



IHB File No. FO/599/01

**FINANCE COMMITTEE
CIRCULAR LETTER 03/2015
17 November 2015**

FINANCE COMMITTEE OFFICERS' MEETING

6 November 2015, IHB

Dear Hydrographer,

1. The six-monthly meeting of the Finance Committee Officers (FCO) was held at the IHB in Monaco on 6 November in accordance with Article 14 of the General Regulations. The meeting comprised the Chair of the Finance Committee - Ms Muriel Natali-Laure (Monaco), the Vice-Chair - Mr Andrew Millard (United Kingdom) who participated via video-link, and two of the three members of the IHB Directing Committee. Director Mustafa Iptes was absent on mission in the Republic of Korea. The Auditor, Ms Pascale Taramazzo, of Frank Morel Chartered Accountants and the IHB Manager Finance and Administration (MFA) and her Assistant also attended.

2. The following topics were presented and discussed at the meeting.

Review of the Provisional Statement of Accounts

3. A review of the current financial situation was undertaken, based on the monthly finance report for October. The Directing Committee and MFA presented the current financial statements and indicated that all aspects of the execution of the budget for 2015 were progressing satisfactorily.

4. Part of the current estimated surplus for 2015 (63K€ on Personnel costs, 45K€ on Operating Expenses) could be explained by a lower than expected increase in the cost of living adjustment of salaries, and a renegotiation of an IT maintenance contract.

5. The FCO was informed that the ABLOS Fund, which is a self-supporting fund through the conduct of the biennial ABLOS Conferences, was now depleted because expenditure had been greater than for previous Conferences. A commercial venue had to be hired for the 2015 Conference to accommodate all the anticipated participants.

Status of Member States' Contribution Payments

6. The status of annual contribution payments by Member States was examined. It was noted that the amount received at the end of October was 85.70% of the total amount of the contributions due for the year. The FCO was informed that the Syrian Arab Republic has now paid all outstanding and current contributions, and no longer run the risk of being suspended. Notwithstanding the significant payment from the Syrian Arab Republic, the Directing Committee proposed to retain the budget provision for bad debts (50,000€) in the accounts, as it may still be the case that some Member States may fail to submit their outstanding contributions before the end of the year.

7. The Directing Committee indicated that it would like to discuss how to treat the interest levied on late payments at the next meeting. The delays in payment result generally from financial constraints imposed by governments. To date, few Member States that have been in arrears have included interest on

their debt when they have finally been able to pay. Meanwhile, the interest due remains as a debt on the accounts of the IHO.

Status of the Internal Retirement Fund

8. The FCO considered that the assets available in the Internal Retirement Fund (IRF) are currently adequate to meet the expected liabilities of the Fund, noting that this commitment will likely increase with the recently identified need to guarantee certain members of staff covered by a personalized pension plan with a retirement benefit at least equivalent to the one provided to employees in Monaco under the CAR scheme.

Progress Report on the re-drafting of the Staff Regulations

9. The Directing Committee informed the FCO that a proposed revised version of the Staff Regulations had been completed as instructed by the 5th Extraordinary International Hydrographic Conference (EIHC-5) in October 2014. The proposed revised Regulations would be presented to the Chair of the Staff Regulations Working Group (SRWG) during the following week for further consideration.

10. The Chair of the Finance Committee proposed to the Directing Committee to review the proposed revised Staff Regulations to confirm that, where applicable, its terms are generally similar to those applying to the Civil Service of Monaco.

Proposed Budget and Work Programme for 2016

11. The Directing Committee highlighted the following points in relation to the proposed Budget for 2016:

- The share value for membership contributions, as forecast in the approved 5-year Budget 2013-2017, would be increased by 1%, to 4 024.32€.
- In order to address the requirement expressed by the Member States at EIHC-5, the proposed Budget provides sufficient funding to enable the recruitment of a permanent Technical Standards Support Officer.
- A provision is being proposed in the Budget to supplement the Internal Retirement Fund in anticipation of proposed changes to the Staff Regulations that will more closely align the pension rights of Locally Recruited Members of Staff with those of the relevant comparator organization - the Monaco Civil Service.

Next Meeting

12. It was agreed that the next meeting of the Finance Committee Officers will take place at the IHB in Monaco on 7 April 2016.

On behalf of the Directing Committee
Yours sincerely,



Robert WARD
President