

COUNCIL
110th session
Agenda item 1

C 110/WP.1
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DISCLAIMER

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DRAFT SUMMARY OF DECISIONS

GENERAL

The 110th session of the Council was held from 15 to 19 July 2013, under the Chairmanship of Mr. J. Lantz (United States). The Vice-Chairman, Mr. D. Ntuli (South Africa), was also present.

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

[To be completed by the Secretariat after the meeting, based on document C 110/INF.1.]

EXPRESSION OF CONDOLENCES

The Council extended its condolences and sympathy to Mr. J.O. Espinoza-Ferrey, Director, Administrative Division, who was unable to attend the meeting due to a family bereavement.

Audio file: Monday, 15 July 2013: a.m.

1 ADOPTION OF THE AGENDA (agenda item 1)

1.1 The Council adopted the agenda and proposed timetable, as contained in document C 110/1/Rev.1; and noted the annotations to the agenda contained in document C 110/1/1.

1.2 With regard to agenda item 18(d), on Relations with non-governmental organizations, the Council decided to convene a group of Council Members to screen the two new applications for consultative status, from Euroshore International (Euroshore) and the Security Association for the Maritime Industry (SAMI), and advise the Council as to whether the applicants fulfil the basic conditions required for such status. The Council also requested the group to carry out a preliminary review of non-governmental organizations in consultative status and advise the Council, as appropriate.

1.3 The Council agreed that the group be composed of representatives from the delegations of Australia, China, Liberia, Mexico, Morocco, the Netherlands and the United States, and that it be chaired by Mr. Brad Groves (Australia). Other Council Members and other delegations who wished to attend the meetings of the group were invited to do so.

Reference documents: C 110/1/Rev.1, C 110/1/1

Audio file: Monday, 15 July 2013: a.m.

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

2.1 With reference to rule 9 of its Rules of Procedure, the Council noted the Secretary-General's report that the credentials of all delegations attending the session were found to be in order.

Reference document: C 110/2

Audio file: Monday, 15 July 2013: a.m.
Tuesday, 16 July 2013: a.m.

3 STRATEGY, PLANNING AND REFORM (agenda item 3)

3.1 The Council noted the information set out in documents C 110/3 and Corr.1, C 110/3/1, C 110/3/2, C 110/3/3, C 110/3/4, C 110/3/5, C 110/3/6, C 110/3/7 (submitted by Germany) and C 110/3/8, as well as that provided orally by the Secretary-General, the delegation of Germany and the Chairman of the Council Working Group on Prioritization.

3.2 With regard to document C 110/3/2, on the review and reform initiative in the Organization, the Council noted the information provided and expressed its appreciation to the Secretary-General and his staff for the work done.

3.3 In noting the efficiency and austerity measures adopted to date, reflected in the annex to document C 110/3/2, the Council urged the Committees to follow strictly both their Rules of Procedure and the *Guidelines on the organization and method of work of the Maritime Safety Committee and the Marine Environment Protection Committee and their subsidiary bodies*, including the *Guidelines on the application of the Strategic Plan and the High-level Action Plan of the Organization*.

3.4 The Council requested the Secretary-General to investigate ways of improving the audio file mechanism to make it more navigable and user-friendly, thereby facilitating the identification of statements by delegations; and further requested him to report on this matter at its 112th regular session.

3.5 With regard to document C 110/3/1, reporting on the outcome of the consideration by the MSC and MEPC of the implications and practicability of the Secretary-General's proposals for the restructuring of the sub-committees, the Council noted:

- (i) the Committees' agreement to a reduction of the total number of sub-committees from nine to seven, with potential savings of four meeting-weeks per biennium; and
- (ii) the names and terms of reference of the seven sub-committees and their biennial agendas for the 2014-2015 biennium.

3.6 The Council approved the Committees' proposal for full five-day sessions, with interpretation for the first sessions of the Sub-Committee on Navigation, Communications and Search and Rescue (NCSR) and the Sub-Committee on Ship Design and Construction (SDC), to enable them to cope with their heavy agendas; and also approved their decision to request the Secretariat to make the necessary changes to the IMODOCS website to reflect the new sub-committee structure, while also maintaining access to documents under their current structure.

3.7 With regard to document C 110/3/8, proposing a restructuring of the Organization's High-level Action Plan (HLAP) to improve the identification, monitoring and reporting of service delivery by the IMO Secretariat, the Council:

- (i) agreed to the delineation between the HLAP and Secretariat business plans; and
- (ii) requested the Secretary-General to prepare the draft Strategic Plan, HLAP and results-based budget, including the Secretariat's business plan for the next biennium, accordingly.

3.8 With regard to documents C 110/3 and C 110/3/7 (Germany), respectively reporting and commenting on the outcome of the Council Working Group on Prioritization (CWG-P), held from 28 to 31 January 2013, the Council, while expressing its appreciation for the work carried out by the CWG-P, was of the opinion that the methodology was not sufficiently developed for use at the present time, and decided to refer the matter to the Council Risk Review, Management and Reporting Working Group for further development.

3.9 With regard to document C 110/3/3, containing proposals for amendments to the Rules of Procedure of the Council and the Assembly, the Council approved the amendments to rules 25 and 29 of its Rules of Procedure, proposed in paragraphs 4 and 5 of the document, except that the word "session" in amended rule 25 be changed to read "meeting".

3.10 The Council noted that the word "session", in the proposed amendments to rule 27 of the Rules of Procedure of the Assembly in paragraph 7 of the document, should also be changed to read "meeting" and decided that this rule, together with amended rule 31, be transmitted to the twenty-eighth regular session of the Assembly for adoption.

3.11 With regard to document C 110/3/5, consolidating the Risk Management framework, presenting a context document and updating the terms of reference for the Council Risk Review, Management and Reporting Working Group, the Council:

- (i) noted the consolidated Risk Management Framework, contained in annex 1 to the document, reflecting the Council's earlier approval of the changes thereto;

- (ii) approved the updated Context Document in annex 2 to the document, as amended in C 110/WP.3; and
- (iii) further approved the terms of reference for the Council Risk Review, Management and Reporting Working Group, as amended in document C 110/WP.3, to take into account the proposals contained in documents C 109/3/2 and C 110/3/7 and the Council discussions thereon.

3.12 With regard to the duration of the next Council Risk Review, Management and Reporting Working Group, the Council decided that it should be of three days' duration and be held early in the next biennium.

3.13 With regard to document C 110/3/6, on the transparency and accountability of the Organization, the Council:

- (i) approved the proposal to publish, on the IMO public website, IMO's annual financial statements and the corresponding annual audit opinion; and
- (ii) noted the Secretary-General's intention to introduce a personal financial disclosure programme for key staff.

3.14 With regard to the discussion on more efficient and transparent procurement procedures, the Council requested the Secretary-General to consider how these might be achieved; and to report to a subsequent session of the Council.

3.15 With regard to document C 110/3/4, reporting on the challenges and opportunities represented by social media, the Council noted the information provided in the document, and orally by the Secretary-General and underlined the need to be cautious with regard to social media.

Reference documents: C 110/3 and Corr.1, C 110/3/1, C 110/3/2, C 110/3/3, C 110/3/4, C 110/3/5, C 110/3/6, C 110/3/7, C 110/3/8, C 110/WP.3; CWG-P 1/1, CWG-P 1/1/1, CWG-P 1/2/1; C 109/WP.3, C 109/D, C 109/3/1; MSC 92/22, MSC 92/INF.2; MEPC 65/12/3, MEPC 65/INF.16; C 108/D, C 108/3/3; C 106/D, C 106/3(b); C 104/D, C 104/3; C 100/D, C 100/3(b); resolutions A.1037(27) and A.1038(27)

Audio file: Monday, 15 July 2013: a.m. and p.m.

4 RESOURCE MANAGEMENT:

(a) Human resource matters, including amendments to the Staff Regulations and Staff Rules (agenda item 4(a))

4(a).1 The Council noted the information set out in documents C 110/4(a) and C 110/4(a)/1, as well as that provided orally by the Secretary-General, on human resource matters, including amendments to the Staff Regulations and Staff Rules.

4(a).2 With regard to document C 110/4(a), reporting on the implementation by the Organization of the decisions of the United Nations General Assembly on recommendations contained in the 2012 report of the International Civil Service Commission (ICSC), the Council:

- (i) approved the implementation by the Organization of the new ceilings for education grant expenses endorsed by the Council at its 109th session; and the consequent amendment to the Staff Regulations contained in annex 1 to the document approved by the Council at its 109th session;
- (ii) noted that, although the ICSC had recommended the consolidation of several classes of post adjustment into the base salary scale for staff in the Professional and higher categories, this recommendation was not adopted by the United Nations General Assembly;
- (iii) noted the average 1.9 per cent increase in the pensionable remuneration for staff in the Professional and higher categories had been applied from 1 February 2013, as an automatic consequence of the update made to the post adjustment; and
- (iv) decided, with reference to the United Nations General Assembly's recommendation to increase the mandatory age of separation for staff recruited on or after 1 January 2014, to approve the revised text of staff regulation 9.5 in this regard, as contained in paragraph 6 of the document.

4(a).3 With regard to document C 110/4(a)/1, reporting on a senior-level appointment; the recruitment of women; the geographical and age distribution of staff; and staff development and training as at 30 June 2013, the Council noted the information provided.

4(a).4 Following a proposal made by the United States, the Council instructed the Secretary-General to convey to the ICSC and the United Nations General Assembly, the Council's views on the impact of rising staff costs on the Organization's financial sustainability and the need to exercise greater vigilance with regard to increases in staff

costs across the United Nations common system, particularly within the context of the ongoing comprehensive review being undertaken by the ICSC. It also instructed the Secretary-General to ask the ICSC and the United Nations General Assembly to consider taking immediate action to alleviate these budgetary pressures.

Reference documents: C 110/4(a), C 110/4(a)/1; C 109/4(a), C 109/4(a)/1, C 109/4(a)/3

Audio file: Monday, 15 July 2013: p.m.

(b) Accounts and audit: accounts for the financial period 2012 and transfers within the 2012 budget (agenda item 4(b))

4(b).1 The Council noted the information set out in documents C 110/4(b) and C 110/4(b)/1, as well as that provided orally by the Secretary-General and the External Auditor, reporting on the Organization's financial statements for the financial period ended 31 December 2012; transfers within the 2012 budget; and the External Auditor's opinion and report thereon.

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

- (i) noted the Secretary-General's statement and the financial statements for the Organization's financial period ended 31 December 2012;
- (ii) welcomed the unqualified opinion of the External Auditor, set out in annex 2 to document C 110/4(b);
- (iii) expressed its appreciation to the External Auditor for his report;
- (iv) noted the operating deficit of expenditure over revenue for 2012 of £713,380, as shown in Statement II of the financial statements set out in annex 1 to document C 110/4(b);
- (v) noted the overall achieved expenditure level of the regular budget, representing a 5 per cent underspend in the appropriation, as reflected in paragraph 50 of the Secretary-General's statement set out in annex 1 to document C 110/4(b);
- (vi) welcomed the Secretary-General's stewardship of the Organization's funds and his report to the Council; and

- (vii) decided to forward the financial statements for the Organization's financial period ended 2012, and the External Auditor's report thereon, to the twenty-eighth regular session of the Assembly.

Reference documents: C 104(b), C 104(b)/1

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Tuesday, 16 July 2013: a.m.

(c) Report on investments (agenda item 4(c))

4(c).1 The Council noted the information set out in document C 110/4(c), and that provided orally by the Secretary-General, reporting on the investment of the Organization's monies during 2012.

Reference documents: C 110/4(c), C 108/5(c)

Audio file: Tuesday, 16 July 2013: a.m.

(d) Report on arrears of contributions and of advances to the Working Capital Fund and on the implementation of Article 61 of the IMO Convention (agenda item 4(d))

4(d).1 The Council noted the information set out in document C 110/4(d) and its addenda, as well as that provided orally by the Secretary-General, reporting on the status of Member States' contributions; advances to the Working Capital Fund and the implementation of Article 61 of the IMO Convention.

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

- (i) noted the collection rate of Member States' contributions and the continuing arrears of those Member States identified in the three documents under review;
- (ii) also noted the balance in the Working Capital Fund of £1,640,324;
- (iii) reiterated its firm stance on the strict enforcement of Article 61 of the IMO Convention; and
- (iv) urged those Member States with outstanding contributions to remit them as soon as possible.

Reference documents: C 110/4(d) and Add.1-2; C 109/4(c) and Add.1-2

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(e) Budget considerations for 2013 (agenda item 4(e))

4(e).1 The Council noted the information set out in document C 110/4(e), and that provided orally by the Secretary-General, on budget considerations for 2013.

4(e).2 In particular, the Council noted:

- (i) the external pay and price factors review;
- (ii) the budgetary impact of exchange rate movements;
- (iii) the forecast outturn of regular budget expenditure for 2013, assessed to be kept within the approved appropriation for 2013;
- (iv) the income and expenditure outturn and forecast in the Trading Fund and the consequential in-year surplus distribution projection; and
- (v) the expenditure status of the Headquarters Capital Fund; the Termination Benefit Fund; the Training and Development Fund; the Technical Co-operation Fund and extrabudgetary programmes.

4(e).3 The Council authorized the Secretary-General to make, as and when necessary, timely transfers between Strategic Results in the regular budget, to the extent that balances are available to cover or reduce deficits in Strategic Results appropriation balances, in accordance with the Organization's Financial Regulations and Financial Rules.

Reference documents: C 110/4(e); C 109/4(d); C 108/5(e); A 27/16(c) and Add.1; resolution A.1039(27)

Audio file: Tuesday, 16 July 2013: a.m.

5 TECHNICAL CO-OPERATION FUND – BIENNIAL ALLOCATION TO SUPPORT THE ITCP FOR 2014-2015 (agenda item 5)

5.1 The Council noted the information set out in document C 110/5, and that provided orally by the Secretary-General, on proposals on the allocation of the TC Fund's resources during the 2014-2015 biennium.

5.2 In particular, the Council:

- (i) endorsed the proposals contained in document TC 63/4(a), referred to in document C 110/5, taking into account the views and recommendations of the sixty-third session of the Technical Co-operation Committee, subject to the Council's approval of the proposed relevant appropriation in the Results-based budget: outline of budgetary implications for 2014-2015, discussed under agenda item 6; and
- (ii) approved the use of the TC Fund for the proposed activities under the ITCP for 2014 and 2015; and the allocation in pounds sterling of £10 million which, in US dollar terms, would provide an annual allocation of some US\$8 million for 2014 and US\$7.5 million for 2015 from the TC Fund for that purpose.

Reference documents: C 110/5, C 110/12/Add.1; TC 63/4(a), TC 63/3(b)

Audio file: Tuesday, 16 July 2013: a.m.

6 RESULTS-BASED BUDGET: OUTLINE OF BUDGETARY IMPLICATIONS FOR 2014-2015 (agenda item 6)

6.1 The Council noted, with appreciation, the information set out in document C 110/6, and that provided orally by the Secretary-General, on the Secretary-General's budgetary outlines and proposals for the 2014-2015 biennium.

6.2 Following a comprehensive exchange of views, the Council:

- (i) endorsed the Secretary-General's Mixed Zero Growth policy for the regular budget for the biennium 2014-2015, representing Zero Nominal Growth for 2014 and Zero Real Growth of 2.9 per cent for 2015, while noting the indicative target for staff costs of 75 per cent of the regular budget;
- (ii) supported the proposed abolition of 33 regular budget posts and eight Trading Fund posts, which would reduce the staff complement to 265 and 28, respectively, in the 2014-2015 biennium; and requested the Secretary-General to provide to the Council, at its twenty-seventh

- extraordinary session, further information on the posts he intended to abolish; on the 29 posts he intended to fill; and on those to be reclassified;
- (iii) did not agree to the transfer, to the Research and Development Trust Fund, of any residual monies in dormant funds established for various projects and programmes, or for the conduct of a comprehensive functional external review of the Secretariat. In this connection, the Council noted the Secretary-General's intention to carry out, instead, an internal functional review and to report his findings to the Council in due course;
- (iv) endorsed the establishment of a special contingency account in the General Fund to address unexpected pay rises beyond the approved budgetary assumption; and requested the Secretary-General to provide to the Council, at its twenty-seventh extraordinary session, proposals as to how the account would be funded and managed;
- (v) agreed, on a preliminary basis, to the financing of the regular budget by Member States' assessments calculated on the basis of anticipated offsetting income as indicated in table 2; but did not agree to abolish or suspend the Contributions Incentive Scheme (CIS); and requested the Secretary-General to continue his examination of the scheme in order to make it more cost-effective;
- (vi) endorsed the proposed budget plan for the Organization's other Funds, representing a budget that is set below Zero Nominal Growth, with a biennial cut of 3.4 per cent; and requested the Secretary-General to provide more information on the overhead cost charge percentages of various IMO Funds including donor/trust funds, for consideration by the Council, at its twenty-seventh extraordinary session;
- (vii) approved a new methodology for the measurement of funding gaps in the IPSAS post-employment liabilities, based on the consolidation of the post-employment liabilities of all IMO staff under the Termination Benefit Fund, which requires the transfer of liabilities and corresponding assets in the Trading Fund to the Termination Fund, and a levy of 7 per cent on all future project personnel;

- (viii) decided to postpone a decision regarding a revised formula for the distribution of the Trading Fund surplus to the twenty-seventh extraordinary session of the Council; and
- (ix) noted that the Secretary-General would provide, for consideration by the Council, at its twenty-seventh extraordinary session, his detailed results-based budget reflecting the conclusions and decisions of this session, together with a related draft Assembly resolution.

Reference documents: C 110/6, C 110/3, C 110/4(b), C 110/4(e); C 109/D, C 109/4(e), C 109/INF.2; TC 63/4(a); resolution A.1039(27)

Audio file: Tuesday, 16 July 2013: a.m. and p.m.
Wednesday, 17 July 2013: a.m.

7 VOLUNTARY IMO MEMBER STATE AUDIT SCHEME (agenda item 7)

7.1 The Council noted the information set out in documents C 110/7 and C 110/7/1, as well as that provided orally by the Secretary-General, on the Voluntary IMO Member State Audit Scheme.

7.2 With regard to document C 110/7, reporting on the progress made in the implementation of the Audit Scheme since its last session, the Council reiterated its invitation to Member States:

- (i) that had not yet volunteered for audits to do so as and when they were ready and as early as possible;
- (ii) to continue to nominate as many qualified auditors as possible, in response to Circular letter No.3301; and
- (iii) that were in need of assistance to enable them to participate in the Scheme, to seek such assistance through the Integrated Technical Co-operation Programme (ITCP).

7.3 The Council also expressed its appreciation to the Government of the Netherlands for its contribution of €20,000 for specific assistance related to the preparatory work for a VIMSAS audit.

7.4 With regard to document C 110 7/1, reporting on the outcome of the sixth session of the Joint Working Group on the Member State Audit Scheme, the Council:

- (i) approved the course of action recommended with regard to the release of the corrective action plan to the public or to Member States only, as part of the information package that would be subject to authorization by the Member State prior to the audit;
- (ii) noted the consideration of the three options for the conduct of audits under the mandatory Scheme, in relation to their potential financial implications;
- (iii) noted the need to develop, no later than the Council's 112th session (mid-2014), the audit schedule for audits under the mandatory Scheme, taking into account the set of principles to be followed by the Secretary-General when considering the audit schedule;
- (iv) endorsed the recommendation that the Auditor's Manual should be updated periodically and as necessary, by the Secretariat, and issued as a circular letter, for information;
- (v) approved the revised Auditor's Manual set out in annex 1 to document C 110/7/1, and requested the Secretariat to issue it after the twenty-eighth regular session of the Assembly;
- (vi) approved the draft Assembly resolution on *Framework and Procedures for the IMO Member State Audit Scheme* and its annex, set out in annex 2 to document C 110/7/1, for submission to the Assembly's twenty-eighth regular session for adoption;
- (vii) also approved the draft Assembly resolution on Transitional arrangements, as set out in annex 3 to document C 110/7/1 and decided to forward it to the twenty-eighth regular session of the Assembly for adoption;
- (viii) noted the completion of all its tasks in accordance with the terms of reference provided by the Council; and
- (ix) approved the report in general.

Reference documents: C 110/7, C 110/7/1; C 108/D; A 25/8/1, resolutions A.1018(26) and A.974(24)

Audio file: Wednesday, 17 July 2013: a.m.

8 CONSIDERATION OF THE REPORTS OF THE MARITIME SAFETY COMMITTEE (agenda item 8)

8.1 The Council noted the information set out in documents C 110/8 and its addendum, as well as that provided orally by the Vice-Chairman of the Maritime Safety Committee and the Secretary-General, on the report of the Committee's ninety-first (26 to 30 November 2012) and ninety-second (12 to 21 June 2013) sessions.

8.2 With regard to document C 110/8, reporting on the Committee's ninety-first session, the Council, in particular, noted and endorsed:

- (i) the unplanned outputs agreed at the session for inclusion in the current High-level Action Plan and priorities for the 2012-2013 biennium; and
- (ii) the intersessional meetings approved for 2013.

8.3 The Council also noted:

- (i) the adoption, by the Committee, of amendments to the 1974 SOLAS Convention and mandatory codes and resolutions related thereto; amendments to the 1978 SOLAS Protocol; amendments to the 1988 SOLAS Protocol; and the 1988 Load Lines Protocol;
- (ii) the adoption, by the Committee, of amendments to the Load Lines Convention, 1966, COLREG 1972 and the Tonnage Convention 1969, together with the associated draft Assembly resolutions, for submission to the twenty-eighth session of the Assembly for adoption;
- (iii) the action taken by the Committee on issues related to passenger ship safety;
- (iv) the actions taken by the Committee on the reports of relevant sub-committees, in particular that MSC 91 had approved draft Assembly resolutions on *Adoption of the IMO Instruments Implementation Code (III Code)*; *Revised Guidelines on implementation of the ISM Code by Administrations*; and *Revised Guidelines for the structure of an integrated system of contingency planning for shipboard emergencies*, for submission to the Assembly, at its twenty-eighth session for adoption;

- (v) that the Committee approved the thematic priorities for the ITCP covering the 2014-2015 biennium and agreed to the four priority themes for 2014;
- (vi) the action taken by the Committee on issues related to formal safety assessment;
- (vii) the updated post-biennial agenda of the Maritime Safety Committee;
- (viii) the report on the status of planned outputs for the 2012-2013 biennium;
- (ix) that the Committee had requested the Secretariat, in consultation with the Chairman, to prepare the Committee's proposals for the High-level Action Plan for the coming biennium, for consideration by MSC 92 and subsequent submission to C 110, for inclusion in the Organization's High-level Action Plan and priorities for the 2014-2015 biennium;
- (x) the outcome of the preliminary discussions on matters related to the review and reform initiative and that detailed consideration of the matter would be undertaken at MSC 92;
- (xi) that, for budgetary planning purposes, the proposed number of meeting-weeks for the coming biennium will be reduced from 25 to 21 planned meeting-weeks, for inclusion in the Secretary-General's relevant budget proposals for the biennium 2014-2015;
- (xii) that, regarding the number of meeting days of the MSC, the Committee approved eight days for MSC 93 (May 2014), five days for MSC 94 (December 2014) and eight days for MSC 95 (May 2015), for inclusion in the Secretary-General's relevant budget proposals for the biennium 2014-2015; and
- (xiii) the action taken by the Committee on other items, in particular the various circulars approved by MSC 91.

8.4 With regard to document C 110/8/Add.1, reporting on the Committee's ninety-second session, the Council, in particular, endorsed:

- (i) the unplanned output agreed at the session for inclusion in the current High-level Action Plan and priorities for the 2012-2013 biennium;
- (ii) the proposed High-level Action Plan of the Organization and priorities for the 2014-2015 biennium for matters under the purview of the Maritime Safety Committee; and
- (iii) the intersessional meetings approved for 2013 and 2014.

8.5 The Council also noted:

- (i) the adoption, by the Committee, of amendments to the 1974 SOLAS Convention and mandatory codes and resolutions related thereto; amendments to the 1972 CSC; and the 1988 Load Lines Protocol, as well as approval/adoption of non-mandatory instruments;
- (ii) the action taken by the Committee on issues related to passenger ship safety;
- (iii) the action taken by the Committee on the reports of relevant sub-committees, in particular that MSC 92 approved seven draft Assembly resolutions, for submission to the Assembly, at its twenty-eighth session for adoption;
- (iv) for budgetary planning purposes, the approved restructuring of the sub-committees for the 2014-2015 biennium, which has resulted in the reduction of their number from nine to seven;
- (v) the report on the status of planned outputs for the 2012-2013 biennium;
- (vi) the updated post-biennial agenda of the Maritime Safety Committee;
- (vii) that, for budgetary planning purposes, the proposed number of meeting-weeks for the coming biennium will be reduced from 25 to 21 weeks, for inclusion in the Secretary-General's relevant budget proposals for the 2014-2015 biennium;

- (viii) that the Committee approved eight days for MSC 93 (May 2014), five days for MSC 94 (November 2014) and eight days for MSC 95 (May 2015), for inclusion in the Secretary-General's relevant budget proposals for the 2014-2015 biennium; and
- (ix) the action taken by the Committee on other items, in particular the various circulars approved by MSC 92.

8.6 The Council approved the reports of the ninety-first and ninety-second sessions of the Maritime Safety Committee and decided to transmit them, together with its comments and recommendations, to the twenty-eighth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 110/8 and Add.1; MSC 91/22 and Add.1-2, MSC 91/22/Add.1/Corr.1; MSC 92/26 and Add.1-3

Audio file: Wednesday, 17 July 2013: a.m. and p.m.

9 CONSIDERATION OF THE REPORT OF THE FACILITATION COMMITTEE (agenda item 9)

9.1 The Council noted the information set out in document C 110/9, and that provided orally by the Chairman of the Facilitation Committee and the Secretary-General, on the report of the Committee's thirty-eighth session (8 to 12 April 2013).

9.2 With regard to the Committee's revised *Guidelines on the organization and method of work of the Facilitation Committee* (FAL.3/Circ.209), the Council decided that the editorial improvements made by FAL 38 [might be included in any revision to Assembly resolution A.1013(26), and requested the Secretariat to prepare any relevant changes following from the FAL Committee's modified guidelines for consideration at the Ad Hoc Council Working Group on the Organization's Strategic Plan session in October.

9.3 With regard to the method for the adoption of amendments to the annex of the FAL Convention, the Council did not accept, at this time, that the compelling need for additional sessions of the Committee had been established and thus did not approve the convening of an intersessional working group in early 2014, or a second, up to three-day, session of the FAL Committee during the second part of 2015.

9.4 The Council endorsed the proposals for the High-level Action Plan of the Organization and priorities for the 2014-2015 biennium for the FAL Committee.

9.5 The Council approved the report of the thirty-eighth session of the Facilitation Committee and decided to transmit it, together with its comments and recommendations, to the twenty-eighth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 110/9; FAL 38/15

Audio file: Wednesday, 17 July 2013: p.m.

10 CONSIDERATION OF THE REPORT OF THE LEGAL COMMITTEE (agenda item 10)

10.1 The Council noted the information set out in document C 110/10, and that provided orally by the Chairman of the Legal Committee and the Secretary-General, on the report of the Committee's 100th session (15 to 19 April 2013).

10.2 The Council endorsed the Committee's decisions on proposals on planned outputs for the 2014-2015 biennium; and also endorsed the Committee's decision that two meeting-weeks be allocated for the 2014-2015 biennium.

10.3 With regard to the suggestion that the Committee's agenda for LEG 101, particularly that the item "Any other business" be aligned with that of the other committees and, accordingly, that the sub-item "Liability and compensation issues connected with transboundary pollution damage from offshore oil exploration and exploitation activities" should not be specifically referred to under this agenda item, the Council noted the suggestion and decided to refer the matter back to the Legal Committee for consideration when adopting its agenda at its next session.

10.4 The Council also noted:

- (i) the Committee's decision to revert to the practice of having only one Vice-Chairman, and to amend its Rules of Procedure accordingly;
- (ii) the findings of the survey by Seafarers' Rights International (SRI) that the rights of seafarers, as enshrined in the *Guidelines on fair treatment of seafarers in the event of a maritime accident*, are often subject to violation;

- (iii) the draft Assembly resolution entitled *Guidelines on the preservation and collection of evidence following an allegation of a serious crime having taken place on board a ship or following a report of a missing person from a ship, and pastoral and medical care of persons affected*, contained in annex 2 to document LEG 100/14, and approved for submission to the twenty-eighth session of the Assembly, for adoption; and
- (iv) the Committee's agreement to its report on the status of planned outputs for the 2012-2013 biennium.

10.5 The Council approved the report of the 100th session of the Legal Committee and decided to transmit it, together with its comments and recommendations, to the twenty-eighth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 110/10; LEG 110/14

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11 CONSIDERATION OF THE REPORT OF THE MARINE ENVIRONMENT PROTECTION COMMITTEE (agenda item 11)

11.1 The Council noted the information set out in document C 110/11, and that provided orally by the Chairman of the Marine Environment Protection Committee and the Secretary-General, on the report of the Committee's sixty-fifth session (13 to 17 May 2013).

11.2 The Council endorsed the intersessional meetings of the Polar Code Working Group in 2013 and the ESPH Working Group in 2014; and the OPRC/HNS Technical Group in 2014.

11.3 The Council also noted:

- (i) the adoption of amendments to mandatory instruments;
- (ii) the decisions taken, and work carried out, concerning the BWM Convention and, in particular, the draft Assembly resolution on application of the Convention, to be submitted to the twenty-eighth regular session of the Assembly for adoption;
- (iii) the decision taken, and work carried out, concerning the Hong Kong Ship-Recycling Convention;

- (iv) the decisions taken, and work carried out, concerning energy efficiency measures for ships and, in particular, the adoption of resolution MEPC.229(65), entitled *Promotion of technical co-operation and transfer of technology relating to the improvement of energy efficiency of ships*;
- (v) the decisions taken concerning reduction of GHG emissions from international shipping;
- (vi) the five draft Assembly resolutions, to be submitted to the twenty-eighth regular session of the Assembly for adoption;
- (vii) the agreement, in principle, to the Secretary-General's proposals for restructuring of sub-committees within the framework of his review and reform initiative; to a reduction of the total number of sub-committees from nine to seven; and to the proposed names and draft terms of reference of the seven restructured sub-committees; and
- (viii) the status of planned outputs concerning the work of the MEPC for the 2012-2013 biennium and the proposals by the MEPC for the High-level Action Plan of the Organization and priorities for the 2014-2015 biennium.

11.4 The Council approved the report of the sixty-fifth session of the Marine Environment Protection Committee and decided to transmit it, together with its comments and recommendations, to the twenty-eighth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

11.5 The Council, noting that this was the last session of the Committee under the Chairmanship of Mr. Andreas Chrysostomou (Cyprus), expressed its deep appreciation to him for his outstanding service as Chairman of the Committee for the last 11 years.

Reference documents: C 110/11; MEPC 65/22 and Add.1-2, MEPC 65/22/Corr.1

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12 CONSIDERATION OF THE REPORT OF THE TECHNICAL CO-OPERATION COMMITTEE (agenda item 12)

12.1 The Council noted the information set out in documents C 110/12 and C 110/12/Add.1, as well as that provided orally by the Chairman of the Technical Co-operation Committee and the Secretary-General, on the report of the Committee's sixty-third session (10 to 12 June 2013).

12.2 In particular, the Council:

- (i) approved the summary of the Committee's report on its sixty-third session, in particular the Committee's approval of the ITCP for 2014-2015 and the proposed draft planned outputs for the same period, taking into consideration the discussions during the session on the Promotion of Technical Co-operation and Transfer of Technology relating to the Improvement of Energy Efficiency of Ships, and ensuring a holistic review of the planned outputs to ensure consistency across the work of the Organization; and
- (ii) approved an allocation of £10 million (US\$15.5 million at the exchange rate of 1.55) from the Technical Co-operation Fund to support the delivery of the ITCP during the 2014-2015 biennium; already considered by the Council under agenda item 5.

12.3 The Council expressed its gratitude to the Government of Norway for its continued support and generous donation of £100,000 for technical co-operation projects.

12.4 The Council approved the report of the sixty-third session of the Technical Co-operation Committee and authorized the Secretary-General to transmit it, together with its comments and recommendations, to the twenty-eighth regular session of the Assembly, in accordance with Article 21(b) of the IMO Convention.

Reference documents: C 110/12 and Add.1; TC 63/WP.1, TC 63/14

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13 PROTECTION OF VITAL SHIPPING LANES (agenda item 13)

13.1 The Council noted the information set out in documents C 110/13, C 110/13/1 and C 110/13/2, as well as that provided orally by the Secretary-General on the protection of vital shipping lanes and the situation in the Gulf of Guinea.

13.2 With regard to document C 110/13, reporting on developments since its last session concerning the repression of piracy and armed robbery against ships in waters off the coast of Somalia, the Council took note of the information provided by the Secretary-General and delegations that spoke. In particular, the Council:

- (i) expressed its concern for the welfare of the crew of the M.V. **Albedo**;
- (ii) welcomed the recent reduction in piracy incidents off the coast of Somalia;
- (iii) noted the intervention of Kenya on the contribution to security on land and at sea of the African Union military mission in Somalia (AMISOM);
- (iv) noted with gratitude the donation by the Netherlands of €30,000 to the Djibouti Code Trust Fund;
- (v) expressed appreciation for the work of the Secretary-General; and
- (vi) thanked all States for their invaluable efforts to combat piracy wherever it occurs in the world.

13.3 With regard to document C 110/13/1, reporting on developments concerning the Cooperative Mechanism for the Malacca and Singapore Straits, the Council:

- (i) expressed appreciation to the littoral States of Indonesia, Malaysia and Singapore for the timely implementation of the various components of the Cooperative Mechanism in the Straits of Malacca and Singapore;
- (ii) also expressed appreciation to those Member Governments and intergovernmental and non-governmental organizations that had made contributions to, and/or pledged support for, the various projects under the

Cooperative Mechanism and the IMO Malacca and Singapore Straits Fund;
and

- (iii) invited Member Governments and organizations to continue contributing to the projects under the Mechanism and the Fund.

13.4 With regard to document C 110/13/2 (Greece), reporting on piracy and armed robbery against ships in the West Africa region, the Council noted the information provided and requested the Secretary-General to prepare a suitable draft Assembly resolution for further consideration by the Council at its twenty-seventh extraordinary session.

Reference documents: C 110/13, C 110/13/1, C 110/13/2; C 109/10, C 109/10/1, C 109/D (section 10);

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14 PERIODIC REVIEW OF ADMINISTRATIVE REQUIREMENTS IN MANDATORY IMO INSTRUMENTS (agenda item 14)

14.1 The Council noted the information set out in documents C 110/14 and C 110/14/1, as well as that provided orally by the Secretary-General and the Chairman of the Ad Hoc Steering Group for Reducing Administrative Requirements (SG-RAR), on the periodic review of administrative requirements in mandatory IMO instruments.

14.2 With regard to document C 110/14, reporting on the costs to the Organization related to meetings of the SG-RAR and the composition of the group, the Council noted the information provided by the Secretary-General.

14.3 With regard to document C 110/14/1, containing the second report of the SG-RAR and presenting its revised work plan, the Council:

- (i) endorsed the revised work plan for the SG-RAR;
- (ii) endorsed the group's view that the final report of the SG-RAR should be made publicly available, in order to ensure transparency for respondents to the consultation; and
- (iii) invited Member States, intergovernmental organizations and non-governmental organizations in consultative status, to disseminate information on the public consultation and noted that information on this process could be found in Circular letter No.3349.

14.4 The Council also noted:

- (i) the report of the SG-RAR in the annex to the document;
- (ii) the adjustments to the Inventory of administrative requirements;
- (iii) the group's agreement on the availability of personal information in responses to the consultation;
- (iv) the group's decision to conduct the consultation in one batch; and
- (v) the group's decision on the development of a database for the analysis of the responses to the consultation.

14.5 The Council thanked the Chairman of the SG-RAR, Mr. Kees Polderman (Netherlands), and the members of the group for the work accomplished.

Reference documents: C 110/14, C 110/14/1; C 109/11, C 109/11/1, C 109/D; C 108/D; Circular letter No.3349; resolutions A.1037(27), A 1038(27) and A.1043(27)

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15 WORLD MARITIME UNIVERSITY (agenda item 15)

(a) Report of the Board of Governors (agenda item 15(a))

15(a).1 The Council noted the information set out in document C 110/15(a), and that provided orally by the Secretary-General, on the draft report of the Board of Governors on the work of the World Maritime University (WMU) during the 2012 academic year.

15(a).2 The Council expressed deep appreciation to the Government of Sweden and the City of Malmö for their continuous generous contribution to the University; and also expressed its appreciation to the Nippon Foundation and the Ocean Policy Research Foundation of Japan; the International Transport Workers' Federation; the Governments of Canada, the Republic of Korea, the United Kingdom; Inmarsat Global Ltd; and the TK Foundation, for their contribution to the finances of WMU, as well as to all other Governments, organizations and individuals, for their contribution to the running of the University.

15(a).3 The Council also expressed its deep appreciation to the Government of Germany for its generous donation of €250,000 for the fellowship programme, with particular focus on African students.

15(a).4 The Council approved the continuation of financial support and endorsed the Secretary-General's proposal to continue IMO's financial support to WMU during the 2014-2015 biennium through IMO's contribution of 5 per cent of not less than 80 per cent of the IMO Trading Fund in-year surplus, which is allocated to the Technical Co-operation Fund, with a view only to supporting the University in building up a sufficient financial reserve balance through a special Reserve Fund to be established by the University for this purpose.

15(a).5 The Council recommended that the Assembly approve the proposed new mechanism of financial support, as described in paragraph 15 of document C 110/15(a), when considering the results-based budget of the Organization for the 2014-2015 biennium.

15(a).6 The Council endorsed the Secretary-General's proposal that the spring session of the Council in 2015 should evaluate the financial situation of the University, on the basis of a study provided by the WMU Board of Governors, with a view to deciding whether the new mechanism of financial support should be extended to 2016 and 2017.

15(a).7 The Council requested the WMU Board of Governors to prepare a study on the financial sustainability of the University and report to the Council in this regard at its first session in 2015.

Reference documents: C 110/15(a); C 108/12(b), C 108/12(c), C 108/12(d); TC 63/9

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(b) Budget (agenda item 15(b))

15 (b).1 The Council noted the information set out in document C 110/15(b) and that provided orally by the Secretary-General, on the budget of WMU for the year 2013, as revised by the Executive Board at its fifth and sixth sessions held on 16 November 2011 and 10 April 2012, respectively.

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

- (i) welcomed the efforts of the management of the University to attract additional income; and
- (ii) reiterated its appreciation to those Governments and organizations that supported the University financially.

Reference documents: C 110/15(b), C 110/15(a); TC 63/9

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16 IMO INTERNATIONAL MARITIME LAW INSTITUTE (agenda item 16)

(a) Report of the Governing Board (agenda item 16(a))

16(a).1 The Council noted the information set out in document C 110/16(a), and that provided orally by the Secretary-General, regarding the twenty-fourth annual report of the Governing Board of the International Maritime Law Institute (IMLI) on its academic operations for 2011-2012 and 2012-2013.

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

- (i) expressed appreciation to all those contributing to the Institute delivering good results in pursuing its objectives;
- (ii) also expressed appreciation to the IMLI academic and administrative staff for their determined and dedicated efforts to ensure IMLI's performance and financial stability;
- (iii) recognized the essential role the Institute continues to play in contributing to strengthening the capacity of developing countries to implement the various IMO treaty instruments to which they are party; and
- (iv) reaffirmed its continuous support to the Institute, in recognition of its success in maintaining high-academic standards in the field of international maritime law.

Reference documents: C 110/16(a), C 110/16(b); TC 63/9

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(b) Budget (agenda item 16(b))

16(b).1 The Council noted the information set out in document C 110/16(b), and that provided orally by the Secretary-General, on the IMLI budget for the 2012 and 2013 financial years, together with that proposed for 2014, as reviewed by IMLI's Governing Board at its twenty-seventh session on 27 March 2013.

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

- (i) noted the "unqualified" nature of the audit on the Institute's financial performance up to the end of 2012;
- (ii) expressed appreciation to all donors, which had financially supported and continued to support the Institute, particularly the Government of Malta, Transport Malta, the Nippon Foundation, the "Euromed Cooperation on Maritime Safety and Prevention of Pollution from Ships – SAFEMED" project, the Indian Ocean Commission (IOC), through its "GEF-WIO Marine Highway Development and Coastal and Marine Contamination Prevention Project", the Lloyd's Register Foundation, the Government of Switzerland, the Comité Maritime International (CMI) Charitable Trust and the Institute's Director, Professor David Attard, who is donating a total of €19,500 to support the Ph.D Programme, starting in the 2012/2013 academic year; and
- (iii) noted, with appreciation, all the visiting Professors who had given their time to support IMLI.

Reference documents: C 110/16(b), C 110/16(a); TC 63/9

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17 ASSEMBLY MATTERS (agenda item 17):

(a) Provisional agenda for the twenty-eighth regular session of the Assembly (agenda item 17(a))

17(a).1 The Council noted the information provided in document C 110/17(a), and that provided orally by the Secretary-General, regarding the proposed provisional agenda for the twenty-eighth regular session of the Assembly.

17(a).2 The Council approved the provisional agenda for the twenty-eighth regular session of the Assembly, as contained in document C 110/17(a), as amended by the Secretary-General with regard to agenda item 16, which would read: "16 Report on the 2012 International Conference on the Safety of Fishing Vessels".

Reference document: C 110/17(a)

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(b) Preparations for the twenty-eighth regular session of the Assembly (agenda item 17(b))

17(b).1 The Council noted the information contained in document C 110/17(b), and that provided orally by the Secretary-General, giving information on the practical arrangements for the forthcoming twenty-eighth regular session of the Assembly.

Reference document: C 110/17(b)

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(c) Draft report of the Council to the Assembly on the work of the Organization since the twenty-seventh regular session of the Assembly (agenda item 17(c))

17(c).1 The Council noted the information contained in document C 110/17(c), and that provided orally by the Secretary-General, giving information on the draft report of the Council to the Assembly on the work of the Organization since the twenty-seventh regular session of the Assembly.

17(c).2 The Council approved the report, subject to such changes deemed necessary and any developments which may occur between the issue of the document in question and the twenty-eighth regular session of the Assembly. Any such changes or revisions would be reported to the Council for consideration and approval at its twenty-seventh extraordinary session, immediately prior to the Assembly's session, for submission to the twenty-eighth regular session of the Assembly.

Reference documents: C 110/17(c); Council Summaries of Decisions and Committee reports

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18 EXTERNAL RELATIONS (agenda item 18):

(a) Relations with the United Nations and the specialized agencies (agenda item 18(a))

18(a).1 The Council noted the information contained in documents C 110/18(a), C 110/18(a)/1 and C 110/18(a)/2, as well as that provided orally by the Secretary-General and the representative from UNEP, on relations with the United Nations and the specialized agencies.

18(a).2 With regard to document C 110/18(a), reporting on the outcome of the 2012 second (autumn) and 2013 first (spring) sessions of the United Nations Chief Executives Board for Coordination (CEB), held from New York, on 8 November 2012 and in Madrid, Spain, on 5 and 6 April 2013, respectively, the Council noted the outcome of the 2012 second session and the 2013 first session of the CEB.

18(a).3 With regard to document C 110/18(a)/2, reporting on resolutions adopted by the General Assembly of the United Nations of relevance to IMO, the Council noted the resolutions adopted, received since the 108th session of the Council.

18(a).4 With regard to document C 110/18(a)/1, reporting on the current situation of the Regional Marine Pollution Emergency Response Centre for the Mediterranean Sea (REMPEC), the Council:

- (i) noted the latest financial situation of REMPEC, the proposals of the Extended Functional Review, the outcome of the MAP Focal Points' meeting in April, and the anticipated further consideration of the matter at the next MAP Focal Points' meeting in September;
- (ii) shared the Secretariat's firm view that any future IMO expenditure associated with staff indemnities, or with any change in the Centre's institutional status, is recoverable from the project; and
- (iii) requested the Secretary-General to keep it informed of any relevant developments on the issues addressed.

Reference documents: C 110/18(a), C 110/18(a)/1, C 110/18(a)/2; C 109/12(a)/1; C 108/15(a)/3, C 108/15(a)/4, C 108/WP.4, C 108/D (paragraph 15(a).4)

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(d) Relations with non-governmental organizations (agenda item 18(d))

18(d).1 The Council noted the information contained in documents C 110/18(d), C 110/18(d)/1 and C 110/INF.2, as well that provided orally by the Secretary-General and the Chairman of the group of Council Members to screen new applications for consultative status, on relations with non-governmental organizations.

18(d).2 With regard to document C 110/18(d) and its annexes, referring to two new applications for consultative status from Euroshore International (Euroshore) and the Security Association for the Maritime Industry (SAMI), the Council decided:

- (i) not to grant consultative status to Euroshore; and
- (ii) to postpone the decision with regard to SAMI's application to the twenty-seventh extraordinary session of the Council, pending the provision by SAMI of further information as required by rule 5 of the Rules Governing Relationship with Non-Governmental International Organizations.

18(d).3 With regard to document C 110/18(d)/1, providing background information for the biennial review of non-governmental organizations in consultative status with IMO, the Council decided to convert the consultative status granted to Superyacht Builders Association (SYBAss); to Pacific Environment; Clean Shipping Coalition (CSC); Bureau International des Containers et du Transport Intermodal (BIC) and the International Iron Metallics Association Ltd. (IIMA) on a provisional basis to full consultative status.

18(d).4 With regard to the new structure of the Cruise Lines International Association (CLIA), the Council noted the information provided.

18(d).5 With regard to the list of remaining non-governmental organizations in consultative status with IMO, the Council decided to:

- (i) withdraw the consultative status of the European Federation of Insurance Intermediaries (BIPAR) and to advise the Assembly accordingly;
- (ii) remind the International Salvage Union (ISU) and the Iberoamerican Institute of International Law (IIDM) of the necessity to fulfil their obligations in accordance with the Rules Governing Relationship with

Non-Governmental International Organizations and the Guidelines on the Grant of Consultative Status and that, should there be no improvement in their performance during the next biennium, their status may be withdrawn; and

- (iii) maintain the consultative status of the Global Maritime and Training Association (GlobalMet) and the International Fund for Animal Welfare (IFAW).

18(d).6 The Council agreed with the group's view that NGOs' attendance and submission of documents to London Convention/London Protocol meetings should not be taken into account in future biennial reviews.

18(d).7 The Council also agreed with the group's recommendation to remind IOI and Greenpeace International of the difference between the IMO Rules and Guidelines and the rules and criteria for the participation of international non-governmental organizations at the London Convention and Protocol meetings, and the consequent need for NGOs in consultative status with IMO to follow IMO's Rules and Guidelines.

18(d).8 The Council decided to maintain the consultative status of the remaining organizations listed in the document, and to submit a recommendation to this effect to the twenty-eighth regular session of the Assembly; and also decided to emphasize the requirement for all non-governmental organizations in consultative status to contribute substantially to the work of IMO.

18(d).9 With regard to document C 110/INF.2, submitted by the Republic of Korea, providing information on the current status of the international nature of the non-governmental organizations in consultative status with IMO, the Council noted the information contained therein.

18(d).10 The Council thanked the Chairman of the Group, Mr. Brad Groves (Australia), and its Members for the work undertaken.

Reference documents: C 110/18(d), C 110/18/(d)/1, C 110/INF.2; resolution A.1059(27)

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[MORE TO COME]