

1ST SESSION OF THE IHO ASSEMBLY

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FINANCE DOCUMENT COMMENTS ON THE PROPOSED IHO 3-YEAR BUDGET FOR THE PERIOD 2018-2020

Submitted by the Secretary-General

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Submitted by the Secretary General, via the Finance Committee

Introduction

This document provides the remarks received from IHO Member States in response to ACL 16 dated 3 February 2017 on the proposed IHO 3-year Budget for the period 2018-2020 (document A.1/F/02). The outcome of their review by the IHO Secretariat is offered for further consideration when appropriate.

Remarks from IHO Member States and outcome of their review by the IHO Secretariat

BRAZIL

We want to congratulate IHO for the effort on preparing the presented budget. Thus, we totally agree with this document.

CHILE

We have reviewed document A.1/F/02 and we consider it offers a clear and friendly explanation on the expected incomes and expenditures for the period considered. Nevertheless we have found an important inconsistency regarding the allocation of resources to the GEBCO SCUFN Gazetteer.

Page 4 of document A.1/F/02 says:

GEBCO Fund: An allocation has been included to support the maintenance of the digital Gazetteer of Undersea Feature Names (SCUFN Gazetteer)

Page 9, Annex A to document A.1/F/02 says:

GEBCO Fund	8200 (2017)	8200(2018)	8200(2019)	8200(2020)
GEBCO SCUFN Gazetteer	-----	30000(2018)	30000(2019)	30000(2020)

It is evident that this is a new allocation of 30.000 euros per year not granted before.

Having consulted the Proposed Work Program for the period - document A.1/WP1/02- in its page 51 the following task is mentioned:

Task 3.6.10 Update and enhance the GEBCO Gazetteer (B-8) for internet Access.

And we notice that this activity does not involve resources coming from the IHO Budget, but exists another resource: Contract support funded by GEBCO Fund – 15.000 euros.

As it can be seen there is no explanation justifying the allocation of 30.000 euros a year for the GEBCO SCUFN Gazetteer. We think is convenient that this situation is reviewed.

Comment of the Secretariat:

Task 3.6.10 refers to updating and enhancing the information contents of the GEBCO Gazetteer.

The proposed allocation of 30.000 euros/year is intended to support task 3.6.2 - Ensure effective operation of the IHO Data Centre for Digital Bathymetry (DCDB). Until now, the operation and enhancement of the

A.1/F/02/Add.1

DCDB has depended exclusively on USA direct funding support. This allocation of 30.000 euros/year is intended to reduce the IHO's dependence on direct USA funding and to provide the potential to accelerate the delivery of several desired improvements that may not be funded by the USA in the desired timeframe.

FRANCE

In § 15 “*the increasing activity in the roles of representation of the Secretary General and the Directors*” is mentioned. The fact is that, between 2012 and 2020, public relations expenses double from 11.2 k€ to 23 k€. In parallel, public relations and outreach activities are mentioned in the element 1.3 of document A.1/WP1/02 (proposed work program 2018-2020) but they are associated only with an amount of 15 k€ a year. Why is it foreseen that they will reach 23 k€ in 2020, where do the remaining 8 k€ come from?

Comment of the Secretariat:

The difference corresponds to task 1.3.3 (World Hydrography Day) for an amount of 7 k€ to which was added 1 k€ to take into account inflation.

The same § 15 mentions the necessity of recruiting two additional member of staff (a Chief of Staff and an administrative assistant). This recruitment is likely because the proposed three-year budget is based on a “worst-case” scenario in terms of income as mentioned in § 5. Nevertheless, in spite of the recruitment of a member of staff in 2017 (Technical Standards Support Officer) and the likely recruitment of two members of staff over the period 2018 - 2020, as indicated previously, we note that the overtime expenses continue to increase significantly (doubling between 2012 and 2020 from 5,4 k€ to 10 k€). What is the explanation of this continuous increase in spite of the recruitment of additional staff?

Comment of the Secretariat:

Overtime is authorized for the administrative and technical members of staff to meet exceptional and intermittently high workloads (for example: when IHO organs meet in Monaco; when out of hours IT maintenance is unavoidable; when the workload for the management of the Capacity Building Programme peaks. The finance report for 2012-2016 shows a variability of overtime expenditure (between 5 and 9 k€ a year) rather than a continued increase. The forecast in the three-year budget 2018-2020 reflects a similar pattern to that experienced between 2012 and 2016.

In Annex A

- page 10: 10 k€ are planned for the edition of the International Hydrographic Review but the proposed work programme for 2018-2020 (see A.1/WP1/02) indicates a “*lack of adequate articles supplied by MS and other contributors*”. In the face of this situation, it may be necessary to consider a decrease in the frequency of publication of the Review and a decrease of the publishing costs in proportion.

Comment of the Secretariat:

The periodicity of the International Hydrographic Review is determined by Resolution 6/2009 as amended. The Secretariat strives to encourage the submission of articles to promote the achievements of the hydrographic community, in particular during the meetings of the Regional Hydrographic Commissions. The Secretariat considers that the situation has not yet reached a critical point which would justify revising Resolution 6/2009.

- page 11, there is no proposed allocation to the Renovation and Enhancement Fund over the period 2018-2020. Does the IHO anticipate needs after 2020? For the record, page 19 of document

A.1/WP1/02 (proposed work programme for 2018-2020), task 1.5.8 mentions maintenance of the premises at the level of 70 k€ a year.

Comment of the Secretariat:

The Renovation and Enhancement Fund is intended to cover exceptional expenses (renovation of the kitchen in 2016 for example) but not routine maintenance expenses included in task 1.5.8. No requirement for exceptional expense has been identified for the period 2018-2020. The possible needs after 2020 will be considered during the preparation of the subsequent three-year budget.

PORTUGAL

The Portuguese Hydrographic Office has no comments on the proposed IHO three-year Budget for 2018-2020.

Action required of the Assembly

Subject to prior consideration by the Finance Committee, the Assembly is invited to note this comments when considering the proposed IHO three-year Budget for 2018-2020.