



IHB File N° S1/1001/WP-FO/592/14

CIRCULAR LETTER 74/2013
20 December 2013

APPROVAL OF IHO WORK PROGRAMME & BUDGET FOR 2014

References:

- A. IHO CL 61/2013 dated 30 October - *Proposed IHO Work Programme & Budget for 2014*
- B. Financial Regulations of the IHO - Article 8
- C. IHO Resolution 12/2002 (as amended) - *Planning Cycle*
- D. FCCL 2/2013 dated 23 August - *Proposed Work Programme and Budget for 2014.*
- E. FCCL 3/2013 dated 25 October - *Finance Committee Officers' Meeting.*

Dear Hydrographer,

1. We are pleased to inform you that the IHO Work Programme for 2014 has been approved by 57 Member States and the Budget for 2014 by 56 Member States, with an abstention from the UK. Chile, Croatia, Germany and the UK provided comments which are reproduced in the Annex to this letter for your information together with comments from the Directing Committee as appropriate. The additional information about Capacity Building Work Items proposed by Chile will be applied to the published Work Programme.
2. The Work Programme and Budget for 2014 will be implemented on 1 January 2014.

On behalf of the Directing Committee
Yours sincerely,

Robert WARD
President

Annex A: Comments by Member States

**COMMENTS BY MEMBER STATES
ON PROPOSED IHO WORK PROGRAMME AND BUDGET FOR 2014**

CHILE

The 2014 IHO Work Program (IHO WP 2014) does not include the 2014 Capacity Building Work Program (CBWP 2014) and this situation generates an inconsistency. In effect, one of the tasks given to the CBSC is to develop and propose an annual IHO Capacity Building Work Program “**to be included in the general IHO WP**”; nevertheless, the sole reference that exists about the CBWP 2014 is Circular Letter 57/2013 “Report of the 11th meeting of the Capacity Building Sub-Committee” that indicates that the 2014 CBWP has been “agreed” by the Sub-Committee, but there has been no “approval” procedure involving Member States. In our opinion what was agreed by the CBSC for 2014 must be an integral part of the IHO WP 2014, which, after being approved by MS, automatically would approve the 2014 CBWP.

In order to avoid unnecessary bureaucracy and at the same time get rid of this inconsistency we propose:

To include the 2014 CBWP agreed by the CBSC as an Annex to the 2014 IHO WP.

The Elements/Tasks 3.3.5.3, 3.4.1 and 3.5.2 should then make reference to the Annex so that it will make it clear which work program needs to be kept and controlled (3.3.5.3), which are the technical and advisory visits to execute (3.4.1) and which are the technical workshops, seminars and short courses considered (3.5.2), respectively.

In this way, and once the IHO WP is approved by MS, the CBWP will be automatically approved as well.

IHB Comments:

The Directing Committee notes that the CBSC reports to the Inter-Regional Coordination Committee (IRCC) which is the appropriate level for approval of the CBWP.

The details of individual tasks from the 2014 Capacity Building Work Programme will however be included in the published version of the IHO Work Programme, as has been the case in the past. The procedure proposed by Chile will be followed in subsequent years.

CROATIA

The Republic of Croatia fully supports a comprehensive work programme accompanied by a well balanced budget.

GERMANY

IHO Budget: Germany notes a mistake on page A-5, Chapter II, Travel Costs, Technical Assistance (CBF): the comment should read “reduced by 2 k€” instead of “reduced by 22 k€”.

IHB Comments:

The reduction refers to the difference (22k€) between the draft budget proposed to the Finance Committee (FCCL 2/2013) and the revised budget proposed to Member States, rather than the difference (2k€) between the five-year budget and the proposed budget.

UK

IHO Budget: The UK is abstaining from approving the proposed 2014 IHO Budget because the detail provided on the work programmes lacks sufficient granularity to be fully understood. UK would welcome greater detail to be provided on the objectives, priorities and deliverables for each of the workgroups in the coming year.

Separately, it is worthy of note that whilst the overall increase in the running costs are relatively small, the UK is uncomfortable with any increase in budget when governments (who are paying the subscriptions) are imposing real cost savings, enforcing pay freezes and increasing the contribution our employees have to make towards their pensions. The UK therefore looks forward to receiving the report of the SRWG, initially conceived in the 2007 International Hydrographic Conference, which we hope will presage a fundamental re-appraisal of the cost base of the organization.

IHO Work Programme: UK approves the adoption of the IHO Work Programme for 2014 but would like to see more clarity on the expected contribution from Member States and a breakdown of specific input from IHB.

IHB Comments:

In accordance with IHO Resolution 12/2002 as amended, the Directing Committee has presented the proposed Work Programme for 2014 based on the 5-year Work Programme and Budget approved by Member States at the XVIIIth International Hydrographic Conference in 2012. The Directing Committee included explanatory margin notes to indicate where there is a variance from either the approved 5-year budget or last year's budget. There are relatively few changes. The levels of expenditure forecast for 2014 are in line with the approved 5-year budget and are based on a rate of subscription from Member States (€ 3984.48 per share) that has not changed since 2005 despite a demonstrable increase in IHO programme activity, particularly in the Capacity Building and Technical programmes, outreach and promotional activities, and against a general background of rising prices in all areas.

Measures such as enforcing pay freezes and increasing the contribution that employees make towards their pensions are not within the remit of the Directing Committee. These expenses are governed by the Staff Regulations approved by the Member States. As indicated by the UK, a review of the Staff Regulations is currently underway and will be considered by Member States at the next Extraordinary International Hydrographic Conference.

The Directing Committee has taken note of the request to see more clarity on the expected contribution from Member States and a breakdown of specific input from the IHB. The Directing Committee notes that effecting that request would require a significant revision of the agreed five-year Work Programme. Meanwhile, the Directing Committee has implemented Decision 1 of the XVIIIth International Hydrographic Conference to use performance monitoring and to maintain certain output statistics. This is reflected in the Annual Report for 2012. At the same time, efforts have been made to ensure that the work programmes of the Committees provide sufficient details to monitor progress. The UK request for further detail in the IHO Work Programme could be considered by the Conference as a further development of this process. In this context, the Directing Committee stands ready to implement any detailed proposals from Member States for improvement of the performance monitoring mechanisms, noting that any additional administrative support required to implement such additional measures will need to be accommodated within the budget and within the resources available at the IHB.