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AD HOC COUNCIL WORKING GROUP
ON THE ORGANIZATION'S STRATEGIC
PLAN

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Agenda item 3

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PREPARATION OF THE ORGANIZATION'S STRATEGIC PLAN

Strategic Plan

Submitted by Brazil

SUMMARY

Executive summary: The text of this document was originally posted on the IMO Intranet Discussion Page. This document identifies the need to consider carefully the fundamental and long-term aspects of the IMO's method of work in general when preparing the draft strategic plan for the Organization. It also puts forward proposals in four major areas of Administration, namely Governance, System's Central Body, Planning and Budgetary Control System and Administrative Structure

Action to be taken: Paragraph 6

Related documents: Circular letter No.2390, resolution A.909(22)

Introduction

1 IMO Council, through the decision of the Assembly, established that the Strategic Plan to be prepared should outline the Organization's broad direction and strategic objectives.

2 Previous discussions on the subject have indicated a tendency towards limiting the analysis to matters that may form the substance of present and future issues covered by the Conventions under IMO's responsibility. Nonetheless, it has been indicated that decisions are to be taken regarding the way the Organization should carry out its work. Therefore the study on the Re-structuring of the Committees and Sub-Committees has been subject to the completion of the Strategic Plan.

3 Brazil believes that the concern as to the method of work of the Organization is clearly in line with the basic proposal to outline the Organization's "broad direction and strategic objectives", which, strictly speaking, should pave the way for an in-depth examination of the issues.

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4 Hence, this document will approach the matter under the following headings:

- Governance
- System's Central Body
- Planning and Budgetary Control System; and
- Administrative Structure

4.1 Governance

- 4.1.1 Member States are clearly responsible for the governance of the Organization. In order to make realistic the discharge of such responsibilities, the IMO Convention established two formal bodies, i.e., Assembly and Council.
- 4.1.2 All Member States participate in the General Assembly, as indicated by name, which is convened every two years and which considers broad, essentially political issues, even in cases where technical decisions are involved. The General Assembly normally makes decisions based on studies previously carried out by other bodies within the structure of the Organization.
- 4.1.3 The Council, in turn, is formed by a smaller number of Member States, delegated through election by fellow Members. The Council will meet more frequently, usually every six months, with a view to following more closely the work carried out by IMO; expediting decisions, according to assignments referred by the Assembly, and informing the latter on the activities of the Organization.
- 4.1.4 As for the Assembly with its broader functions, there is little to comment on. The role of the Council, however, requires analysis and discussion, and this should be prioritised within the Strategic Plan.
- 4.1.5 All Members have regularly been invited to participate in open sessions of the Council. A recent Resolution of the Assembly (A909(22)) actually recommends that discussion on political matters involve wide participation. Agreeing with such practice, it would seem reasonable to suggest that there would be no need for an elected Council of only a few Members. It would be better to have an Assembly in two types of meetings: a formal session, such as the current General Assembly sessions, and other routine meetings, such as those of the Council.
- 4.1.6 There are, however, other reasons that justify the existence of the Council, which have been currently overlooked: that is the Member States' permanent detailed follow-up of the activities of IMO Administration so that timely recommendations can be made regarding the conduct of business, whenever it is deemed convenient, in view of the approved policies and strategies, or even propose modifications to those policies.
- 4.1.7 The Council should keep a close look over the Organization's accounts and activities at its bi-annual meetings. However, little is produced by current procedures. Instead of presenting the Council's reports for the formal approval in plenary and information of the other Members at those meetings, the Secretariat submits copious documents, usually within a few

days before the meetings. This makes their careful analysis impractical. However, these documents are hastily discussed and approved, and Members are somewhat obliged to agree with them without proper examination of the matter. The last alternative is to defer decisions until the next session six months later, without any prospect of altering the scene.

- 4.1.8 The constitution of a Council with limited participation of Member States would be justified under a permanent and daily follow-up of the activities. The Council could be subdivided into sub-groups, each one responsible for continually overseeing one sector of the Administration, according to volume of work. The sub-groups would meet frequently and informally so that the whole of the Council is brought up to date on the activities of its committees. At the formal bi-annual session of the Council, consolidated reports prepared with the help of the Secretariat would inform other Member States of the work being done. Thus Members and non-Members would debate political and strategic issues.

4.2 System's Central Body

- 4.2.1 New topics for discussion emerge just about every day. Most of the time, resolution of these new topics clearly indicates the need for a central body that would meet and circulate information of general interest, comprising a global record of all data of common concern. IMO would be such central body, although admittedly is still not ready for such a role.
- 4.2.2 Recent examples, to which there would be simple solutions, given the current available technology, which IMO should be capable of adopting, are as follows:
- (a) Seafarers' Certificate – registration of certificates validated by the various Administrations;
 - (b) Ship Registration – repository for all pertinent data informed by the Administrations;
 - (c) Inspection Conditions – registration of the inspection status, according to information passed on by the entities authorized to carry them out and to issue certificates;
 - (d) Ownership and responsibility for the operation of ships (as appropriate);
 - (e) Global picture of ship tracking, through the consolidated information received by the several authorities responsible for the tracking areas;
 - (f) Various technical types of information.
- 4.2.2 Other examples could also be listed here, if not *a priori* considered inappropriate in view of current capabilities.
- 4.2.3 A system's central body would also rely upon a significant core of technical assistance, in order to conduct and integrate the Technical Cooperation as well as to support more fully the work of the Committees

and Sub-Committees and concentrate assistance in cases such as oil spill or request for refuge.

- 4.2.4 Taking IMO as the aforementioned central body is a significant decision to be made regarding policies and objectives of the Organization.

4.3 Planning and Budgetary Control System

- 4.3.1 The idea that IMO needs to update its planning and budgetary control system is already ingrained. Nonetheless, it seems that this matter has been provided with a minor solution, as one gathers by the invitation to tender for the supply and installation of Enterprise Resource Planning Systems (ERP) prepared by Deloitte & Touche.
- 4.3.2 In reality, a system is needed that would assist with the preparation, follow-up and constant updating of a budget programme, which is easily accessible to those responsible for the Governance, i.e., Member States and, in particular, Members of the Council. In addition, though necessary, the system should allow the execution, recording and reporting of the several administrative and financial activities essential to the overall management.
- 4.3.3 Yet, the specification made public only deals with the complementary section and concentrates on the accounting mechanisms to be handled by information technology processes. There is no reference to the key aspects of the problem, i.e., those that lead to decisions, to the feasibility of objectives and its control. Typically, the specification refers to a company-based solution when the points in question should be dealt with at governmental level.
- 4.3.4 Thus, a strategic plan needs to define what the actual target is, before millions of pounds are unduly invested.

4.4 Administrative Structure

- 4.4.1 Administrative reform has been on the agenda for a while and several actions are under way to refine it. However, the question regarding the adjustment of work methods of the technical bodies is a political one that needs to be put to the Organization and also requires prompt attention. Such amendments will ensure real technical-scientific substance and the global participation of Member States in the Organization's work.
- 4.4.2 A proposal has been made earlier on this subject, which seems to broadly meet the purpose. By significantly reducing the number of unproductive, resource-draining plenary sessions, such a proposal would allow considerable savings that could be redirected to finance other activities, mainly the Technical Cooperation, and other activities attributed to the System's Central Body.

5 Conclusion

- 5.1 This document draws attention to the need for the *Ad Hoc* Council Working Group on the Organization's Strategic Plan to examine the fundamental and long-term aspects of IMO's method of work. A debate leading to recommendations for decisions regarding Governance, System's Central Body, Planning and Budgetary Control System, and Administrative Structure is therefore urged. Relevant suggestions for solutions are also welcome.
- 5.2 It is suggested that, when analysing emerging trends, developments and future challenges in the maritime world, as mentioned in paragraph 2 of the terms of reference for the *Ad Hoc* Working Group, consideration is given to the application of modern techniques and methodologies used in the preparation of strategic plans, which include a preliminary prospective analysis of the external environment supported by IT.

Action requested of the *Ad Hoc* Council Working Group

- 6 The *Ad Hoc* Council Working Group is invited to consider the above and decide as appropriate.
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