

**FINANCE COMMITTEE
CIRCULAR LETTER 2/2004
17 May 2004**

**APPROVAL OF THE REPORT OF WORKING GROUP OF THE FINANCE COMMITTEE
ON SALARY ALIGNMENT WITH THE UNITED NATIONS SYSTEM**

Reference: FCCL 5/2003 dated 17 October 2003

Dear Hydrographer,

In the referenced Finance Committee Circular Letter (FCCL) the Directing Committee sent the Report of the Working Group of the Finance Committee (FCWG) that was established, according to the Decision 21(a) of the XVI International Hydrographic Conference, with the aim to study the alignment of the salaries of the IHB Directors and other Staff with the UN system.

In the reference letter the Directing Committee, after discussing the Report with the Chairman and Vice Chairman of the Finance Committee highlighted the main topics, indicated the needed increase of the approved level of expenditures for the period 2004-2007 for the implementation of the proposed recommendations, specified how the money will be available for 2004 and for 2005 and for the subsequent years, and noted that two-thirds majority of all Member States is needed for the approval of the increased expenditures. The Directing Committee and the Finance Committee Officers made it clear that increases in the share value above those currently approved in the Five Year Budget during the XVI International Hydrographic Conference, are not envisaged for this specific issue.

The IHB is grateful to the fifty Member States who responded to this FCCL. Forty seven are in favour and three against as indicated in the attached Annex. Therefore Member States have approved the report with the recommended increase in the level of expenditures for 2004-2007.

The Directing Committee will amend the Staff Regulations according to the recommendations proposed in the Report of the FCWG and will revise Chapter one of the 2004 Budget in order to reflect the approved level of salaries from 1st July.

On behalf of the Directing Committee
Yours sincerely,

(original signed)
Vice Admiral Alexandros MARATOS
President

Annex 1: Tables of votes and comments from Member States.

MEMBER STATES WHO HAVE VOTED Y / N WITHOUT COMMENTS

MEMBER STATE	YES	NO
(1) Algeria	X	
(2) Argentina		X
(3) Australia	X	
(4) Bahrain	X	
(5) Brazil	X	
(6) Canada	X	
(7) Chile	X	
(8) China	X	
(9) Colombia	X	
(10) Croatia	X	
(11) Cuba	X	
(12) Cyprus	X	
(13) Denmark	X	
(14) Ecuador	X	
(15) Estonia	X	
(16) Finland	X	
(17) Germany	X	
(18) Greece	X	
(19) Guatemala	X	
(20) Iceland	X	
(21) Korea (DPR)	X	
(22) Korea (Rep of)	X	
(23) Malaysia	X	
(24) Monaco	X	
(25) Mozambique	X	
(26) New Zealand	X	
(27) Norway	X	
(28) Pakistan	X	
(29) Poland	X	
(30) Serbia & Montenegro	X	
(31) Slovenia	X	
(32) Spain	X	
(33) Sweden	X	
(34) Tunisia	X	
(35) Ukraine	X	
(36) UK	X	
(37) Uruguay	X	
(38) Venezuela	X	

MEMBER STATES WHO HAVE VOTED Y / N WITH COMMENTS

MEMBER STATE	YES	N O	COMMENTS
(39) Bangladesh		X	Alignment of Salaries of the IHB Directors and Staff with the UN system will increase the annual expenditure of IHO which represents a 9.91% increase to the 2004 budget. This enhancement will affect the annual contribution of the Member States. This contribution rate has already been increased (approx double) in the last year. Under developed member States may not be able to bear such additional expenditure of IHO as stated in the IHO FCCL5/2003 of 17 October.
(40) Egypt	X		As long as there is no increase to the contributions of the Member States
(41) India	X		This would align the salaries of Directors, Cat A staff and translators with the UN pay scale
(42) Mexico	X		We consider that the alignment of the IHO salaries with the UN system is correct.
(43) Netherlands	X		Our earlier voting form dated 5 January , which was NO, is herewith withdrawn. It is with much hesitation that we have now answered YES. In fact we would prefer that the recommended level for directors and PA's should be reached at a slower pace. An annual rise of maximum 10% would seem better acceptable. However, as this was not an option offered for the voting, we have reluctantly voted YES.
(44) Peru	X		According to the recommendations of the FCWG, Peru recommends that the salaries be aligned with the UN system and in addition the IHB Staff Regulations must be amended.
(45) Philippines	X		We are in favour that the salary increase be taken from a combination of sources as mentioned in FCCL5/2003 which will not entail additional contributions from the Member States.
(46) Portugal	X		With the assumption that the share value will not increase
(47) Russia	X		Russia has no objection subject the alignment of salaries will cause no increase in the size of contributions.
(48) South Africa	X		Concur with recommendations
(49) Turkey	X		In order to have the most suitably qualified candidates to fill the IHB's senior posts, it is deemed necessary to make an alignment of the IHB salaries to those of the UN System
(50) USA		X	While we agree that the salary increases for some staff are warranted, we do not agree with this particular proposal due to the overly complex methodology ; the timing of the upcoming SPWG decision , which may impact factors used in determining salaries; and the significant implications on the IHO expenditure budget.