



COUNCIL
96th session
19-23 June 2006

C 96/WP.2
22 June 2006
Original: ENGLISH

DRAFT SUMMARY OF DECISIONS

GENERAL

The ninety-sixth session of the Council was held from 19 to 23 June 2006 under the Chairmanship of Mr. J. Franson (Sweden). The Vice-Chairman, Mr. D. Ntuli (South Africa), was also present.

Reference document: C 96/SR.1

INVITATION TO NON-MEMBERS OF THE COUNCIL TO ATTEND THE SESSION

At their request, delegations from Angola, Antigua and Barbuda, Austria, Barbados, Belize, Benin, Colombia, Congo, Costa Rica, Côte d'Ivoire, Cuba, Democratic People's Republic of Korea, Democratic Republic of the Congo, Dominican Republic, Ecuador, Gambia, Ghana, Honduras, Hungary, Iran (Islamic Republic of), Jamaica, Jordan, Lebanon, Liberia, Marshall Islands, Mauritius, Monaco, Morocco, Mozambique, Myanmar, New Zealand, Nigeria, Pakistan, Papua New Guinea, Peru, Poland, Saint Vincent and the Grenadines, Senegal, Syrian Arab Republic, Uruguay, Ukraine, Vanuatu, Venezuela and Yemen were invited to attend the session as observers. An Associate Member, the Faroe Islands, sent an observer to the meeting. The Cook Islands also sent a representative to the meeting.

Reference document: C 96/SR.1

For reasons of economy, this document is printed in a limited number. Delegates are kindly asked to bring their copies to meetings and not to request additional copies.

1 ADOPTION OF THE AGENDA (agenda item 1)

1.1 The Council adopted the agenda and proposed timetable contained in document C 96/1/Rev.1; and noted the annotations to the agenda contained in document C 96/1/1.

1.2 With respect to agenda item 14(d), on Relations with non-governmental organizations, the Council convened a small group composed of representatives from the delegations of Argentina, China, Egypt, Italy, the Philippines, Spain and the United States, and open to other interested Council Members, to screen new applications for consultative status and in the light of the recommendation of MSC 81, to reconsider the application previously submitted by the International Association of Airport and Seaport Police (IAASP). Mr. G. Olimbo (Italy) was invited to chair the Group.

Reference documents: C 96/1; C 96/1/Rev.1; C 96/1/1; C 96/SR.1

2 REPORT OF THE SECRETARY-GENERAL ON CREDENTIALS (agenda item 2)

[2.1 The Council noted the Secretary-General's report that the credentials of delegations attending the session were in order, in accordance with rule 9 of the Rules of Procedure of the Council.]

Reference documents: C 96/2; C 96/SR.1 and C 96/SR.4

3 RESOURCE MANAGEMENT (agenda item 3)

(a) Personnel matters, including amendments, if any, to the Staff Regulations and Staff Rules (agenda item 3(a))

3(a).1 The Council noted the information set out in documents C 96/3(a) and C 96/3/(a)/1, as well as that provided orally by the Secretary-General, on personnel matters.

3(a).2 The Council noted the information set out in document C 96/3(a)/2 and its addendum and document C 96/3(a)/3, and approved:

- (i) the revised text of staff regulation 6.2 to include the words "or paternity"; and

- (ii) the introduction of staff regulation 10.3, which defines the notion of “misconduct”.

Reference documents: C 96/3(a); C 96/3(a)/1; C 96/3(a)/2 and Add.1; C 96/3(a)/3; C 96/SR.1

(b) Accounts and audit: final accounts for the second calendar year of the twenty-third financial period (agenda item 3(b))

3(b).1 The Council noted the information set out in documents C 96/3(b) and C 96/3(b)/1 as well as that provided orally by the Secretary-General and the representative of the External Auditor on the Organization’s final accounts for the second calendar year of the twenty-third financial period.

3(b).2 In particular, the Council:

- (i) noted the Secretary-General’s financial report and accounts for 2005;
- (ii) welcomed the unqualified opinion of the External Auditor;
- (iii) noted the financial out-turn for 2005 and the achievement of a budgetary surplus of £1,355,315 before prior year savings and transfers;
- (iv) welcomed, with appreciation, the achievement of a contribution level of 99.03%;
- (v) expressed its appreciation to the External Auditor;
- (vi) welcomed the Secretary-General’s stewardship of the Organization’s Funds and his report to the Council;
- (vii) approved the year-end transfers between Major Programmes in accordance with financial regulation 4.4 of the Organization’s Financial Regulations and Financial Rules;
- (viii) decided to forward the financial statements, schedules, Notes to the accounts and the External Auditor’s report to the twenty-fifth regular session of the Assembly, expressing its satisfaction with his unqualified report; and

- (ix) noted the information on the accumulated liability from the operation of the Organization's Contributions Incentive Scheme.

Reference documents: C 96/3(b); C 96/3(b)/Rev.1 (English only); C 96/3(b)/1; C 94/3(b) and Add.1; resolutions A.942(23) and A.968(24); C 96/SR.1

(c) Report on investments (agenda item 3(c))

3(c).1 The Council noted the information set out in document C 96/3(c), as well as that provided orally by the Secretary-General, on the Organization's investments during 2005.

Reference documents: C 96/3(c); C 96/SR.1

(d) Report on arrears of contributions and of advances to the Working Capital Fund and on the implementation of Article 56 of the IMO Convention (agenda item 3(d))

3(d).1 The Council noted the information set out in document C 96/3(d) and its addenda, as well as that provided orally by the Secretary-General, on arrears of contributions and of advances to the Working Capital Fund and on the implementation of Article 56 of the IMO Convention.

3(d).2 In particular, the Council:

- (i) noted the continuing arrears of the Member States identified in the documents under review; and
- (ii) urged all Member States and Council Members, in particular, to remit all outstanding contributions.

Reference documents: C 96/3(d) and Add.1-3; resolution A.967(24); C 94/3(d) and Add.1-2; C/ES.23/3(b); C/ES.23/3(b)/Corr.1 (English only); C/ES.23/3(b)/Add.1-4; C 96/SR.1

(e) Budget considerations for 2006 (agenda item 3(e))

3(e).1 The Council noted the information set out in documents C 96/3(e) and C 96/3(e)/1, and that provided orally by the Secretary-General, on budget considerations for 2006.

3(e).2 In particular, the Council:

- (i) noted the Secretary-General's updated review and provisional conclusion in respect of changes in the external pay and price factors;
- (ii) noted the financial implication and the actual impact on Professional staff costs of the ICSC's revised cost-of-living adjustment multiplier, which was applied from April 2006;
- (iii) welcomed the Secretary-General's commitment to seek to exert the maximum economy in operation in order to generate savings to partly absorb the additional costs driven by the cost-of-living adjustment for Professional staff;
- (iv) noted the financial provision required for the insurance cover for nuclear, biological and chemical (NBC) terrorism acts provided under the prevailing Staff Compensation Policy set out in Appendix D of the Organization's Staff Regulations and Staff Rules;
- (v) noted that additional costs arising from the relocation of meetings scheduled to take place during the refurbishment period, over and above the provision in the regular budget, will be financed either from the Refurbishment Project budget or by the Governments offering to host the meetings;
- (vi) noted the forecast out-turn level of the regular budget expenditure for 2006; the Secretary-General's preliminary review of the prospective level of supplementary provisions for 2006; and his plan to place the supplementary budget proposal at the Council's November session, based on a further assessment of the Organization's financial situation, noting that an increase in assessments for financing any prospective supplementary budget would not be his preferred option;

- (vii) endorsed the proposed transfers between Major Programmes and authorized the Secretary-General, in accordance with the Organization's Financial Regulations and Financial Rules, to make necessary transfers between Major Programmes to the extent that balances are available to cover or reduce deficits in programme appropriation balances;
- (viii) noted the forecast level of the year-end cash surplus of the General Fund and the dependency of this forecast on assessed contribution receipts and, accordingly, urged Member States to remit their financial contributions promptly in accordance with the Organization's Financial Regulations and Financial Rules;
- (ix) noted the Secretary-General's intention to carry out the transfers partly unrealized in 2004 and 2005 from the cash surplus of the General Fund to the Headquarters Capital Fund and the Training and Development Fund, but only to the extent that this will not affect the level of cash necessary to meet the supplementary estimates for 2007, which reflects the Professional staff costs increase; and
- (x) noted the status of the Organization's various Funds and projected year-end balances and reserves.

Reference documents: C 96/3(e); C 96/3(e)/1; C 96/3(e)/1/Corr.1 (English only); A 24/20(d) and Add.1; C/ES.23/5; resolution A.969(24); C 96/SR.1

4 PROGRAMME FOR CHANGE (agenda item 4)

(a) Organizational reforms (agenda item 4(a))

4(a).1 The Council noted the information set out in document C 96/4(a), and that provided orally by the Secretary-General, on the progress made with regard to the Organizational reforms introduced; and looked forward to receiving further progress reports on the issues outlined.

4(a).2 The Council also noted and welcomed the information set out in document C 96/4(a)/1, and that provided orally by the Secretary-General, on the establishment of an IMO Publishing Board within the Secretariat.

4(a).3 The Council drew the attention of the Publishing Board to developments in electronic publishing and of the need to take account of the Organization's official languages when planning future publications.

Reference documents: C 96/4(a); C 96/4(a)/1; C 89/11/Add.2; C 90/13/Add.1; C 96/14(b); C 96/SR.1

(b) HQ building refurbishment (agenda item 4(b))

4(b).1 The Council noted the information set out in document C 96/4(b), and that provided orally by the Secretary-General and the representative of the United Kingdom, on the Headquarters building refurbishment.

4(b).2 With respect to the financing of the Headquarters Refurbishment Project, the Council noted the Host Government's request for the balance of the Organization's contribution to be paid by 31 March 2008 and that, during future discussions on the 2008-2009 budget, consideration would have to be given to ensuring the availability of sufficient funds to meet this expenditure early in that biennium.

4(b).3 The Council thanked the Secretary-General and the United Kingdom Government for their efforts in ensuring that the work of the Organization would not be significantly affected by the relocation of the Secretariat and also for their efforts in securing suitable venues for all IMO meetings scheduled during the refurbishment period.

Reference documents: C 96/4(b); C/ES.23/4(b); PROG/114; C 96/SR.1

5 STRATEGY AND PLANNING (agenda item 5)

(a) Monitoring of performance (agenda item 5(a))

5(a).1 The Council noted the information set out in document C 96/5(a), as well as that provided orally by the Secretary-General, concerning the performance indicators identified in the updated Strategic Plan for the Organization (for the six-year period 2006 to 2011).

5(a).2 In particular, the Council:

- (i) noted the planned schedule of monitoring and reporting contained in paragraph 9 of the document, as modified by the decision to hold an extra meeting of the *ad hoc* Council Working Group on the Organization's Strategic Plan in London, possibly in March 2007;
- (ii) noted further the information provided in annexes 1, 2 and 3 of the document; and
- (iii) decided to refer the annexes to the document and the subsequent further analysis of the data contained therein to the next session of the *ad hoc* Council Working Group, for information and detailed consideration and to draw any relevant conclusions in the context of its work in reviewing the Strategic Plan, the High-level Action Plan and the biennium priorities.

Reference documents: C 96/5(a); resolutions A.970(24) and A.971(24); C 94/3(e)/1; C 94/D; C/ES.23/7; C/ES.23/D; C 95/D; C 96/SR.2

(b) Risk management (agenda item 5(b))

5(b).1 The Council noted the information set out in document C 96/5(b), and that provided orally by the Secretary-General, on risk management within the Organization.

5(b).2 Following a comprehensive discussion on the Secretary-General's proposals, the Council agreed that management of risk should become a formalized on-going process, rather than an individual event and, to this end, decided to establish a Risk Review, Management and Reporting Working Group, open to all Members of the Organization, which would, initially, be supplementary to the *ad hoc* Working Group on the Organization's Strategic Plan.

5(b).3 The Council further agreed to establish an Intersessional Correspondence Group, co-ordinated by Australia*, to prepare terms of reference for the Risk Review, Management and Reporting Working Group, taking into account the Secretary-General's proposals in document C 96/5(b) and the discussions in the Council.

5(b).4 The Council requested the Intersessional Correspondence Group to report to its ninety-seventh session in November 2006.

Reference documents: C 96/5(b); C/ES.23/4(a)/1; C/ES.23/D; C 96/SR.2

6 VOLUNTARY IMO MEMBER STATE AUDIT SCHEME (agenda item 6)

6.1 The Council noted the information set out in documents C 96/6 and C 96/6/1, as well as that provided orally by the Secretary-General, on the outcome of the twenty-fourth regular session of the Assembly with regard to the Voluntary IMO Member State Audit Scheme and progress made thus far in the implementation of the Scheme.

6.2 With respect to document C 96/6, the Council:

- (i) noted the outcome of the twenty-fourth regular session of the Assembly on the Audit Scheme; and
- (ii) requested the MSC and MEPC to provide progress reports on their consideration of operative paragraph 1 of resolution A.975(24);

6.3 With respect to document C 96/6/1, the Council:

- (i) encouraged Members States to nominate as many qualified auditors as possible;

* Co-ordinator: Dianne Rimington
General Manager - Corporate
Australian Maritime Safety Authority
Level 2 25 Constitution Avenue
GPO Box 2181 Canberra ACT 2601
Australia
Telephone: (02) 6279 5099
Mobile: 0416 127 810
Fax:(02) 6279 5858
e-mail: dianne.rimington@amsa.gov.au

- (ii) encouraged Member States to continue to volunteer for audits as and when they were ready, so as to assist in the regular planning and updating of the audit timetable;
- (iii) invited Member States to nominate individuals they intend to use for audit purposes, within the context of the Audit Scheme, to participate in the training courses organized by the Organization;
- (iv) noted the planned audit timetable set out in the annex to the document;
- (v) encouraged Member States that volunteer for audits to respond in time to requests for information, especially information for which specific deadlines have been established in the Procedures for the Scheme; [and]
- (vi) encouraged all Member States to make available individuals they had nominated as auditors when their services are required; [and]
- (vii) noted the Secretary-General's intention to transmit to the appropriate authority of each Member State the details of those Member States to be audited in accordance with the overall timetable; and his intention to update the overall timetable regularly as well as the details of those Member States to be audited.]

Reference documents: C 96/6; C 96/6/1; A 24/5(b)/2; resolutions A.974(24) and A.975(24); C 96/SR.2

7 CONSIDERATION OF THE REPORT OF THE MARITIME SAFETY COMMITTEE (agenda item 7)

7.1 The Council noted the information set out in document C 96/7 and its addendum, and that provided orally by the Chairman of the Maritime Safety Committee and the Secretary-General, on the report of the eighty-first session of the Maritime Safety Committee.

7.2 With regard to document C 96/7/Add.1, the Council, in particular:

- (i) noted the adoption, by the Committee, of amendments to the 1974 SOLAS Convention, the 1978 STCW Convention and the 1988 SOLAS Protocol; and to various codes and guidelines, which are mandatory under the 1974 SOLAS Convention and the 1978 STCW Convention;
- (ii) noted that the Committee, having noted that its work on passenger ship safety had been completed, had agreed that certain consequential work needed to be carried out and, to that effect, had assigned new tasks to the sub-committees concerned;
- (iii) noted the action taken by the Committee on issues relating to maritime security;
- (iv) noted the progress made on the issue of goal-based new ship construction standards;
- (v) noted the Committee's decisions on issues brought to its attention by DE 48 and DE 49, FSI 13, BLG 9 and 10, NAV 51, SLF 48, DSC 10, FP 50, STW 37 and COMSAR 10;
- (vi) noted the action taken by the Committee on issues relating to formal safety assessment (FSA);
- (vii) noted the Committee's report on activities pertaining to the issue of piracy and armed robbery against ships;
- (viii) noted the Committee's decisions relating to reporting on progress made on items in the High-level action plan of the Organization for the 2006-2007 biennium; and on proposals for the High-level action plan and priorities, including planned output, for the 2008-2009 biennium;
- (ix) endorsed the Committee's approval to hold intersessional meetings as listed in paragraph 60 of document C 96/7/Add.1; and

- (x) noted the draft resolution approved by the Committee for submission to the twenty-fifth session of the Assembly for adoption; and the 50 guidelines and other recommendations approved by the Committee for dissemination.

7.3 The Council decided to transmit the report of the Committee's eighty-first session, with its comments and recommendations, to the twenty-fifth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 96/7 and Add.1; MSC 81/25 and Add.1-2; C 96/SR.3

8 CONSIDERATION OF THE REPORT OF THE LEGAL COMMITTEE (agenda item 8)

8.1 The Council noted the information set out in document C 96/8 and its addendum, as well as that provided orally by the Chairman of the Legal Committee and the Secretary-General, on the report of the Legal Committee at its ninety-first session.

8.2 In particular, the Council:

- (i) noted the Committee's intention to finalize the text of the draft convention on the removal of wrecks at its ninety-second session, so as to have it ready for consideration with a view to adoption at a diplomatic conference in 2007;
- (ii) agreed to the holding of a diplomatic conference in Nairobi, Kenya, from 14 to 18 May 2007, to consider the adoption of the aforementioned convention; and expressed profound appreciation to the Government of Kenya for its offer to host the Conference and its generosity to support it financially;
- (iii) noted the unanimous adoption by the Committee of a resolution containing guidelines on fair treatment of seafarers in the event of a maritime accident; and its subsequent adoption by the ILO Governing Body;
- (iv) noted the Committee's decision to establish, at its next session, an *ad hoc* working group on fair treatment of seafarers to undertake a review of the aforementioned guidelines, taking into account concerns expressed by delegations and any comments that may be submitted intersessionally;

- (v) noted the unanimous adoption by the Committee of a resolution on “Implications for the reference in article 1.5(a)(ii) of the HNS Convention to ‘noxious liquid substances carried in bulk’”, which addresses the interpretation of this article following the revision of Annex II to MARPOL 73/78;
- (vi) approved the Committee’s decision to hold three, rather than four, sessions in the current 2006-2007 biennium, i.e., two in 2006 and one in October 2007, bearing in mind the constraints to holding meetings during the period of refurbishment of the IMO Headquarters building; and
- (vii) noted the Committee’s decision to consider, at its ninety-second session, its planned outputs for the 2008-2009 biennium in accordance with the criteria set by the Council.

8.3 The Council decided to transmit the report of the Committee’s ninety-first session, with its comments and recommendations, to the twenty-fifth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 96/8 and Add.1; LEG 91/12; C 96/SR.3

9 CONSIDERATION OF THE REPORT OF THE MARINE ENVIRONMENT PROTECTION COMMITTEE (agenda item 9)

9.1 The Council noted the information set out in document C 96/9, and that provided orally by the Chairman of the Marine Environment Protection Committee and the Secretary-General, on the report of the Marine Environment Protection Committee at its fifty-fourth session.

9.2 In particular, the Council:

- (i) noted the adoption by the Committee of amendments to MARPOL Annexes I and IV and the BCH Code;

- (ii) noted the progress made by the Committee in preparing for the implementation of the BWM Convention, including the adoption of associated guidelines and the basic approval given by the Committee to two proposals on ballast water management systems that make use of Active Substances;
- (iii) noted the progress made by the Committee in the development of a new legally-binding instrument on ship recycling;
- (iv) noted the progress made by the Committee to limit or reduce air pollution from ships, including approval of two relevant MEPC circulars and the review of MARPOL Annex VI and the NOx Technical Code;
- (v) noted the approval by the Committee of draft amendments to MARPOL Annex I on designation of the Southern South African Sea Area as a Special Area with a view to adoption at MEPC 55; and the approval of a revised Guidance document for submitting PSSA proposals to IMO;
- (vi) noted the approval by the Committee of proposed amendments to the revised MARPOL Annex I, Annex III and the Condition Assessment Scheme, with a view to adoption at MEPC 55;
- (vii) noted the approval by the Committee of unified interpretations, guidelines and circulars and the creation, by the Secretariat, of relevant databases to promote the implementation of MARPOL 73/78 and related instruments;
- (viii) noted the work of the Committee concerning implementation of the OPRC Convention and the OPRC-HNS Protocol; reports of sub-committees; work of other bodies; and reception facilities;
- (ix) noted that the budget allocation for next year's meeting of the GESAMP-EHS Working Group has, instead, been used for a second meeting of the Group in 2006; and the Committee's intention to consider, at its next session, long-term funding solutions to future meetings of the Group;

- (x) endorsed the approval by the Committee of the holding, in 2006, of the intersessional meetings listed in paragraph 53 of document C 96/9; and
- (xi) stressed, once again, the need for Governments to ratify the various IMO environment-related conventions and, once they enter into force, implement them effectively.

9.3 The Council decided to transmit the report of the Committee's fifty-fourth session, with its comments and recommendations, to the twenty-fifth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 96/9; MEPC 54/21; C 96/SR.4

10 CONSIDERATION OF THE REPORT OF THE TECHNICAL CO-OPERATION COMMITTEE (agenda item 10)

10.1 The Council noted the information set out in document C 96/10 and its addendum, and that provided orally by the Chairman of the Technical Co-operation Committee and the Secretary-General, on the report of the Technical Co-operation Committee at its fifty-sixth session.

10.2 In particular, the Council:

- (i) noted that the delivery of the ITCP for the 2004-2005 biennium was the highest recorded, both in terms of volume and of delivery rate;
- (ii) endorsed the decision of the Committee to consider further the linkage between the ITCP and the Millennium Development Goals at an intersessional working group to be convened in London and expressed its appreciation to the delegation of South Africa for its offer to host the meeting;
- (iii) noted the decision of the Committee to consider further the issue of securing the long-term financing of the ITCP on the basis of maintaining the Printing-TC Fund nexus, as supplemented by bilateral and multilateral funding, partnerships and enhanced fund-generating modalities;

- (iv) noted the successful completion of the survey on the extent to which developing countries are making use of the scheme to provide free access to IMO instruments in electronic format and endorsed the recommendation that the Secretariat should re-examine the method by which free access to IMO texts in electronic format is operated, with a view to improving user-friendliness and avoiding duplication; and
- (v) endorsed the recommendation that Member States and the donor community be encouraged to provide the maritime administrations of developing countries with computer hardware to enable them to benefit from access to IMO texts in electronic format.

10.3 The Council decided to transmit the report of the Committee's fifty-sixth session, with its comments and recommendations, to the twenty-fifth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 96/10 and Add.1; C 96/10/Add.1/Corr.1 (French only); TC 56/12; C 96/SR.4

[MORE TO COME]
