

IHB File N° FO/598/01

**FINANCE COMMITTEE
CIRCULAR LETTER 4/2004
4 August 2004**

NEW WORDING TO ARTICLE 21 OF THE FINANCIAL REGULATIONS

Ref : FCCL 7/2003 dated 18 December 2003

Dear Hydrographer,

In the above referenced FCCL, the Directing Committee proposed to amend Article 21 of the Financial Regulations so that the annual confirmation of the Auditor, who is appointed by the Finance Committee at the International Hydrographic Conference, be considered by the Directing Committee, the Chairman and the Vice-Chairman of the Finance Committee during the Meeting that they held towards the end of the year, in accordance with Article 14 of the General Regulations and only refer to the Finance Committee if there is a need to replace him.

The IHB is grateful to the thirty eight Member States who have voted. Thirty five are in favour and three against (see table in annex). The IHB therefore would like to inform the Member States that the proposal has not been accepted, as the two thirds majority has not been voted (forty seven positive votes needed) therefore the text of Article 21 of the Financial Regulations will remain unchanged.

On behalf of the Directing Committee
Yours sincerely,

(original signed)

Vice Admiral Alexandros MARATOS
President

Encl/ Table of Votes

MEMBER STATE	VOTE		COMMENTS
	YES	NO	
Algeria	X		
Australia	X		
Bahrain	X		
Brazil	X		
Canada	X		
Chile	X		This will contribute to a considerable improvement of the efficiency of the Organisation
Colombia	X		
Cyprus	X		
Denmark	X		
Estonia	X		
Finland	X		
France	X		
Greece	X		
India	X		
Japan		X	We are against this circular because an external auditor shall be independent of the Directing Committee.
Korea (Rep of)	X		
Malaysia	X		
Monaco	X		
Morocco	X		
Netherlands	X		
New Zealand	X		
Norway	X		
Peru		X	Does not approve. Prefers to wait for the outcome of the SPWG
Poland	X		
Portugal	X		
Serbia & Montenegro	X		
Singapore	X		
Slovenia	X		
South Africa	X		
Sri Lanka	X		
Sweden	X		
Thailand	X		
Tunisia	X		
Turkey	X		
Ukraine	X		
UK	X		
USA (NOS)		X	The IHO is in the process of restructuring its Financial Regulations and other aspects of its operations. The US does not support the proposed change to the Financial Regulations, but favours addressing how the External Auditor is selected and retained in the context of the reworking of the Financial Regulations.
Uruguay	X		