

FINANCE COMMITTEE OFFICERS' MEETING
24th November 2004, IHB

According to Article 14 of the General Regulations, the Directing Committee met on the 24th November at the IHB with the Chairman of the Finance Committee, Mr M. GAZIELLO from Monaco to discuss different issues of financial interest to the Organization. The Vice-Chairman, Mr. B. BUSSEY from the UKHO, could not attend the meeting due to health reasons. The external auditor, Miss Pascale TARMAZZO, was also invited to participate.

The following topics were examined :

- a. The status of the execution of the 2004 budget was examined in detail and it was noted that there were no problems. Various specific issues of interest were brought up for discussion and explanations were provided. To improve the supervision of the execution of the budget, the Directing Committee has prepared a "Monthly Financial Reporting Statement" providing details of all the financial issues-contributions, expenditures, bank accounts, etc- this was appreciated by the participants.
- b. The status of payments of contributions was examined and it was noted with satisfaction that up to the end of November, almost 85% of the total amount of the contributions for the year had been received. We are pleased to report that after consulting with Member States that had delayed paying their contribution for the previous year, an accepted way of settlement was proposed and approved.
- c. The Directing Committee informed the participants that the budget for 2005 which had been sent to Member States, together with the work programme for 2005, had received up to now only positive comments and it was expected to be approved by the end of November.
- d. The Directing Committee briefed the participants on the final decision of Member States concerning the alignment of the salaries with the UN system and in accordance with the recommendations of the Finance Committee Working Group that was established by the previous Conference. The amendments to the Staff Regulations were discussed and the Chairman of the Finance Committee will provide to the Directing Committee some needed clarification on some issues, that will lead to editorial amendments of the relevant paragraphs of the Staff Regulations.
- e. The Internal Retirement Fund (IRF) and the investments of the available funds were examined. The current level of investments at risk in the IRF was considered acceptable for the time being and will be monitored by the IHB and re-evaluated at the next meeting in April 2005. The actuarial study that was conducted by the Bureau has indicated that the existing deficit in the IRF has improved slightly and the Directing Committee will examine early next year the way to decrease it, depending on the final balance of the execution of the budget. Different aspects of the Personalized Pension Plans were discussed based on discussions that the Directing Committee had had with the investment company.
- f. The developments on the legal issue that began in 1993 between one of the Bureau's staff members and the French Tax authorities in Nice were examined. There has been no progress since this issue was reported in paragraph (e) of the FCCL 03/2004 dated 1 July 2004. The Chairman of the Finance Committee will make efforts to arrange a meeting with the Government of Monaco, in order to discuss possible alternative ways to resolve this issue.
- g. The participants were briefed on the developments that have been initiated for the establishment of an IHO Capacity Building Fund. Further progress on this issue will be reported in the next meeting, based on the decisions that Member States will make.

The auditor, Miss Taramazzo, will provide the Bureau with a letter indicating improvements for an improved internal accounting and auditing of the expenditures.