanisms before establishing further Performance Indicators.

18 Furthermore, building on the experience from the previous Performance Indicators, it should be borne in mind that, when developing Performance Indicators, the purpose of an individual Performance Indicator should be carefully considered along with the available data. This will ensure that a Performance Indicator is not agreed before processes have been agreed upon to ensure that IMO will be in a position to obtain the data.

19 With regard to monitoring and assessing the progress being made by the Organization in achieving its Strategic Directions for the 2018-2023 period, it should be noted that the first assessment of all Performance Indicators for the year 2018, should form the baseline for monitoring eventual improvements related to the indicators. Therefore, the first assessment of the Performance Indicators at the end of 2018 will present the baseline data going forward.

20 Finally, it should be recognized that the development of Performance Indicators is a long-term process, in particular, with a completely redeveloped Strategic Plan. Therefore, all Performance Indicators agreed upon at this stage should be kept under review and evaluated regularly to assess their ability to monitor the progress towards achieving the Strategic Direction. This is very relevant for the aspirational Strategic Directions, whose ultimate aims will develop in more detail over the six-year period.

### **Explanation of draft Performance Indicators**

21 The following paragraphs present the draft Performance Indicators in conjunction with short explanations on how the Secretariat and the consultant arrived at specific indicators, as well as how the indicators contribute to assessing the progress in achieving the specific Strategic Direction.

### **Strategic Direction 1: Improve implementation**

22 As stated in the description of Strategic Direction 1, the desired outcome is the effective, efficient and consistent implementation of IMO instruments. A specific mechanism that enables IMO to assess the level of implementation by Member States is **the IMO Member State Audit Scheme (IMSAS)**. Although, it only covers six conventions and three protocols, it provides insights into the level of implementation by Member States of their treaties' obligations. Therefore, the monitoring of the number of findings, broken down into articles and regulations of each instrument, can provide an indication on patterns of difficulties with implementation (**PI 1.1**). In addition, as an in depth analysis of audit findings will be published regularly, it can be expected that Member States audited at a later stage will be able to learn from those analyses and the number of findings could decline over time.

23 Further, the proposal of a corrective action plan with target completion dates by audited Member States provides insights into the level of improvement in the actual implementation by Member States. Monitoring the implementation of corrective actions provides an additional measure to assess improvements in the implementation of IMO instruments by Member States (**PI 1.2**).

24 Moreover, to achieve effective, efficient and consistent implementation, there is a need for full compliance by Member States and the shipping industry. The most comprehensive data set, with regard to actual implementation by the shipping industry, are the inspections performed by **Port State Control**. In this regard, deficiencies and detentions by ship type (**PI 1.3**), as well as detentions by category of deficiency (**PI 1.4**), are considered most significant as they can be used to infer specific issues with regard to implementation.

25 The **ratification** of instruments by Member States is the first step toward implementation. The number of ratifications are of particular importance for instruments that have entered into force recently (within the last few years), as well as for instruments that have not yet entered into force (**PI 1.5** and **PI 1.6**). Monitoring the ratification rate for these instruments enables the Organization to track their development, and, if agreed upon, initiate specific activities to encourage Member States to ratify those instruments.

26 A third area that determines the level of implementation of IMO instruments is **technical cooperation and capacity-building activities**. As IMSAS is expected to identify technical cooperation or capacity-building needs of Member States, monitoring the requests for technical assistance by Member States is a valuable indicator (**PI 1.7**). Further, the effectiveness of technical cooperation and capacity-building activities directed at the implementation of IMO instruments should be assessed to ensure that they achieve their objective (**PI 1.8**).

27 The following Performance Indicators are the result of the considerations of those measurable factors that relate to **Strategic Direction 1 "Improve Implementation"**:

Categories	PI Index	PI Name
<b>IMSAS</b>	<b>PI 1.1</b>	# of references in audit findings per instrument (article and regulation)
	<b>PI 1.2</b>	% of audit findings and observations with corrective actions implemented according to the target completion dates
<b>Port State Control</b>	<b>PI 1.3</b>	% of deficiencies and detentions per ship type
	<b>PI 1.4</b>	# of deficiencies per category of deficiency
<b>Ratification</b>	<b>PI 1.5</b>	# of Member States that have ratified instruments that entered into force within the last years or have not entered into force yet
	<b>PI 1.6</b>	% of the world merchant shipping (tonnage) covered by those instruments that have entered into force recently or have not yet entered into force
<b>TC and capacity building</b>	<b>PI 1.7</b>	% of Member States utilizing technical cooperation to implement corrective actions to address audit findings and observations
	<b>PI 1.8</b>	% of technical cooperation activities directed towards the implementation of IMO instruments with effective results

28 The data for Performance Indicators 1.1, 1.3, 1.4, 1.5, 1.6 and 1.8 is available and can be reported. The data for Performance Indicator 1.2 will become available gradually as it depends on reporting by Member States. Although Member States are encouraged to report on the implementation of corrective actions in the IMSAS database, the implementation of corrective actions can ultimately be assessed from follow-up audits. Data for Performance Indicator 1.7 needs to be developed over the audit cycle.

## Strategic Direction 2: Integrate new and advancing technologies in the regulatory framework

29 The Strategic Direction aims to ensure that the Organization responds in a timely and appropriate manner to new and advancing technologies in relation to its regulatory mandate. In order to successfully measure IMO response to new and advancing technologies, it would first be necessary to identify those new and advancing technologies that need to be accommodated into the regulatory framework.

30 An approach to identify the relevant technologies could be counting the outputs submitted by Member States to accommodate new and advancing technologies into the regulatory framework. Those submissions can form a catalogue of new and advancing technologies that are considered relevant to the Organization as they will impact the shipping industry (PI 2.1). However, a more proactive approach might be needed to ensure that the Organization is aware of all new and advancing technologies that are relevant in order to adapt its regulatory approach to these emerging issues.

31 The integration of new and advancing technologies could be assessed by monitoring how many of the proposals are accepted and included into an IMO organ's agenda (P 2.2) as well as in a final step, the amendments adopted to incorporate new and advancing technologies into the regulatory framework (PI 2.3).

32 The considerations regarding Performance Indicators for **Strategic Direction 2 "Integrate new and advancing technologies in the regulatory framework"** resulted in the following:

Categories	PI Index	Description
Monitoring technologies	PI 2.1	# of submission by Member States to incorporate new and advancing technologies into the regulatory framework
Integrating technologies	PI 2.2	# of outputs to include new and advancing technologies (as specified in PI 2.1) on the agenda of IMO organs
	PI 2.3	# of amendments to incorporate new and advancing technologies into the regulatory framework

33 Data for the aforementioned Performance Indicators would be readily attained from the work of IMO organs. However, if the Organization develops further mechanisms to integrate new and advancing technologies, additional Performance Indicators should be added to capture their contribution.

## Strategic Direction 3: Respond to Climate Change

34 The focus of Strategic Direction 3 is to develop appropriate solutions to reduce the shipping industry's contribution to air pollution and its impact on climate change. The most important Performance Indicator is, therefore, the tonnes of CO<sub>2</sub> emissions from international shipping (PI 3.1).

35 However, to ensure that a reduction of CO<sub>2</sub> emissions can be achieved utilizing the agreed measures, additional indicators should be monitored that provide an indication on the implementation of the proposed measure to reduce CO<sub>2</sub> emissions. In this respect, the improvement in the attained Energy Efficiency Design Index (EEDI) against the reference line per ship type provides useful information to assess the reduction rates set out in regulation 21 of MARPOL Annex VI (PI 3.2).

36 Further, in order to have an indication for the emission of other pollutants, the average sulphur content of residual and distillate fuel oils supplied for use on board of ships should be monitored, as the sulphur content enables the Organization to draw inferences about SO<sub>x</sub> emission reduction (**PI 3.3**).

37 In addition, as the Organization is committed to assisting Member States to improve their ability to comply with international rules and standards, the expenditure on technical cooperation activities and capacity building related to air pollution and climate change should be monitored (**PI 3.4**).

38 The considerations regarding Performance Indicators for **Strategic Direction 3 "Respond to climate change"** resulted in the following:

Categories	PI Index	Description
CO <sub>2</sub> emissions	PI 3.1	# tonnes of CO <sub>2</sub> emissions from international shipping
	PI 3.2	% of improvement in attained EEDI against reference line per ship type
Sulphur content	PI 3.3	average sulphur content (% by mass) of residual and distillate fuel oils supplied for use on board of ships
TC and capacity building	PI 3.4	US\$ expenditure on funding of technical cooperation activities and major projects related to air pollution and climate change

39 Data for all proposed Performance Indicators is available. While, at present, the data on CO<sub>2</sub> emissions is only available through the GHG Studies, the IMO Ship Fuel Oil Consumption Database, once operational, will enable an annual calculation of CO<sub>2</sub> emissions from international shipping.

#### **Strategic Direction 4: Engage in Ocean Governance**

40 It should be noted that the development of the Performance Indicators presented significant challenges, as the scope of the Organization's involvement in ocean governance is as yet to be defined although aspects of it are woven in many of the Organization's activities. However, there is currently no common understanding of which topics could and should be included to measure the engagement of the Organization with regard to ocean governance.

41 Therefore, the recommendation is that a common understanding of the scope of ocean governance activities for the Organization should be agreed by Member States. This would enable the addition of Performance Indicators that ensure a meaningful measurement of the progress regarding this Strategic Direction.

42 Notwithstanding, there is an area that the Organization actively engages in, to ensure a sustainable development of activities in the marine space, which is the designation of "special areas", including "emission control areas" (ECAs) and "Particularly Sensitive Sea Areas" (PSSAs). Therefore, the designation of these areas should be monitored (**PI 4.1** and **PI 4.2**).

43 Subject to establishing a common understanding of the scope of topics and activities to be considered under ocean governance, further indicators to monitor the Organization's engagement could be added in the future.

44 It should be recognized that the Strategic Plan covers the work carried out by the Organization, i.e. Member States, observers and the Secretariat alike. However, when measuring engagement, focus is inevitably on the Secretariat as the attendance of the Secretariat in relevant fora is reported to the organs of the Organization, whereas Member States' attendance in, for example, other United Nations fora, is not reported.

45 Therefore, the only way to monitor engagement, at present, is to track the Secretariat's attendance at United Nations and other meetings in relation to ocean governance (**PI 4.3**). While a number of meetings attended might not in itself indicate success or failure, it is an indication that Organization is actually engaging.

46 In addition, as the Organization is committed to assist Member States, the expenditure on technical cooperation activities and capacity building related to ocean governance could also be monitored (**PI 4.4**).

47 The considerations regarding Performance Indicators for **Strategic Direction 4 "Engage in Ocean Governance"** resulted in the following:

Categories	PI Index	Description
Activities	PI 4.1	# of Special Areas under MARPOL, including ECAs
	PI 4.2	# of Particularly Sensitive Sea Areas (PSSAs)
Engagement	PI 4.3	# of meetings on Ocean Governance at which the Organization was represented
TC and capacity building	PI 4.4	US\$ expenditure on technical cooperation activities and capacity building related to Ocean Governance

48 Data for Performance Indicators 4.1 and 4.2 is available and can be reported. Data for Performance Indicators 4.3 and 4.4 is available and can be reported as soon as the scope of topics covered under ocean governance has been defined.

#### **Strategic Direction 5: Enhance global facilitation and security of international trade**

49 The focus of Strategic Direction 5 is to ensure safe and secure international trade by preventing disruptions to international trade. This involves matters of facilitation, with a focus on the electronic exchange of information, as well as security measures. With regard to the **facilitation of international trade**, there are two factors to consider: first, activities to further the purpose of the **Facilitation (FAL) Convention** to simplify and minimize the formalities associated with the arrival, stay and departure of ships engaged in international voyages, and second, activities to advance the **electronic exchange of information**.

50 A precursor for a State's ability to implement the **FAL Convention** and advance the prevention of disruption to trade is an active national facilitation maritime transport committee to guide all activities required by the FAL Convention (**PI 5.1**). An additional indicator of the implementation of the FAL Convention is the notifications pursuant to Article VIII of the Convention of differences between a Member State's national legislation and the Standards, depending on the obligation concerned, or when their national legislation is in line with the recommended practices contained in the Convention. This will become of particular interest with the entry into force of the new Standard 1.3bis on establishing systems for the electronic exchange of information, which is expected to enter into force on 8 April 2019 (**PI 5.2**).



51 This foregoing provides a connection to the second factor – the **electronic exchange of information**. There are two indicators enabling the monitoring of the progress towards the electronic exchange of information, which are the number of Member States issuing electronic certificates, and as a further step, the number of Member States with a maritime single window (**PI 5.3** and **PI 5.4**).

52 In parallel to the facilitation of international trade, the existence of national security committees is a precursor for a coordinated approach with regard to security measures affecting international shipping (**PI 5.5**). Further indication, as well as the effectiveness of measures developed by the Organization can be derived by monitoring the number of piracy incidents, as well as stowaway incidents reported (**PI 5.6** and **PI 5.7**).

53 Finally, as the Organization is committed to assist Member States to improve their ability to comply with international rules and standards, the expenditure on technical cooperation activities and capacity building related to facilitation and security should be monitored (**PI 5.8** and **PI 5.9**).

54 The considerations regarding Performance Indicators for **Strategic Direction 5 "Enhance global facilitation and security of international trade"** resulted in the following:

Categories	PI Index	Description
<b>Facilitation</b>	<b>PI 5.1</b>	% of Member States with active national maritime transport facilitation committees
	<b>PI 5.2</b>	# of Member States, who are Parties to the FAL Convention, submitting notifications pursuant to Article VIII of the FAL convention
	<b>PI 5.3</b>	# / % of Member States issuing electronic certificates
	<b>PI 5.4</b>	#/ % of Member States with a maritime single window
<b>Security</b>	<b>PI 5.5</b>	% of Member States with national security committees
	<b>PI 5.6</b>	# of piracy incidents per geographical area of incident
	<b>PI 5.7</b>	# of stowaway incidents reported
<b>TC and capacity building</b>	<b>PI 5.8</b>	US\$ expenditure on technical cooperation activities and capacity building allocated to facilitation matters
	<b>PI 5.9</b>	US\$ expenditure on technical cooperation activities and capacity building allocated to security matters

55 Although, the above Performance Indicators are considered to be the most appropriate to measure progress with regard to Strategic Direction 5, not all data is available at present. Data for Performance Indicators 5.8 and 5.9 is available. Data for Performance Indicators 5.2, 5.3, 5.6, and 5.7 is available via the Global Integrated Shipping Information System (GISIS), but data availability and quality depends on reporting by Member States, which needs to be ensured to enable the use of those Performance Indicators in a meaningful manner. Data for Performance Indicators 5.1, 5.4 and 5.5 is not being recorded at present, but this information could be added as part of the information to be reported to the Organization through e.g. the Country Maritime Profiles or other appropriate means. Here again, the provision of data would depend on the reporting by Member States.

## Strategic Direction 6: Ensure regulatory effectiveness

56 Strategic Direction 6 focuses on the process of learning from experience and gathering feedback on existing regulations to inform better decision-making in relation to the amendment of existing, and the development of future, regulations.

57 With regard to the drafting of instruments, currently there is no systematic approach within the Organization to assess if a regulatory instrument is well-developed. MSC.1/Circ.1500 on Guidance on drafting of amendments to the 1974 SOLAS Convention and related mandatory instruments does provide a standard for drafting regulations, but it only applies to SOLAS and related instruments.

58 Nevertheless, there are two mechanisms that provide the opportunity to gather **feedback** on existing regulations. First, any recommendation to the IMO organs to review specific requirements of IMO instruments based on audit findings (**PI 6.1**), would provide an indication on issues with the requirements. Second, approved unified interpretations (**PI 6.2**) could be an indication of potential issues with regard to the formulation of regulations concerned.

59 In addition, the number of **amendments** to an instrument or regulation within a short period of time after the adoption of the instrument or regulation (**PI 6.3**) could be considered to provide insights into possible issues with the design of the instrument or regulation. However, it must be recognized that the reasons for amendment to a recently adopted instrument or regulation could have many causes, and does not necessarily indicate that the regulation did not address its purpose effectively. Therefore, a thorough analysis would need to accompany this indicator to clarify the reasons behind the amendments.

Categories	PI Index	Description
<b>Feedback mechanism</b>	<b>PI 6.1</b>	# of specific requirements of the relevant IMO instruments recommended for review based on audit findings
	<b>PI 6.2</b>	# of unified interpretations of provisions per instrument
<b>Amendments</b>	<b>PI 6.3</b>	# of instruments with amendments within [four] years of entry into force

60 The data for all Performance Indicators currently proposed under this Strategic Direction is available and can be reported. However, if the Organization develops further systematic feedback and learning mechanisms, additional Performance Indicators should be added to capture their contribution towards ensuring regulatory effectiveness.

## Strategic Direction 7: Ensure organizational effectiveness

61 The purpose of Strategic Direction 7 is to enhance the effectiveness of the Organization as a whole, including the IMO organs and the Secretariat. As the Strategic Direction covers the **processes and services** of the Organization, as well as **human and financial resources**, those areas should be covered by Performance Indicators.

62 With regard to the **processes and services** within the Organization, the implementation of the programme of IMO meetings, the provision of technical cooperation activities, as well as information management are considered to be essential. The **success and effectiveness of meetings** can best be assessed by the participation of Member States as well as IGOs and NGOs (**PI 7.1**). Only through participation of a larger group of Member States, IGOs and NGOs, who represent important interest groups, can discussions be fully complete and decisions would represent the opinion of the IMO Membership at large. In

addition, meeting success could be assessed through the completion of outputs as set out in the target date specified (**PI 7.2**), as the Organization should aspire to a more stringent, but also realistic, planning of its activities.

63 The effectiveness of the Organization's **technical cooperation and capacity-building** activities can be assessed by an assessment of these activities by the beneficiaries. Therefore, the effectiveness and the impact of the activities are considered appropriate indicators. The effectiveness of technical cooperation and capacity building activities, evaluates if the objective of the activity has been achieved (**PI 7.3**), whereas the impact of the activity assesses if the activities have a longer-term impact on the beneficiaries ability to perform their duties (**PI 7.4**). The combination of both indicators will enable the monitoring of short and long term effects of technical cooperation and capacity building activities.

64 The effectiveness of **information management** can be assessed by the reporting requirements that can be met by the electronic means in place, in particular the different GISIS modules (**PI 7.5**). In order to be able to meet reporting requirements and to provide a data information system, the Organization needs to increase the ability to create reports quickly and enable customization, if needed. A first step would be to harmonize the data management system.

65 With regard to **human resources**, two factors are considered important, the skills and knowledge of staff, as well as gender parity, in particular in higher positions. An indicator for possible lack of **knowledge and skills** in the Organization is the amount of vacancies (**PI 7.6**), as vacant positions indicate the lack of competencies and capabilities. Furthermore, **gender parity** (**PI 7.7**) is considered to reflect progress toward modern values of equality.

66 The effectiveness of the utilization of **financial resources** should be considered in the general budget, as well as for the TC fund and the other funds for major projects. The financial health of the Organization, in general, can best be assessed by the collection rate of the annual assessment (**PI 7.8**). The funds for technical cooperation activities can be assessed by three factors, the overall ITCP funding, resource mobilization as well as diversification. In order to ensure, that all the planned technical cooperation and capacity building activities can be carried out, it is of utmost importance that the ITCP is fully funded (**PI 7.9**). To achieve this, there is the need for an effective resource mobilization (**PI 7.10**). Finally, an effective funding for technical cooperation and capacity building activities depends on a diverse donor base to reduce the risk of funding shortfall (**PI 7.11**).

67 The considerations regarding Performance Indicators for **Strategic Direction 7 "Ensure organizational effectiveness"** resulted in the following:

Categories		PI Index	PI Name
Processes and Services	Meetings	PI 7.1	# and % of Member States/ IGOs and NGOs attending IMO meetings by meeting
		PI 7.2	% of [strategic] outputs completed by the target completion date
	TC and capacity building	PI 7.3	% of technical cooperation and capacity building activities with effective results
		PI 7.4	% of technical cooperation and capacity building activities with high impact

	Information Management	<b>PI 7.5</b>	% of the reporting requirements that can be met by electronic means in place
<b>Human resources</b>	Skills	<b>PI 7.6</b>	% of vacant posts in general and professional/higher categories
	Gender parity	<b>PI 7.7</b>	Ratio of female to male staff in the professional and higher categories
<b>Financial resources</b>	General budget	<b>PI 7.8</b>	% of assessments received from Member States (collection rate)
	Funding of ITCP	<b>PI 7.9</b>	% of biennial ITCP programme funded
	Resource mobilization	<b>PI 7.10</b>	% of extra budgetary contributions to the budget
	Diversification of donor funds	<b>PI 7.11</b>	% of contributions provided by top-five donors

68 Data for all of the Performance Indicators above is already being collected within the Organization and can be reported.

69 Annex 1 to the document contains the complete list of the draft Performance Indicators.

#### **Actions requested of the Council**

70 The Council is invited to note the basis for the development of the Performance Indicators and, in particular, to approve:

- .1 the draft Performance Indicators for inclusion in the Strategic Plan for the Organization for the six-year period 2018-2023 (annex 1); and
- .2 the draft Assembly resolution on the Strategic Plan for the Organization for the six-year period 2018–2023, for submission to the thirtieth regular session of the Assembly for adoption (annex 2).

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**ANNEX 1**

**DRAFT PERFORMANCE INDICATORS**

<b>SD</b>	<b>PI Index</b>	<b>PI Name</b>
<b>SD 1 Improve implementation</b>	<b>PI 1.1</b>	# of references in audit findings per instrument (article and regulation)
	<b>PI 1.2</b>	% of audit findings and observations with corrective actions implemented according to the target completion dates
	<b>PI 1.3</b>	% of deficiencies and detentions per ship type
	<b>PI 1.4</b>	# of deficiencies per category of deficiency
	<b>PI 1.5</b>	# of Member States that have ratified instruments that entered into force within the last years or have not entered into force yet
	<b>PI 1.6</b>	% of the world merchant shipping (tonnage) covered by those instruments that have entered into force recently or have not yet entered into force
	<b>PI 1.7</b>	% of Member States utilizing technical cooperation to implement corrective actions to address audit findings and observations
	<b>PI 1.8</b>	% of technical cooperation activities directed towards the implementation of IMO instruments with effective results
<b>SD 2 Integrate new and advancing technologies in the regulatory framework</b>	<b>PI 2.1</b>	# of submission by Member States to incorporate new and advancing technologies into the regulatory framework
	<b>PI 2.2</b>	# of outputs to include new and advancing technologies (as specified in PI 2.1) on the agenda of IMO organs
	<b>PI 2.3</b>	# of amendments to incorporate new and advancing technologies into the regulatory framework
<b>SD 3 Respond to climate change</b>	<b>PI 3.1</b>	# tonnes of CO <sub>2</sub> emissions from international shipping
	<b>PI 3.2</b>	% of improvement in attained EEDI against reference line per ship type
	<b>PI 3.3</b>	average sulphur content (% by mass) of residual and distillate fuel oils supplied for use on board of ships
	<b>PI 3.4</b>	US\$ expenditure on funding of technical cooperation activities and major projects related to air pollution and climate change
<b>SD 4 Engage in ocean governance</b>	<b>PI 4.1</b>	# of Special Areas under MARPOL, including ECAs
	<b>PI 4.2</b>	# of Particularly Sensitive Sea Areas (PSSAs)
	<b>PI 4.3</b>	# of meetings on Ocean Governance at which the Organization was represented
	<b>PI 4.4</b>	US\$ expenditure on technical cooperation activities and capacity building related to Ocean Governance

<b>SD 5 Enhance global facilitation and security of international trade</b>	<b>PI 5.1</b>	% of Member States with active national maritime transport facilitation committees
	<b>PI 5.2</b>	# of Member States, who are Parties to the FAL Convention, submitting notifications pursuant to Article VIII of the FAL convention
	<b>PI 5.3</b>	# / % of Member States issuing electronic certificates
	<b>PI 5.4</b>	#/ % of Member States with a maritime single window
	<b>PI 5.5</b>	% of Member States with national security committees
	<b>PI 5.6</b>	# of piracy incidents per geographical area of incident
	<b>PI 5.7</b>	# of stowaway incidents reported
	<b>PI 5.8</b>	US\$ expenditure on technical cooperation activities and capacity building allocated to facilitation matters
	<b>PI 5.9</b>	US\$ expenditure on technical cooperation activities and capacity building allocated to security matters
<b>SD 6 Ensure regulatory effectiveness</b>	<b>PI 6.1</b>	# of specific requirements of the relevant IMO instruments recommended for review based on audit findings
	<b>PI 6.2</b>	# of unified interpretations of provisions per instrument
	<b>PI 6.3</b>	# of instruments with amendments within [four] years of entry into force
<b>SD 7 Ensure organizational effectiveness</b>	<b>PI 7.1</b>	# and % of Member States/ IGOs and NGOs attending IMO meetings by meeting
	<b>PI 7.2</b>	% of [strategic] outputs completed by the target completion date
	<b>PI 7.3</b>	% of technical cooperation and capacity building activities with effective results
	<b>PI 7.4</b>	% of technical cooperation and capacity building activities with high impact
	<b>PI 7.5</b>	% of the reporting requirements that can be met by electronic means in place
	<b>PI 7.6</b>	% of vacant posts in general and professional/higher categories
	<b>PI 7.7</b>	Ratio of female to male staff in the professional and higher categories
	<b>PI 7.8</b>	% of assessments received from Member States (collection rate)
	<b>PI 7.9</b>	% of biennial ITCP programme funded
	<b>PI 7.10</b>	% of extra budgetary contributions to the budget
	<b>PI 7.11</b>	% of contributions provided by top-five donors

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**ANNEX 2**

**DRAFT RESOLUTION**

**STRATEGIC PLAN FOR THE ORGANIZATION  
FOR THE SIX-YEAR PERIOD 2018 to 2023**

THE ASSEMBLY,

RECALLING the Convention on the International Maritime Organization, in particular, part 1, Article 1(a), and part II, Articles 2(a) and (c) thereof,

RECALLING ALSO the directives contained in resolution A.500(XII) concerning coordination of the work of the committees by the Council, taking into account the views of the committees on priorities and their responsibilities for substantive technical and legal matters,

RECALLING FURTHER resolutions:

- A.900(21) on *Objectives of the Organization in the 2000s*; and
- A.909(22) on *Policy making in IMO – setting the Organization's policies and objectives*,

and the relevant guidelines of the Council and the committees on the organization and method of their work,

RECALLING IN PARTICULAR the adoption, at its twenty-ninth session, of resolution A.1097(29) on *Strategic Plan for the Organization (for the six-year period 2016 to 2021)*, including the direction given to the Council therein to develop a new strategic framework to replace the current Strategic Plan by the 2018-2019 biennium,

BEING COMMITTED to ensuring the fulfilment of the Organization's aims and objectives in a uniform manner on a global basis and to setting clear priorities for the purpose of achieving them,

[HAVING CONSIDERED the recommendations of the Council at its 118th session,]

1 APPROVES the Strategic Plan for the Organization for the six-year period 2018 to 2023, as set out in the attached annex, comprising:

- (a) a Mission Statement;
- (b) the Vision Statement;
- (c) the Overarching Principles for the Organization's Strategic Plan 2018-2023;
- (d) the Strategic Directions for the Organization;
- (e) the Performance Indicators for assessing the Organization's performance against the Strategic Directions; and
- (f) the list of outputs that are planned to be delivered by the Organization over the 2018-2019 biennium.

2 REQUESTS that all IMO organs ensure full observance of resolution A.XXXX(30) on the *Application of the Strategic Plan of the Organization*, which provides a uniform basis for the application of the Strategic Plan throughout the Organization, and for the strengthening of existing working practices through the provision of enhanced planning and management procedures that are simple, manageable, proportional, transparent and balanced;

3 REQUESTS ALSO the Council, the Maritime Safety Committee, the Legal Committee, the Marine Environment Protection Committee, the Technical Cooperation Committee and the Facilitation Committee, when reporting on their work to the Assembly at its thirty-first regular session and to the Council at its sessions during the 2018-2019 biennium, to ensure that they report progress towards fulfilling the Organization's Mission using the framework of the Strategic Plan;

4 REQUESTS FURTHER the Council and the Secretary-General, as appropriate, to monitor progress and analyse, as necessary, any mechanisms required to review and update progress made under the Strategic Plan, taking into account resolution A.XXXX(30) on the *Application of the Strategic Plan of the Organization*;

5 INVITES Member States, the Secretariat and other stakeholders to provide the necessary data to ensure that progress towards the achievement of the Strategic Plan can be adequately assessed and reported on;

6 DIRECTS the chairs, vice-chairs and secretaries of the Council, committees and sub-committees to ensure a consistent and rigorous application of resolution A.XXXX(30) on the *Application of the Strategic Plan of the Organization* and the Guidelines on the organization and method of work of the respective committees and their subsidiary bodies;

7 ENCOURAGES the Council, the committees and the Secretariat, when considering proposals for new outputs, to ensure, in accordance with resolution A.XXXX(30) on the *Application of the Strategic Plan of the Organization* and the guidelines on the organization and method of their work, as appropriate, that the issues to be addressed are those which fall within the Mission of the Organization;

8 REQUESTS the committees and the Secretariat, as appropriate, and in accordance with resolution A.XXXX(30) on the *Application of the Strategic Plan of the Organization*, to submit to the Council for endorsement of any new outputs that they may approve during the 2018-2019 biennium for inclusion in the list of outputs for that biennium;

9 AUTHORIZES the Council to endorse such new outputs and to incorporate them into the list of outputs for the 2018-2019 biennium, as set out in the annex to the present resolution, and to bring for consideration of the Assembly any proposed amendments to the Strategic Plan;

10 DECIDES that the Strategic Directions are established for the six-year period 2018-2023 and, for the Council to bring to the attention of the Assembly proposed amendments to the Strategic Plan on which it has had an agreement, including the biennial update of outputs in a consolidated manner;

11 REITERATES ITS REQUEST to the Council and all the committees, when making recommendations for their biennial agendas during the Strategic Plan period, to bear in mind the desirability of not scheduling more than one diplomatic conference in each year, save in exceptional circumstances;

12 REVOKES resolution A.1097(29) and A.1098(29).