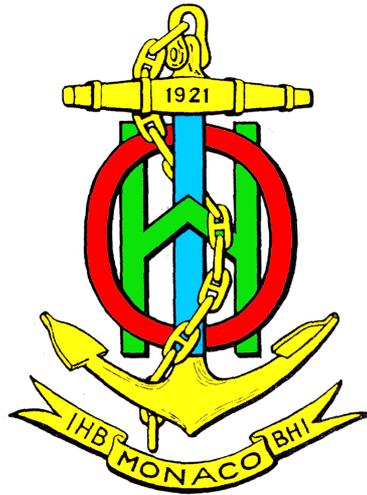


INTERNATIONAL HYDROGRAPHIC ORGANIZATION



**2nd
EXTRAORDINARY
INTERNATIONAL
HYDROGRAPHIC CONFERENCE**

19 – 23 March

2000

MONACO

REPORT OF PROCEEDINGS

INTERNATIONAL HYDROGRAPHIC ORGANIZATION

LIST OF MEMBER STATES (March 2000)

*

* ALGERIA	* MOROCCO
* ARGENTINA	* MOZAMBIQUE
* AUSTRALIA	* NETHERLANDS
BAHRAIN	* NEW ZEALAND
* BELGIUM	NIGERIA
* BRAZIL	* NORWAY
* CANADA	* SULTANATE OF OMAN
* CHILE	* PAKISTAN
* CHINA	PAPUA NEW GUINEA
* COLOMBIA	* PERU
* CROATIA	* PHILIPPINES
* CUBA	* POLAND
* CYPRUS	* PORTUGAL
* DEM. PEOP.REP. OF KOREA	* REPUBLIC OF KOREA
DEM. REP. OF THE CONGO	* REPUBLIC OF SOUTH AFRICA
* DENMARK	* RUSSIAN FEDERATION
DOMINICAN REPUBLIC	* SINGAPORE
* ECUADOR	* SPAIN
EGYPT	SRI LANKA
* ESTONIA	SURINAME
FIJI	* SWEDEN
* FINLAND	SYRIAN ARAB REPUBLIC
* FRANCE	THAILAND
* GERMANY	TONGA
* GREECE	TRINIDAD AND TOBAGO
GUATEMALA	* TUNISIA
* ICELAND	* TURKEY
* INDIA	UKRAINE
* INDONESIA	UNITED ARAB EMIRATES
IRAN	* UNITED KINGDOM OF GREAT BRITAIN & NORTHERN IRELAND
* ITALY	* UNITED STATES OF AMERICA
* JAPAN	* URUGUAY
* MALAYSIA	* VENEZUELA
* MONACO	* YUGOSLAVIA

* Represented at the 2nd Extraordinary International Hydrographic Conference.

2nd Extraordinary International Hydrographic Conference
See List of Participants, pages 5 to 14

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GENERAL INFORMATION

GENERAL INFORMATION

GENERAL DESCRIPTION OF THE 2nd EXTRAORDINARY INTERNATIONAL HYDROGRAPHIC CONFERENCE

The Second Extraordinary International Hydrographic Conference was held from 19 to 24 March 2000 at the Centre de Congrès-Auditorium de Monaco (CCAM).

This Conference was held mid-way between two ordinary International Hydrographic Conferences (the last one, in 1997 and the next one, in 2002) and this is the reason why it has an "extraordinary" character. The 1st EIHC was held in 1929 and dealt with technical issues to be resolved by the relatively young Organization before the subsequent ordinary conference. On that occasion Prince Louis II of Monaco laid the first stone of the new premises of the International Hydrographic Bureau. During this second Extraordinary Conference, those same premises (vacated by the IHB in 1996 to move to more modern premises) were under demolition to build a new four-star hotel.

The 2nd EIHC was convened to approve the new Strategic Plan (SP) of the IHO and its associated Work Programme. Other issues of a strategic nature and importance to the IHO were also discussed.

First Admiral Mohd RASIP BIN HASSAN (Malaysia) was elected President of the Conference and Captain Hugo GORZIGLIA (Chile) was elected Vice-President. A total of 150 delegates and 13 official observers from 54 countries registered at the Conference which was also attended by delegates from the United Nations, the Intergovernmental Oceanographic Commission (IOC), International Maritime Academy (IMA), International Association of Lighthouse and Aids to Navigation Authorities (IALA).

Business sessions occupied the period 20-23 March and specific meetings of some IHO Working Groups and Commissions took place on 24 March. An Exhibition, which included 26 commercial firms (providing hardware and software for hydrographic and oceanographic data collection, data management, production of GIS, computer assisted cartography, and ENC production) ran from 19 to 22 March 2000.

The Conference was opened by HSH Prince ALBERT in the morning of 20 March. In his Opening Speech, the President of the IHB Directing Committee, Rear Admiral ANGRISANO, stressed the importance of the Strategic Plan and the necessary attention that Governments and International Organizations have to give to Hydrography. He also referred to co-operation of the Government of Monaco, notably within the framework of the United Nations. In particular, he thanked Prince ALBERT for having personally contributed to publicizing Hydrography during his official state visits.

HSH Prince ALBERT replied that he very much appreciated the kind remarks made about the role played by Monaco in favour of hydrographic interests and that his country would endeavour to follow in the footsteps of the great forerunner, Prince ALBERT 1st, as the Sovereign Prince, HSH RAINIER III, had always wished.

It should be noted that the Conference was preceded by the following collateral side meetings: WEND Committee meeting on 16 and 17 March chaired by Dr EHLERS, Hydrographer of Germany. The IHO/Industry Interface co-chaired by Dr EHLERS and Rear Admiral GUY, on Saturday 18 March and by an informal meeting aimed at consolidating the opinion of the IHO MS on the new Chapter V of the SOLAS Convention.

General Information Page 2

A total of 11 proposals were considered by the Conference, among which the adoption of a new IHO Strategic Plan and Work Programme. The main issues included in the Strategic Plan are:

- Transition to the digital era (provision of digital services, including production, distribution and updating).
- Global hydrographic data coverage;
- Response to external environment (i.e. to developments in Government policy, technology, distribution, etc);
- Adequate funding for provision of required services;
- Building up of effective national organizations, with appropriate numbers of skilled staff and equipment;
- Provision of services other than for navigation (e.g. for scientists, administrators and other institutions with an interest in marine issues).

Other Conference decisions included the approval of :

1. A Work Programme for the period 2000-2004 and its planning cycle until the 2002 I.H. Conference.
2. The holding of Extraordinary I.H. Conferences between two ordinary Conferences, thus increasing the periodicity of conferences to 2 ½
3. The continuation of further studies on structural changes to the Organization.
4. Maintaining, for another two years, the additional post of Professional Assistant (Data management for nautical cartography).
5. The IHB arrangements for an electronic documentation centre.
6. Tasking the Strategic Planning Working Group to continue the study of some specific topics identified by the Conference.

A proposal submitted by Spain to approve Spanish as the third official language of the IHO was discussed but not voted, the Strategic Planning Working Group being tasked to develop a more ample language policy. Concerning the use of Spanish within the Organization, it should be mentioned that it is already well consolidated, thanks to the efforts of the IHB staff and to the co-operation of the Spanish speaking countries. These countries constitute a group representing 16% of the IHO Member States, which will be further enlarged when Mexico and Central American countries become IHO members.

The visit of the Russian Hydrographic Vessel “SIBIRYAKOV”, which was opened to visitors during its stay in the port, contributed to the social programme, with a splendid reception on board.

Other social events included: a reception offered by the exhibitors, a reception given by the IHB, a reception offered by the UK HO and a reception offered by the Minister of State of Monaco, Mr. Patrick LECLERCQ at the Hôtel de Paris.

Now that the Strategic Plan and the Work Programme have been approved, the IHB, IHO Member States and Regional Hydrographic Commissions are formally committed to their implementation. In particular, efforts should be concentrated on :

- Enhancing the co-operation between Member States and with the International Organizations.
- Capacity building (co-operation with States that have to develop their hydrographic services).

- Support and co-ordination of appropriate standards.
- Enhancing public relations in order to raise public awareness of the importance of hydrography.
- Continue the development of the IHO by recruiting new Member States and improving the IHB's services.

The Directing Committee wishes to thank HSH Sovereign Prince RAINIER III, HSH Prince ALBERT, and the Monegasque Government for the support provided to this important event. Thanks are also given to all the national and international delegates for their contribution to the discussions and to the IHB staff who worked in a very effective way during the Conference. The above factors greatly contributed to the success of this Second Extraordinary Conference.

LIST OF PARTICIPANTS
LISTE DES PARTICIPANTS

DELEGATES FROM MEMBER GOVERNMENTS
DELEGUES DES GOUVERNEMENTS MEMBRES

(CONF.EX2/G/05)

ALGERIA/ALGERIE

Representative/Chef de délégation

Lt. Colonel Mohamed Allel TLILI, Head of the Hydrographic Service

ARGENTINA/ARGENTINE

Representative/Chef de délégation

Captain D. Eduardo Amadeo RODRIGUEZ, Head of the Naval Hydrographic Service

Alternate and Advisor/Adjoint et conseiller

Lt.Cdr. Jorge César LAPENTA, Head, Hydrographic Division

AUSTRALIA/AUSTRALIE

Representative/Chef de délégation

Captain Geoff GERAGHTY, Hydrographer, Royal Australian Navy

Alternate and Advisor/Adjoint et conseiller

Cdr. Robert WARD, Head of Policy Department
Mr. Ken POGSON, Lawyer

BELGIUM/BELGIQUE

Representative/Chef de délégation

Ing. François DE COCK, Assistant to the Director, Head of the Antwerp Office

Alternate and Advisor/Adjoint et conseiller

Ing. Arnold FREMOUT, Hydrographer Coastal Office, Ostend

BRAZIL/BRESIL

Representative/Chef de délégation

Vice Admiral Ivan PEREIRA AREAS, Director

Alternate and Advisor/Adjoint et conseiller

Captain Roberto Figueira CARVALHO, Head, Hydrographic Department

CANADA

Representative/Chef de délégation

Mr. Anthony O'CONNOR, Dominion Hydrographer

Alternate and Advisor/Adjoint et conseiller

Mr. Michael CASEY, Director Marine Cartography
Mr. Michel POULIN, Director Planning, Marketing & Applied Research
Mr. Jean-Yves POUQUIER (Quebec), Directeur, Hydrographie, Région Laurentienne

General Information Page 6

Mr. Richard MacDOUGALL (Dartmouth), Director, CHS Atlantic
Mr. George SCHLAGINTWEIT, Client Liaison, CHS/NDI
Mrs Daniele DION, Legal Counsel

CHILE/CHILI

Representative/Chef de délégation

Captain Rafael MACKAY, Director

Alternate and Advisor/Adjoint et conseiller

Commander Jorge PEREIRA

Captain Hugo GORZIGLIA (Vice President of the Conference)

CHINA/CHINE

Representative/Chef de délégation

Capt. LIU GONGCHEN, Director General of MSA

Alternate and Advisor/Adjoint et conseiller

Mr. WANG LIANGYU, Engineer

Miss LIANG CONGCONG, Translator

Mr. YANG YINBEN, Senior Captain

Mr. HAN FANCHOU, Engineer

Mr. Kwok-Chu NG (HONG KONG), Hydrographer

Mr. Kin-Ping KUI (HONG KONG), Deputy Hydrographer/Charting

Mr. Kuong Wa KUOK (MACAO PORT AUTHORITY) Hydrographer of Macao,
Department Chief

COLOMBIA/COLOMBIE

Representative/Chef de délégation

Rear Admiral Jaime JARAMILLO GOMEZ, Director General, Maritime Affairs

Alternate and Advisor/Adjoint et conseiller

Lt. Cdr. Juan Manuel SOLTAU OSPINA, Head of Hydrographic Section, CIOH

CROATIA/CROATIE

Representative/Chef de délégation

Dr. Zvonko GRŽETIC, Director Hydrographic Institut

Alternate and Advisor/Adjoint et conseiller

Mr. Radovan SOLARIC, Deputy Director

Mr. Željko BRADARIC, Head of Nautical Department

Mr. Mladen SRDELIC, Head of Information Systems Department

CUBA

Representative/Chef de délégation

Cdr. Jesús MONTES DE OCA LOPEZ, Deputy Director

Alternate and Advisor/Adjoint et conseiller

Mayor Rolando FEITO SAROUY, Director, GEOCUBA

CYPRUS/CHYPRE

Representative/Chef de délégation

Mr. Christos ZENONOS

DEMOCRATIC PEOPLE'S REP. OF KOREA/REP. POP. DEMOCRATIQUE DE COREE

Representative/Chef de délégation

VAdm. CHOE JUN GIL, Director, Hydrographic Department

Alternate and Advisor/Adjoint et conseiller

Captain CHOI GUN SOP, Vice-Director of the Hydrographic Department

Cdr. KIM GON YONG, Senior Officer of the Hydrographic Department

DENMARK/DANEMARK

Representatives/Chefs de délégation

Mr. Peter JAKOBSEN, Director General (KMS)

VAdm. Knud E.J. BORCK, Director General (DHO)

Alternate and Advisor/Adjoint et conseiller

Commander Erling HANSEN, Head of Surveying Section

Mr. Ole BERG, Director of Hydrographic Office (Charting)

Mrs. Hanne BERG, Head of Hydrographic Department

ECUADOR/EQUATEUR

Representatives/Chefs de délégation

Cdr. Fausto LOPEZ VILLEGAS, Director, Instituto Oceanografico de la Armada

Alternate and Advisor/Adjoint et conseiller

Comdr. Ruben MAZON, Chief, Hydrographic Department

ESTONIA/ESTONIE

Representative/Chef de délégation

Dr. Vaido KRAAV, Head of Lighthouse and Hydrographic Service, Deputy Director General of Estonian National Maritime Board

Alternate and Advisor/Adjoint et conseiller

Mr. Raivo PORTSMUTH, Deputy Head of Lighthouse and Hydrographic Service

Mr. Kaido KARU, Head of Hydrographic Service

Mr. Tõnis SIILANARUSK, Head of Cartography Division

FINLAND/FINLANDE

Representative/Chef de délégation

Mr. Kimmo MANNOLA, Director

Alternate and Advisor/Adjoint et conseiller

Mr. Juha KORHONEN, Assistant Hydrographer

Mr. Ismo LAITAKARI, ENC Production Manager

Mr. Jaako HALONEN, Head of Chart Division

Miss Tiina TUURNALA, Project Manager

FRANCE

Representative/Chef de délégation

Ing. général François MILARD, Directeur, Service Hydrographique et Océanographique de la Marine

Alternate and Advisor/Adjoint et conseiller

ICA André BERTRAND, Chef du Bureau Etudes Générales de la direction du SHOM

GERMANY/ALLEMAGNE

Representative/Chef de délégation

Dr. Peter EHLERS, President

Alternate and Advisor/Adjoint et conseiller

Mr. Horst HECHT, Director, Department of Nautical Hydrography
Cdr. Horst KRAMER, Chief Geographic and Hydrographic Officer

GREECE/GRECE

Representative/Chef de délégation

RAdm. Alexandros MARATOS, Hydrographer of the Navy

Alternate and Advisor/Adjoint et conseiller

Captain Anastasios SKLAVIDIS, Deputy Director

ICELAND/ISLANDE

Representative/Chef de délégation

Mr. Hilmar HELGASON, Assistant Hydrographer

INDIA/INDE

Representative/Chef de délégation

RAdm. K.R. SRINIVASAN, Chief Hydrographer to the Government of India

Alternate and Advisor/Adjoint et conseiller

Dr. S.P. SHARMA,

INDONESIA/INDONESIE

Representative/Chef de délégation

First Admiral M. MAKMUR SULAEMAN, Chief Hydrographer

Alternate and Advisor/Adjoint et conseiller

Captain T.H. SOESETYO, C.O. Units and Survey Ship

ITALY/ITALIE

Representative/Chef de délégation

Captain Corrado FIORI, Director Hydrographic Institute of the Navy

Alternate and Advisor/Adjoint et conseiller

Commander Paolo GIANNETTI, General Planning Staff Hydrographic Section
Lt. Cdr. Rosario LA PIRA, Head of Electronic Chart Division
Mrs. Paola PRESCIUTTINI, Interpreter, Public Relations

JAPAN/JAPON

Representative/Chef de délégation

Dr. Yoshio KUBO, Director General (Chief Hydrographer)

Alternate and Advisor/Adjoint et conseiller

Dr. Kunio YASHIMA, Director, Coastal Surveys and Cartography Division
Mr. Mizuhiro KURODA, Director, Specialized Agencies' Adm. Division, Ministry of Foreign Affairs

MALAYSIA/MALAISIE

Representative/Chef de délégation

First Admiral MOHD RASIP BIN HASSAN, Director General (President of the Conference)

Alternate and Advisor/Adjoint et conseiller

Captain Yacob BIN ISMAIL, Director Hydrography

MONACO

Representative/Chef de délégation

Mlle Véronique CAMPANA of the Directorate of Maritime Affairs

MOROCCO/MAROC

Representative/Chef de délégation

Mr. Youssef TBER, Chef du Service Hydrographique de la Marine Royale

MOZAMBIQUE

Representative/Chef de délégation

Mr. Estêvão JAMES, Head of Hydrographic Department

Alternate and Advisor/Adjoint et conseiller

Mr. Ilidio GOENHA, Deputy Director

NETHERLANDS/PAYS-BAS

Representative/Chef de délégation

Captain Leo KOOL, Hydrographer, Royal Netherlands Navy

NEW ZEALAND/NOUVELLE-ZELANDE

Representative/Chef de délégation

Mr. John SPITTAL, Chief Topographer/Hydrographer

Alternate and Advisor/Adjoint et conseiller

Mr. Dave MOLE, Manager (Compliance)

NORWAY/NORVEGE

Representative/Chef de délégation

Mr. Frode KLEPSVIK, Hydrographer

Alternate and Advisor/Adjoint et conseiller

Mr. Arne HAUSKEN

SULTANATE OF OMAN/SULTANAT D'OMAN

Representative/Chef de délégation

Lt. Cdr. Abdullah Said AL-RUJAIBI

Alternate and Advisor/Adjoint et conseiller

Lt. Cdr. Mansoor Bin Mohammad AL-KHARUSI

PAKISTAN

Representative/Chef de délégation

Cdr. Muhammad RIAZ, Hydrographer, Pakistan Navy

Alternate and Advisor/Adjoint et conseiller

Lt. Cdr. Muhammad ASHRAF, Deputy Hydrographer

PERU

Representative/Chef de délégation

RAdm. Héctor SOLDI Soldi, Director de Hidrografia y Navegacion

Alternate and Advisor/Adjoint et conseiller

Lt. Cdr. Aquiles CARCOVICH CARCOVICH, Head of the Technical Office

Lt. Cdr. Julio BEHR, Technical Assistant

PHILIPPINES

Representative/Chef de délégation

Lt. Rosalino DELOS REYES

POLAND/POLOGNE

Representative/Chef de délégation

Captain Władysław KIERZKOWSKI, Hydrographer

Alternate and Advisor/Adjoint et conseiller

Commander Andrzej KOWALSKI, Head of Nautical Information Section

PORTUGAL

Representative/Chef de délégation

VAdm. José Torres SOBRAL, General Director of the Hydrographic Institute

Alternate and Advisor/Adjoint et conseiller

Commander Augusto Mourão EZEQUIEL

Lt. Cdr. Fernando Maia PIMENTEL

Lt. José Fialho LOURENÇO

REPUBLIC OF KOREA/REPUBLIQUE DE COREE

Representative/Chef de délégation

Mr. Jong-kyong HONG, Premier Secrétaire auprès de l'Ambassade de Corée en France

Alternate and Advisor/Adjoint et conseiller

Mr. Yong-cheol KIM, Head ENC Section

Mr. Sang-hyun SUH, Team Head (Ocean Information & Communication Team KRISO)

REPUBLIC OF SOUTH AFRICA/REPUBLIQUE SUD AFRICAINE

Representative/Chef de délégation

Captain Derek LAW, Hydrographer, S.A. Navy

RUSSIAN FEDERATION/RUSSIE, FEDERATION DE

Representative/Chef de délégation

Admiral Anatoly KOMARITSYN, Chief, HDNO

Alternate and Advisor/Adjoint et conseiller

Captain Boris FRIDMAN, Chief Cartographic Division

Captain Vadim SOBOLEV, Chief of the International Division of HDNO

Captain Sergei ALEXEEV, Chief of Hydrographic Research Institute

Captain S. SCHERBACK

Mr. Nicolai ORLOV

SINGAPORE/SINGAPOUR

Representative/Chef de délégation

Captain Wilson N.F. CHUA, Chief Hydrographer

Alternate and Advisor/Adjoint et conseiller

Mr. Parry OEI, Deputy Hydrographer

SPAIN/ESPAGNE

Representative/Chef de délégation

Captain Juan Miguel NODAR CRIADO, Director

Alternate and Advisor/Adjoint et conseiller

Cdr. Manuel PARDO DE DONLEBÚN, Vice-Director

SWEDEN/SUEDE

Representative/Chef de délégation

Mr. Åke MAGNUSSON, Hydrographer

Alternate and Advisor/Adjoint et conseiller

Mr. Göran NORDSTRÖM, Deputy Hydrographer

Mr. Peter SUNDBERG, Head, Nautical Production

TUNISIA/TUNISIE

Representative/Chef de délégation

Captain Abdellaziz JARRAR, Head of Hydrographic and Oceanographic Service

Alternate and Advisor/Adjoint et conseiller

Lt. Cdr. Ahmed GHIS

TURKEY/TURQUIE

Representative/Chef de délégation

Captain Nazim ÇUBUKÇU, Director

Alternate and Advisor/Adjoint et conseiller

Captain Ali KAPLAN, Head of the Technical Group

UNITED KINGDOM/ROYAUME-UNI

Representative/Chef de délégation

RAAdm. John P. CLARKE, Hydrographer of the Navy and Chief Executive

Alternate and Advisor/Adjoint et conseiller

Mr. V. JENKINS, Deputy Chief Executive/Director of Production (DCE/DP)

Mr. Bob MOSS, Director of Marketing

Captain Dan CONLEY, Director of Defence Division

Mr. Bill BURGESS, Finance Director

Mr. David McPHERSON, Director, PRIMAR Programme

Dr. Chris DRINKWATER, Technical Adviser

Dr. Peter COX, Deputy Director/Charts and Publications

Mr. William SALMON, Head of External Relations

Mr. Alan SHAW, Head of Hydrographic Data Centre

Mrs. Anne KEARLE, External Relations

Mr. Mike BOYD, Bilateral Arrangements Manager

Mr. David WARE, Product Manager

Mr. Ian HUSBAND, Business Development

Mr. Nigel SUTTON, External Relations

Ms Jill FINLOW, Head of Foreign Charting

UNITED STATES OF AMERICA/ETATS-UNIS D'AMERIQUE

Representative/Chef de délégation

Captain David MACFARLAND, Director, Office of Coast Survey

Alternate and Advisor/Adjoint et conseiller

Mr. Douglas BROWN, Deputy Director, Office of Coast Survey

Mr. Erich FREY

RAAdm. Christian ANDREASEN, Chief Hydrographer, NIMA

Ms Denise WEBSTER, Attorney

Mr. Roy SOLURI, Deputy Chief, Marine Navigation Department

Ms Deborah WYNES, Director, Office of UN System Administration

Rear Admiral Kenneth BARBOR, Commander, Naval Meteorology and Oceanography Command

Mr. Paul COOPER, Director, Cooperative Surveys Division,
Naval Oceanographic Office
Mr. Kenneth COOPER, Deputy Technical Director, Naval Meteorology and
Oceanography Command

URUGUAY

Representative/Chef de délégation

Captain Hugo ROLDOS DE LA SOVERA, Head of Service

VENEZUELA

Representative/Chef de délégation

Captain Carlos BANEGAS FONSECA, Director

Alternate and Advisor/Adjoint et conseiller

Cdr. César Enrique MARTINEZ SALAZAR, Head of Hydrography Division

OBSERVERS FROM 4 PENDING MEMBER GOVERNMENTS
OBSERVATEURS DE 4 GOUVERNEMENTS DONT LES FORMALITES
D'ADHESION SONT EN COURS

BANGLADESH

Commander Syed BADRUDDUZA, BN, Director of Hydrography
Commodore Moquit AZMA, Assistant Chief of Naval Staff (Operations)

MEXICO

Commander Cruz Alfredo GUARDADO GUTIERREZ, Director de Hidrografia

ROMANIA/ROUMANIE

Captain Ioan IVANASCIUC, Head of Romanian Hydrographic Directorate
Mr. Catalin POCNETZ, Hydrographer

SLOVENIA/SLOVENIE

Mr. Adam GRUENFELD, State Secretary
Mr. Igor KARNICNIK, Hydrographer

**OBSERVERS FROM 3 INTERNATIONAL ORGANIZATIONS
*OBSERVATEURS DE 3 ORGANISATIONS INTERNATIONALES***

UNITED NATIONS DIVISION FOR OCEAN AFFAIRS AND THE LAW OF THE SEA/*DIVISION DES AFFAIRES MARITIMES ET DU DROIT DE LA MER DES NATIONS-UNIES* (UNDOALOS)

Mr. Alexei A. ZINCHENKO
Ms Ludmila ZINCHENKO

INTERGOVERNMENTAL OCEANOGRAPHIC COMMISSION/*COMMISSION OCEANOGRAPHIQUE INTERGOUVERNEMENTALE* (IOC/COI)

Dr. Dmitri TRAVIN

INTERNATIONAL MARITIME ORGANIZATION – INTERNATIONAL MARITIME ACADEMY (IMO-IMA)//*ORGANISATION MARITIME INTERNATIONALE - ACADEMIE MARITIME INTERNATIONALE* (OMI-AMI)

RAdm (Retd.) Francesco SPANIO
Dr. Pietro MARIN

INTERNATIONAL ASSOCIATION OF LIGHTHOUSE AND AIDS TO NAVIGATION AUTHORITIES (IALA)/*ASSOCIATION INTERNATIONALE DE SIGNALISATION MARITIME* (AISM)

RAdm. (Retd.) LECLAIR

PAST IHB PRESIDENT/*DIRECTOR/ANCIEN PRESIDENT/DIRECTEUR DU BHI*

Rear Admiral (Retd.) Sir David HASLAM
Vice Admiral (Retd.) Alfredo CIVETTA
Mr. Adam J. KERR

**AGENDA FOR
THE SECOND EXTRAORDINARY
INTERNATIONAL HYDROGRAPHIC CONFERENCE**

(CONF.EX2/G/01/Rev.2)

- 1. CONFIRMATION OF ELECTION OF THE PRESIDENT AND VICE-PRESIDENT OF THE CONFERENCE
NOMINATION OF RAPPORTEURS**
 - 2. APPROVAL OF THE AGENDA**
 - 3. CONSIDERATION OF THE SUMMARY REPORT OF THE STRATEGIC PLANNING WORKING GROUP (Working Paper 1)**
 - 4. CONSIDERATION OF PROPOSALS**
 - 4.1 To approve the IHO Strategic Plan (**PROPOSAL 1**)
 - 4.2 To approve the IHO Work Programme and priorities (**PROPOSAL 2**)
 - 4.3 To approve the IHO SPWG recommendations regarding the planning cycle (**PROPOSAL 3**)
 - 4.4 To approve proposed changes to the qualifications of Directors (**PROPOSAL 4**)
 - 4.5 To approve the continuation of further studies on structural changes to the Organization (**PROPOSAL 5**)
 - 4.6 To approve the continuation of the additional Post of Professional Assistant [15th IH Conference Decision No. 5] (**PROPOSAL 6**)
 - 4.7 Approval of a greater frequency of Conferences [15th IH Conference Decision No.7] (**PROPOSAL 7/Rev.1**)
 - 4.8 Approval of the in-place arrangements for an Electronic Document Centre at IHB [15th IH Conference Decision No. 8] (**PROPOSAL 8**)
 - 5. CONSIDERATION OF OTHER STRATEGIC ISSUES**
 - 5.1 Spanish as the third IHO official language (**PROPOSAL 9**)
 - 5.2 Interpretation of Article XX of the IHO Convention (**PROPOSAL 10**)
 - 6. CONSIDERATION OF OTHER MATTERS**
 - 6.1 Development of the WEND system, and future role of RENCS [Report] (**Working Paper 2**)
 - 6.2 Briefing on the financial situation of the Organization [Report] (**Working Paper 3**) and (**PROPOSAL 11**)
 - 7. CLOSING OF THE CONFERENCE**
 - 7.1 Presentation of ICA prize
 - 7.2 Order of seats for 2002 Conference
-

PROGRAMME
(CONF.EX2/G/02/Rev.3)

Thursday 16	Friday 17	Saturday 18
<u>0900-1230</u> <u>1400-1730</u> WEND Meeting (Conference Room - IHB)	<u>0900-1230</u> <u>1400-1730</u> WEND Meeting (Conference Room – IHB)	<u>0900 – 1730</u> IHO/INDUSTRY INTERFACE MEETING (CCAM)

Sunday 19	Monday 20	Tuesday 21	Wednesday 22	Thursday 23	Friday 24
<p>0900-1800</p> <p>Registration (CCAM)</p> <p>1000 – Exhibition opens ¹</p>	<p>0830-0945</p> <p>First Plenary Session</p> <p><u>Agenda Items</u> 1: Confirmation of election Conf-President & Vice-President 2: Adoption Agenda 3: SPWG Report – WP.1</p> <p>1000 – 1045 Opening Ceremony</p> <p>0945 – Arrival of official guests</p> <p>1000 – Arrival of HSH Prince Albert</p> <p>1010 – Welcoming Remarks, President of the D.C.</p> <p>1020 – Opening Speech by HSH Prince Albert</p> <p>1100-1215 First Plenary Session reconvenes</p> <p>1230 - Official photo (Monte-Carlo Casino, sea side)</p>	<p>0830-1230</p> <p>Plenary Session 3</p> <p><u>Agenda Items</u> 4.1: PRO 1 4.2: PRO 2 4.3: PRO 3 4.5: PRO 5 4.7: PRO 7 rev.1</p> <p>Continued</p> <p>5.1: PRO 9 4.4: PRO 4</p>	<p>0830-1230</p> <p>Plenary Session 4</p> <p><u>Agenda Items</u> 4.6: PRO 6 4.8: PRO 8 5.2: PRO 10</p>	<p>0830-1220</p> <p>Plenary Session 5</p> <p><u>Agenda Items</u> Outstanding Items 6.1: WEND Report (WP.2) 6.2: Financial Report (WP.3) and PRO 11 7.1: Presentation of ICA Prizes (Japan, Chile, Peru) 7.2: Seat Order for XVth IHC – 2002</p> <p>Closing Session</p> <p>1230 Monaco Government Reception (Salle Empire, Hôtel de Paris)</p>	<p>0830-1000</p> <p>SPWG MEETING (IHB Chartroom 1)</p> <p>1030-1230 INT CHART AREA C1 MEETING (IHB Chartroom 2)</p> <p>0900-1230 CSC MEETING (IHB Conference Room)</p>
LUNCH BREAK					
<p>1400–1730</p> <p>SOLAS V REVISION MEETING (CCAM)</p> <p>1800 Exhibitors Reception (CCAM)</p>	<p>1400-1730</p> <p>Plenary Session 2</p> <p><u>Agenda Items</u> 4.1: PRO 1 4.2: PRO 2 4.3: PRO 3 4.5: PRO 5 4.7: PRO 7 rev.1</p> <p>1830 IHB Reception (IHB) Invitation only</p>	<p>1400-1730</p> <p>UK WORKSHOP ON OPERATION OF RENC (CCAM)</p> <p>1830 UK Reception (IHB) Invitation only</p>	<p>1400-1730</p> <p>NAVAREA VIII MEETING (IHB Chartroom 1)</p> <p>BLACK SEA WG MEETING (IHB Chartroom 2)</p> <p>1800 Exhibition closes</p> <p>1800 Russian Reception on board SIBIRIYAKOV Invitation only</p>	<p>1600 Press Conference (CCAM)</p>	<p>1400-1700</p> <p>CSC MEETING continues (if needed) (IHB Conference Room)</p>

¹ Note: Commercial Exhibition will be open every day and all day from 19 to 22 March.

**OFFICERS OF THE
2nd EXTRAORDINARY INTERNATIONAL HYDROGRAPHIC CONFERENCE**

**PRESIDENT OF THE
CONFERENCE**

First Admiral MOHD RASIP BIN HASSAN
(Malaysia)

**VICE-PRESIDENT OF THE
CONFERENCE**

Captain Hugo GORZIGLIA (Chile)

OPENING ADDRESSES

**OPENING ADDRESSES OF THE
2nd EXTRAORDINARY INTERNATIONAL HYDROGRAPHIC CONFERENCE**

1. The President of the IHB Directing Committee
Rear Admiral Giuseppe ANGRISANO

2. His Serene Highness Prince ALBERT

**OPENING ADDRESS BY THE PRESIDENT OF THE IHB DIRECTING COMMITTEE
Rear Admiral Giuseppe ANGRISANO**

Your Serene Highness,
Your Excellencies,
Distinguished Delegates and Observers,
Ladies and Gentlemen.

I am sure to express the sentiments of us all when I say that we are extremely honoured to have your presence here to open the Second Extraordinary International Hydrographic Conference.

Since the last Ordinary Conference, which was held in this same Auditorium in April 1997, the Organisation has been joined by five new Member States: Colombia, Morocco, Mozambique, Tunisia and Ukraine that we welcome today. The total number of member states, now 68, plus another seven, whose formalities of adhesion are going to be completed, shows that the IHO is a vital organisation.

This growth reminds us once more of the keen interest that your Father, HSH Rainier III, has always demonstrated to the IHO. Last year he celebrated his jubilee: fifty years of reign during which the IHO acquired fifty new Member States. We respectfully ask you to convey to HSH the Prince of Monaco the sentiments of our gratitude and our best wishes for his personal health and prosperity. As a tangible sign of this gratitude, at the end of my Opening Remarks, it will be my pleasure to present HSH Prince Rainier with this silver box on top of which is engraved the geographical situation of the IHO MS in 1999.

This very positive growth is also due to the dedication of the hydrographic services of the IHO Member States and to that of the IHB Directing Committee and Staff. I would like to therefore take this opportunity to thank all the heads of the hydrographic services of the member governments, my two colleagues Directors (Rear Admiral Guy and Commodore Leech), the past Directors and the IHB staff for the tremendous work carried out in every technical activity and, in particular for the preparation of this conference.

This is the second extraordinary conference in the history of the IHO, the first one having taken place in Monaco in April 1929. That conference was considered necessary for addressing a number of technical issues that the relatively young organisation had to face.

The present Conference has been requested by the IHO Member States in order to approve, in a formal way, the Strategic Plan for the future years. The Strategic Plan has been discussed and drafted by the Strategic Planning Working Group and, together with the IHO work plan, is now mature and needs to be considered for its final approval and subsequent implementation by the entire IHO community. I would like here to thank the members of the working group who have worked so hard over the past two years.

This conference also brings the IHO back to the scientific interest of Prince Albert the First, in particular for the acquisition of marine data in a global and systematic form, by giving increased emphasis to scientific and Geographic Information Systems Applications.

The strategic issues and the strategic goals that the plan has identified are ambitious but are all achievable. With the condition however that we succeed in convincing all the interested government and the international organisations that hydrography and descriptive oceanography are essential factors of the effectiveness and safety of the navigation and of the protection and management of the marine environment.

Governments and international organisations should also be made aware that the IHO can provide fairly effective co-operation in several technical fields.

To this endeavour, the presence here of the HSH the Hereditary Prince, assumes a particular significance. As we know, Monaco became a member of the United Nations in May 1993 and the Monaco Delegation at the UN, under the leadership of Prince Albert has been very active in promoting several significant UN resolutions. The IHO was helped by the delegation of Monaco at the UN to achieve the approval, by the 53rd UN Assembly (1998), of an important resolution by which the UN Assembly (I quote): **invited States to co-operate in carrying out hydrographic surveys and in providing nautical services.... and to co-ordinate their activities so that hydrographic and nautical information is made available on a worldwide scale.**

In addition your Highness agreed to represent, to some of the governments of the States that you recently visited, the interests of hydrography and to emphasise the possibilities of co-operation existing within the IHO. We have been very sensitive to your personal interest and we would like here to publicly thank you for such an effective contribution to promote a science that can enhance the economy of many countries, create employment and create the awareness that a state has in being the real owner of the sea area that is under its jurisdiction, to survey and study its parameters.

We do hope that your Highness may continue in the future to act as an exceptional ambassador of the IHO.

Monseigneur, we would be obliged to you if you would like to now open this second extraordinary international hydrographic conference.

OPENING ADDRESS BY H.S.H. PRINCE ALBERT

President
Minister
Ladies and Gentlemen

I would like to thank you for these kind words addressed to the Principality, to HSH Prince Rainier, my Father, and to myself. I will certainly pass on your good wishes and to the Sovereign Prince and the gift that the IHO has very kindly offered Him.

I am very pleased, in turn, to greet the representatives of the five new IHO Member States that you have named, whom I welcome to Monaco as all the delegates present here.

You have explained, President, the aims of the Organization's strategic plan which is going to be submitted to this Extraordinary Conference for consideration and final approval.

I wish to assure you that I share your feelings on the fundamental importance of these objectives for the international community and on their compliance with the scientific interests that drove Prince Albert 1st in his work devoted to oceanography.

President, you also kindly mentioned the importance you attach to the co-operation offered by the Principality, notably within the framework of the work carried out by the United Nations Assembly, in which I have participated as Head of the Monegasque delegation.

Believe you me that I very much appreciate your comments on the role played by Monaco in favour of hydrographic interests and rest assured that our country will endeavour to follow in the footsteps of the great forerunner, Prince Albert 1st, as the Sovereign Prince, my Father, has always wished.

It is now my great pleasure to declare this 2nd Extraordinary International Hydrographic Conference open, I wish you all a fruitful Conference.

PROPOSALS TO THE CONFERENCE

**LIST OF CONFERENCE PROPOSALS
(CONF.EX2/G/03/Rev.1/Add.2)**

APPROVAL OF THE RECOMMENDATIONS MADE BY THE SPWG

NAME OF PROPOSAL	Page
<p>PROPOSAL 1 - APPROVAL OF THE NEW IHO STRATEGIC PLAN (CONF.EX2/PRO.1)</p> <p>IHO Strategic Plan.</p> <p>Information documents (not included in the Red Book)</p> <ul style="list-style-type: none"> - Collection of Interim Reports of the SPWG. (CONF.EX2/INFO.1) (See IHB C.L. 4/98, 44/98, 28/99) - Summary of responses to Questionnaire on strategic issues including SWOT analysis. (CONF.EX2/INFO.2) (See IHB C.L. 4/98) - SPWG ST Report 2.1 – Organization, activities, expertise and structure of the IHO. (CONF.EX2/INFO.3) 	25
<p>PROPOSAL 2 - APPROVAL OF THE INTER-SESSIONAL WORK PROGRAMME 2000-2004 (CONF.EX2/PRO.2)</p> <p>Information documents (Not included in the Red Book)</p> <ul style="list-style-type: none"> - IHO Work programme for 2000. (CONF.EX2/INFO.5) - SPWG Working papers on GIS applications of hydrographic data and services. (CONF.EX2/INFO.4) 	34
<p>PROPOSAL 3 – APPROVAL TO DEFER A DECISION ON THE PLANNING CYCLE UNTIL THE CONFERENCE IN 2002 (CONF.EX2/PRO.3)</p>	55
<p>PROPOSAL 4 - APPROVAL OF THE PROPOSED CHANGES TO THE ELIGIBILITY CRITERIA FOR IHB DIRECTORS (CONF.EX2/PRO.4)</p> <p>Information documents (Not included in the Red Book)</p> <ul style="list-style-type: none"> - SPWG ST Report 2.5. - Roles of IHB Directors and Criteria for Selection (CONF.EX2/INFO.6) 	58
<p>PROPOSAL 5 - APPROVAL OF THE CONTINUATION OF FURTHER STUDIES ON STRUCTURAL CHANGES</p> <p>Information documents (Not included in the Red Book)</p> <ul style="list-style-type: none"> - Recent changes to the IHB work and budget. (CONF.EX2/INFO.7). Extract from IHB C.L. 25/99 - SPWG ST Report 2.3/4 Gap analysis – IHB resources and skills (CONF.EX2/INFO.8) 	62

NAME OF PROPOSAL	Page
<p>PROPOSAL 6 - APPROVAL OF THE CONTINUATION OF THE ADDITIONAL POST OF PROFESSIONAL ASSISTANT AT THE IHB ((CONF.EX2/PRO.6)</p> <p>Information documents (Not included in the Red Book)</p> <ul style="list-style-type: none"> - SPWG ST Report 2.3/4 Gap analysis – IHB resources and skills (CONF.EX2/INFO.8) - 15th IH Conference Decision N° 5. (CONF.EX2/INFO.9) - Job Description of the IHO Professional Assistants (CONF.EX2/INFO.10) 	67
<p>PROPOSAL 7 - APPROVAL OF AN INCREASE IN THE FREQUENCY OF IH CONFERENCES (CONF.EX2/PRO.7/Rev.1)</p> <p>Information documents (Not included in the Red Book)</p> <ul style="list-style-type: none"> - 15th IH Conference Decision N° 7. (CONF.EX2/INFO.11) 	71
<p>PROPOSAL 8 - APPROVAL OF THE IHB ARRANGEMENTS FOR AN ELECTRONIC DOCUMENT CENTRE (CONF.EX2/PRO.8)</p> <p>Information documents (Not included in the Red Book)</p> <ul style="list-style-type: none"> - 15th IH Conference Decision N° 8. (CONF.EX2/INFO.12) 	77
<p>PROPOSAL 9 - APPROVAL OF SPANISH AS THE THIRD OFFICIAL IHO LANGUAGE (CONF.EX2/PRO.9)</p> <p>Information documents (not included in the Red Book)</p> <ul style="list-style-type: none"> - Study of the implication of Spanish as an official language (not included in the Red Book) (CONF.EX2/INFO 13). (See IHB Circular Letter 24/1999) - 15th IH Conference Decision 14. (CONF.EX2/INFO.14) 	79
<p>PROPOSAL 10 - INTERPRETATION OF ARTICLE XX OF THE IHO CONVENTION (CONF.EX2/PRO.10)</p> <p>Information documents (not included in the Red Book)</p> <p>Report from Mr. K. POGSON, member of the IHO Legal Advisory Committee. (CONF.EX2/INFO.15)</p>	86
<p>PROPOSAL 11 - IHO WORKING CAPITAL FUND AND INTERNAL RETIREMENT FUND (CONF.EX2/PRO.11)</p>	87

PRO 1 - IHO STRATEGIC PLAN

Submitted by: Strategic Planning Working Group

References:

- Collection of Interim Reports of the SPWG. (CONF.EX2/INFO.1) (See IHB C.L. 4/98, 44/98, 28/99)
- Summary of responses to Questionnaire on strategic issues including SWOT analysis. (CONF.EX2/INFO.2) (See IHB C.L. 4/98)
- SPWG ST Report 2.1 – Organization, activities, expertise and structure of the IHO. (CONF.EX2/INFO.3)

PROPOSAL

The Conference is requested to approve the draft IHO Strategic Plan.

BUREAU COMMENTS

The idea of having an IHO Strategic Plan was proposed at the XIV Conference, and the Directing Committee was requested to prepare one. This work was presented to the XV Conference, which decided that further development was required. The Conference established a Strategic Planning Working Group, charged with developing a Strategic Plan, and reporting to Member States within two years.

As mentioned in the SPWG Summary Report, the SPWG commenced its work by issuing a questionnaire to all Member States, asking for their opinion about the strategic issues which they faced, and their views about the future work of the SPWG. The responses to this questionnaire provided an important point of departure for the Strategic Planning process, and a summary of those responses is provided as the Information Paper Conf. Ex2 / Info. 2.

The SPWG identified six major Strategic Issues facing Member States, and subsequently developed four Strategic Goals for the IHO for the next ten years. These are all detailed in the draft Strategic Plan.

Two new strategic themes emerged from the initial SPWG studies:

i. The need for the IHO to be able to raise the visibility of the importance of hydrography in helping to ensure maritime safety.

The delegates felt the role and responsibilities of the national hydrographic offices was not always well understood by governments and users, and that this lack of understanding was one of the main reasons behind difficulties in:

- (a) securing support for new hydrographic developments,
- (b) being able to provide assistance to developing hydrographic offices and countries without hydrographic offices and
- (c) building capacity.

The delegates also suggested that some of the recent concerns about the relationship between HO s and non-government organizations, and the relationships between the IHO and other international bodies was in part a result of the lack of understanding of the importance of hydrography and the responsibilities of the HOs.

The delegates agreed that all of the components of the IHO had responsibility for helping to raise the importance of hydrography, and the IHO needs to be seen “to speak with one voice”. The delegates further agreed that the IHB should be that voice, and that the IHB should adopt a professional public relations approach to being “that voice”.

This item resulted in Public Relations being identified in the new Work Programme.

ii. The need for the IHB, as the servant of the IHO, to be more accountable and to improve its ability to service the IHO, as monitored by tangible measures .

The delegates felt that the cost-effectiveness of the IHO should be examined, and that, if necessary, proposals for structural change should be examined. This aspect of the Organization should in future receive more attention.

This item resulted in **Corporate Development** being added to the Work Programme.

The Strategic Issues and Goals were used to develop the draft Strategic Plan and Work Programme. These were submitted to Member States for comment in CL 44/98.

No major changes to these documents were proposed in Member States responses to the CL. During 1999 the SPWG refined the draft Strategic Plan.

Presentation of the new Strategic Plan

The SPWG now presents the draft Strategic Plan to the 2nd Extraordinary Conference for consideration and approval. The document is attached to this report.

INTERNATIONAL HYDROGRAPHIC ORGANIZATION

STRATEGIC PLAN

March 2000

Note: This document has not yet been approved by the Member States of the IHO

INTERNATIONAL HYDROGRAPHIC ORGANIZATION

STRATEGIC PLAN

Background

The International Hydrographic Organization is an inter-governmental organization whose members are the governments of maritime states. Established in 1921, the Organization provides a forum for the improvement of services to marine navigation through the discussion and resolution of hydrographic issues at the international level. It assists member governments to deliver these services in the most cost effective way through their national hydrographic offices. The IHO is governed by an international convention which has been ratified by 67 Member States [1999].

Definition

Hydrography is defined as;

"That branch of applied science which deals with the measurement and description of the physical features of the navigable portion of the Earth's surface and adjoining coastal areas, with special reference to their use for the purpose of navigation".

The hydrographic services provided by the IHO Member States have two principal elements, acquisition of information, and provision of information services. They serve two principal groups of users, navigators, and users of Geographic Information Systems [GIS].

Rationale

National hydrographic offices provide services to assist the safe and efficient navigation of ships, as well as hydrographic data essential for the sustainable use of the marine environment. The principal service is the provision of nautical information, including nautical charts, notices to mariners, sailing directions, data for integrated navigation systems and other products and services.

The provision of accurate and up to date charts offers significant economic and commercial benefits through facilitation of maritime trade and other marine activities. It also helps to prevent accidents which may result in the loss of life and property and in pollution of the marine environment.

Because navigation as well as marine administration and sciences are international activities, it is necessary to have a means of co-ordinating the work of national agencies and of standardizing products and services, in order to provide an effective world-wide service. This is the rationale for the IHO.

Mission

The mission of the IHO is to ensure the provision of adequate and timely hydrographic information for world-wide marine navigation and other purposes, through the co-ordination of the endeavours of national hydrographic offices.

Objectives

The Objectives of the IHO are set down in Article II of the Convention. It is the object of the Organization to bring about :

- [a] The co-ordination of the activities of national hydrographic offices ;
- [b] The greatest possible uniformity in nautical charts and documents ;
- [c] The adoption of reliable and efficient methods of carrying out and exploiting hydrographic surveys ;
- [d] The development of the sciences in the field of hydrography and the techniques employed in descriptive oceanography.

Benefits

The main beneficiary of the work of the IHO is the mariner, who receives a coherent, standardized and well co-ordinated service for safe and cost-effective navigation.

However the Member States themselves benefit from IHO participation because an efficient world wide nautical service improves the safety of shipping and reduces the risks of casualties and environmental damage. Additionally, co-operative development of standards, procedures and products reduces unnecessary duplication of national efforts. The IHO also provides technical advice and assistance to help Member States to improve the services provided by their national hydrographic offices.

Additionally Member States benefit from the work of the IHO in developing the application of hydrographic data to other national tasks. There is a growing demand for hydrographic data for purposes other than navigation, especially for fishing, offshore industry, coastal protection, harbour construction, and marine scientific research. Applications include decisions on national maritime boundaries, coastal zone management, modeling of marine areas, study of habitats, assessment of the state of the marine environment, and exercise of national rights in maritime zones.

The benefits of hydrographic work are recognized in a number of international conventions, notably the Convention on Safety of Life at Sea (SOLAS), the United Nations Convention on the Law of the Sea (UNCLOS), and the United Nations Convention on the Environment and Development (UNCED).

Strategic Issues

The main strategic issues currently facing the IHO and its member hydrographic offices are:

Transition to the digital era,

- Successful transition to provision of digital services, including production, distribution and updating

Achievement of an adequate global hydrographic data coverage,

- Ensuring that good quality hydrographic data is available throughout the world where needed

Responding to the external environment,

- Providing an appropriate and timely response to developments in government policy, technology, distribution, etc

Achievement of adequate funding,

- Ensuring that sufficient funding is available for the provision of required services

Capacity building,

- Building effective national organizations, with appropriate numbers of skilled staff and equipment

Providing services other than for navigation,

- Ensuring that the national hydrographic data are available for GIS applications to satisfy the needs of scientists, administrators and other institutions with interests in marine issues, and that the data are fully and conveniently available to them.

Goals of the IHO

The goals of the IHO reflect the objectives of the Organization and the need to address the strategic issues facing the Members. The current goals are;

1. To help the Member States to fulfil their present roles and to anticipate future demands as effectively and efficiently as possible, particularly by:
 - Acting as a focal point and forum on all matters relating to best practice in hydrography and management;
 - Fostering exchange and co-operation between HO s;
 - Stimulating new developments for hydrographic services;
 - Developing and disseminating minimum standards;
 - Encouraging regional co-operation.
2. To achieve global coverage of effective hydrographic services, through:
 - Assessing adequacy of current coverage, prioritizing areas of concern, and encouraging work to improve the situation;
 - Encouraging the establishment of new HO s, and striving to raise the capabilities of all HO s;
 - Expanding membership of IHO.
3. To raise global awareness of the importance of hydrography, through:
 - Ensuring that the roles and responsibilities of national HO s are properly understood;
 - Promoting the benefits of the work of national HO s;
 - Providing support for funding initiatives, especially for developing nations.
4. To maintain an efficient and effective internal organization through appropriate corporate management and development.

Programmes

In order to meet its current goals, the IHO manages five principal programmes:

1. Co-operation between Member States and with International Organizations

This programme addresses the requirement of Goals Nos 1 and 2 through coordinated activities at the regional or worldwide level, via:

- Creation and operation of the regional hydrographic commissions, and other relevant subsidiary bodies of the IHO;
- Representation of IHO interests at relevant international organizations;
- Intensification of co-operation between the hydrographic services of Member States;
- Co-operation between IHO and non-member states;
- Encouraging all maritime nations to become Member States.

2. Capacity Building

This programme addresses principally the requirements of Goal No.2, either through the development of hydrographic capabilities in nations where such development is needed , or through assistance in some specific fields to nations with an already established hydrographic capability, via:

- Advisory assessments to identify requirements and shortcomings;
- Promotion and co-ordination of technical co-operation and training from developed nations;
- Promotion and co-ordination of funding and other assistance from international aid agencies;
- Raising political awareness of the requirements for and benefits of hydrographic services;
- Encouraging the establishment of new Hydrographic Offices.

3. Techniques and Standards Co-ordination and Support

This programme addresses the requirement of Goal No.1 through the following activities:

- Acting as a focal point and forum for the interchange of information on all matters relating to pertinent current and emerging technologies and operational techniques and their application to hydrography;
- Stimulating new developments for provision of hydrographic services, especially digital services;
- Developing appropriate standards ,through technical subsidiary bodies;
- Disseminating all information relating to the above in the working languages of the Organization.

These activities are generally divided into seven specialities; cartography and hydrographic information services, hydrographic surveying, navigation, training, GIS applications and services, publications management, and translation services.

4. Public Relations and General Management Support

This programme addresses the requirements of Goals Nos. 1 and 3 by;

- Raising public awareness of the importance of hydrography, and ensuring that the need for and responsibilities of hydrographic offices are properly understood [public relations support];
- Ensuring the availability of information about the work of the Organization and its Members;
- Exchanging “benchmarking” information in regard to methods and resources employed for the achievement of objectives, to assist Member States to achieve the best results [see note];
- Exchanging information about relevant developments in the non-government sector;
- Exchanging information on the development and application of hydrographic services in support of science, coastal zone management etc, possibly within the framework of a national spatial data infrastructure.

Note; Benchmarking is defined as " a continuous, systematic process for evaluating the products, services and work processes of organizations that are recognised as representing best practices for the purpose of organisational improvement ".

5. Corporate Affairs

This programme addresses the requirements of Goal No. 4, and provides “housekeeping” services for the IHO , under five main headings;

- Corporate Development for the Organization, including strategic planning, structural change, revision of the Convention, etc;

Proposals Page 32

- I.H.Bureau Administration, including financial management, staff management, property services, secretarial services, printing services, information technology , travel etc;
- Ordinary and extraordinary IH Conferences and other meetings;Relations with Host Government;IHO Membership Administration:

Further information about these five programmes is set out in the document “ Work Programme of the IHO, 2000 – 2004”.

Attachment: Schematic Diagram.

IHO STRATEGIC PLAN - SCHEMATIC

Objectives of the IHO				
a. Co-ordinate work of NHOs b. Uniformity in Charts		↓	c. Efficient methods for surveys d. Development of sciences	
Strategic issues				
1. Transition to digital era 2. Global data coverage 3. Manage external environment		↓	4. Adequate funding 5. Capacity building 6. Services not for navigation	
Goals				
	1 Assist Member States ↓	2 Global Coverage ↓	3 Public Relations ↓	4 Effective Organization ↓
Activities				
	1.1 Act as a focal point 1.2 Foster exchange and cooperation 1.3 Stimulate new developments 1.4 Develop and disseminate standards 1.5 Inform on the private sector, academia and partnership	2.1 Assess the adequacy of current coverage 2.2. Develop HOs 2.3 Encourage IHO membership	3.1 Raise awareness of the importance of hydrography 3.2 Explain need and responsibilities of Hos 3.3 Promote the need and the benefit of HOs' work 3.4. Provide support for funding	
Structures / Expertise				
Member States	X	X	X	
Hos	X	X	X	
RHC	X	X	X	
IHC	X	X		X
IHB	X	X	X	X
Other IHO Bodies	X	X	X	X
Programmes				
1. International Co-operation	X	X	-	-
2. Capacity Building	-	X	-	-
3. Techniques and Standards	X	-	-	-
4. P. R. and Management	X	-	X	-
5. Corporate Affairs	-	-	-	X

PRO 2 - IHO WORK PROGRAMME FOR THE PERIOD 2000 – 2004

Submitted by: Strategic Planning Working Group

References:

- IHO Work programme for 2000. (CONF.EX2/INFO.5)
- SPWG Working papers on GIS applications of hydrographic data and services. (CONF.EX2/INFO.4)

PROPOSAL

The Conference is requested to approve the inter-sessional work programme.

BUREAU COMMENTS

The Strategic Planning Working Group has developed the attached inter-sessional work programme to complement the IHO Strategic Plan.

Discussion

The adoption of a prioritised work programme is a necessary stage in the achievement of the strategic objectives of the organization. The inter-sessional or 5 year work programme enables the user to understand the longer term work plan of the Organization, and to view the priorities in a longer term context. It also guides the preparation of the 5-year budget.

The inter-sessional work programme will guide the IHB and the IHO Committees in formulating their own annual work programmes.

The adoption of this programme will introduce the concept of Programme Management to the Organization.

Development

The inter-sessional work programme was developed by the SPWG in 1998, and submitted for Member States comments under CL 44/1998. No major changes were proposed by Member States. Some minor refinement was undertaken in 1999.

Budget Implications

The work programme is achievable within current budgetary limits. It is " budget neutral ".

Innovative Aspects of the Programme

The work programme is in most respects a formal statement of the work patterns of recent years.

However it introduces two new aspects to the work of the IHO. These are;

- i. Activities connected with management issues, as opposed to technical issues. These are found in Programme 4, and include such things as Public Information and Benchmarking. When requested, advice on national policy development will be offered.
- ii. Activities associated with Corporate Development. These are found in Programme 5.

The programme also addresses some important emerging issues facing Member States. These include;

- iii. Activities connected with GIS applications of hydrographic data [Element 3.4] [See also information papers on this subject].
- iv. Research into the need to develop guidelines on services for fluvial navigation [Elements 3.1 & 3.2].

Priorities and Key Targets

Another new aspect of the Work Programme is that it allocates a priority to each task. It also provides a list of Key Targets.

Member States should note that the SPWG considers that achievement of the Key Targets will require a higher tempo of activity, compared to previous decades. This can be achieved within the budget by changes to activities and resource allocations.

INTERNATIONAL HYDROGRAPHIC ORGANIZATION

WORK PROGRAMME OF THE IHO FOR THE PERIOD 2000 – 2004 *

March 2000

[This plan covers five years, and is updated annually.]

Note: This document has not yet been approved by the Member States of IHB

**I.H.O. WORK PROGRAMME
2000 - 2004**

Programme 1

Co-operation between Member States and with International Organizations

Element 1. 1 - Co-operation between Member States

The aim of this element is to continue the development of international navigation services through;

Ongoing Tasks

- Task 1. 1. 1.** The work of the regional hydrographic commissions, especially the agreement of the schemes of international charts, and the increase in the number of INT charts published [HP]
- Task 1. 1. 2.** Encouraging Member States participation in IHO subsidiary bodies [HP].
- Task 1. 1. 3** Encouraging bi-lateral co-operation based on agreements between NHOs, which provide for a balanced exchange, whether by means of products, services or copyright compensation [MP]

Project Tasks 1999

- Task 1. 1. 4.** Investigating the possibilities of establishing regional hydrographic commissions where none exist, especially in regions of NAVAREA VIII, NAVAREA IX, and INT C1 [HP].

Element 1. 2 - Co-Operation with International Organizations

The aim of this element is to continue the collaboration with other international organizations, including IMO, IOC, IALA, ICA, ISO and FIG, working particularly through:

- The IMO sub-committee on safety of navigation, the IHO/IMO Harmonising group on ECDIS, and other bodies of the IMO.
- The GEBCO programme, and the IOC programmes for Ocean mapping,
- Joint initiatives with IALA and IAPH regarding development of navigation infrastructure.

Ongoing Tasks

- Task 1. 2. 1** Continuous interaction with other International Organizations in pursuit of the objectives of and the strategic issues facing the IHO [HP].

Project Tasks

- Task 1. 2. 2** Formalise relationships with IOC, ICA and IALA, through signature of Memoranda of Understanding [MP] .

Task 1.2.3 Support the inclusion, in the revised SOLAS V, of a regulation concerning government responsibility for the provision of hydrographic services **[HP]**

Element 1.3 - Co-operation with non-Member States

Task 1.3.1 Establishment and development of relations with non-member states, particularly through R H Cs **[HP]**

List of Key Targets [KT]

KT 1.1 Initiate formation of an RHC for NAVAREA VIII, with a view to hold first meeting by 2000

KT 1.2 Initiate formation of an RHC for NAVAREA IX, with a view to hold first meeting by 2001

KT 1.3 Initiate formation an RHC for INT charting region C1, with a view to hold first meeting by 2000

KT 1.4 INT Chart Regional Co-ordinators to publish production plans for INT charts by 2000

KT 1.5 Revise the Memorandum of Understanding with IOC by 2000

KT 1.6 Establish Memorandum of Understanding with IALA by 2000

Programme 2
Capacity Building

Element 2.1 - Technical Co-Operation

Ongoing Tasks

- Task 2.1.1** Assess continuously the hydrographic surveying, nautical charting and nautical information status of nations and regions where hydrography is developing and provide guidelines for the development of local hydrographic capabilities. This includes visits to member and non-member states, especially in the Middle East , Eastern Europe, Central America and Africa , in order to identify requirements, to encourage development, and discuss the possibilities for technical and financial assistance and training [HP].
- Task 2.1.2** Encourage the coordinated provision of technical and finance assistance to hydrographic development projects by establishing close relationships with national agencies and relevant international organizations which may provide funding or other support [HP].
- Task 2.1.3** Encourage and follow the development of bilateral or multi-lateral arrangements between countries having well established Hydrographic Offices, and hydrographic survey organizations, and those desiring to establish or expand their hydrographic capabilities [MP].
- Task 2.1.4** Coordinate technical co-operation projects through the FIG/IHO Technical Assistance and Co-operation Co-ordination Working Group [TACC] [MP].
- Task 2.1.5** Maintain and update an IHO data base of Technical Co-operation Projects [MP]
- Task 2.1.6** Co-operate with the IMO Technical Co-operation division on technical co-operation matters [MP].
- Task 2.1.7** Encourage development of capacity for ENC production worldwide. [HP]
- Task 3.2.11** Revise, develop and maintain publication S-55. [LP]

Project Tasks for year 2000

- Task 2.1.8** MEDA Project 7 (with EC and IMA Trieste) [HP]
- Task 2.1.9** Project for Safety of Navigation Services on Lake Victoria (with IMO and IALA) [MP]
- Task 2.1.10** Conference on regional Co-operation in Hydrography, Aids to Navigation and Safety to Navigation in Western and Central Africa (with IMO, IALA, IAPH and others) [HP]
- Task 2.1.11** First formal meeting of RHC for eastern part of NAVAREA IX (with ROPME) [MP]
- Task 2.1.12** Technical Co-operation for the Development of Hydrography and Aids to Navigation in the Black Sea (with EC and countries involved) [MP]
- Task 2.1.13** Study Team for development of hydrographic capabilities in the Caribbean area [MP]

Task 2. 1. 14 Schedule visits of Technical Cooperation to the following countries and organizations

Central /South America and Caribbean - Guatemala, Honduras and Dominican Republic. [MP]

Europe -Russia, Baltic and Black Sea countries [MP]

Asia - China , Myanmar, Vietnam, DPR Korea [MP]

Organizations - World Bank, UNDP [MP].

Element 2. 2 - Membership

Ongoing Tasks

Task 2. 2. 1 Encourage entry of new member states, especially those states which sent observers to the XV Conference, with a focus on Africa, Central America, Eastern Europe, and the Middle East, [MP] .

Task 2. 2. 2 Take measures to avoid suspension of Member States, and to restore the rights of suspended Members [MP].

Element 2. 3 - Financial Assistance

Ongoing Tasks

Task 2. 3. 1 Continue efforts to identify aid agencies which are potential sources of funds, and actively seek their assistance in progressing requirements identified under element 2.1. This will involve contact with international and regional organizations such as the United Nations, World Bank, European Commission, and member states supportive of such bilateral projects [MP].

Task 2. 3. 2 Improve the expertise within the Organization in drafting proposals for aid projects [collect information about requirements for drafting proposals for aid projects, in order to assist developing Member States to obtain funding, and maintain a list of consultants practicing in this field] [MP]

Element 2. 4 - Regional Co-operation

Ongoing Tasks

Task 2. 4. 1 Develop bilateral and multi-lateral projects between hydrographic offices [MP]

List of Key Targets [KT]

KT 2.1 Increase the number of Member States to 70 by 2002

KT 2.2 Complete TACC database with inclusion of procedures for technical assistance, by end 2000.

Note: It is intended to conduct activities in this programme at a higher tempo than in previous years, as recommended by the SPWG.

Programme 3

Techniques and Standards Support

The principal work of this programme will be divided into seven streams, Cartography and Hydrographic Information Services, Hydrographic Surveying, Training, Data for GIS Applications, Publications Management and Translation Services.

Element 3.1 - Cartography and Hydrographic Information Services

The principal tasks for this element will be

Ongoing Tasks

Task 3.1.1 Continuation of the co-operative work on development of ECDIS services, particularly;

3.1.1.1 On-going refinement and expansion of specifications and standards through the CHRIS and its working groups, with links to the CSC and ISO, with current emphasis on;

W/G on Technical Standards etc [TSMAD]	}	
New edition of S-57 [Ed 3.1]	}	[HP]
W/G on Updating of ENC	}	

W/G on Colours and Symbols Maintenance	}	
W/G on Maritime Information Objects	}	
W/G on Data quality	}	
W/G on Standardisation of Nautical Publications	}	[MP]
W/G on Technology Assessment	}	
New edition of S-52	}	

3.1.1.2 Support and encouragement for the production and distribution of ENC data sets through the WEND Committee, the Northern Europe RENC, and other emerging vehicles such as the SHARED concept in South East Asia/Australasia and initiatives in the Caribbean [HP].

3.1.1.3 Involvement in the regulatory aspects of ECDIS through the IMO/IHO HGE, notably matters concerning ECDIS, RCDS, and ECS [HP].

3.1.1.4 Intensify the contacts with the international bodies representing private industry [umbrella organizations], to reduce potential conflicts and to maximise quality and availability of adequate digital nautical products, by inviting their participation in appropriate IHO forums [HP].

3.1.1.5 Participation in the testing and certification aspects of ECDIS through the IEC/TC80 [HP].

Task 3.1.2 Continuation of participation in the development of standards for cartography and geographic information in association with groups such as DGIWG, ICA and ISO, in order to ensure that the interests of IHO members receive attention in the formulation of standards. Of particular current interest is the work of;

IEC/TC 80 [ECDIS] [HP]
ISO TC 211 Working Group 5 [HP]
European Union TENT-T Project [MP]

Task 3. 1. 3 Continuation of the development of the international [paper] chart series through the work of the Chart Standardisation Committee, the Regional Hydrographic Commissions and the Co-ordinators of INT Charting Areas [see also programme 1], particularly;

3.1.3.1 Development of new symbology for ship routeing , including archepelagic sea lanes, vessel traffic services , environmentally sensitive areas, etc [MP]

3.1.3.2 Development of standard formats for Notices to Mariners, and later for Sailing Directions and other nautical publications [MP].

3.1.3.3 Resolution of issues concerning the extension of the INT chart scheme to include large scale charts [MP]

3.1.3.4 Development of policy on the integration of and transition between analogue and digital products [MP]

3.1.3.5 Consult with Member States on the need to establish specific standards for cartography in navigable rivers and inland waterways (see also 3.2.10) [MP].

Task 3. 1. 4 Provide advice and technical assistance to Member States on request, especially advice on cartographic systems and processes, and advice on the construction of national chart schemes [MP].

Task 3. 1. 5 Provide advice on the content of courses in cartography and spatial data management [MP].

Task 3. 1. 6 Provide advice and technical assistance to users of IHO standards, whether from Member States or Industry [MP]

Task 3. 1. 7 Revise, develop, and maintain the following publications;

S-52, S-57 [HP]
M-4, M-11, S-23, [MP]
S-59 [LP]

Task 3. 1. 8 Produce graphics for the digital versions of publications M-4, M-11 [HP]

Element 3. 2 - Hydrographic Surveying

The principal tasks for this element are;

Ongoing Tasks

Task 3. 2. 1 Through the S-44 Working Group, continue the development of specifications and standards for the execution of hydrographic surveys and related activities such as tidal observations, through the existing working groups [MP].

- Task 3.3.2** Continue the co-operative effort with FIG for the development of standards of competence for hydrographic surveyors, and for the recognition of courses, and review and maintain the Standards to take account of emerging new technologies and methods [HP].
- Task 3.3.3** Encourage the world wide establishment of courses in hydrography, cartography and spatial data management, advising on their submission for recognition from the International Advisory Board, in order to increase the number of international courses conforming to agreed standards [HP].
- Task 3.3.4** Assist Member States in their dealings with academia, in order to best harness the training and education capabilities available at universities and other institutions [LP].

Project Tasks for the years 2001 and beyond

- Task 3.3.5** Complete by the year 2001 the development of the following items of the Standards for Hydrographers : (Organization involved : IHB and FIG/IHO Advisory Board) [HP]
- Nautical background required for courses in hydrography.
 - Guidelines for practical nautical experience, as course pre-requisite.
 - Levels of knowledge for Essential matters.
 - Optional Units
- Task 3.3.6** Initiate co-operation with international organizations such as ICA and IMA Trieste for the development of Standards of Competence for Nautical Cartographers [MP].
- Task 3.3.7** Initiate actions with international funding agencies for the promotion of hydrographic training and education in developing countries [MP].
- Task 3.3.8** Research the need for specialised courses in cartography and surveying for inland waterways [LP].
- Task 3.3.9** Revise, develop and maintain the following publications ;
- M-5, M-6 [new publication] and S-47 [HP].

Element 3.4 - Data for GIS and other Applications

The principal tasks under this heading are;

Ongoing Tasks

- Task 3.4.1** To assist member states to optimise and extend the use of their hydrographic data sets for purposes other than navigation through;
- 3.4.1.1 Monitoring of developments around the world, especially those connected with coastal zone data management and the development of national, regional and global spatial data infrastructures [HP].
 - 3.4.1.2 Exchange of information about effective practices, popular services and products, media for distribution, pricing, customer profiles, market research etc [HP].
 - 3.4.1.3 Development of generic product and service specifications [HP].
 - 3.4.1.4 Encouraging the holding of workshops, conferences and training on the above subjects [MP].

3.4.1.5 Engagement in the process of development of the interpretation of the law of the sea through the ABLOS group. [MP]

Task 3. 4. 2 Continuation of participation in the development of standards for cartography and geographic information, and the alignment of IHO standards with more general standards for spatial data, through the work of:

ISO TC 211 Working Group 5 [HP]
 European Union TENT-T Project [MP]
 Global Spatial Data Infrastructure [MP]
 ICA Commission on Spatial Data Standards [MP]

Task 3. 4. 3 To continue to contribute to the development of world-wide ocean and shallow water mapping;

- 3.4.3.1 Encouraging member states to contribute data for ocean mapping [MP].
- 3.4.3.2 Continuing development of the digital data centre at Boulder, Colorado [MP].
- 3.4.3.3 Re-affirming the role of Volunteering Hydrographic Offices [VHOs] in collecting and managing digital bathymetric data for GEBCO and ocean mapping projects [HP].
- 3.4.3.4 Participating in the definition and development of GEBCO and IOC products and projects [HP].
- 3.4.3.5 Participation in the IOC sponsored regional international bathymetric chart [LP]
- 3.4.3.6 Monitoring the naming of undersea features in international waters [LP]
- 3.4.3.7 Providing an information service for Oceanographic matters [LP]

Task 3. 4. 4 Revise, develop and maintain the following publications ; B-2, B-4, B-6, B-7, and B-8 [MP]

Element 3. 5 - Maritime Safety Information

The principle tasks will be

Ongoing Tasks

Task 3. 5. 1 The work of the IHO Committee for the Promulgation of Radio Navigation Warnings, especially in regard to the imminent implementation of GMDSS [LP].

Task 3. 5. 2 Co-operation with IMO on improving the global standards for disseminating MSI [LP].

Project Tasks for the years 2001 and beyond

Task 3. 5. 2 Revise, develop and maintain the following publications : M-12 [MP]
 S-53 [LP]

Element 3. 6 - Editorial and Publications Management

The principal tasks of this element will be to;

Ongoing Tasks

Task 3. 6. 1 Organise the production and distribution of the IHO publications in 3 languages, digital and hard copy [HP].

Task 3. 6. 2 Provide other information to Member States through the issue of Circular Letters [HP]

- Task 3. 6. 3** Operate and maintain the in-house printing facilities and contract printing in support of the activities of this element [HP]
- Task 3. 6. 4** Provide a service for the sale of publications to interested users [MP].
- Task 3. 6. 5** Maintain at the IHB a library with an appropriate collection/compendium of technical books and journals for reference and research [MP/LP].
- Task 3. 6. 6** Research the feasibility and advantages of establishing a digital hydrographic library [LP].

Project Tasks for 2000

- Task 3. 6. 6** Manage the transition of the IHB Publications Programme to a digital service. [HP].
- Task 3. 6. 7** Maintain Publication P-4 [LP]

Element 3. 7 - Translation Services

The principal tasks for this element will be to

Ongoing Tasks

- Task 3. 7. 1** Provide translation services into the official and working languages of the Organization, for publications, circular letters and other documents handled at the Bureau [HP].
- Task 3. 7. 2** Provide interpretation services when required [MP].

List of Key Targets [KT]

- KT 3.1 Complete the regulatory aspects of ENC/RNC by 2000.
- KT 3.2 Co-ordinate and publish regional ENC production plans, commencing with Europe in 1999, Followed by North America, South East Asia and the Carribean by 2000, South West Pacific And South America by 2001
- KT 3.3 Ensure that the target dates of the CSC work plan are adhered to.
- KT 3.4 Develop a co-operation agreement with DGIWG and ISO/TC 2111 by 2000.
- KT 3.5 Prepare a report on proposed IHO Manual of Hydrographic Surveying by 2000
- KT 3.6 Complete "Standards of Competence for Nautical Cartographers" and submit to Member States by 2001.
- KT 3.7 Complete the revision of the GEBCO Guidelines by 1999
- KT 3.8 Publish new edition of listed publications by the following dates;
- M-4 Digital form E,F,S by mid-2000
 - M-5 E, F, S by end 2000
 - M-6 E, F, S, by March 2000
 - M-11 Sections J, M, C1 and C2 by mid-2000 [update other sections]
 - M-12 E, F, S by mid 2000
 - S-23 End 2001
 - S-59 Digital form by mid-2000
 - B-2 Digital form by end 2000
 - B-4 Digital Form by mid -2000
 - B-6 E/F and E/S, digital, by end 1999
 - B-8 Digital, end 1999
 - S-57 Edition 3.1 by end 1999

Programme 4

Public Relations and General Management Support

The principal work of this programme will be;

Element 4. 1 - Public Information

The aim of this element is to raise awareness of the importance of hydrography, and to ensure that the need for and responsibilities of hydrographic offices are properly understood, particularly in government, through;

Ongoing Tasks

- Task 4. 1. 1** Establish a collection of public information material already in use by member states [MP].
- Task 4. 1. 2** Provide briefings to senior decision makers on request and during visits to Member and Non-Member States [HP].
- Task 4. 1. 3** Take every opportunity to deliver papers on this subject at appropriate conferences and seminars [MP].
- Task 4. 1. 4** Issue press releases during all major IHO meetings [MP].
- Task 4. 1. 5** Maintain of an informative and up to date web-site [HP].
- Task 4. 1. 6** Publish appropriate public information material for use by member states, including IHO publications:
 M-2 [National Maritime Policies and Hydrographic Services], P-7 [HP].
 P-1, P-3, P-5, P-6, M-1, and M-3 [MP].

Project Tasks for 2000

- Task 4. 1. 6** Establish a Public Relations Strategy and Implementation Plan, using external expertise if necessary [HP].

Project Tasks for the years beyond 2001

- Task 4. 1. 8** Establish a compendium of legal cases related to charting and nautical accidents [LP].
- Task 4. 1. 9** Develop an information paper/ web entry for promoting hydrography as an interesting career which is recognised by educational institutions [LP]

Element 4. 2 - Management Information

The aim of this element is to assist member states to maintain an appropriate level of budgetary support, and to strive for best practice in use of resources and service delivery, through the tasks of element 4.1 above, and through;

Ongoing Tasks

- Task 4. 2. 1** Monitor and inform Member States about contemporary management issues and new initiatives in optimising the use of resources, for example initiatives in re-structuring, re-training, outsourcing, partnering with industry, privatization etc [MP].

- Task 4. 2. 2** Monitor and inform Member States about appropriate comparative information concerning responsibilities and resources employed, in order to provide a “benchmarking” service to identify “best practice” [HP].
- Task 4. 2. 3** Monitor and inform Member States concerning dealings with academia and industry, in order to best harness the research and development capabilities available in these sectors [MP].
- Task 4. 2. 4** Monitor and inform Member States about developments in quality management, and encourage quality management accreditation , to strengthen the position of hydrographic offices as quality service providers [MP].

Project Tasks for 2000

- Task 4. 2. 5** Complete research for the Benchmarking Service, to commence in 2001 [HP]. [see note below].

Note: Benchmarking is defined as " a continuous, systematic process for evaluating the products, services and work processes of organizations that are recognised as representing best practices for the purpose of organisational improvement ".

- Task 4. 2. 6** Undertake research into quality management accreditation [MP] .

List of Key Targets [KT]

- KT 4.1 Propose a draft public relations strategy to Member States by 2000, and publish an agreed Implementation Plan by 2001.
- KT 4.2 Member States to conduct an annual review of their supply of up-to-date public information material to the IHB collection.
- KT 4.3 Review the quality, relevance, accuracy, and comprehensiveness of the information on the web site every month.
- KT 4.4 Send Circular Letter to Member States seeking information on Responsibilities and Resources by mid-1999.
- KT 4.5 Respond to Member State’s questions on issues arising within two months.
- KT 4.6 Develop and implement the Guidelines and Procedures for the IHO WEB site by 2000
- KT 4.7 Publish M-2 "National Maritime Policies and Hydrographic Services" by 2000

Programme 5

Corporate Affairs

The principal work of this programme will be;

Element 5.1 - IHO Corporate Development

This element is established to manage appropriate development of the IHO, in order to ensure that it is able to effectively address the tasks set by Member States.

Ongoing Tasks

- Task 5.1.1** To conduct an annual update of the IHO inter-sessional Work Programme [MP].
- Task 5.1.2** To research opportunities for the exchange of staff between HOs and IHB. [Decision 3, XVth IH Conference] [LP].
- Task 5.1.3** To improve communications within the Organization, particularly encouraging the use of digital media [eg e-mail, digital publications etc] [MP].

Project Tasks for 2000

- Task 5.1.4** To prepare for an extraordinary Conference in 2000, for the approval of the Strategic Plan [HP].
- Task 5.1.5** To research proposals and to report to the XVI Conference concerning the further restructuring of the Organization so that it can better respond to the requirements of Member States and the objectives articulated in the Strategic Plan, and to improve cost-effectiveness. Some matters to be researched include;
- i. improving the business processes of the Organization; }
 - ii. increased participation of Member States in IHO business; }
 - iii. enhancement of the work of Regional Hydrographic Commissions; }
 - iv. participation of industry in IHO business; }
 - v. further changes to the skills and resources at the IHB; } [HP]
 - vi. reducing the cost of languages in the work of the Organization; }
 - vii. re-focussing the work of the IH Conferences; }
 - viii. replacing the Directing Committee with a Secretary General; }
 - ix. re-drafting the Convention of the IHO. }
- Task 5.1.6** To undertake a study on the voting procedures contained in the IHO basic documents in order to eliminate inconsistencies, and subsequently to revise those documents. [Decision 61, XV Conference] [MP].
- Task 5.1.7** To propose revisions to the Terms of Reference of subsidiary bodies of the IHO [LP].
- Task 5.1.8** To encourage Member States to decide on the ratification of the amendments to the Convention proposed in 1987 and 1997. [MP]

Element 5.2 - IHO Administration

This element satisfies the requirements for the administration of the IHO Secretariat through a number of cost centres;

Ongoing Tasks

Task 5. 2. 1 IHO Financial Management

- 5.2.1.1 Financial Planning , budgets, financial administration . }
- 5.2.1.2 Manage member states' contributions, and monitor timely payment }
- 5.2.1.3 Manage investment of IHO funds } **[Routine]**
- 5.2.1.4 Book keeping, accounting and financial reporting }
- 5.2.1.5 IHB Shop and miscellaneous jobs }

Task 5. 2. 2 IHB Personnel Management

- 5.2.2.1 Personnel administration }
- 5.2.2.2 Staff development } **[Routine]**
- 5.2.2.3 Manage retirement funds, medical insurances etc }

Task 5. 2. 3 IHB Secretariat Administration

- 5.2.3.1 Registry and Reception Service }
- 5.2.3.2 Postage, telephones, customs etc } **[Routine]**
- 5.2.3.3 Hotel reservations and other services to representatives of M.S. in Monaco. }

Task 5. 2. 4 IHB Travel Administration

- 5.2.4.1 Arrange travel for IHB staff **[Routine]**

Project Tasks for 2000

Task 5. 2. 5 Projects regarding financial management issues

Undertake projects regarding financial management issues as proposed by the Directing Committee, the Finance Committee and the Auditor.

- 5.2.5.1 Prepare first Budget and Annual Report using analytical accounting techniques **[MP]**
- 5.2.5.2 Convert accounting principles from "cash accounting to "accrual accounting" **[HP]**
- 5.2.5.3 Prepare for the introduction of a zero growth budget for the period 2003 -2007 **[MP]**
- 5.2.5.4 Complete proposals for incentives for prompt payment of contributions **[MP]**
- 5.2.5.5 Review the structure and application of membership contributions to reduce the financial burden to small nations **[MP]**
- 5.2.5.6 Prepare for the introduction of the Euro **[LP]**

Task 5. 2. 6 Projects regarding staff issues

Undertake projects regarding staff issues, as proposed by D.C., F.C., Auditor

- 5.2.6.1 study of new salary structures **[HP]**.
- 5.2.6.2 study of alternative social security arrangements **[HP]**.
- 5.2.6.3 study of staff assesment procedures **[MP]**
- 5.2.6.4 produce the draft Statutes of the Staff (different from the Staff Regulations) **[LP]**

Element 5. 3 - Property and Information Technology

Ongoing Tasks**Task 5.3.1 IHB Property Administration**

- | | | |
|--|---|----------------|
| 5.3.1.1 Building repairs and maintenance | } | |
| 5.3.1.2 Occupational Health and Safety | } | |
| 5.3.1.3 Office equipment and furnishings | } | Routine |
| 5.3.1.4 IHB purchasing function | } | |
| 5.3.1.5 Intersessional Receptions, Conferences and Meetings at IHB | } | |

Task 5.3.2 IHB Information Technology

- | | |
|---|-------------------|
| 5.3.2.1 Manage the IHB Web-site | [Routine] |
| 5.3.2.2 Manage the maintenance and enhancement of the IT facilities i.a.w. the IT Master Plan | [per plan] |
| 5.3.3.3 Administer the IHB Local Area Network | [Routine] |
| 5.3.3.4 Provide IT training for IHB staff | [Routine] |

Element 5.4 - Host Government Affairs

Task 5.4.1 Implement the Host Agreement **[Routine]**

Task 5.4.2 Maintain good relations and personal contacts with the Monaco Government at all levels, including visits, briefings etc **[HP]**

Element 5.5 IHO Membership Administration

Task 5.5.1 Manage all aspects of applications for membership and accessions to the Convention **(Routine)**.

Element 5.6 - IHO Conferences

Task 5.6.1 Organise XVI IH Conference and Exhibition **[Routine]**

List of Key Targets [KT]

- | | |
|---------|---|
| KT 5.1 | Submit IHO Strategic Plan to Member States for approval in 2000 |
| KT 5.2 | Submit proposals for further re-structure to Member States for approval by 2002 |
| KT 5.3 | Submit results of a study of voting procedures to Member States by the end of 2000 |
| KT 5.4 | Administer the IHB Budget agreed by each conference within approved limits; and report on the past financial year to the Finance Committee by 1 st April, and to the Member States by 30 th June. |
| KT 5.5 | Carry out studies and submit results to Member States by the dates shown; |
| | Alternate social security regime; by end 2000 |
| | New salary structure for staff; by end 2000 |
| | Staff development, appraisal and salary structures; by end 2001 |
| KT 5.6 | Implement the agreed IT Master Plan |
| KT 5.7 | Develop an Occupational Health and Safety Plan for the IHB by end 2000 |
| KT 5.9 | Respond to requests from Nations wishing to become Member States within six months. |
| KT 5.10 | Prepare a discussion paper on incentive schemes for payment of annual membership contributions and submit it to the Finance Committee by end-2000. |
| KT 5.11 | Review the structure and application of membership contributions to reduce the financial burden to small nations, by end 2001. |

IHO WORK PROGRAMME SCHEMATIC

Programmes				
1	2	3	4	5
International Co-operation ↓	Capacity Building ↓	Techniques And Standards ↓	P.R. and Management ↓	Corporate Affairs ↓
Programme Elements				
1.1 International Co-operation	2.1 Technical Assistance	3.1 Cartography & Information Services	4.1 Public Information	5.1 Corporate Development
1.2 International Organizations	2.2 Membership Development	3.2 Hydrographic Surveying	4.2 Management Information	5.2 IHO Administration
1.3 Non-Member States	2.3 Financial Assistance	3.3 Training and Education		5.3 Property & I.T.
	2.4 Government Information	3.4 GIS Application		5.4 Host Government
	2.5 Regional Co-operation	3.5 Navigation		5.5 Membership Administration
		3.6 Editorial & Publications		5.6 Quinquennial Conferences
		3.7 Translation		
Key targets				
Permanent	Permanent	Permanent	Permanent	Permanent
2000 2001	2000 2001 2002	2000 2001 2002	2000 2001	2000 2001 2002

I.H.O. WORK PROGRAMME

RESOURCE ALLOCATION

The attached tables summarise IHB resource allocation, according to staff time and funds employed.

Additionally, Member States' non-monetary contributions to the work of IHO, for example through participation in the work of subsidiary bodies, can be gauged from the IHO Annual Report 1999, Sections 2.3 and 2.4

Attachment:

1. Summary Resource Tables

Notes:

1. This table has been prepared from the best information available in 1998. From 2000 it will be possible to produce more accurate information, based upon data from the analytical accounting software purchased in 1999.
2. Cross Reference to Budget Chapters and lines
 - (1) IHB o/h = II a, e, h, i, j, q, III, V
 - (2) Publications = II m, n, o, p, IV

I.H.O. WORK PROGRAMME

SUMMARY OF IHB RESOURCE ALLOCATION

Table 1: Staff Weeks

	Programme 1	Programme 2	Programme 3	Programme 4	Programme 5	TOTAL	%
Directors	23	34	33	23	28	141	<i>14</i>
PA's	16	15	118	15	71	235	<i>24</i>
Cat. B/C	9	9	350	68	177	613	<i>62</i>
TOTAL	48	58	501	106	276	989	<i>100</i>
%	5	6	50	11	28	100	

Table 2: French Francs ('000s)

	Programme 1	Programme 2	Programme 3	Programme 4	Programme 5	TOTAL	%
Staff: Dir	437	645	626	437	531	2676	<i>19</i>
PA's	216	202	1588	202	955	3163	<i>23</i>
Cat. B/C	73	73	2850	554	1441	4991	<i>36</i>
Consultants			25	75	25	125	<i>1</i>
All Staff	726	920	5089	1268	2952	10955	79
IHB o/h (1)			52		703	755	<i>5</i>
Post/ Tel.(cd)					499	499	<i>3</i>
Travel (fgk)	180	330	292			802	<i>6</i>
Publications (2)			461	35		496	<i>3</i>
P.R. (1)				85		85	<i>1</i>
I.H. Conf.					400	400	<i>3</i>
TOTAL	906	1250	5894	1388	4554	13992	<i>100</i>
%	6	9	42	10	33	100	

PRO 3 - IHO PLANNING CYCLE

Submitted by: Strategic Planning Working Group

PROPOSAL

The Conference is requested to approve the SPWG recommendations concerning the planning cycle.

BUREAU COMMENTS

In its Terms of Reference the Strategic Planning Working Group was requested to develop a Planning Cycle for the Organization.

Discussion

The IHO should have a systematic method of reviewing and updating the Strategic Plan and Work Programme. The Strategic Plan should be updated at least every five years, and the 5-year Work Programme should be updated and extended annually.

Two planning cycles for achieving this objective are attached to this report. They were developed by the Strategic Planning Working Group as a part of its work.

The work plan cycle should be co-ordinated with the cycle for preparation of the budget, and this has been achieved as far as possible. The efficacy of the budget cycle is under review by the Finance Officers Committee.

The IHB and the IHO Committees should develop their own annual work plans in conjunction with these cycles.

It seems advisable to incorporate some reference to the planning cycle in the General Regulations and the Technical Resolutions of the IHO, and some draft words have been added to this document.

The SPWG considers that it should have an active role in the periodical review of the Strategic Plan. It also considers that the principal IHO committees should have a role in the annual development of the 5-year Work Programme.

Recommendation to defer a decision on the Planning Cycle

The SPWG consider that the process proposed is rather complex. It would be sensible to finalise the Planning Cycle after some experience has been gained in the use of the Strategic Plan and Work Programme, and in the use of the Planning Cycle itself. Some fine tuning may be required

The SPWG recommend that approval of the Planning Cycle should be deferred until the Conference in 2002.

- Annexes:**
- A - Planning cycle
 - B - Proposed changes to the General Regulations and Technical Resolutions concerning the Planning Cycle

PROPOSED IHO PLANNING CYCLE

1. Planning Cycle for the Strategic Plan

- Y-12 (Apr) : IHB invites MS and IHO Committees to submit proposals to up-date the Strategic Plan.
: SPWG meets to commence its review of the Strategic Plan.
- Y-08 (Aug) : IHB circulate proposals on strategic issues to all MS.
- Y-05 (Nov) : MS provide comments to IHB in relation to the proposals.
: SPWG meets to revise the Strategic Plan.
- Y (Abr) : At the IHC, the revised Strategic Plan is discussed, amended and decided upon in Plenary.
- Y+02 (Jun) : IHB circulates updated Strategic Plan to MS
- Y+48 (Apr) : IHB invites MS....., and the Cycle is repeated.
or (Y-12)
- Notes:** 1) Rules of Procedure of IHC N° 14 and N° 15 apply.
2) "Y" means the year of the Ordinary session of the IHC, and the numbers are months before(-) or after(+).

2. Planning Cycle for the 5-year Working Programme

The 5-year Work Programme will be up-dated on a yearly basis, adding each time the new 5th year, according to this cycle.

- Y (Jan) : The corresponding Annual Programme enters in force.
- Y+04 (Apr) : IHB and SPWG evaluate the accomplishment of last year's Work Programme, and report to MS, proposing changes (if needed) for years 2 to 4 within the approved budget. Also, at this time the IHB must submit to MS the draft working programme for the new 5th year and its financial implications.
- Y+06 (Jun) : MS provide IHB with comments.
- Y+08 (Aug) : IHB submits to MS the up-dated 5 Years Working Programme and Budget for a approval
- Y+10 (Oct) : MS approve the up-dated 5 Years Working Programme and its Budget
- Y+12 (Jan) : The corresponding Annual Programme enters in force, and the Cycle is repeated.
- Note:** "Y" means January of each year and the numbers are months after(+) January.

**PROPOSED CHANGES TO THE GENERAL REGULATIONS OF THE IHO
CONCERNING THE PLANNING CYCLE**

Proposed change to Article 8 of the General Regulations of the IHO

Insert new sub-paragraph [c]

- [c] The Conference shall review the Strategic Plan of the Organization, and approve the Inter-sessionnal Work Programme for the next five years. *[see also article 23[c]]*

Proposed Change to Article 24 of the General Regulations

Insert new sub- paragraph [b]

- [b] The Directing Committee shall be guided by the IHO Strategic Plan and the Five Year Rolling Work Programme.

Proposed new Administrative Resolution

Insert new Resolution in Chapter T, Section 5 of the Resolutions of the IHO

Section 5 - Strategic Planning

T 5.1 Planning Cycle

The Organization shall prepare two plans to guide its work.

The Strategic Plan shall be for an indefinite period, and shall be reviewed at each Conference.

The Five Year Rolling Work Programme shall look five years ahead, and shall be reviewed annually.

Planning Schedules

Insert here the planning cycles approved by the Conference.

Proposed changes to Rule 12 of Rules of Procedure for I.H. Conferences

Insert new sub-paragraph:

- (i) The Strategic Plan of the Organization and the Inter-sessionnal Work Programme.
-

PRO 4 - APPROVAL OF THE PROPOSED CHANGES TO THE ELIGIBILITY CRITERIA FOR IHB DIRECTORS

Submitted by: Strategic Planning Working Group

References:

- SPWG ST Report 2.5. - Roles of IHB Directors and Criteria for Selection (CONF.EX2/INFO.6)

PROPOSAL

It is proposed to change the eligibility criteria for nomination of IHB Directors. The Conference is requested to approve the new and revised wording for the relevant Articles of the General Regulations, attached at Annex B.

BUREAU COMMENTS

The eligibility criteria for IHB Directors were discussed at the XIV and XV Conferences, and are now brought to the attention of the 2nd Extraordinary Conference.

During its deliberations on structural change, the SPWG discussed the need to update the eligibility criteria for candidates wishing to be elected to the Directing Committee. This issue was reported to Member States in CL 44/98, paragraphs 18 to 26. The suggestions contained therein were generally well received, there being only one dissenting comment.

The SPWG believes that it is necessary to amend the General Regulations which set out the qualification requirements of candidates wishing to contest the election for membership of the Directing Committee. These rules are set out in the General Regulations of the IHO, Articles 27, and 36 to 45.

The Directors have a critical role to play in the leadership and direction of the Organization, and in the successful achievement of its objectives. The SPWG considers that the present rules regarding eligibility are too restrictive, and that they result in the exclusion of many well qualified candidates. This is not in the strategic interest of the Organization.

Summary of SPWG Discussions

At its second meeting the SPWG considered a discussion paper on the Roles and Qualifications of IHB Directors. Of particular note, the discussion paper addressed the Roles of Directors, the Qualifications of Candidates for election, and the Election Procedures.

The SPWG agreed that it was necessary to define the **Roles of Directors** as a preliminary to examining qualifications, and agreed on the statement of roles which is set out in Annex A.

With regard to **Directors' Qualifications**, the SPWG agreed that the present Article 39 of the General Regulations is too restrictive. The members favoured a better balance between technical and management competence. They propose the following new words, designed to attract a wide field of good candidates:

“Each candidate nominated shall be regarded by their Member State as having adequate experience and expertise relevant to the furtherance of the IHO’s goals and to its operations, and these shall be detailed on the nomination form”

The SPWG wish to emphasize that these words simply give guidance about nomination of candidates. The **decision** as to which candidates are selected is made during the election.

A minority of SPWG members expressed the view that the proposed words were too liberal, allowing the possibility of political nominations which might reduce the effectiveness of the organization.

The SPWG agreed that the **form of nomination** in the present regulations should be revised to be less prescriptive, and to allow the Candidates and their governments to describe not only their past experience and competence, but also their views about the strategic directions and future work of the Organization.

The SPWG discussed the merit of removing the **age restriction** imposed on Candidates, but decided to recommend to Member States that the present rule should not be changed.

The SPWG agreed that, if the new wording on Directors' Qualifications is accepted, no **eligibility mechanism** should be required. It was noted that, if needed, the Conference may establish an Eligibility Committee.

In considering the **election procedures**, the SPWG discussed the proposal that, if the selection criteria were less prescriptive, it would be important to devise an election procedure that would ensure that a balanced team is elected. It was decided to recommend to Member States that the present four-ballot system should be retained.

The SPWG did not support the introduction of a proxy vote arrangement for Member States which are unable to attend the election. It agreed that candidates have the right to withdraw at any stage in the election process.

The appropriate SPWG working document is SPWG Study Team Report ToR 2.5 dated 16.6.98 [revised 15.9.98]. This document provides a detailed analysis of a most difficult subject, and is offered to the Conference as an Information Paper [Conf. Ex2 / Info 6]

Result of consultation with Member States

The SPWG discussion was summarized in paragraphs 18 to 26 of CL 44/1998, and Member States were asked to comment on the changes proposed. No major alterations have arisen as a result of Member States responses to the CL, which generally supported the changes proposed.

SPWG Recommendation

As a result of its very detailed consideration of this matter, the SPWG strongly recommends that the Conference approves the changes which are proposed.

It is suggested that this should be achieved by making changes to the General Regulations and Administrative Resolutions. The proposed changes are attached at Annex B.

Approval in 2000 will enable the new regulations to be applied in the election in 2002.

- Annexes:**
- A. Roles and Functions of Members of the IHO Directing Committee.
 - B. Proposed changes to the General Regulations.

SUMMARY OF FUNCTIONS AND ROLES OF IHB DIRECTORS

- i. The principal function of Directors is to pursue the Strategic Plan and Work Programme of the Organization.
- ii. Directors should not simply be reactive to the plans, but must lead the IHO from the front, actively formulating strategic policy, and rolling plans forward on an annual basis, implementing them vigorously.
- iii. Directors are responsible for ensuring the provision of sound technical advice to MS, partly through the mechanism of Regional Hydrographic Commissions, and for advising related organizations, e.g. IMO.
- iv. Directors are required to advise national governments on the formulation and execution of national policy with regard to hydrographic matters (see Article 20 of General Regulations). This is particularly the case with those nations seeking to establish their own hydrographic authority. Assistance may include:
 - making information available (documentation centre, publication services etc),
 - provision of advice on request,
 - urging action by national governments.
- v. Directors have a representative role, and this requires that they should be active in Public Relations, to inform governments, related organizations, and the public, about the importance of hydrographic activities. (see Article X of The Convention).
- vi. Directors are responsible for the management and administration of the IHB and its staff (see Article 23(a) of General Regulations).
- vii. Directors are accountable for the corporate governance and financial viability of the IHO (see Article 8 of the Finance Regulations).
- viii. The division of the duties of the Directors, in principle, reflects the programmes of the IHO;
 - [i] Strategic Direction, Representation, and Administration;
 - [ii] Capacity Building and Technical Assistance;
 - [iii] Standards Development [current focus on ECDIS/GIS];
- ix. Directors have regional responsibilities in connection with the Regional Hydrographic Commissions. Traditionally the three regions are the Americas, Europe and Africa, and Asia. However the precise regional responsibilities may change to reflect the origin and language skills of Directors.
- x. Directors should have a working knowledge of English. A knowledge of the other working languages of the organization is desirable.
- xi. Directors should be physically fit, noting particularly the demanding travel schedule associated with the work.

Attachment to Call for Nominations

The SPWG recommends that the above information be sent to governments as an attachment to the Circular Letter calling for nominations for the election under Article 38 of the General Regulations.

PROPOSED REVISION TO THE GENERAL REGULATIONS

Article 39

Delete existing article and replace with:

“Each candidate nominated shall be regarded by their Member State as having adequate experience and expertise relevant to the furtherance of the IHO’s goals and to its operations, and these shall be detailed on the nomination form.”

Article 40

Delete existing article paragraphs 1 - 9, and replace with:

“Every nomination shall include a detailed statement setting out the candidate’s qualifications for the position. The following specific information should be given:

General

1. Name
2. Nationality
3. Date of birth
4. Titles and decorations

Education

5. Education (periods including specialised or special qualifications)
6. Languages (speaking and reading knowledge)

Service

7. All service and experience relevant to the nomination should be detailed.

Professional Achievements

8. Publications.
9. Research work and awards.

Additional Information

- 11 This section provides an opportunity for candidates and their governments to expand upon the qualifications and experience of candidates, and their views about the strategic directions and future work of the Organization.

Article 41

In para (a) delete “The names of the candidates with the statements of service” and replace with “The nominations”

In para (b) delete “lists of names submitted and present them together with the statements of service” and replace with “nominations and present them”

Article 43

*Insert new para “[c] Before each ballot any candidate **may withdraw from the election.**”*

Article 44

Insert new para “[d] Before the ballot any candidate may withdraw from the election.”

PRO 5 - APPROVAL OF THE CONTINUATION OF FURTHER STUDIES ON STRUCTURAL CHANGES

Submitted by: Strategic Planning Working Group

References:

- Recent changes to the IHB work and budget. (CONF.EX2/INFO.7). Extract from IHB C.L. 25/99
- SPWG ST Report 2.3/4 Gap analysis - IHB resources and skills (CONF.EX2/INFO.8)

PROPOSAL

The Extraordinary Conference is requested to approve the continuation of SPWG studies into structural change.

BUREAU COMMENTS

The Terms of Reference for the SPWG contain two essential elements. The first requires a review of the strategic directions, goals and priorities of the Organization. The second requires a review of its structure and effectiveness.

The first element addresses the question " Are we doing the right things ? " The second element addresses the question " Are we doing things the right way ? "

The first element has been the focus of the attention of the SPWG in the years 1998 and 1999. Some important work has been done on the second element, but much work remains to be done.

This report addresses the second element, in response to SPWG ToRs 5 and 6.

Work completed to date

In 1998 and 1999 the SPWG and the Directing Committee completed two studies of the IHO structure and working arrangements. Copies are provided to the Conference as Information Papers Conf.Ex2 / Info.3, and Conf.Ex2 / Info.9.

As a result of these studies some initial structural and service changes were proposed in C/L 25/99. Those changes were designed to redirect activities and resources within the IHB to assist the achievement of the goals identified in the draft Strategic Plan. The changes proposed were well supported by Member States. A copy of CL 25/99 is provided to the Conference as Information Paper Conf.Ex2 / Info.8.

The principal features of these changes were;

- i. Introduction of modern communications technology to improve accessibility and utility of publications and general communications, and to reduce costs.
- ii. Reduction in activities related to paper charts, in order to increase effort available for digital chart activities.
- iii. Replacement of three Category B staff positions by approximately 1.5 Category A staff positions, or equivalent external expertise, thus increasing the Category A effort available at the IHB by 50%.
- iv. Increased allocation of funds for training related to new activities and technology.

Other important studies and recommendations of the SPWG in relation to structural change are presented to the Conference in the following proposals;

- i. Proposal 4, Eligibility Criteria for Members of the IHB Directing Committee, relates to the need to attract new management skills and experience to the Directing Committee;
- ii. Proposal 2, Intersessional Work Programme, introduces the concept of " Programme Management ", with defined goals and performance measures.
- iii. Proposal 7, Frequency of IH Conferences, relates to the need to achieve a higher tempo of activity, and to improve consultation and co-ordination.
- iv. Proposal 6, Continuation of the Additional Category A Position, relates to the need to achieve an increase in the number of hydrographic professionals at the IHB.

Discussion of Proposal 5 on Structural Change offers an opportunity for Member States to review and comment further on the changes already made following the approval of CL 25/99.

Work to be completed before 2002

The SPWG still has much work to do in regard to structural change. The main aim of the work will be to identify achievable reforms which will improve effectiveness whilst containing costs. Some of the main points to be addressed in future SPWG studies include;

- i. improving the business processes of the Organization;
- ii. increased participation of Member States in IHO business;
- iii. enhancement of the work of Regional Hydrographic Commissions;
- iv. participation of industry in IHO business;
- v. further changes to the skills and resources at the IHB;
- vi. reducing the cost of languages in the work of the Organization;
- vii. re-focussing the work of the IH Conferences;
- viii. replacing the Directing Committee with a Secretary General;
- ix. re-drafting the Convention of the IHO.

The SPWG intends to bring forward proposals on all of these items. Each item is discussed briefly in the paragraphs which follow.

Improving the Business Processes of the Organization

An important dimension of effectiveness is the ability to move quickly on new initiatives. This is especially true in a world in which the pace of change and the volume of business are increasing every year.

Persons acquainted with the internal workings of the IHO will know that the business of the Organization is regulated by a very complex system of rules and decisions. These are laid down in the General Regulations and the Technical Resolutions. This process overhead has an adverse effect on the efficiency and effectiveness of the Organization, because the processes take a very long time. [We are good at lengthy discussions, not so good at implementing workable solutions.]

The IHO needs to become more operational.

To achieve a reduction in process overhead it will be essential to review and reduce the volume of regulations and instructions under which the Organization works, and to introduce a more streamlined devolution of authority.

Increased participation of Member States in IHO business

The work of the IHO is progressed through the activities of its Committees and Working Groups.

The Member States provide the technical expertise within the Committees and Working Groups. The quality of expertise provided by the Member States is very high, and is supplemented when necessary by experts from industry. For example, several industry representatives attend the meetings of the CHRIS and its working groups.

However, as the volume of business and the pace of change increase, the Committees have found it difficult to progress work at the required speed, and Member States have found it increasingly difficult to allocate the valuable time of their small numbers of expert personnel to IHO activities. Committees need to meet more often, at a time when the national workloads are increasing significantly.

The SPWG will research ways of solving this problem. For example, the use of teleconferencing has great potential, as have initiatives such as the " Open ECDIS Forum ". " Virtual secondment " of staff for short periods to work on specific projects could also help to overcome the difficulty.

Enhancing the role of the Regional Hydrographic Commissions

The Regional Hydrographic Commissions are not, primarily, technical committees. Their main concern is regional co-operation, co-ordination and capacity building.

However, some of the RHCs have established technical working groups which have done very valuable work. For example, the working groups of the NSHC have contributed enormously to the progress of " leading edge " IHO initiatives. They provide an excellent example of what can be achieved. Perhaps this work could be extended so that working groups [for example TSMAD] could allocate certain tasks to RHC s. As RENC s develop, their expertise could also be utilised.

It is known that the IMO and IOC have found it advantageous to establish regional offices outside Europe. Each has an office in Asia and Latin America. A development of this sort might be advantageous to the IHO in the future.

The SPWG will research ways of enhancing the role of the RHCs.

Participation of Non Government Organizations in IHO Business

The SPWG consider that Non Government Organizations [NGOs] have much to contribute to the work of the IHO, in particular in the development of standards for complex activities and services, and in the delivery of services. Although the contribution of NGOs is already significant, it could be increased to the advantage of all concerned.

The SPWG define NGOs as including academia, industry associations, and other enterprises working in the field of interest of IHO Member States.

In regard to the development of standards, the involvement of NGOs has been particularly important recently, notably during the development of S-52 and S-57, in developing models for delivery of new services, and also in connection with the use of new data gathering systems. It is clear that development of effective IHO standards cannot succeed without links to the producers of data gathering and data base systems, and the suppliers of state-of-the-art services. These links are also important in ensuring that regulatory requirements can be met.

The NGOs would like to contribute more to the development and continuous improvement of IHO standards, and the potential for this must be explored. For example, the " Open ECDIS Forum " is an NGO initiative. It is noted that the IMO and IOC make extensive use of NGOs in many aspects of their work.

In regard to service delivery, in recent years government agencies around the world, including HO s, have found it advantageous to forge links and partnerships with NGOs. In many aspects of their work, for example ENC production, GIS services, etc, it would be very difficult for smaller states to make progress without NGO partnerships. Interaction with NGOs will be an important aspect of business models in the 21st century, and it is most important that the IHO Members understand the advantages and pitfalls.

This aspect of interaction with NGOs is entirely a matter for national governments. However, in accordance with its objectives, the IHO may be able to assist Member States in their dealings with NGOs, through the pooling of experience in this still novel field.

In its future work the SPWG intends to research initiatives to increase NGO participation in IHO business, and to make recommendations to Member States in due course.

The SPWG notes that the WEND committee propose to hold an " IHO / NGO Interface " workshop immediately after the WEND meeting in March 2000, in order to explore potential initiatives which might be developed further.

Changes to the Skills and Resources of the IHB

The changes proposed in CL 25/99 represent a major adjustment in the balance of activities, skills and resources at the IHB. In particular, the dedication of funds for the use of external expertise on a project basis is an important new direction. There has also been a major investment in improving IHB information technology over the past seven years.

The Directing Committee will strive continually to improve the cost effectiveness of IHB functions.

Reducing the Cost of Languages

Because containing budget growth is an emerging strategic goal, and because languages do not have a high priority for allocation of IHO technical resources, it may be relevant to consider the possibility of reducing the costs of languages. This might be achieved, for example, by using official languages only for official correspondence, and by using English as the sole language for technical business and technical publications. The cost of servicing languages is an opportunity cost.

The Directing Committee has noted the need to develop an IHO policy on use of languages, and the SPWG will research the matter.

Re-focussing the Work of IH Conferences

This subject is addressed in Proposal 7 " Frequency of IH Conferences ". The second part of that document suggests a number of major changes in the work and conduct of IH Conferences.

The SPWG will continue to keep this matter under review.

Replacing the Directing Committee with a Council and Secretary General

An " outdated management structure " has been identified by Member States as one of the important weaknesses of the Organization. This matter was raised in many responses to the questionnaire on strategic planning.

The SPWG has discussed this difficult subject on a number of occasions, and considers that research is required on the replacement of the Directing Committee by a more contemporary management arrangement.

A typical example would provide a non-executive Council of about ten members elected from Member States for a set period. This Council would select and appoint a Secretary General for a set term. The Secretary General would appoint the programme managers [at about PA level], also for a set term.

It is thought that this change in the management model would provide important gains in cost-effectiveness and accountability. It should drive down fixed costs and further increase flexibility.

Implementation of this model will require a change to the Convention of the IHO, and will be a lengthy project. However the SPWG believes that the Organization must grapple with this difficult issue, and will progress the necessary research for presentation to the XVI IH Conference.

Re-drafting the Convention of the IHO

The Convention of the IHO is a very detailed and somewhat dated document. The SPWG considers that in some aspects it no longer serves the Organization well. The matter of the Directing Committee and the frequency of IH Conferences are examples of aspects that now cause difficulties.

It is known that the process of changing the Convention is extremely complex. However the SPWG intend to attempt to re-draft the Convention to suit contemporary circumstances. This project will have two benefits;

- i. It will produce a less prescriptive draft for Member States to examine;
- ii. It will help in determining whether a change will be worthwhile.

If the project seems to offer significant benefits, it will be presented to Member States for comment .

Conclusion

The SPWG consider that the items raised in this paper are important, and intends to present recommendations to the XVI Conference in 2002.

Action requested of the Extraordinary Conference

The Extraordinary Conference is requested to approve the continuation of studies into structural change.

**PRO – 6 APPROVAL OF THE CONTINUATION OF THE ADDITIONAL POST
OF PROFESSIONAL ASSISTANT AT THE IHB**

Submitted by: Strategic Planning Working Group

References:

- SPWG ST Report 2.3/4 Gap analysis - IHB resources and skills (CONF.EX2/INFO.8)
- 15th IH Conference Decision N° 5. (CONF.EX2/INFO.9)
- Job Descriptions of the IHB Professional Assistants (CONF.EX2/INFO.10)

PROPOSAL

To establish the position of PA [Data Management] for a further two years, until September 2002. The need to continue after that time should be examined in January 2002.

BUREAU COMMENTS

The XV Conference, by Decision No. 5, approved the creation of an additional Professional Assistant Post at the IHB for an initial period of two years. The continuation of this appointment is subject to a recommendation of the Strategic Planning Working Group. The Conference Decision is reproduced in Information Paper CONF.EX2/ INFO.10.

Purpose of the new post

Creation of the new post arose from three proposals put to the XV Conference. They were proposals 9, 25, and 39. The proposals may be found in the Report of Proceedings [ROP] of the XV Conference, Appendix, pp 49-53, 104-106, 152-153. The record of discussion is in the ROP, Volume 1, pp 76 to 79.

Proposal 9 emphasised the need to address the increasing workload in the IHB Chartroom. In recent years significant increases have been experienced in the work on standards, particularly those relating to digital charting and to GIS applications of hydrographic data. The proposal also mentioned the need to support Bureau automation.

Proposal 39 emphasised the need to provide within the IHB more expertise and more effort in the area of Information systems and Data Management. It forecast tasks such as development of data standards, including aspects such as storage, manipulation and exchange, and provision of advice on GIS applications, value adding and database development.

Proposal 25 emphasised the need for additional work in the areas of UNCLOS and TACC.

It is also important to recall that the number of staff at the IHB has not increased for many years, despite a significant increase in the number of Member States, and a significant increase in the volume and complexity of work associated with the introduction of modern technology for navigation, surveying, and data management.

Recent Developments

Since the Conference, the new IHO Strategic Plan has identified three strategic issues which further support the need for this post. The strategic issues are;

- i. transition to the digital era;
- ii. responding to the external environment;
- iii. providing services other than for navigation.

In relation to item ii., the importance and rapidity of developments in user and regulator requirements, in industry initiatives, and within other international bodies, for example ISO and GSDI, should not be underestimated.

More recently, Finland tabled a proposal at the Baltic Sea Hydrographic Commission suggesting that the IHO needs to address data standards and other data issues much more vigorously.

It is also apparent to the new Directing Committee that a significant backlog of work has built up in the Bureau, relating to digital data standards and digital charting issues. Only now, following the arrival of the new PA, are several critical subjects being attended to. The size and priority of the backlog of work may be gauged by an examination of the new IHO Work Programme, elements 3.1 and 3.4.

The workload of the IHB Directors and Professional Assistants

In studying the need to continue the new appointment, it is necessary to understand the total workload of the Directors and the Professional Assistants. At present the IHB staff is divided into four groups. These are;

Group 1	Capacity Building, etc	1.5 x Dir,	1.75 x Cat A,	4 x Cat B
Group 2	Digital Charting, etc	1 x Dir,	2 x Cat A,	2 x Cat B
Group 3	Corporate affairs	0.5 x Dir,	1.25 x Cat A,	2 x Cat B
Group 4	Secretariat	3 x Cat B		

The workload attached to these tasks was assessed in spreadsheets provided to the SPWG. These spreadsheets are reproduced at Annex A. They indicate a work overload for Directors and PA s [including the new PA] of some four working weeks per person per annum. This is considered to be a conservative figure.

The workload of the Directors and PA s may also be assessed by examination of the most recent version of the IHO Work Plan, 2000 – 2004. Programme Elements 3.1 and 3.4 describe the workload in the chartroom area. These elements can be read in the Work Programme given with PROPOSA 2.

Copies of the current job descriptions of the PAs are given as Conference Information Document CONF.EX2/INFO.11. However they are of limited assistance in defining the workload attached to each function.

The Directing Committee has critically examined the IHO Work Programme, with a view to deleting any non-essential work. They have been able to find nothing of significance, bearing in mind that the effort of one PA represents 15% of the IHB effort available to pursue the goals of the IHO. Removal of the new PA would require the IHO to give up some important programme objectives.

Associated re-structuring of the IHB

As advised in Circular Letter 25/1999, the Directing Committee has proposed a number of changes to the work of the IHB in response to the directions indicated in the Strategic Plan.

The Circular Letter emphasised the importance of the new PA position, and stressed the need to improve the amount of Category A effort as a percentage of total staff effort within the IHB. This has been a major goal of the Directing Committee, who believe that delivery of programme results is largely driven by Directors and Professional Assistants, whilst recognising the important support role of Category B staff. It reflects the recent experience of many hydrographic offices, where the total numbers of staff have decreased, but the proportion of highly qualified employees has increased.

In recognising the fundamental importance of this new emphasis, the Directing Committee has proposed a "budget neutral" adjustment in resources. It proposes to trade-off three Category B positions in order to ensure the continued availability of funds for the new PA position, and for purchase of external expertise at the category A level.

As a result of these changes it would have been possible in normal circumstances to reduce the budget by the size of the new PA salary. Regretably this has not been possible because of the need to provide a substantial "rescue package" for the Internal Retirement Fund.

The Directing Committee trusts that the re-structuring initiative described above will enable the SPWG to recommend that the new PA position be continued for the time being. The need should be reviewed as further re-structuring is progressed.

Conclusion

To discontinue the new position of Professional Assistant [Data Management] would severely reduce the ability of the IHB to deal adequately with a number of high priority tasks and a substantial backlog of work. This would not be in the strategic interests of the Member States.

The Directing Committee has already proposed a modest re-structure of the IHB in order to offset the cost of the new PA position, so that it may be retained without additional cost to the Member States. This is a sensible basis for the achievement of the IHO programmes of the future.

Further re-structuring could be possible in the longer term. Until that time, the work of the IHO will suffer if the new PA position is discontinued. In the meantime the new post may be continued on a repeated short term appointment basis.

Annexes: A. Resource Spreadsheets.

RESOURCE ALLOCATION SPREADSHEETS [WORKLOAD INDICATORS]

	Programme 1		Programme 2					Programme 3				
	El. 1	El. 2	El. 1	El. 2	El. 3	El. 4	El.5	El. 1	El. 2	El. 3	El. 4	El. 5
Pres.	4	5	8	4	2					3	2	
Dir 1	4	4	5	2	1			18			5	
Dir 2	4	2	5	2	1	4			1			
All Dir	12	11	18	8	4	4	0	18	1	3	7	0
PA (P)		4	8						2	10		
PA (C1)	2	2				1		24		2	7	
PA (C2)	2							12			32	
PA (H)	2	4	6						13			2
PA (F)												
All PA	6	10	14	0	0	1	0	36	15	12	39	2

	Programme 4				Programme 5						Total	Normal	Overload
	El. 1	El. 2	El. 3	El. 4	El. 1	El. 2	El. 3	El. 4	El. 5	El.6			
Pres.	2		1		4	7		3	2	*	47	43	4
Dir 1			3	2	2	1				*	47	43	4
Dir 2	7	6	1	1	9					*	47	43	4
All Dir	9	6	5	3	15	8	0	3	2		141	129	12
PA (P)	7				4	2				*	47	43	4
PA (C1)	2		1		1	1				*	47	43	4
PA (C2)	1									*	47	43	4
PA (H)	4				2		14			*	47	43	4
PA (F)					4	34		6	3	*	47	43	4
All PA	14	0	1	0	11	37	14	6	3		235	215	20

Note: Units in these table are working weeks.

PRO – 7/Rev.1 APPROVAL OF AN INCREASE IN THE FREQUENCY OF IH CONFERENCES

Submitted by: Strategic Planning Working Group

References:

- 15th IH Conference Decision N° 7. (CONF.EX2/INFO.11)

PROPOSAL

The Conference is requested to approve the SPWG recommendations.

BUREAU COMMENTS

Proposals 11 and 21 presented to the XV Conference suggested that it was desirable to increase the frequency of IH Conferences in order to improve the effectiveness of the IHO.

The SPWG was requested to study the matter, and to make a recommendation to the Conference.

Those proposals are contained in the Proceedings of the XV Conference, Appendix, pp 59 – 64 and 94 – 96. The discussion of the proposals is reported in the Conference Proceedings, Volume 1, pp 74 – 75.

The case in favour of holding more frequent conferences

The proposals presented to the XV Conference claimed that, in an epoch of rapid change, the traditional 5 year Conference does not allow the IHO to be sufficiently pro-active in the adoption of new activities and directions for the benefit of its Members, and prevents it from reacting sufficiently fast to external initiatives which may adversely affect its Members.

The costs to Members of moving too slowly have been significant, particularly in terms of the challenges offered by commercial interests, and in the failure to satisfy the needs of customers.

A greater frequency of Conferences would provide an essential opportunity for the national Hydrographers to discuss critical strategic and senior management issues, monitor the progress of the IHO work programme, authorise changes, and advise and assist the Directing Committee more frequently than is now possible. This would enhance the effectiveness of the IHO, and its value to Member States.

Although the major technical committees meet frequently, the representatives are normally not the national Hydrographers.

Another advantage of more frequent Conferences might be that Member States would have a better understanding of the issues facing the Organisation. Many Member States, and particularly those outside the North Atlantic area, find it difficult to keep in touch. The term of office of many national hydrographers is less than 5 years.

Conferences offer a valuable opportunity for informal “face-to-face” discussions outside the Conference room.

Conferences generally attract greater participation from Member States than do the matters decided by Circular Letter.

Member States have noted that the IMO Assembly meets every second year, as does the IOC Assembly. This could be taken as a benchmark for the proper progress of international co-operative programmes.

In regard to cost, it may be more cost-effective to run Conferences more frequently. Cost alone is not the real issue.

The case against holding more frequent conferences

It has been noted that many of the proposals raised at the IH Conferences have been of an administrative rather than of a technical nature, indicating that the work of the IHO may not in reality be impeded by the five year Conference cycle.

In particular, the decision to establish a Strategic Plan and an Annual Work Programme, together with a cycle for the review of these documents, will enable the Member States to ensure, through their representatives on the SPWG, that the IHO is more responsive in the future to their needs and to external factors. [However there is no assurance that the SPWG will continue in being after the XVI IHC]

It has been argued that the existing spectrum of Committees provides sufficient response to changes in the external environment. The frequency of meetings of the technical committees ensures that the Member States and the IHB are in close touch regarding technical issues. The frequency of technical meetings can be increased if necessary.

The frequency of high level meetings, such as the WEND, and the SPWG should ensure frequent consultation on more strategic issues. The Regional Hydrographic Commissions, which should meet at two yearly intervals, offer an excellent opportunity for the Hydrographers to discuss current strategic and senior management issues, as well as technical issues.

The Circular Letter process of decision making allows Member States time for research and consultation. This is not a feature of Conferences, where proposals may be brought forward at short notice. The benefits of having more time are particularly relevant to financial decisions.

Although translation services are provided at the Conference, their limited scope means that many delegates have difficulty in understanding and participating in the debates.

A greater frequency of Conferences may cost more. In principle, it is suggested that one ten-day Conference could become two five-day conferences. However, in practice some economies of scale will be lost, and as a result two short Conferences will cost more than one long Conference. An initial estimate is that the greater frequency of Conferences would result in additional annual costs to the Organization of approximately 200,000 Francs per annum, or 2% of contribution income. [As noted on page 1, cost-effectiveness is a more important measure than simple cost. The value of more frequent Conferences will more than compensate for any additional cost.]

The work of organising two Conferences would be greater than the work of organising one, and that would have an impact upon the operational work of the IHB, since the organising of a Conference and the post-conference work are a major burden. [The outsourcing of some of this work will be investigated.]

There would be additional travel and accommodation costs for the Member States. This may be an impediment for the smaller and more distant nations. However the response to the call for an extraordinary Conference in 2000 seems to indicate that this is not a major issue.

If financial restrictions affect the attendance of Member States, the more frequent conferences might not be truly representative of the Membership.

The interval between Conferences.

An examination of the comments attached to the proposals for the XV Conference, and of the discussion at the Conference Plenary, suggests that the interval between Conferences should be 2 ½ years. This interval would meet the objectives of the proposals, whilst keeping costs down.

The Conference programme and duration

The SPWG considers that it will be essential to change the way that future Conferences are managed.

The duration of the Conferences should be no more than one week.

Proposals should be carefully selected, and might come from Technical Committees and Regional Hydrographic Commissions, as well as from Member States. Discussion should be confined to strategic and senior management issues. The minor and administrative issues which have taken up so much time at past Conferences should be dealt with by Circular Letter.

Conference Committees, except Finance, should be discontinued, and the Conference should meet in plenary to deal with senior management issues.

The structure of debate at future Conferences should be changed. Instead of examining Committee reports, the Conference should receive a progress report on each of the five work programmes of the IHO; e.g. standards development, capacity building. Having reviewed the progress of past work, the Conference should address strategic issues and proposals for change. Then the Conference should decide on future work, and finally it should approve the budget.

If reports of major IHO Committees such as the WEND and Finance are required, they should be agreed by those Committees before the Conference. This will avoid the present practice of discussing all reports twice, once in Committee, and once in Plenary.

In regard to Finance, the draft budget should be circulated, and comment received, well before the Conference [in the same way that Proposals are developed], to avoid the confused nature of past debates on Finance. Budget proposals should be framed in the context of the five work programmes, e.g. Capacity Building or Standards development, rather than the past activity based presentation e.g. Travel, or Stationary.

If it is necessary to convene any Committees during the Conference, they should be run in parallel, and the work should be conducted in English only.

The need for an elaborate opening ceremony, and for expensive services such as precis writing, should be reviewed. A review of services has the potential to yield considerable savings in the cost of running Conferences, to the extent that costs might actually decrease.

To conform to contemporary semantics in international business, the Conference should in future be called the General Assembly.

An outline programme for more frequent Conferences is contained in Annex A.

In conjunction with the Conferences in 1992 and 1998, the IHB organised an industry exhibition and a symposium. These events were well received by Member States. In the new Conference format, if desired, an exhibition and symposium could be organised in the following week, as a separate event.

The Convention of the IHO requires certain matters to be dealt with only at five year intervals [eg election of directors, approval of budget etc]. It will therefore be necessary for the SPWG to refine these ideas, and to submit a final proposal to the Member States for approval by circular letter before the end of 2000.

Budget implications of more frequent Conferences

The Directing Committee has advised in Circular Letter 25/99, its intention to restructure the work of the IHB, in order to align it with the requirements of the Strategic Plan, and to enable the redirection of resources to high priority issues. As part of this re-structure the DC, noting the need for a higher tempo of activities, has allocated an additional 200,000 FrF annually to the Conference fund. This has been done as part of a “budget neutral” re-structuring of the work of the IHB.

Reductions in expensive Conference services, if approved, should ensure that additional costs are kept to an absolute minimum.

The DC considers that the costs of the additional Conferences can be absorbed within the existing five-year budget approved by Member States.

Constitutional Aspects

Article VI[1] of the Convention of the IHO provides a mechanism whereby additional Conferences may be called if desired. Holding Conferences more frequently will not require an immediate change to the Convention, though a change is desirable in the long term.

An Alternative

Considerable advances have been made in recent years in the facilities for video-conferences. This could be an alternative to holding the Conferences more frequently. If the venues of the Regional Hydrographic Commissions could be linked, this might be effective. Nevertheless, the logistic problems of linking 67 Member States together across 24 time zones would seem to be formidable. The costs and benefits would need further research, but this might become a viable alternative within the decade.

Conclusion

The case in favour of holding more frequent Conferences is that, in an epoch of rapid change, the traditional 5-year Conference does not allow the IHO to be sufficiently pro-active in the adoption of new activities and directions for the benefit of its Members States and their customers. It is also essential that national hydrographers have the opportunity to come together more frequently to discuss strategic and senior management issues. Thus the effectiveness of the IHO would be enhanced.

The case against an increased frequency of Conferences is that the new Strategic Planning cycle should overcome any other perceived deficiencies in the effectiveness of the IHO. The Committee system handles technical issues and urgent matters in a satisfactory way between 5 year Conferences. Attendance at more frequent Conferences might be costly to Member States with limited travel budgets, and there might be an adverse impact on the IHO budget.

The format of the Conference should be changed, to focus on strategic and senior management issues. The traditional system of committees should be abandoned, except Finance. The length of the Conference should be reduced to one week.

Recommendation

It is recommended that the Conference approves:

- i. the proposal to hold an extraordinary IH Conference between two ordinary Conferences;
- ii. the proposal to shorten the duration of future IH Conferences to 1 week;

- iii. the proposal to change the way in which the Conference is conducted, to follow the principles outlined in this paper;
- iv. the proposal that the SPWG should refine the detailed arrangements for future conferences, and submit a proposal for approval by Circular Letter before December 2000.

Action required of the Conference

The Conference is requested to approve the SPWG recommendations.

Annex A: Proposed “Short” Conference schedule.

Outline “Short” Conference Programme

Week 1. Conference

Day 1	Monday	am	Delegates Arrive
		pm	Opening Ceremonies
Day 2	Tuesday	am	Review achievements of previous period
		pm	Consider Proposals
Day 3	Wednesday	am	Discuss Strategic Issues
		pm	Review Strategic Plan
Day 4	Thursday	am	Review and approve 5-year Work Programme
		pm	Review financial and staff matters
Day 5	Friday	am	Review and approve 5-year budget
		pm	Election of Directors
Day 6	Saturday	am	Unfinished business
		pm	Closing Ceremonies

PRO 8 - APPROVAL OF THE IHB ARRANGEMENTS FOR AN ELECTRONIC DOCUMENT CENTRE

Submitted by: Strategic Planning Working Group

References:

- 15th IH Conference Decision N° 8. (CONF.EX2/INFO.12)

PROPOSAL

The Conference is requested to approve the recommendation.

BUREAU COMMENTS

At the XV Conference, Chile proposed that an Electronic Document Centre should be established at the IHB to handle nautical charts and publications in digital form. The proposal envisaged that this centre would provide a “one-stop” reference centre for meta-data for Member States' products and services. [See the Proceedings of the XV Conference, Appendix, pp 70 – 74.]

During the discussion on the matter, it became apparent that the IHB had already done a substantial amount of work on the establishment of a web-site. Meta-data about navigational products could be included on this site. Selected information from the IHB database of Member State's charts, which is a set of meta-data, could be made available by digital transfer on request. The IHO web-site could contain pointers to national web sites when they are established.

By Conference Decision No. 8 the SPWG was tasked to study this proposal, and to make a recommendation.

Developments since the XV Conference

As reported in Circular Letters 25/1999 and 62/1999, the IHB has initiated proposals for the development of the IHO web-site, and for the transition of the paper chart collection to a digital collection. The proposals envisage that the chart meta-data of Member States charts will be made available on the IHO web-site, until such time as the Member States have established such a service on their own web-sites. At that time the meta-data provided on the IHB web-site will be replaced with a reference to the national web-site.

It is clear that many of the Member States of the IHO have established, or are establishing, their own web-sites, which will play a crucial part in the world-wide network of hydrographic information. In December 1999 there were 24 web-sites for IHO Member States. This development will have a major influence on the implementation of Proposal 14.

The need for an Electronic Document Centre

The Directing Committee believe that the IHB proposals for the development of an IHO web-site, and for the provision of meta-data through that site, will provide an adequate response to Proposal 14, in so far as it addresses the need for access to meta-data. In effect, the proposal is already being implemented.

Recommendation

It is recommended that the implementation of the Electronic Document Centre at the IHB should be continued, taking advantage of available technology which is being incorporated by the IHB and Member States.

PRO 9 - ADOPTION OF SPANISH AS THE THIRD OFFICIAL IHO LANGUAGE

Submitted by: Argentina, Australia, Brazil, Cuba, Chile, Colombia, Ecuador, Greece, Italy, Mozambique, Peru, Spain and U.K.

References:

- Study of the implication of Spanish as an official language (not included in the Red Book) (CONF.EX2/INFO 13). (See IHB Circular Letter 24/1999)
- 15th IH Conference Decision 14.(CONF.EX2/INFO 14)
- IHB C.L. 24/1999 dated 26 May 1999.

PROPOSAL

It is proposed that Article XII of the Convention on the International Hydrographic Organization be amended to read:

"The official languages of the Organization shall be English, French and Spanish".

COMMENTS BY SPAIN

Spanish is the mother tongue of some 400 million people and, despite the geographic dispersion of Spanish-speaking countries, it keeps a remarkable homogeneity and uniformity. During recent years, the use of Spanish has notably increased, becoming one of the most relevant languages at the international level and being accepted as an official language in many international organizations.

Also, it is the official language of many IHO Member States, and its adoption as an official language would foster the development of sciences in the fields of Hydrography and Oceanography, as stated in para. d. of Article II in the IHO Convention.

During the XIVth International Hydrographic Conference, Chile submitted Proposal No. 13, regarding the amendment of Article XII of the IHO Convention so as to include Spanish as an official language, alongside English and French.

Although the Proposal was rejected, it was a partial success, as the Conference resolved, in Decision No.7, to increase the number of trilingual publications, to draft Circular Letters in all three languages and to amend Administrative Resolutions T.1.4 and T.1.5.

At the XVth International Hydrographic Conference, Spain, based on the same considerations as Chile in the preceding Conference, submitted Proposal No. 45, requesting again the amendment of Article XII of the Convention.

As a result of the aforementioned proposal, and so as to study the implications of the adoption of Spanish as an official language, the Conference agreed (Decision No.14) to task the IHB Directing Committee with the following:

- to identify the options, together with their associated benefits and costs, of adopting Spanish as the third official language of the IHO.
- to assess the priority for the potential adoption and advise on the best way of minimizing the associated cost to the IHO.

The findings of this study were circulated to all IHO Member States in CL 24/1999, noted in the Reference, and they are as follows:

- Spanish is in use as an effective working language at the IHO.
- The cost of progressing to the adoption of Spanish as an official language is not high, and could be absorbed without difficulty in future budget proposals.
- There appears to be no particular reason to allocate a priority. Rather it is a decision of principle.

Consequently, there appears to be no negative implication to the adoption of Spanish as an IHO official language.

MEMBER STATES' COMMENTS

ARGENTINA

I am pleased to support, on behalf of the Republic of Argentina, the proposal forwarded by Spain, dated 2 August 1999, to have Article XII of the Convention amended by the 2nd Extraordinary International Hydrographic Conference, to read:

The official languages of the Organization will be English, French and Spanish.

BRAZIL

This Directorate endorses the Spanish proposal for the 2nd Extraordinary International Hydrographic Conference to include Spanish as an official language of the IHO.

COLOMBIA

This is to confirm officially Colombia's support of the proposal forwarded by the Hydrographic Institute of the Spanish Navy, whereby they request the Second Extraordinary International Hydrographic Conference to amend Article XII of the Convention, to have Spanish adopted as an official language of the Organization.

Our decision is based on the conclusions resulting from the study made by the IHB Directing Committee and contained in Circular Letter No. 24 dated 26 May 1999.

CUBA

In reply to Conference Circular Letter No. 4, we reiterate our support of PRO 1 "ADOPTION OF SPANISH AS THIRD IHO OFFICIAL LANGUAGE", put forward by Spain.

Spanish is the official language of a great number of IHO Member States, who play an important role in the activities of the Organization. It is also the language spoken by other countries, such as Panama and Mexico, playing a relevant role in international navigation.

There is no doubt that the approval of this proposal will be an additional encouragement for Spanish-speaking countries, who have not yet joined the IHO, to become involved in IHO. It will also help those countries who are already Member States to participate more efficiently in the work of the Organization and to benefit further from the international exchange.

FINLAND

As a reply to the 2nd EIHC CL 4/199 we will inform that Finland is against the proposal PRO 1. The main reasons are briefly listed below:

- There should be a general trend to reduce the administrative costs of IHO and IHB. Adoption of additional official languages is against this principle.
- If Spanish language is accepted then in the future IHO may be obliged to accept other languages too.

Finland understands the need of the use of the Spanish language as an in-official language within the Spanish speaking Member States. But Finland has the opinion that this (i.e. translation of documents) should be arranged on a voluntary basis, e.g. by a volunteering Hydrographic Office.

ICELAND

Iceland does not support the Spanish language as the third official IHO language.

INDONESIA

In principle we have no objection to adopting Spanish as the third official IHO language as proposed by Spain and other 13 Member States, as long as this is not a burden to future budget proposals.

ITALY

Italy fully supports the adoption of Spanish language as an IHO official language.

Consequently Italy agrees with Spanish Hydrographic Office to amend the Article XII of the Convention to read:

“The official languages of the Organization shall be English, French and Spanish”.

MOZAMBIQUE

Mozambique supports the proposal submitted by Spain of using Spanish as the official language of the Organization.

NETHERLANDS

With reference to the proposal “Adoption of the Spanish language as official IHO language”, we inform you that Netherlands Hydrographic Office has no objections against this proposal, as it has been shown that the proposal will have a very positive influence on the contact of IHO with many (potential) Member States.

NORWAY

The Norwegian Hydrographic Service can with great uncertainty support Spain’s PRO 1, i.e. amending Article XII of the IHO Convention.

The IHB’s conclusions in CL 24/99 may very well be correct. However a few things should be kept in mind:

- Spanish in use as a working language at the IHO and has been made possible because at present there is a Spanish-speaking PA. However, he will not last for ever. What will other arrangements amount to?
- The contributions of the Spanish-speaking Member States have made it possible to gain control over the expenses.

- If PRO 1 is accepted by the Member States, is the Spanish-speaking MS willing to give support in the future also, when the Spanish language is equivalent to English and French?
- IHB argues that the incremental cost involved in adoption of Spanish as an official language would appear to be relatively small and that it will be possible to build in the costs without disrupting existing programmes. That can be correct provided that Spanish-speaking MS are committed to assist the IHB also in the future.
- The idea of a translation fund is interesting and should be developed further.
- Most of all the Directing Committee should bind themselves to keep strict control over the economic situation.
- A last remark; are IHB aware of any other group of languages which might claim the same rights, i.e. to be an official language if the IHO?

RUSSIA

We have no objections to adopting Spanish as the third official IHO language.

THAILAND

Regarding to 2nd EIHC CL 4/1999 of 30 September 1999 concerning proposal from Spain to adopt the Spanish language as the third official IHO language, we consider that such adoption will increase unnecessary cost to IHO since English and French are both international language which many countries use and understand worldwide. However, we have no objection to the Spanish proposal.

TURKEY

The proposal of Spain for adopting the Spanish language as the third official IHO language is not considered as a subject of strategical significance from the general view point of DNHO, and since the 2nd EIHC is an extraordinary conference for strategic planning, the proposal should better not be discussed during the 2nd EIHC.

UNITED KINGDOM

The United Kingdom will be pleased to support this proposal. We should like to suggest two small amendments to the Explanatory Note to the fifth and sixth paragraphs of the Comments, for completeness:

- The reference to Proposal 45 should read Proposal 40. As you are aware, Proposal 40 sought to change Article XII. When, after consideration, Proposal 40 was rejected, the alternative proposal to carry out the study, Proposal 45, was submitted and accepted by Decision 14.
- Include the third clause of Decision 14: “to communicate the findings of this study to all Member States through Circular Letter by December 1999”.

URUGUAY

Fully supports the Spanish proposal.

USA (NIMA)**U.S. Comments on Second Extraordinary I.H. Conference Pro 1 – ADOPTION OF SPANISH AS AN OFFICIAL LANGUAGE OF THE IHO (Amendment of Article XII of the IHO Convention)**

The United States of America recognizes the importance of and in principle supports adoption of the Spanish language as an official language of the International Hydrographic Organization. However, the United States cannot support this proposal based on the limited Report of Circular Letter 24/1999.

CL 24/1999, “Study of the Implications of Adopting Spanish as an Official Language of the International Hydrographic Organization”, does not provide an adequate basis for making this important decision. While the United States appreciates that there are important benefits to use of the Spanish language, the U.S. also is concerned about the workload within the I.H. Bureau, potential tradeoffs for implementation and the potential costs to Member States. As noted in the report, correspondence in Spanish to the I.H. Bureau has significantly increased since the decision to use Spanish as a working language during the 1992 I.H. Conference. Adoption of Spanish as an official language, entails a significant added increase in workload for the Organization as was outlined for the Member States at the 1997 I.H. Conference (Report of Proceedings, Volume 2, pages 58 and 61-62).

For I.H. Conferences alone, the I.H. Conference Proceedings, I.H. CONF Reports, Red Book, enclosures to all I.H. CONF Circular Letters and all other I.H. CONF documents would have to be translated and printed in Spanish. The estimates for the 1997 I.H. Conference were explicit as to how much workload this change would entail for printing and translation. CL 24/1999 merely states that 2 or 3 added staff would be required for a “short period” at an added estimated cost of 40,000 French francs which could be absorbed. The United States suggests that from the 2002 I.H. Conference, the I.H. Bureau “beta test” this presumption by absorbing costs as proposed while producing all documents in Spanish and carefully tracking the associated costs. The results of the “beta test”, including costs, should then be made available for Member State consideration prior to further consideration of adoption of Spanish as an official language.

The CL 24/1999 Report recognizes that production of the I.H. Review in Spanish is not within the capability of present I.H. Bureau staffing. The report cites 80,000 FF for annual contract translation of the I.H. Review or 25,000 FF if the I.H. Review articles are made a part of the I.H. Bulletin with a reduced number of articles. The United States would question the effectiveness of the proposed contract translation. Use of a retired I.H. Bureau employee for translations from French to English, as cited in the report, is done using someone very familiar with hydrographic terminology, i.e., a retired IHB employee. Most translators will not be familiar with hydrographic terminology. This is a reason for having a permanent translation staff within the I.H. Bureau. It may be possible to hire a translator within one of the Spanish language Hydrographic Offices to overcome this problem and work by e-mail but this may involve problems of coordinating changes that continually occur as such publications are processed within the Bureau. Maintaining uniformity of publications across three languages will be a significant task within the Bureau.

The report did not mention any addition of staff beyond the current Secretary/Spanish translator position at the I.H. Bureau. With only one translator, during leave taking and sick leave periods, it would seem that there is risk of the Bureau not being able to meet the mandate of Spanish as an Official language. Further, the 1997 IH CONF documents suggested addition of an Assistant Editor (Spanish) because of the heavy proof reading workload associated with the addition of documents in Spanish. Presently, the Professional Assistant (Technical Assistance, Training, Publications management) (Job Description is given in SPWG 4, WP Conf. Dec 5.2, 5 Oct 99) functions as the proofreader for Spanish documents. In view of the scope of other tasks, it does not appear to the U.S. that this P.A. could handle the added workload. Nor does it seem to be a proper use of a Professional Assistant position, which normally only would read such documents to ensure that they are technically correct.

The U.S. does not consider the CL 24/1999 Report adequate as a basis for the proposed decision. The report did not adequately define the associated costs, did not identify the specific tradeoffs necessary for current staff to support adoption, nor were the resource requirements needed to effect the proposal comprehensively addressed. While the U.S. is supportive of the adoption of Spanish, the U. S. is opposed to changing the IHO Convention at this time. The U.S. would like IHO to take measured steps towards adoption through a “beta test” to identify and quantify what would be required for another official language to be adopted. Therefore, it is proposed that a beta test period covering all aspects of the adoption of Spanish be conducted during the two-year period from the Second Extraordinary I.H. Conference through the XVIth I.H. Conference. A report on the experience and costs through the period shortly before the I.H. Conference can then be presented during the I.H. Conference for Member State consideration. This would provide a reliable estimate from the Bureau of the resources needed for adoption of Spanish as an official language of the IHO.

BUREAU COMMENTS

Present Situation

At present, the use of the Spanish language within the IHO/IHB is regulated by the IHO Resolutions T 1.4 and T 1.5. The text of these two resolutions was approved by Decision 7 of the XIV IH Conference.

The IHB has fully implemented these resolutions, and apparently, the Spanish speaking Member States have been satisfied with the services provided.

The IHB is committed to continue the provision of information in the Spanish language in accordance with these resolutions. However, the Directing Committee considers that a further formalisation of this commitment is not an objective to be pursued. It will create a difficult and lengthy procedure for changing the IHO Convention, and if eventually adopted, it may generate a constraint that could affect the future operations of the Organization.

Future Considerations

The Directing Committee considers that the adoption of another official language is a strategic issue for the Organization. The DC believes that no decision on this matter should be taken until the Organization has developed a policy on use of language. The DC notes that the SPWG has identified this issue as one which it intends to address in the period 2000 – 2002.

The discussion paper circulated with CL 26/99 addressed only the additional cost of adopting Spanish as an official language. The adoption of new official languages involves a number of other aspects, which should be included in the development of a language policy for the Organization. Some are mentioned briefly in the following paragraphs.

Definition of Objectives. The objectives of the Organization in adopting official and working languages should be defined.

Working Methods. The working methods of the Organization, and the consequent requirements for working and official languages, need to be considered.

Communication. Ease of communication must be a matter of the greatest importance in an international organization, and this is obviously the driving force behind the proposal. Yet, as the discussion paper points out, effective communication is already assured through the use of working languages.

Equity. Good communications might require that the IHO should adopt several widely used languages as official or working languages, for example Arabic, Chinese, Portuguese, Russian and Spanish. Of course this would result in significant extra cost. The adoption of a third official language might be a precedent which would be followed by other groups of Member States on grounds of equity. In terms of equity it should be noted that at present Spanish speaking countries comprise approximately 17% of the IHO membership, English speaking countries comprise approximately 15%, while French speaking countries comprise approximately 7%.

Priority. Should language have a priority in the allocation of resources? The IHO has not identified language or communications as a priority strategic issue. According to IHO strategic goals, it would be better to devote resources to high priority tasks, for example standards development or basic capacity building, rather than to additional languages.

Opportunity cost. The cost of servicing languages is an opportunity cost. The current opportunity cost in IHB staff resources is about 15% of non-Director salaries, and there are additional opportunity costs to Member States for translations. Opportunity cost is significant, and was not examined in the discussion paper.

Effectiveness. The discussion paper envisaged that significant translation work would be done by Member States. It is necessary to be sure that these arrangements will be effective in the long term. If the number of languages increases, there is a risk of an unintentional divergence of publications and standards due to small variations in complex translation.

Limitations on translation. In order to control the real costs of translation, there is at present a consensus that certain very complex publications [eg S-57 and certain S-52 appendices] should not be translated, but this consensus may not continue. Perhaps some re-affirmation of this principle is needed.

Zero Growth Budget. Reduction of the costs of running the IHO may become a strategic issue, given the interest in the concept of a zero growth budget. Additional languages may impede the transition to this form of budget.

Reducing the cost of Language. If containing budget growth is a strategic goal, or if language is not a priority for allocation of resources, it may be useful to consider the possibility of reducing the costs of language. This might be achieved, for example, by using official languages only for official correspondence, and by using English as the sole language for technical business and technical publications.

IHB Recommendation

The IHB recommends that a vote on the Spanish proposal should not be taken until the SPWG has reported on the subject of language policy.

PRO 10 - INTERPRETATION OF ARTICLE XX OF THE IHO CONVENTION

Submitted by: IHB

References:

- Report from one member of the IHO LAC dated 17 May 1999. (CONF.EX2/INFO.15)
- Article 123 of the UNCLOS

PROPOSAL

To amend the Article 1 of the IHO General Regulations as to read:

Article 1 : The Organization, *opened for accession to any State with maritime interests*, is a consultative agency. It has no authority over the hydrographic offices of the Governments Parties of the Convention.

BUREAU COMMENTS

The first part of Article XX of the IHO Convention states that:

After it entered into force this Convention shall be opened for accession by the Government of any maritime state which applies to the Government of the Principality of Monaco specifying the tonnage of its fleets, and whose admission is approved by two thirds of the Member Governments.

Considerations:

The interpretation of the adjective **maritime** may mean to some readers that the accession to the IHO Convention contains a limiting factor. However, the advice provided by the IHO Legal Advisory Committee stipulates very clearly that :

1. In the light of the relevant texts of the United Nations Convention on the Law of the Sea (UNCLOS) and other applicable texts, the meaning of the term "maritime state" supports a wide interpretation of it.
2. The rules set out in Article 123 of UNCLOS (see report of the Reference) are applicable in relations between landlocked states and the IHO and are therefore properly taken into account in the interpretation of Article XX of the IHO Convention in the present context.
3. Together with the context of any treaty (in this case, the IHO Convention), any subsequent agreement between the parties regarding the interpretation of the treaty of the application of its provisions, shall be taken into account.

The IHB thinks that a State should not be prevented by geographical circumstances from applying to join the IHO. An applicant State should have the freedom to decide by itself the convenience and the interest to join the Organization.

PRO 11 - IHO WORKING CAPITAL FUND AND INTERNAL RETIREMENT FUND

Submitted by: United States of America
Supported for introduction by: Greece, Germany, New Zealand

References:

- IHO Publication P-6, XVth International Hydrographic Conference Proceedings
- IHO Publication M-1- Basic Documents of the International Hydrographic Organization (IHO), Financial Regulations

PROPOSAL

It is proposed that the requirement in the IHO Financial Regulations, Article 18, for the working capital of the Organization to be maintained at not less than 50% of the total annual contributions of Member Governments be revised to 8% of the total annual contributions of Member Governments and that the amount so saved be transferred to capitalize the Internal Retirement Fund.

Proposed changes to Article 18, Financial Regulations of the IHO (M-1)

ARTICLE 18

To ensure the financial stability of the Bureau, and to avoid any treasury difficulties, the Bureau shall have at its disposal a working capital the amount of which shall correspond, at the beginning of each year, to 8% of the total annual expenditure budget of the Organization.

EXPLANATORY NOTE

The United States first raised this issue during the XVth International Hydrographic Conference (see statement by Ms WYNES on page 227 of Volume 1, XVth I.H. Conference Proceedings). The United States notes that the Directing Committee has made major expenditures in support of the Bureau Internal Retirement Plan and that Member State share values have been increased so as to restore the working capital to the not less than 50% of total annual contributions of Member Governments as currently required by the IHO Financial Regulations.

With the implementation of the private pension plans, wherein International Hydrographic Bureau staff retirement contributions are made to a private pension plan, the need to maintain funds for possible dissolution of the Organization is significantly lessened. As noted in the proposed budget documentation for year 2000, only 3 of the International Hydrographic Bureau staff will remain on the Bureau Internal Retirement Plan after year 2003. As the Organization transitions to the Personalized Retirement scheme, the need for capital to support the possibility of the Organization being dissolved is similarly lessened.

The Joint Inspection Unit (JIU), an independent expert body that provides management oversight for international organizations in the United Nations' system, suggests a cap of 1/12th of the annual budget for working capital funds. The United States contends that this level would be appropriate for IHO as well and would help to stem continuing increase to share value presented to Member States.

BUREAU COMMENTS

Working Capital

The IHB suggests that the Conference should not approve this proposal until it has received some recommendation from a group of financial experts. The Conference may wish to establish such a group.

The IHB view concerning the level of Working Capital is set out in Working Paper 3 (CONF.EX2/WP.3), page 2, paragraph 3 [The *appropriate level ...*]. For the reasons mentioned in the Working Paper, the Directing Committee would be very concerned if Proposal 11 were to be adopted without proper research.

The present level of Working Capital was mandated in 1962 to reflect the cash flow profile of the IHO. That cash flow profile has not significantly changed. The profile is illustrated in the graph at Annex B of the Working Paper. A lower level of Working Capital would be acceptable if all Member States could pay their contributions promptly at the start of the year. This is not the case at present, because of differing national budget and management arrangements.

In the opinion of the Directing Committee, the policy of the Joint Inspection Unit (JIU) in relation to UN bodies may not be appropriate to the IHO, because of some significant differences between the UN and the IHO.

Retirement Fund

The Proposal contains some incorrect statements about the Retirement Fund.

In the Summary Balance Sheet at Annex A of the Working Paper, the liabilities and assets of the Retirement Fund have been balanced, effectively removing the Internal Retirement liabilities from any future discussion of the Working Capital, which is uniquely required to support operations.

The amount of money needed to support the Retirement Fund liabilities is as stated in the summary Balance Sheet, and is not expected to be lessened in the near future, due to the age profile of the members of the Fund. There are currently 12 members of the Fund [5 active, 7 retired]. In 2003 it is expected that there will still be 12 members [3 active, 9 retired]. The liabilities of the Fund to a member do not automatically cease on retirement, since most retirees opt to receive a pension. The value of the liabilities is based on an external actuarial study.

The present liability situation of the Internal Retirement Fund is entirely independent of the private pension plans.

Share Values

As is mentioned in the Working Paper (CONF.EX2/WP.3), page 2, paragraph 5 [*The value of ...*], the operating budget of the IHO for 2000 includes a sum for the payment of pensions. It should be possible to stop this pension supplement in 2003.

Amended Proposal

As provided for in Rule 46 of the Rules of Procedure for International Hydrographic Conferences, the IHB wishes to table an amendment to the proposal .

The amended proposal will read as follows:

“It is proposed that the requirement in the IHO Financial Regulations, Article 18, for the working capital of the Organization to be maintained at not less than 50% of the total annual contributions of Member Governments be reviewed by a group of financial experts to determine an appropriate level for the working capital.”

DECISIONS OF THE CONFERENCE

**DECISIONS OF THE 2nd EXTRAORDINARY INTERNATIONAL
HYDROGRAPHIC CONFERENCE**

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DECISIONS OF THE CONFERENCE

DECISION No. 1 - SUMMARY REPORT OF THE STRATEGIC PLANNING WORKING GROUP (SPWG)

The Conference decided to note the summary report of the SPWG (CONF. EX2/WP.1) and consider the SPWG proposals contained in the Conference Papers.

DECISION No. 2 - IHO STRATEGIC PLAN (PRO 1)

The Conference decided to adopt the IHO Strategic Plan as contained in (CONF.EX2/PRO.1).

DECISION No. 3 - IHO INTER-SESSIONAL WORK PROGRAMME AND PRIORITIES FOR 2000-2004 (PRO 2)

The Conference decided to adopt the IHO Work Programme as contained in CONF.EX2/PRO.2). *Priorities of certain actions were modified as agreed.*

DECISION No. 4 - IHO PLANNING CYCLE (PRO 3)

The Conference decided to defer approval of the IHO Planning Cycle, as contained in (CONF.EX2/PRO.3), until the I.H. Conference in 2002.

DECISION No. 5 - INTERSESSIONAL EXTRAORDINARY CONFERENCES (PRO 7)

The Conference decided to hold an extraordinary International Hydrographic Conference between two ordinary Conferences.

DECISION No. 6 - DURATION OF FUTURE I. H. CONFERENCES (PRO 7)

The Conference decided:

- a) To shorten the duration of future IH Conferences to one week;
- b) that the SPWG should refine the detailed arrangements for future Conferences, and consequently, the IHB will submit a proposal for approval by Circular Letter before December 2000.

DECISION N° 7 - APPROVAL OF THE CONTINUATION OF FURTHER STUDIES ON STRUCTURAL CHANGES TO THE ORGANIZATION (PRO 5 and PRO 9)

The Conference decided to authorize the SPWG to continue its studies on structural change, as proposed, on the understanding that the SPWG would examine all aspects of restructuring bearing in mind the reservations expressed during the Conference and the need to achieve the aims of the Strategic Plan and the Work Programme, including the consideration of a Language Policy for the Organization.

DECISION N° 8 - APPROVAL OF THE CONTINUATION OF THE ADDITIONAL POST OF PROFESSIONAL ASSISTANT (PRO 6)

The Conference decided to establish the position of Professional Assistant (Data Management) for a further two years, until September 2002. The need to continue after that time should be examined in January 2002.

DECISION N° 9 - APPROVAL OF THE IHB ARRANGEMENTS FOR AN ELECTRONIC DOCUMENT CENTRE (PRO 8)

The Conference decided that the implementation of the Electronic Document Centre at the IHB should be continued, taking advantage of available technology which was being incorporated by the IHB and Member States.

DECISION N° 10 - REPORT ON THE DEVELOPMENT OF THE WEND SYSTEM, AND FUTURE ROLE OF RENCs [REPORT] (CONF.EX2/WP.2)

The Conference decided that the actions recommended in the Working Paper (CONF. EX2/WP.2) should be put into vote by Member States through an IHB Circular Letter. The Chairman of the WEND Committee should work with the IHB to formulate the action required to be put in the Circular Letter.

DECISION N° 11 - IHO WORKING CAPITAL FUND (PRO 11)

The Conference decided that a group of financial experts, would study the appropriate level for Working Capital and would also address all other concerns expressed at the Conference, including the impact on the introduction of the Euro.

The expert group's study should be completed within six months and its report should then be forwarded to Member States by Circular Letter.

PLENARY SESSIONS

**PLENARY SESSIONS OF THE 2nd EXTRAORDINARY INTERNATIONAL
HYDROGRAPHIC CONFERENCE**

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SUMMARY RECORDS

CONF.EX2/P/SR.1

FIRST PLENARY SESSION

20 March 2000

0830 – 1230

Rapporteur : Mr. Nigel SUTTON (United Kingdom)

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- Confirmation of election of the President and Vice-President of the Conference (Agenda item 1)
 - Nomination of Rapporteurs (Agenda item 1)
 - Approval of the Agenda (Agenda item 2)
 - Consideration of the Summary Report of the Strategic Planning Working Group (Agenda item 3)
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 - To approve the IHO Work Programme and priorities (Agenda item 4.2)
-

CONFIRMATION OF ELECTION OF THE PRESIDENT AND VICE-PRESIDENT OF THE CONFERENCE (Item 1 of the Provisional Agenda)

The PRESIDENT OF THE DIRECTING COMMITTEE announced that the name of First Admiral Mohd Rasip Bin Hassan (Malaysia) had been submitted as candidate for election as President of the Extraordinary Conference and that of Captain Hugo Gorziglia (Chile) as candidate for election as Vice-President. Consequently, Captain Yacob Ismail RMN (Malaysia) will be head of the Malaysian delegation.

First Admiral Mohd Rasip Bin Hassan (Malaysia) and Captain Hugo Gorziglia (Chile) were elected President and Vice-President by acclamation.

NOMINATION OF RAPPORTEURS

The PRESIDENT OF THE DIRECTING COMMITTEE said that Mr. Richard MacDougall (Canada), Mr. Nigel Sutton (United Kingdom), Mrs Anne Kearle (United Kingdom) and Mr. Paul Cooper (United States of America) had offered to serve as Rapporteurs.

First Admiral Mohd Rasip Bin Hassan took the Chair.

APPROVAL OF THE AGENDA (Item 2 of the Provisional Agenda) (CONF.EX2/G/01/Rev.2)

The Agenda was approved.

CONSIDERATION OF THE SUMMARY REPORT OF THE STRATEGIC PLANNING WORKING GROUP (SPWG) (Agenda item 3) (CONF. EX2/WP.1)

Commodore LEECH (Director, IHB), introducing the summary report as Chairman of the SPWG, said that the report set out the Terms of Reference of the SPWG, and how the SPWG had responded to them. The report dealt also with the eligibility criteria for candidates wishing to be elected to the Directing Committee, the need for an extra Professional Assistant at the IHB, the need for more frequent IH Conferences, and the need for an Electronic Document Centre at the IHB. The SPWG recommended the Extraordinary Conference to note the summary report and approve the SPWG proposals contained in the Conference papers.

Captain MACKAY (Chile) and Rear Admiral SRINIVASAN (India) proposed that the Extraordinary Conference “consider” rather than “approve” the SPWG proposals contained in the Conference papers.

It was so decided. The Extraordinary Conference decided to note the summary report of the SPWG and consider the SPWG proposals contained in the Conference Papers.

CONSIDERATION OF PROPOSALS (Agenda item 4)

TO APPROVE THE IHO STRATEGIC PLAN (PROPOSAL 1) (CONF.EX2/G/03/Rev.1, CONF.EX2/INFO.1, 2 and 3) (Agenda item 4.1)

Commodore LEECH (Director, IHB), introducing Proposal 1, said that the SPWG requested the Extraordinary Conference to approve the draft IHO Strategic Plan and to confirm that the correct strategic issues had been identified. Two new strategic themes had emerged from the initial SPWG studies, namely the need for the IHO to be able to raise the visibility of the importance of hydrography in helping to ensure maritime safety, and the need for the IHB, as the servant of the IHO, to be more accountable and to improve its ability to service the IHO, as monitored by tangible measures.

Captain GERAGHTY (Australia) said that while Australia generally supported Proposal 1 it did so with some significant concerns, the main one being that the Strategic Plan and reports of the SPWG provided no clear analysis or a description of where the IHO wanted to be in 5 or 10 years’ time. There was no vision statement. Without a clear vision of where the IHO wished to be, and what roles it was to fulfil, any Plan was of necessity limited in its strategic and planning value. The vision should be the fundamental driving force for all the Organization’s strategies, plans and actions. It was not possible to tell what was wrong with the current arrangements if the Organization had not worked out what it wanted for its future. The absence of a vision obviously affected what programmes and objectives the Organization set itself, and equally importantly how it intended to achieve them.

Because Proposal 1 was directly and inescapably associated with Proposals 2, 3, 5 and 7, it could not be considered in isolation. For that reason, it would be necessary to allow the Extraordinary Conference to consider all the proposals in turn before any of them was put to a vote.

The IHO Strategic Plan (Proposal 1) drove a number of other proposals. In Proposal 2, much of the detail of the Strategic Plan and its consequential Work Programme seemed to be little more than a formalization of previously established or anticipated activities, rather than the consequences of strategic analysis and the pursuit of a vision. Proposal 5 went on to highlight a perceived need for studies into further reform, and contained a collection of predetermined models, many of which would involve significant structural and constitutional changes. However, without a vision, there was no basis upon which to decide why or whether structural changes were necessary: they had not been justified in the material made available to the Extraordinary Conference which had to think about the potential future before embarking upon a very expensive programme of constitutional and structural reform. Proposals 5 and 7 heralded significant constitutional changes, including new roles for the

Directing Committee and the establishment of a small Council of Member States which would be empowered to endorse proposals on behalf of all Member States. As a matter of a general principle, that was of deep concern to Australia, which believed that such a structure would distance Member States from the decision-making processes of the Organization. Australia considered that the IHO needed to retain the active involvement of Member States as much as possible, and that its long-standing tradition of providing all Member States with an equal voice must be preserved.

Proposal 3 provided a review cycle through which all Member States could contribute to and extend the Strategic Plan and Work Programme into the future. However, the SPWG was actually recommending that that vital part of the planning process be deferred until later. Australia could not agree to that: if there was to be a plan and a Work Programme, it must be a living thing requiring a continuous review mechanism to be in place from the outset.

Australia was not arguing that the work and efforts of the SPWG should be abandoned. It believed that the work of the SPWG could be regarded only as a beginning, rather than as the delivery of a final solution. Australia would therefore like the Extraordinary Conference to adopt the IHO Strategic Plan even if it was far from perfect, but considered it essential to have a vision and a review process that included all Member States directly. Australia proposed that, subject to further discussion and any improvements made by the Extraordinary Conference, the Strategic Plan, the Work Programme and the Planning Cycle should all be put into place as soon as possible. The Planning Cycle should certainly not be delayed, as suggested in Proposal 3.

For the Strategic Plan to be effective, Member States must know what the Organization wanted to be. At present, that vital direction-setting link was missing. It needed to be discussed and debated to ensure that it was in place at the head of the Strategic Plan.

Mr. SPITTAL (New Zealand), supporting the statement made by the representative of Australia, said that the Strategic Plan was a starting point which should lead the Organization to solve the problems it would be encountering over the next 5-10 years. Each of the proposals should be discussed individually, and the Strategic Plan should have a review process, which would begin as soon as possible.

Rear Admiral SRINIVASAN (India) said that the Strategic Plan had structural and financial implications for hydrographic organizations, and that there was no significant provision for bridging the gap between those that were developed and those that were not.

Rear Admiral ANDREASEN (United States of America) said that the structure of Proposal 1 had been developed with the assistance of a professional facilitator from the United Kingdom, but he agreed with the representatives of Australia and New Zealand that the Strategic Plan should be kept under continuous review. The new Strategic Plan was a good first step.

Dr EHLERS (Germany), accepting the Strategic Plan as a starting point while acknowledging that the representatives of Australia and New Zealand had raised some fundamental questions, observed that the purpose of the SPWG had been to decide on what could be achieved in a reasonable time. Having a vision of the future was all very well, but the IHO was an intergovernmental organization with consultative status, and could only seek to give the best available advice to Member States which had different cultures, political strategies and administrative structures.

OPENING CEREMONY (See Opening Addresses pages 19-21)

His Serene Highness Prince Albert of Monaco was escorted into the Hall and took his seat on the podium.

The PRESIDENT OF THE DIRECTING COMMITTEE delivered an address of welcome.

His Serene Highness Prince Albert delivered an address declaring open the second Extraordinary International Hydrographic Conference.

His Serene Highness was escorted from the Hall.

**CONSIDERATION OF PROPOSALS
(Agenda item 4, continued)**

**TO APPROVE THE IHO STRATEGIC PLAN (PROPOSAL 1) (CONF. EX2/G/03/Rev. 1, CONF. EX2/INFO. 1, 2 and 3)
(Agenda item 4.1, continued)**

The PRESIDENT invited delegates to comment on the Strategic Plan starting on page 3 of document CONF. EX2/G/03/Rev. 1.

Dr. EHLERS (Germany), referring to the definition of hydrography on page 4, observed that other parts of the Strategic Plan made it clear that hydrographic services extended to other services in addition to navigation. It might therefore be appropriate in the longer run to consider whether that very restrictive definition of hydrography as being for navigation only was the right one, or whether hydrography should be seen in the much broader sense of a description of the seas for several different purposes, especially for GIS systems. Hydrographic services could in individual countries, he imagined, become focal points for marine GIS services, which perhaps could be taken into account when discussing future strategies.

Commodore LEECH (Director IHB) suggested that, rather than attempting to arrive at a definition immediately, Germany's very valid observation be taken on board in the review process.

Captain GERAGHTY (Australia) observed that what was needed in general was a vision for the Organization. With regard to its mission, the IHO had to facilitate, not provide, adequate and timely hydrographic information. The "Mission", as spelt out on page 4 of the document, related more closely to the responsibilities of individual Member States and their hydrographic offices.

Commodore LEECH (Director IHB) remarked that replacing "ensure" with "facilitate" would be a minor drafting point not really changing the intent.

The PRESIDENT said he took it that the Australian proposal was acceptable.

Commodore LEECH (Director IHB) observed that the change simply underlined the consultative nature of the Organization. The intention was to go through the Strategic Plan, adopt small changes, and then approve and issue it. The process of revision would then begin in order to produce improved documents for the 2002 Conference.

Mr. SPITTAL (New Zealand), referring to the section under “Benefits” on page 5, spoke of the need to be clear about who exactly was the beneficiary in all instances. The primary beneficiary was the government and the secondary beneficiary the mariner, who benefited from the delivery of government policy. Greater recognition should therefore be given, he felt, to the benefits that governments obtained from the process.

Commodore LEECH (Director IHB) said it was important, since the document would be enjoying fairly wide circulation, that both governments and mariners be clearly mentioned.

With regard to the New Zealand observation, he suggested that the beginning of the third paragraph of the section could be amended to read “Additionally the governments of Member States...”.

Mr. SPITTAL (New Zealand) said he just wished to convey the notion that the government was the primary beneficiary and the mariner the secondary beneficiary. The IHO must take account of the quite different needs of each.

Rear Admiral SRINIVASAN (India) observed that the section on “Objectives” on pages 4 and 5 dealt only with hydrography and some descriptive oceanography. Since there were in fact many other purposes, he suggested the addition of a paragraph (e) or a slight modification to paragraph (d) to include certain other issues related to coastal zones.

Captain LAW (South Africa), on the subject of Strategic Issues on page 5, said he was in agreement with all issues but very conscious of the ever-widening gap between the hydrographic offices and capabilities in the southern part of Africa and those of the northern hemisphere. The issues as listed did not reflect the great concern about that gap, which he indeed regarded as a strategic issue.

Mr. OEI (Singapore), referring to the second strategic issue, asked whether ensuring the “good quality” of hydrographic data implied standardization.

The PRESIDENT OF THE DIRECTING COMMITTEE replied that that was the case, even if the standardization of data had not yet been achieved. Surveying, on the other hand, had been standardized with the new edition of the publication “Standards for Hydrographic Surveys”.

Commodore LEECH (Director IHB), referring to the Indian observation, said the list of objectives had simply been copied from the Convention. While it would therefore not be appropriate to amend that list, he would suggest the inclusion of a paragraph or sentence in the next revision to the effect that item (d) under "Objectives" was taken to include the wider issue of coastal zones in the modern context.

With regard to the observation from Singapore, he spoke of the great similarity between the second strategic issue, on the achievement of adequate global hydrographic data coverage, and the fifth strategic issue, on capacity building. Similarity lay in the fact that adequate hydrographic data coverage was also concerned with the matter of getting data into databases, however that might be done. Standardization, however, was an important part of the process.

The gap mentioned by South Africa referred to capacity building, which itself was low on the priority list given. The IHO should try to cater for the needs of non Member States. That naturally raised a dilemma when it came to administering funds from Member States. The matter certainly merited further discussion.

Dr. EHLERS (Germany), raising an editorial point under "Benefits" on page 5, said that the reference in the last line should be to the United Nations Conference (not Convention) on the Environment and Development. The word "conventions" in the antepenultimate line should accordingly be replaced by "instruments".

It was so agreed.

Rear Admiral GUY (Director IHB), referring to the comment from South Africa, observed that the second strategic issue listed (Achievement of an adequate global hydrographic data coverage) had been expanded into Goal 2 on page 6, specifying the need to prioritize areas of concern and encourage work to improve the situation. That would be enhanced in the future.

RAdm. ANDREASEN (United States of America), reiterated his view that the strategic issues had been placed in priority order during the SPWG sessions, said that the goals listed on page 6 did not reflect that. In the opinion of the USA, the third one should come first, the first should be second and the second should be third.

Commodore LEECH (Director IHB) observed that the SPWG had included senior hydrographers who could be expected to get the issues and goals right since the goals flowed from the strategic issues. If delegates thought that anything of great importance had been missed out, the SPWG would try to accommodate the matter at its next meetings.

Captain GERAGHTY (Australia), referring to other States not enjoying the same technology status as Australia, as mentioned by South Africa, said he felt the matter could be taken care of under technology in "Strategic Issues", "Responding to the external environment". Also under Strategic Issues, there was a need to take advantage of technology with respect to communication to Member States and the development of industry interface with the IHO.

Mr. SPITTAL (New Zealand) expressed doubts as to the extent to which the IHO could itself raise the profile of hydrographic offices. That, he felt, was chiefly the responsibility of individual chief hydrographers. Programme 4 appeared to be shifting the responsibility away from the senior person in each country.

Commodore LEECH (Director IHB) replied that that was not the intention. The new publication "National Maritime Policies and Hydrographic Services", concerning the role of the national hydrographic office in the affairs of the nation, was intended to assist hydrographers in contacts with ministers and other senior government officials in demonstrating the economic, safety, and scientific value of their work. Programme 4 was therefore simply concerned with information useful in making the case to the government.

Captain GERAGHTY (Australia) expressed the view that there was nothing yet to justify any revision of the Convention.

Rear Admiral SRINIVASAN (India) suggested that revision of the Convention should not be a specific goal of the IHO, it should be amended only on specific issues as and when required.

Commodore LEECH (Director IHB) said the IHO would be happy to defer the revision of the Convention. However, the Work Programme envisaged a number of points related to structural change and one thing that might need examination was the Convention, on which any proposals would be held over until the next Conference. Meanwhile all such matters could be addressed under Proposal 5 on "structural changes".

The PRESIDENT OF THE DIRECTING COMMITTEE cautioned against revising the Convention in view of the time involved. In its present form it was still appropriate for the continued planning of future strategy.

Mr. SPITTAL (New Zealand) observed that any prospect of revision would affect the make-up of delegations to the next Conference. Member States would therefore need to be advised of such a prospect well in advance.

Commodore LEECH (Director IHB) said he thought the procedure should simply be to consider structural changes and then only change the Convention if necessary to improve effectiveness. The mention of revision of the Convention could thus be removed from page 7 of the Strategic Plan under "Corporate Affairs".

Captain GERAGHTY (Australia) remarked that any structural change was not a target of the SPWG but a consequence of the changes that it believed would occur.

The PRESIDENT suggested that the Proposal might be approved as it stood and the SPWG asked to bring a revised version to the Conference in 2002.

Commodore LEECH (Director IHB) asked for comments on whether the Strategic Plan was a disappointment or represented what was really expected.

Captain JARRAR (Tunisia) said the Plan certainly was not a disappointment and represented a necessary start. Any strategy had to take account of four questions: "where are we, what do we want to do, how do we get there and are we getting there?". With regard to the first question, there were indeed large differences between the countries of the northern and the southern shores of the Mediterranean with regard to hydrographic structures, both emerging and as yet non-existent. There again, the plan was not a disappointment since a start had to be made.

Commodore LEECH (Director IHB), thanking the representative of Tunisia, remarked that the SPWG had indeed considered the questions that he had outlined.

The PRESIDENT, observing that the majority view seemed to favour approval of the Strategic Plan, called for a vote on the proposal to approve the current version of the Plan, on the understanding that the SPWG would be requested to bring a revised version with all inputs from the present discussion to the next Conference in 2002.

The current version of the IHO Strategic Plan was approved by 46 votes to none with no abstentions.

**TO APPROVE THE IHO WORK PROGRAMME AND PRIORITIES (PRO 2)
(CONF.EX2/INFO.4)
(Agenda item 4.2)**

Commodore LEECH (Director IHB), introducing the proposal, observed that there were a number of new activities in the Work programme. Financial assistance, in view of the gap between the developed and the developing world, was an important new item, in addition to GIS applications. Many nations were unable to incorporate hydrography into national geospatial data bases because of the standards used, and the IHO work also had to address uses other than navigation.

With regard to public information, it was commonly considered that it pays to advertise, and what was needed was an exchange of information about how best to influence affairs. Also, for the first time the Organization had identified the important questions of corporate management and corporate development as a significant activity. An attempt had been made to phrase the Work Programme to guide the working groups and committees in their work as much as the Bureau.

Mr. BROWN (United States of America), referring to the value of including GIS in the Work Programme, said his country had submitted a paper for the working group highlighting the value of hydrographic office data in many disciplines because of the use of GIS as an enabling technology in the information society. Hydrographic data were of great value as base data in coastal mapping, pollution mitigation studies and other disciplines very relevant to a modern society. IHO data also provided visibility that enhanced the Organization's role in the eyes of government and public

opinion, besides improving its revenue-building capability. All Member States should indeed consider the importance of GIS as part of the Work Programme.

Mr. SOLURI (United States of America) said he would like to add the World Meteorological Organization (WMO) to the list of international organizations given under Element 1.2.

The PRESIDENT called for comments on the list of Key Targets on page 13.

Commodore LEECH (Director IHB) observed that the six items were targets to be achieved, so that the committees or the Bureau would be held accountable for meeting them.

Rear Admiral GUY (Director IHB) remarked that it could not be an exhaustive or closed list since there would be a number of key target areas arising out of the WEND report.

Mr. SPITTAL (New Zealand), referring to Programme 2, Capacity Building, on page 14, said that if the IHO moved to a regime of outsourcing, a real issue to be faced in the future might be a considerable flight of skills from the industry.

Mr. BROWN (United States of America), referring back to page 12, said that Element 1.2 should also include the International Electrotechnical Commission because of the close co-operation and importance of that organization in the IHO's standards approval process. It should be listed under Task 1.2.2.

Captain GERAGHTY (Australia), referring to the note on page 15, asked whether the higher tempo of activities mentioned would have an impact on the IHB budget.

Commodore LEECH (Director IHB) said that there would be a reshuffle of Bureau funds with the early retirement of three Category B staff members and savings elsewhere. Savings would be applied to improved information technology in the Bureau, additional conferences if Member States so wished, and higher funding for consultancies, outsourcing of particular project advice, and so on. There would consequently be no need for a larger budget.

Ms. WYNES (United States of America) asked for clarification on the measures envisaged to avoid suspension of Member States referred to under Task 2.2.2.

The PRESIDENT OF THE DIRECTING COMMITTEE said that, in an attempt to avoid suspensions, the IHO had finalized the first draft of an incentive scheme for Member States covering such matters as the payment of arrears in instalments.

Lt. Cdr. SOLTAU (Colombia), referring to Task 2.1.14, suggested the inclusion of Panama in the programme of visits to Central America. A process of joint work in the South-Eastern Pacific Commission was under way with Panama for the establishment of a hydrographic service in that country.

The PRESIDENT OF THE DIRECTING COMMITTEE said that the Bureau had been instrumental in encouraging the participation of Panama in some regional conferences and in the establishment, in February 1998, of the Maritime Authority of Panama. Panama had indicated its wish to be closely assisted by some Member States, even specifying Colombia, but had not actually invited Colombia to provide such assistance. Panama will be attending the forthcoming Caribbean Sea and Gulf of Mexico Hydrographic Commission Conference in Jamaica.

Mr. OEI (Singapore) said that consideration was being given to the priority status of Task 2.2.1, bearing in mind that increasing the number of Member States was a chief target. More importantly, however, one of the strategic issues was to achieve adequate global hydrographic data coverage.

Commodore LEECH (Director IHB) said that the medium priority (MP) status for Task 2.2.1 would be raised to high priority (HP).

Referring to financial assistance under Element 2.3, he said that obtaining funds for major projects to help developing countries was extremely important. In general, however, little attention had been given to hydrography by such international organizations as the World Bank, although the situation was changing for the better. The Asian Development Bank was also taking an interest in hydrographic services as part of a national transportation infrastructure project. But by and large the IHO was excluded from such developments and, consequently, needed more skills and perhaps a plan. It might also need a committee or working group to help improve the situation.

Rear Admiral GUY (Director IHB) said that the IHO, IMO, IALA and IAPH were working together as a group and would be approaching the funding organizations with the request that, should they want reports on regional projects, the IHO would be happy to provide technical expertise. The IHO was prepared to visit the funding organizations in support of national applications for funding for particular projects.

The PRESIDENT OF THE DIRECTING COMMITTEE said that, on the other hand, the IHO could do nothing unless such applications were made by Member States. An attempt was now being made to develop regional or subregional projects, and that was welcomed by the funding agencies. Rather than restricting activities to hydrography and nautical cartography, it was being sought to promote aids to navigation, communication at sea, maritime safety information dissemination, and hydrography/cartography/development of radio navigation. Work would also be proceeding on a model project for the Black Sea. Suggestions would be welcomed, he concluded, for better contact with funding agencies and, in particular, the World Bank.

Dr. EHLERS (Germany) said it would be useful to form a group with members from the international maritime organizations mentioned, donor organizations and representatives of Member States, not only from hydrographic services but also from national aid organizations. The SPWG might be asked for a proposal on that point.

Flag Presentation Ceremony

The delegation of Morocco ceremoniously handed over its flag and expressed the gratification of the Kingdom of Morocco, at becoming the 68th Member of the International Hydrographic Organization.

CONF.EX2/P/SR.2

SECOND PLENARY SESSION

20 March 2000

1400 – 1730

Rapporteur : Mr. Richard MacDOUGALL (Canada)

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- Consideration of Proposals (Agenda Item 4) (continued)
- To approve the IHO Work Programme and priorities (PRO 2 continued) (Agenda item 4.2)

- To approve the IHO SPWG recommendations regarding the Planning Cycle (PRO 3) (Agenda item 4.3)
 - Approval of a greater frequency of Conferences (PRO 7/Rev.1) (Agenda item 4.7)
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**CONSIDERATION OF PROPOSALS
(Agenda item 4) (continued)**

**TO APPROVE THE IHO WORK PROGRAMME AND PRIORITIES (PROPOSAL 2)
(continued)
(CONF.EX2/G/03/Rev.1, CONF.EX2/INFO.4)
(Agenda item 4.2)**

Techniques and Standards Support

Commodore LEECH (Director IHB) invited comments from the Chairmen of the various Committees and Commissions involved in the tasks listed in the Work Programme.

Dr. COX (United Kingdom), speaking as Chairman of the CSC, said that the tasks as set out were consistent with the Committee's Work Programme.

Mr. SOLURI (United States of America), speaking as Chairman of the IHO CPRNW, asked whether some reference to WEND services might not be included in Task 3.1.1.1, since such services were currently unavailable in many parts of the world.

Commodore LEECH (Director IHB) drew attention to Task 3.5.1, which covered the work of the IHO CPRNW.

Dr. EHLERS (Germany), speaking as Chairman of the WEND Committee, observed that Element 3.1 contained a large number of high priority (HP) tasks, which reflected the wishes of Member States in identifying the transition to a digital environment as one of the most important Strategic Issues.

Captain CHUA (Singapore) said that Task 3.1.3.1, which included developing new symbology for archipelagic sea lanes, should be given high priority.

Commodore LEECH (Director IHB) pointed out that questions of nomenclature were among the issues that drew heavily on the Organization's resources, which was why they were not always accorded high priority, as would be seen under Element 3.4.

Dr. COX (United Kingdom), pointing out that Task 3.1.3.2 referred to the development of standard formats for Notices to Mariners, Sailing Directions and other nautical publications, suggested that Task 3.1.3 should refer also to the Committee for the Standardization of Nautical Publications.

Commander WARD (Australia) queried the proposal under Task 3.1.3.2 that standard formats should be developed only "later" for Sailing Directions and other nautical publications.

Rear Admiral GUY (Director IHB) suggested that those concerns might be met by deleting the words "and later for".

Commodore LEECH (Director IHB) drew attention to the implications of Task 3.2.11. If Member States considered that it was an important task for the future, the SPWG would prepare more detailed proposals for submission to the next Conference.

The VICE-PRESIDENT, speaking as Chairman of the Joint FIG/IHO International Advisory Board on Standards of Competence for Hydrographic Surveyors, drew attention to Task 3.3.6, which pointed to the need to develop Standards of Competence for Nautical Cartographers. That was a task which definitely required the support of Member States, and he invited them to propose their initiatives so as to enable work to proceed at the international level.

Mr. SPITTAL (New Zealand) said that the proposed training activities under Element 3.3 reflected the current skills base, but that, in the near future, there might well be a need for a new kind of hydrographer with additional skills in negotiating contracts and drafting legal contracts, standards and specifications. He therefore proposed that Task 3.3.3 should be amended to read:

"Encourage the world wide establishment of courses in hydrography, cartography, spatial data management, contract modelling and administration, project management and public policy development, advising on their submission for recognition from the International Advisory Board, in order to increase the number of international courses conforming to agreed standards".

The PRESIDENT OF THE DIRECTING COMMITTEE said that that comment was well taken but would need to be submitted in writing. Indeed, such topics had already been introduced into the courses provided at IMA, Trieste.

Commodore LEECH (Director IHB) said that it would be preferable for the proposed amendment to be submitted to the SPWG for further discussion.

Turning to Element 3.4 – Data for GIS and other Applications, he said that, although some Member States, such as the United States of America, were heavily involved in GIS applications for purposes other than navigation, many were not. This was why the use of data for non-navigation purposes had been given low priority in the list of Strategic Issues. The SPWG considered, however, that it was a major issue for the future.

Rear Admiral SRINIVASAN (India) said that Task 3.4.1.5 should have high priority.

Mr. HECHT (Germany) suggested deleting the word "Volunteering" from Task 3.4.3.3, given the recent move to disband VHOs, even though the work of collecting and managing digital bathymetric data continued.

Rear Admiral GUY (Director IHB) said that, although VHO responsibility in that area had now been transferred to HOs, there had been a request from GEBCO to reactivate the VHOs and it was hoped that the VHO concept would continue. With that clarification, he had no objection to deleting the word "Volunteering".

Rear Admiral ANDREASEN (United States of America) proposed that Task 3.4.3.6 should be re-worded to read: "cooperating with IOC and the United Nations in monitoring the naming of undersea features in international waters", so as to reflect the actual situation.

In reply to a request for clarification by Admiral KOMARITSYN (Russian Federation) on Task 3.4.3.1, Rear Admiral GUY (Director IHB) suggested that the word "international" should be inserted before "ocean mapping".

Commodore LEECH (Director IHB) drew attention to the low priority accorded to some of the tasks under Element 3.4, explaining that, in a context of optimization of resources, hard choices had had to be made and that the low priority activities were less likely to be carried out.

Rear Admiral GUY (Director IHB) said, with regard to Task 3.4.3.5, that although there was an official agreement with IOC on the GEBCO programme and preparation of GEBCO data, there was no such formal agreement with IOC concerning participation in the bathymetric charts. The GEBCO Guiding Committee was in favour of regularizing that situation, considering as it did that the regional International Bathymetric Chart was complementary to GEBCO. Should an initiative be taken to formalize that relationship with IOC, that task might be given higher priority.

Admiral KOMARITSYN (Russian Federation) said that both Tasks 3.5.1 and 3.5.2 should be accorded high priority, given their importance for the international maritime community.

Mr. SOLURI (United States of America) endorsed that proposal, considering that large ocean areas were unprotected by any type of navigational warning service. Under Task 3.5.2, there should be co-operation with WMO as well as IMO.

Commodore LEECH (Director IHB) said that, although that proposal could currently be accommodated, the question of duplication of work with other organizations, e.g. IMO, etc. should be borne in mind in the context of resource allocation.

Mr. SOLURI (United States of America) pointed out that the work in question was being accomplished by the CPRNW not by IMO, since the broadcast of navigational warnings fell under the auspices of the IHO.

Captain SOBOLEV (Russian Federation) reiterated the request for navigational warning activities to be given high priority in the conviction that they were primarily the concern of IHO under its mandate.

Ingénieur général MILARD (France) expressed support for that proposal, stressing the need for HOs to be directly involved in matters relating to navigational warnings.

Captain LAW (Republic of South Africa) raised the question of the boundaries of the IHO navigational warning areas, which, for reasons of simplification, should be brought into line with the charting areas.

Mr. SOLURI (United States of America) agreed that the NAVAREAS did not match the Charting Scheme. He recalled that the NAVAREA boundaries were established in 1977 long before the International Charting Scheme was developed. He further noted that in 1993, WMO harmonized, after much difficulty and hard work, their meteorological areas to match the NAVAREA boundaries. Based on informal discussions with WMO, he doubted that WMO would support a redefinition of the NAVAREAS /METAREA boundaries.

Commodore LEECH (Director IHB) said that if Tasks 3.5.1 and 3.5.2 were to be given high priority some mention might perhaps be made of training in that connection.

Rear Admiral ANDREASEN (United States of America) proposed that the words "3 languages" under Task 3.6.1 should be replaced by "adopted languages".

In reply to a question by Rear Admiral ANDREASEN (United States of America) concerning Key Target (KT) 3.3, which appears to focus on a single IHO Committee, Commodore LEECH (Director IHB) specified that the CSC was the only committee that had produced a work schedule.

Captain SOBOLEV (Russian Federation) said that, in the light of earlier comments, it might be necessary to add "and with IOC" to KT 3.4.

Commodore LEECH (Director IHB) said that that question had been addressed in the list of Key Targets under Programme 1.

Dr. EHLERS (Germany) said, with reference to KT 3.2, that the target dates should be changed: the reference to 1999 should be deleted and it would be more realistic to replace 2000 by 2001 and 2001 by 2002.

Programme 4: Public Relations and General Management Support

Commodore LEECH (Director IHB) said that, with Programme 4, IHO, which had previously seen itself as a technical body, was embarking on a new field. It should be made clear that it was not the aim to encroach in any way on national HOs' responsibility but merely to identify services in which the Organization could help Member States in their own work. Many of the tasks would take time to implement; a start had been made on public relations strategy, but work had not yet begun on the tasks under Element 4.2. He would welcome any comments as to the usefulness of the proposed programme.

Rear Admiral ANDREASEN (United States of America) proposed that the words "Take every opportunity" under Task 4.1.3 should be amended to read "Take opportunities".

Admiral KOMARITSYN (Russian Federation) said that his country considered the programme to be very useful.

Rear Admiral SRINIVASAN (India) suggested, with reference to Element 4.2, that one of the Project Tasks for 2000 might be for IHO to adopt a resolution urging all Member States to provide adequate attention and budgetary support for hydrographic services, along the lines of the relevant United Nations General Assembly resolution of 1988.

The PRESIDENT OF THE DIRECTING COMMITTEE said that the priority importance of hydrography would be discussed during a forthcoming meeting with the United Nations on the implementation of UNCLOS, and that Member States would be informed about the outcome of the meeting.

Commodore LEECH (Director IHB) said that it was too late for the proposal by India to be submitted to the present Conference but that it would be put to the SPWG so that a resolution could be drafted for the next Conference.

Programme 5: Corporate Affairs

Commander WARD (Australia) requested clarification of the "inconsistencies" in voting procedures referred to under Task 5.1.6.

Commodore LEECH (Director IHB) explained that it had been deemed necessary to consider simplifying the many rules and regulations concerning voting in different bodies, as the SPWG had been tasked to do in 1997. A draft proposing three types of voting procedure according to whether the voting was to be on the Convention, the Regulations or simply on technical practices was currently being finalized. A Circular Letter would be sent to Member States before the next Conference.

Commander WARD (Australia) said that his delegation was not dissatisfied with the present voting procedures as provided for in the Convention; there were surely good reasons for having established those procedures.

Rear Admiral SRINIVASAN (India) said that, although he had no objection to a study on voting procedures, such procedures, which were found in all international conventions, were based on sound principles. Checks and balances were needed; there could clearly not be the same procedure for a Working Group and a Plenary Session.

Dr EHLERS (Germany) pointed out that Task 5.1.4 should be deleted.

In reply to a point raised by Captain MACKAY (Chile), Commodore LEECH (Director IHB) agreed that Tasks 5.1.1 and 5.1.5 could not be finally approved until a decision had been taken on Proposal 5. Accordingly, he suggested that they should be approved in principle, on the understanding that they might have to be modified at a later stage.

Captain MACKAY (Chile) said that he had two comments to make on this Programme:

- 1) We recommend increasing the priority of Task 5.1.1. that refers to “conduct an annual update of IHO inter-sessional Work programme (MP)”.
- 2) Considering the matters to be investigated in Task 5.1.5 and in particular the structural changes No. i) to ix) that will be discussed in the Proposal 5, we recommend:
 - Deferring the approval of this matter until the result of the agreements in the Proposal 5 is known.
 - Inserting those matters in the Task 5.1.5 of Programme 5.

Ms. WYNES (United States of America) said that she assumed that Task 5.2.5.3 referred to a zero real growth budget and suggested that it would be useful to present two budget proposals: a zero nominal growth budget and a zero real growth budget. Furthermore, the task warranted high priority. In addition, she hoped that the incentives for prompt payment of contributions in Task 5.2.5.4 really would be incentives and not sanctions for late payment.

Commodore LEECH (Director IHB) confirmed that positive incentives were being considered and suggested that the budget issue could be taken up under agenda item 6.2, which consisted of a briefing on the financial situation of the Organization.

Rear Admiral SRINIVASAN (India) proposed that a study should be included in the Project Tasks for 2000, on reducing IHO expenditure by relocating headquarters and holding conferences elsewhere.

The PRESIDENT OF THE DIRECTING COMMITTEE invited Member States to consider the possibility of hosting Extraordinary Conferences, assuming financial responsibility for some of the costs.

In reply to a question by Captain CHUA (Singapore), Commodore LEECH (Director IHB) said that in many of ongoing projects it was difficult to indicate a precise time frame corresponding to high, medium and low priorities. What could be said was that projects of high or medium priority would certainly be addressed, whereas low-priority projects in all probability would not.

On the subject of accountability, he observed that, owing to transdisciplinarity and crossed responsibilities, it was impossible to make one Director entirely responsible for a particular programme. An effort was made, however, to ensure that one of the Directors and some Professional Assistants were assigned to each programme.

Dr SHARMA (India) proposed that the expression "Quinquennial Conferences" in Programme Element 5.6 of Annex A should read "Ordinary Conferences".

Mr SOLURI (United States of America) proposed that the word "Navigation" in Programme Element 3.5 of Annex A should be replaced by "Maritime Safety Information".

Commodore LEECH (Director IHB) said that the estimates in Annex B were based on an analysis made in 1998. Information Paper 17 contains an analysis of expenditures in 1999, using the new analytic accounting software.

Proposal 2, as amended, was approved by 48 votes to none with no abstentions.

**TO APPROVE THE IHO SPWG RECOMMENDATIONS REGARDING THE PLANNING CYCLE (PROPOSAL 3) (CONF.EX2/G/03/REV.1)
(Agenda item 4.3)**

The PRESIDENT invited the Conference to take up Proposal 3, drawing attention to the SPWG's recommendation that approval of the Planning Cycle should be deferred until the Conference in 2002.

Commodore LEECH (Director IHB) pointed out that, in developing the proposed Planning Cycle, the Working Group had assumed a five-year interval between Conferences, which might be changed as a consequence of Proposal 7. It had also come to the conclusion that it would be advisable to test the proposed cycle before finally adopting it.

Captain MACKAY (Chile) said that he supported all the proposed changes in Annex B to Proposal 3, except the amendment to Article 24 of the General Regulations. In his view, it would be preferable to amend Article 15 to read as follows: "In accordance with the provisions of Article VIII of the Convention, the Bureau shall undertake the scientific and technical activities necessary for the attainment of the objectives of the Organization guided by the IHO Strategic Plan and the Five-Year Rolling Work Programme". If that was done, there would be no need to change Article 24.

Commander WARD (Australia) said that, as his delegation had pointed out earlier, Australia felt that it was most important to implement the Planning Cycle immediately. There was a strong need for a mechanism that would allow all Member States to include their input in the review process on an individual basis and the proposed Planning Cycle would enable them to do so. He therefore proposed that the Planning Cycle should be put into effect at once, as set forth in Annex A to Proposal 3, even if the General Regulations could not be amended in time.

Dr. EHLERS (Germany) fully supported the principle of a five-year Planning Cycle but considered that more time was needed to consider how it should be implemented in relation to the Work Programme. Consequently he endorsed the recommendation to reach a decision at the present Conference on the following two years only. His reason was that a five-year rolling Work Programme implied that a decision would have to be taken year by year to update the activities and budget for the following five years. As a result, the decisions taken at a particular Conference might have to be revised at the following Conference. In his view, there was an inconsistency there that required further reflection before a final decision was taken. In addition, he was not sure that Article 15 was the proper place in which to provide guidance to the Bureau regarding the Strategic Plan and the Work Programme, since it referred only to the scientific and technical activities of the Bureau. In his view, the Strategic Plan and the Work Programme should guide all of the Bureau's activities.

Mr. SPITTAL (New Zealand) reiterated his delegation's position that the Planning Cycle should be implemented as soon as possible, even if in a limited way, in order to accommodate the views expressed by the previous speaker.

Captain SOBOLEV (Russian Federation) and Lt. Cdr. PIMENTEL (Portugal) supported the representative of Germany.

The recommendation to defer approval of the Planning Cycle until the Conference in 2002 was approved by 44 votes to 5, with no abstentions.

The PRESIDENT said that in the meantime the SPWG would consider the views expressed by all speakers and the proposed Planning Cycle would be tested in practice.

APPROVAL OF A GREATER FREQUENCY OF CONFERENCES [15th IH CONFERENCE DECISION No. 7] (PROPOSAL 7/Rev. 1) (CONF.EX2/G/03/Rev. 1) (Agenda item 4.7)

Commodore LEECH (Director IHB), introducing Proposal 7/Rev. 1, pointed out that it related both to the frequency of Conferences and to their structure, the latter point being dealt with on pages 47 and 48 of document CONF.EX2/G/03/Rev.1, with an example of a short Conference schedule given in Annex A. The case for and against more frequent Conferences was clearly set out, leading to the conclusion that greater frequency would be beneficial.

The PRESIDENT drew attention to the four SPWG recommendations at the bottom of page 49 of the document.

Rear Admiral ANDREASEN (United States of America), supported by Captain SOBOLEV (Russian Federation), said that while not objecting to their restructuring his delegation was opposed to the proposal to hold more frequent Conferences, believing the arguments in favour to be weak; he also expressed concern that their greater frequency would result in additional annual costs to the Organization equivalent to 2 % of contribution income.

Captain GERAGHTY (Australia), supported by Rear Admiral SRINIVASAN (India), also opposed the proposal to increase the frequency of Conferences. He believed it was premature and unnecessary to change the interval between them. The proposal to shorten the duration of future Conferences to one week was commendable, but for many Member States the main cost involved was that of travel. Streamlining the programme might be considered and, as technology improved, Member States could be kept better informed by the IHB. Developments could be monitored at a lower level and, if an Extraordinary Conference were considered necessary, it could always be held.

Rear Admiral CLARKE (United Kingdom) supported the proposals to hold IH Conferences every two and a half years and to shorten their duration to one week; the current arrangements were inadequate to cope with the present and probable future rate of technological change. Conferences provided an opportunity for smaller Hydrographic Offices to share experiences and more frequent Conferences might encourage the participation of such Member States.

Dr. EHLERS (Germany), associating himself with the statement made by the representative of the United Kingdom, said that although some problems could be solved by telephone, fax and e-mail communication, Member States could only cope with rapid change by coming together more frequently. Extraordinary Conferences should deal with important strategic issues, be as short as possible and be combined with other IHO meetings. There was no reason why Extraordinary Conferences should not be held in countries outside Monaco.

Lieutenant Commander SOLTAU OSPINA (Colombia), supporting the SPWG Proposals, considered that ordinary Conferences should be held every three years in future.

Vice Admiral SOBRAL (Portugal), Captain MACKAY (Chile), Lieutenant Commander LA PIRA (Italy), Commander MARTINEZ SALAZAR (Venezuela) and Mr. LIU GONGCHEN (China) supported the statements made by the representatives of the United Kingdom and Germany.

Mr. O'CONNOR (Canada), also supporting the statements made by the representatives of the United Kingdom and Germany, said that his country would address the question of cost by sending fewer delegates.

Captain LAW (Republic of South Africa) supported the SPWG proposals because, although his country faced extreme pressures in terms of its travel budget, South African hydrographers had a strong sense of isolation and welcomed contact with other members of the hydrographic community.

Captain CHUA (Singapore), supported by Dr. KUBO (Japan) and First Admiral MAKMUR SULAEMAN (Indonesia), also shared the views expressed by the representatives of the United Kingdom and Germany, welcoming the suggestion that Conferences might be held at locations other than Monaco and that costs could be reduced by holding back-to-back meetings.

Captain SOBOLEV (Russian Federation), reiterating his opposition to the proposal to increase the frequency of Conferences, said that he was well aware that technology was changing very rapidly, but if its rate of change tomorrow was twice what it was today would that mean Conferences being held every year? In any case, most of the problems faced by the hydrographic community were discussed in committees.

Rear Admiral ANDREASEN (United States of America) said that it was important to remember the emphasis the Organization had placed on Regional Hydrographic Commissions, which had been used to address some very important matters because Member States considered that the intervals between Conferences were too long.

Rear Admiral MARATOS (Greece), supporting the above comments, said that the question of funding had been discussed at length by the SPWG.

Commodore LEECH (Director IHB), speaking as Chairman of the SPWG, drew attention in that regard to the statement in the proposal to the effect that the Directing Committee considered that the costs of the additional Conferences could be absorbed within the existing 5-year budget approved by Member States.

Rear Admiral SRINIVASAN (India) said that it was the travel costs that were important for many Member States. Video conferences would cost both the Organization and the Member States less, and if the Regional Hydrographic Commissions did more, there would be fewer problems for the IH Conferences to deal with.

Ingénieur général MILARD (France), supporting the SPWG proposal, said that the communication and decision-making process should be improved by giving the technical committees and regional commissions greater importance, while still taking decisions at a more strategic level concerning the problems they raised.

Commander MONTES DE OCA LOPEZ (Cuba), said that, while his delegation fully understood the reasons for more frequent Conferences, it was against the proposal because of the cost implications. The sums involved should be used instead for investment in technical developments for which many Member States lacked the necessary funds. The procedures for communication between Conferences should also be improved.

Captain GERAGHTY (Australia) said that, while it was often possible to resolve face-to-face issues which could not be resolved by such methods as e-mail, it was by no means certain that more frequent Conferences would lead to greater communication between Member States. If Conferences were to be held every two and a half years, it might happen that in five years' or seven and a half years' time there might not be enough issues to discuss, and agendas might be drawn up simply to fill the space available. Rather than mandating the holding of Conferences every two and a half years it was in his opinion still sufficient to hold them every five years, while retaining the possibility of holding an extraordinary Conference, which was an entirely satisfactory instrument for addressing ad hoc issues.

Mr. BROWN (United States of America) noted the importance of the Regional Hydrographic Commissions in the policy formulation and decision making activities of the Organization. It was his recollection that the Regional Hydrographic Commissions were created for the express purpose of providing a platform for consideration of substantive issues between Ordinary Conference.

Rear Admiral CLARKE (United Kingdom) said that, although Regional Hydrographic Commissions performed important tasks and were able to develop ideas and discuss methodologies, the hydrographic community was involved in a global business which needed to be handled globally under the auspices of the IHO. The proposed Extraordinary Conferences could be held in locations other than Monaco and have other meetings around them, thereby involving more Member States.

Commodore LEECH (Director IHB) drew attention to the reference in the proposal to changing the structure of debate at future Conferences. Instead of examining Committee reports, the Conference should receive a progress report on each of the five IHO Work Programmes and, having reviewed the progress of past work, it should address strategic issues and proposals for change. The Conference should then decide on future work, and finally approve the budget.

Rear Admiral ANDREASEN (United States of America), referring to the outline "short" Conference programme appearing in Annex A to the Proposal, said that the proposed subjects for discussion on Thursday and Friday afternoons should be reversed to ensure that as many delegates as possible were present for the election of Directors.

The PRESIDENT invited the Conference to vote on the proposals to hold an extraordinary IH Conference between two ordinary Conferences; to shorten the duration of future IH Conferences to one week; to change the way in which the Conference was conducted to follow the principles outlined in the paper; and that the SPWG should refine the detailed arrangements for future Conferences, and submit a proposal for approval by Circular Letter before December 2000. The vote required a simple majority.

Captain RODRIGUEZ (Argentina) proposed that one vote be held on the first proposal and a second on the remaining three.

It was so agreed.

Captain GERAGHTY (Australia) said that any Conference that was held on a regular basis could only be an ordinary conference, and Article VI.1 of the Convention on the International Hydrographic Organization made it clear that ordinary Conferences could only be held every five years. Extraordinary Conferences could only be held to discuss extraordinary issues. It appeared that the Conference was being recommended to approve a proposal to continue with the status quo.

Commodore LEECH (Director IHB) said that the proposal had been phrased in that manner because of the restrictions imposed by the Convention. The SPWG had believed that while the holding of Extraordinary Conferences between Ordinary Conferences was not unconstitutional under the Convention, calling them by a different name would require amendment of the Convention.

Rear Admiral SRINIVASAN (India) said that the Convention made it clear that extraordinary Conferences should be unusual. The proposal to undertake a regular review within extraordinary Conferences went against its spirit.

Commander WARD (Australia) said that it was the view of his delegation that the proposal in question might not be constitutional. Australia requested that advice be sought on the matter.

Commodore LEECH (Director IHB) said that it was the wish of the SPWG that the proposal be put to a vote; he suggested that if Member States considered that it was unconstitutional they could vote against it.

A vote was taken by show of hands on the proposal to hold an extraordinary International Hydrographic Conference between two ordinary Conferences.

The proposal was approved by 38 votes to 11.

A second vote was taken by show of hands on the proposal to shorten the duration of future IH Conferences to one week; the proposal to change the way in which the Conference was conducted to follow the principles outlined in the paper; and the proposal that the SPWG should refine the detailed arrangements for future Conferences, and submit a proposal for approval by Circular Letter before December 2000.

The proposals were approved by 43 votes to none.

CONF.EX2/P/SR.3

THIRD PLENARY SESSION

21 March 2000

0830 – 1220

Rapporteur : Mr. Paul COOPER (USA)

CONTENTS

- Consideration of Proposals (Agenda item 4) (continued)
- To approve the continuation of further studies on structural changes to the Organization (PRO 5) (Agenda item 4.5)
- Consideration of other Strategic Issues
- Spanish as the third IHO official language (PRO 9) (Agenda item 5.1)

CONSIDERATION OF PROPOSALS (Agenda item 4) (continued)

**TO APPROVE THE CONTINUATION OF FURTHER STUDIES ON STRUCTURAL CHANGES TO THE ORGANIZATION (PROPOSAL 5)
(CONF. EX2/G/03/Rev.1, CONF. EX2/INFO. 7 and 8)
(Agenda item 4.5)**

Commodore LEECH (Director IHB) said that Member States' approval was being sought for the continuation of SPWG studies on structural change, which were still under way, together with their comments on the direction of structural change as identified so far, in response to SPWG ToR 5.

Captain MACKAY (Chile), said that by and large Chile was in favour of the continuation of SPWG studies on structural change in 2000-2002, but had reservations about the proposals to replace the Directing Committee with a Secretary General and to redraft the Convention. Any failure to meet the Organization's objectives and shortcomings in terms of inefficiency and ineffectiveness in IHO/IHB operations were due to a lack of clear mandates and priorities – and in that respect the Member States themselves might be considered to be at fault – rather than to weaknesses in the Convention and management structure.

What was now needed was to reinvigorate the Organization on the basis of its new Strategic Plan and Work Programme and optimize all of its assets so that all components fulfilled the tasks assigned to them. There was no urgent need to amend the Convention. It was only once the Strategic

Plan and the Work Programme had been put to the test that it would be possible to review the need for any fundamental change of that kind.

Captain GERAGHTY (Australia) said that his country generally supported the proposal to investigate further changes, but had significant reservations about the justification for some of the ideas put forward for consideration. Investigating and proposing structural change seemed to be treated as an activity in its own right, rather than as a consequence of seeking to achieve the aims of the Strategic Plan. He cautioned against investigating and proposing such change before the Strategic Plan and Work Programme had been put into operation or validated. It must first be ascertained whether changes such as revising the Convention, replacing the Directing Committee with a Secretary General and refocusing the work of the IH Conferences were warranted. There was no evidence of a current need to redraft the Convention or its sub-documents, or that the workings of the IHO were over-regulated. The Organization worked reasonably well, and should not sacrifice principles of fairness and equity for the sake of an incremental improvement in management efficiency. The democratic principles entrenched in the Regulations should remain.

He applauded recent efforts to broaden the activity base to involve the developing countries and the southern hemisphere generally. The adoption of a Council and Secretariat model would make it more difficult for Member States of the southern hemisphere and developing world to play an influential role in the IHO. The present model ensured accountability to all Member States and also a direct relationship between them and the administration of the Organization. Membership of a Council would inevitably favour Member States that had the financial resources and the convenience of shorter travel.

Lieutenant Commander SOLTAU OSPINA (Colombia) expressed support for the continuation of studies on structural change, on the understanding that they would contribute to the dynamic operation of the Organization as a whole, and subject to the proviso that the proposal would not mean postponing the adoption of other proposals concerning studies to be launched in the period 2000-2002.

Captain RODRIGUEZ (Argentina) expressed support for the proposal but at the same time endorsed the comment by Australia that the activities listed under "Improving the Business Processes of the Organization" must not be carried out at the cost of reducing the participation of some Member States. Again, the question of who identified priority or urgent issues, and what exactly they were, needed to be given careful consideration.

He noted some inconsistency between the topic of study identified under "Work to be completed before 2002" as "Participation of Industry in IHO Business" and the SPWG's reference in the working document to "Participation of NGOs in the business". NGOs were generally non-profit making organizations; if the purpose was to establish closer relations with industry, such co-operation must be beneficial to all Member States and not just a few.

He took issue with the idea of the heading "Reducing the Cost of Languages", agreeing that language policy needed reconsidering, but expressing concern that the statement as it stood prejudged an issue that had yet to be discussed.

Dr. EHLERS (Germany) said that conducting studies on structural change was but one of the SPWG's tasks in the coming two-year period, and in his view a necessary one. Some misunderstanding appeared to have arisen: the Conference was not being asked to decide whether the Convention should be redrafted or the Directing Committee replaced by a Secretary General, but merely to agree that the SPWG should continue to investigate such matters. When dealing with substantial changes, the first question to be asked was whether they could be made within existing structures and regulations. The SPWG had therefore rightly begun by dealing first with substance, leaving the more legal issues until later; the reverse might lead to paralysis and it would be counter-productive to refrain from discussing the substantive issues merely on legalistic grounds. Some changes might prove unnecessary, but should at least be debated. Germany was not convinced, for

instance, that the organizational structure of the IHO/IHB was the most appropriate. Not authorizing the SPWG to conduct the proposed studies would amount to blocking all contemplation of change.

Rear Admiral ANDREASEN (United States of America) expressed satisfaction with the direction being taken towards restructuring. Both Australia and Germany had very valid points. Like Germany, the United States of America was open to continued discussion, but that also meant investigating the reasons behind some of the issues. For instance, he was not in favour of restructuring the Directing Committee or revision of the IHO Convention just for its own sake.

Rear Admiral SRINIVASAN (India) expressed his support for the proposal for further studies, but, in the process, wished to see more emphasis on how the Work Programme and Strategic Plan could be implemented within the existing organizational structure without amending the Convention.

Commodore LEECH (Director IHB) said that Member States' comments were helpful in focusing the debates. Due note had been taken of the fact that, while generally supportive of the continuation of SPWG studies on structural change, Member States were concerned that no one should be disenfranchised in the process and that the representativity of all Member States should be maintained.

The PRESIDENT said he took it that there was no objection to authorizing the SPWG to continue its studies on structural change, as proposed, on the understanding that the SPWG would examine all aspects of restructuring bearing in mind the reservations expressed during the session and the need to achieve the aims of the Strategic Plan and the Work Programme. Consideration should also be given to the possibility of setting up a small contact group involving donors, Member States and even some international organizations to look into financial assistance for capacity building.

Proposal 5 was approved by consensus.

Commodore LEECH (Director IHB) assured the Conference that the SPWG would be continually mindful of comments made by Member States during the Proceedings. Since the SPWG membership included the representative of each of the Regional Hydrographic Commissions, he requested RHCs to place the question of IHB structural changes on their agendas so that their views could be properly represented in the SPWG.

CONSIDERATION OF OTHER STRATEGIC ISSUES

(Agenda item 5)

SPANISH AS THE THIRD IHO OFFICIAL LANGUAGE (PROPOSAL 9)

(CONF. EX2/G/03/Rev.1), CONF. EX2/INFO.13 and 14)

(Agenda item 5.1)

The PRESIDENT OF THE DIRECTING COMMITTEE said that, at present, the use of the Spanish language within the IHO/IHB was regulated by IHO Resolutions T 1.4 and T 1.5, approved by Decision 7 of the XIV IH Conference. The IHB had fully implemented those resolutions and was now providing a language service in Spanish to 11 Member States, the largest group of States with a common language in the Organization, with the potential for an increase in that number. The IHB was committed to continue to provide that language service. The proposal was a reasonable one but, if it were accepted, there was some concern about expenditure. He therefore requested the Spanish-language countries to put forward any ideas about ensuring that the proposal was budget-neutral.

Captain NODAR CRIADO (Spain) said that Spanish was the mother tongue of some 400 million people; its use had greatly increased in recent years and it had been adopted as an official language of many international organizations. It was also the official language of a large number of

IHO Member States. Its formal adoption by the IHO would therefore contribute to the achievement of the Organization's objectives, under Article II (d) of the Convention.

Outlining the background to the proposal as described in document CONF. EX2/INFO.13, he said that the findings of the Directing Committee's study following Spain's proposal to the XVth Conference were that Spanish was in use as an effective working language at the IHO and that the cost of progressing to the adoption of Spanish as an official language was not high and could be absorbed without difficulty in future budget proposals. Those findings had prompted Spain to submit the proposal now before the Conference, with the added considerations that Spanish was the official language of 11 IHO Member States, the largest group of Member States with a common language, and that the adoption of Spanish might foster the introduction of IHO standards and regulations throughout those Member States' hydrographic services, which was one of the objectives of the Strategic Plan.

Captain MACKAY (Chile) expressed strong support for the proposal, especially since the IHB itself acknowledged that the adoption of Spanish would not entail significantly higher costs. Furthermore, it was very important that all hydrographic tools should directly reach those who really needed and used them. The Spanish language was very widely used throughout the world, even in countries like the United States of America where it was not the official language. It was very important to facilitate communication among Member States and to avoid widening the gap between States in terms of the services provided.

In response to the request for proposals about reducing the costs of introducing Spanish, he said that the Spanish-language countries could continue to offer support for translation as they had done in the past.

Rear Admiral SOLDI (Peru) associated himself with the views expressed by the representatives of Spain and Chile regarding the adoption of Spanish as the third official language of the Organization. In that connection, he pointed out that in Latin America, as compared with Europe and Asia, knowledge of English was restricted to an elite, so that Spanish was needed if the intention was to reach the actual users of hydrographic information. The only serious argument against Proposal 9 was the cost, but it had been shown that there would be no major financial impact. Moreover, the countries of Latin America were willing to collaborate in the translation of the most important technical documents. His own country, for example, had recently completed the translation of technical manual S 57, which was now available to any country wishing to obtain it.

Lieutenant Commander SOLTAU OSPINA (Colombia) fully supported the arguments advanced by the previous speakers and thanked Peru for the translation of the technical manual. Colombia was willing to help with translation in an effort to keep costs down.

Ingénieur général MILARD (France) considered it necessary to use more than one language in the IHO, if only to avoid the ambiguities inherent in the use of English, for example, which varied widely from one country to another. In that connection, he noted that French was being used less and less, mainly for practical financial reasons, which he could well understand. But even if the cost of adopting Spanish as an official language could be kept to a minimum, it would still represent a real increase. It seemed contradictory, in that context, to urge the Bureau to reduce costs in general while at the same time calling for a greater effort of translation. Nevertheless, it was certainly desirable to make an attempt to facilitate contacts with the Spanish-speaking Member States and he commended the proposals made by the Bureau to that end. In his view, it would be premature to take a vote at the present stage, and he urged the Working Group to continue its study of the matter.

Rear Admiral ANDREASEN (United States of America) said that his country did not consider the study by the Bureau (CONF.EX2/INFO.13) to have provided an adequate basis on which to take so important a decision, which was likely to set a precedent. In his view, the cost of adopting the proposal might well be significant, and in that connection he drew attention to the statement in the

study that all language activity had some cost. He supported the IHB recommendation to defer a vote on the proposal until SPWG had reported on the subject of language policy.

Mr. MAGNUSSON (Sweden) said that his country recognized the importance of Spanish and understood the wishes of the Spanish-speaking Member States to be able to use their own language. Sweden faced the same problem. However, it was often said that English was the sailor's language, whereas French was the language of science. IHO had English and French as its official languages and it was at present trying to reduce costs. He found it difficult to believe that the introduction of Spanish as a third official language would have only minor financial impact. A trial effort was already being made to use Spanish more widely. A Professional Assistant was already in the Bureau and a Spanish translator had been recruited for that purpose. To go any further at the present stage would, he believed, be unacceptable to the non-Spanish-speaking Member States. In his view, the best solution would be for the Spanish-speaking countries to finance the services of a translator – a measure that could be adopted for other language groups in the future. In conclusion, he regretted to say that for reasons of cost he could not support the Spanish proposal.

Commander MONTES DE OCA LOPEZ (Cuba), supporting the proposal to make Spanish an official language of IHO, pointed out that one of the objectives of Programme 2 was to strengthen technical co-operation with the Caribbean countries, some of which were Spanish-speaking and badly needed to receive technical information on hydrographic matters in Spanish. If some extra cost was involved, he believed that the countries with stronger economies could afford to contribute a little more in the interests of wider collaboration with the Spanish-speaking world. As in the past, Cuba was ready to contribute to the translation of documents.

Captain BANEGAS FONSECA (Venezuela) considered that the circumstances were now right for the adoption of Spanish as an official language of the Organization. In that connection, he informed the participants that the eighth meeting of the Hydrographic Committee of the Pan-American Institute of Hydrography had recently adopted a resolution supporting the proposal at present before the Conference. Since he felt sure that such a decision represented progress, he was concerned to note that budgetary reasons were being adduced to oppose the proposal. His own country stood ready to cooperate in every way it could to minimize the cost of translating and publishing documents in Spanish. It should be noted that the use of Spanish as an official language was part of the solution, not part of the problem, since it offered an additional means of informing a wider range of nations of the great achievements of IHO.

Rear Admiral SRINIVASAN (India) said that he appreciated the arguments advanced by the Spanish-speaking countries in support of their case, but wondered whether the introduction of Spanish as an official language really constituted a priority, given the rival claims of other widely spoken languages such as Hindi, Chinese and Arabic. Indeed, he feared that such a step might create a precedent. He doubted whether the extra costs involved could be absorbed within the present budget and was not convinced of the need for the majority of Member States to have to share the burden of a measure that benefited only one group. In his view, the Spanish-speaking countries should either translate the documents themselves, or finance the services of a translator within the mechanism of IHO.

Dr. EHLERS (Germany) said that he had great sympathy with the proposal and fully understood the wish of the Spanish-speaking countries to be able to use their mother tongue. Germans too sometimes found themselves fighting with the language when others were fighting with the problems. Accordingly, in 1992 the German delegation had strongly supported the proposal to strengthen the use of Spanish in IHO, particularly in view of the fact that a highly pragmatic solution had been proposed. It had since proved its worth. Now, however, a more fundamental solution was being put forward. The decision on it would be of great significance for the future, when other similar proposals were likely to arise. Accordingly, it was essential to make a thorough study of the implications, one of which was the additional costs involved. That was a matter of concern to his own country, which favoured a zero growth budget. There was also a further consideration, in that the use

of more languages would inevitably complicate IHO's work. More misunderstandings were likely to arise, longer delays in the production of documents could be expected, and there might even be competition to use more languages at meetings where otherwise it might have been possible to agree to use one language only.

Before taking a decision, IHO should have a language policy, so he supported the Bureau's recommendation to defer a vote until the Working Group had produced a recommendation for submission to the next ordinary Conference. Meanwhile, he hoped that a breakthrough in information technology, leading to machine translation might occur.

Mr. OEI (Singapore) said that he understood the difficulties of the Spanish-speaking countries, while realizing that costs were also a concern. However, the Latin American Member States were offering to contribute to the effort of translation, and he supported the proposal since he believed it would help to further strengthen links with the Spanish-speaking world.

Rear Admiral SOLDI (Peru), noting that the main objection to the proposal seemed to relate to its cost, pointed out that, as the representative of Germany had indicated, the use of modern communication technologies would tend to reduce the cost of data exchange in the future. In addition, he called upon SPWG to make a detailed assessment of the extra cost of adopting Spanish as an official language, since, if it was not too high, the Spanish-speaking countries might be able to assume it by providing translation services.

Referring to the saying that English was the language of sailors, he informed the Conference that IMO had just adopted Spanish as a working language for all technical groups. Moreover, it should be noted that his own country and Chile, both of them developing countries with limited resources, had made electronic charts available on the world market, showing that they were capable of implementing IHO decisions.

Captain LIU GONGCHEN (China) said that as Spanish was spoken by many Member States of IHO, it seemed necessary to adopt it as an official language. In that connection, he pointed out that more than three official languages were used in many other international organizations, including IMO. He therefore considered that, if IHO's finances permitted, more languages should be adopted. Since SPWG was studying the whole issue, he believed that no final decision should be taken until it presented its report, so he agreed with the Bureau's recommendation to defer a vote until a language policy had been developed.

Mr. GOENHA (Mozambique) supported the proposal, which would strengthen the participation of Spanish-speaking countries in IHO activities. The benefits of adopting the proposal would far outweigh its costs.

Dr. YASHIMA (Japan) fully supported the recommendation made by the Bureau. He could accept the proposal to adopt Spanish as an official language on condition that it did not lead to an increase in the IHO budget or in Member States' contributions. Meanwhile, the Working Group should continue its study of the issue and no decision should be taken until it had submitted its report.

Mr. POUDRIER (Canada) observed that his own country used both French and English and fully understood the need for services to be provided in the languages spoken by the population, despite the costs incurred. He was concerned to note that no criteria were available to evaluate the present proposal or any future proposals along similar lines. Canada supported the adoption of Spanish as the third official language of the Organization.

Captain SOBOLEV (Russian Federation) expressed surprise at the concern voiced during the present debate over costs in view of the fact that the decisions taken at the previous session would have very substantial, financial as well as political, implications for IHO. Since Spanish was an official language at many international organizations, the Russian Federation supported the proposal.

Mr. KLEPSVIK (Norway) said that while he had great sympathy for the Spanish proposal, he was in favour of delaying a final decision, for the same reasons as those expressed by the German representative, until a language policy had been worked out. He therefore supported the Bureau's recommendation.

Rear Admiral ANDREASEN (United States of America) suggested that the Working Group should consider the possibility of using one official language, with all other languages financed from a voluntary trust fund established for the purpose.

Captain NODAR CRIADO (Spain) reminded the participants that Spanish was already a working language of the Organization and that the willingness of the Spanish-speaking countries to collaborate in the translation of documents should bring down the cost of converting it to an official language. He stressed that the effort to reduce costs in IHO should focus on superfluous expenditures, not on the vital task of improving communications with a large number of Member States.

Captain MACKAY (Chile) recalled that one of the key objectives of IHO was to encourage the creation of new hydrographic services and offices. In that connection, he pointed out that several additional Latin American countries might be persuaded to join the Organization if Spanish was adopted as an official language. The resulting increase in membership could bring the proportion of Spanish-speaking Member States up to some 20 %.

Captain ROLDOS DE LA SOVERA (Uruguay) supported the Spanish proposal with enthusiasm and offered his country's full collaboration with IHO for that purpose. It was of the highest importance to provide documentation in Spanish in order to ensure the most widespread possible dissemination of hydrography at every level. Lastly, he drew attention to the length of the coastlines of the Spanish-speaking countries in Latin America and Europe.

Captain JARRAR (Tunisia) said that he supported the Spanish proposal and had no fear of the proliferation of languages, which he regarded as a factor of cooperation and mutual understanding.

Dr. GRZETIC (Croatia) said that the present debate could not be limited to matters of cost, but concerned political issues and navigation as well. In his view, the influence of IHO's work had to be further extended and he believed that the use of Spanish as an official language would be of enormous benefit.

Lieutenant DELOS REYES (Philippines) said that, while he could support the Spanish proposal, he felt that it was necessary to look into the financial implications as well as the possible impact on IHO's work, as outlined by the representative of Germany.

Captain RODRIGUEZ (Argentina) reiterated his country's support for the proposal, pointing out that the use of Spanish as an official language could also be helpful to countries which, while not having Spanish as their native language, nevertheless found it closer to their mother tongue than English or French. He was pleased to note that many Latin American countries had offered to make an effort to reduce the cost of introducing Spanish as an official language and that some countries which had difficulties in accepting the proposal had nevertheless expressed their sympathy with it. He wished to take up a point raised by the German representative on another subject to the effect that new approaches and attitudes were needed in a time of change. Accordingly, he felt that there was no reason to fear the consequences of expanding the reach of IHO by adopting a third official language.

Commander RIAZ (Pakistan) supported the Bureau's recommendation that a vote should be deferred until the SPWG had reported on language policy.

Lieutenant Commander AL-RUJAIBI (Sultanate of Oman) said that, as it was intended to propose Arabic as an official language at some future stage, he did not oppose the Spanish proposal.

The PRESIDENT OF THE DIRECTING COMMITTEE said that there was no doubt at all that Spanish was a major world language: the figures spoke for themselves. Personally, he was convinced that if the IHO were to adopt Spanish as its third official language it would be able to persuade other Spanish-speaking countries to become Members. If Spanish were to be adopted as an official language, Spanish-speaking Member States would be entitled to request the translation into Spanish of all documents, publications and communications. With the present means available, that would not be possible, and it was difficult to see how a small organization with limited financial resources could undertake such a translation load - especially at a time when expenditure was being reduced as far as possible in the direction of a zero growth budget - without substantial support from the Spanish-speaking countries themselves. It was essential for the Organization to understand the nature and extent of the commitment represented by a decision to adopt Spanish as its third official language.

Captain NODAR CRIADO (Spain) said that he was unable to offer any solution that would allay those concerns, but he could give Spain's commitment to collaborate as much as possible in the translation of all communications and documents. If the adoption of Spanish were to trigger an increase in costs, perhaps superfluous expenditure in other areas could be reduced.

Dr. EHLERS (Germany) said that the adoption of Spanish as the third official IHO language was a very sensitive and serious matter which had been discussed at a number of Conferences. The Spanish-speaking countries wanted to know what was going to happen. The great majority of Member States were sympathetic to the adoption of Spanish but a number of speakers had asked whether now was the right time. He wondered whether it might be possible to reach a compromise whereby the Conference confirmed the view that Spanish should become an official language of IHO and requested the SPWG to elaborate a language policy so that the Conference would be in a position to decide on a formal amendment of the Convention at the next Conference. If such a compromise was not acceptable, Germany favoured putting the matter to a formal vote.

The PRESIDENT said it was an understatement to say that the matter was contentious; Member States had been putting off a decision for quite a long time. In his opinion the SPWG should undertake a thorough study and draw up an overall language policy in time for the final adoption of a decision at the next Conference.

Rear Admiral GUY (Director IHB) said that no Member State was unsympathetic to the views of the Spanish-speaking countries, and that the compromise offered by the representative of Germany was very much in line with the thinking of the Directing Committee. In the light of the statement made by the representative of the Sultanate of Oman, there was a distinct possibility that other languages would be brought forward for adoption as official IHO languages; by the time the next Conference was held the Organization would have to have a practical means of dealing with the language issue.

Rear Admiral MARATOS (Greece) said that it was the first time delegates had heard the compromise proposal put forward by the representative of Germany; he favoured returning to the subject at the next session.

Captain NODAR CRIADO (Spain) did not agree with the subject being discussed at the next session. He said that a vote should be taken on the Spanish proposal as submitted without any changes.

The PRESIDENT said that the issue was a very important strategic one, and that there should be a roll call vote on the IHB recommendation that a vote on the Spanish proposal should not be taken until the SPWG had reported on the subject of language policy. There should then be a second round of voting on the Spanish proposal itself if the delegation of Spain so requested.

Captain NODAR CRIADO (Spain) said that even if the first vote went in favour of the IHB recommendation there should still be a second vote on the Spanish proposal as it stood.

Dr. EHLERS (Germany) did not share that view. He said that if the Conference decided to defer taking a decision on the matter, there was no room for that decision to be revoked and for a second vote to be held.

A roll call vote was taken on the IHB recommendation that a vote on the Spanish proposal should not be taken until the SPWG had reported on the subject of language policy.

In favour: Republic of Korea, Democratic People's Republic of Korea, Sweden, Turkey, Germany, Australia, Belgium, China, Cyprus, Denmark, Estonia, United States of America, Finland, France, Greece, India, Indonesia, Iceland, Italy, Japan, Malaysia, Norway, New Zealand, Sultanate of Oman, Pakistan, Netherlands, Philippines and Poland.

Against: Republic of South Africa, Russian Federation, Singapore, Uruguay, Venezuela, Argentina, Brazil, Canada, Chile, Colombia, Croatia, Cuba, Equator, Spain, Mozambique and Peru.

Abstentions: United Kingdom, Tunisia, Algeria, Morocco and Portugal.

Total number of votes: 49

The IHB recommendation that a vote on the Spanish proposal should not be taken until the SPWG had reported on the subject of language policy was adopted by 28 votes to 16, with 5 abstentions.

The PRESIDENT, observing that the IHB recommendation that a vote on the Spanish proposal should not be taken until the SPWG had reported on language policy had just been adopted, asked whether Spain still wanted a vote. Perhaps, he added, some compromise wording proposed by Germany might suffice.

Dr. EHLERS (Germany), speaking on a point of order, said the matter had already been settled. Since the issue involved a change to the Convention, any further vote would be in breach of international law and, should such action be taken, the German delegation would not participate.

Mr. JAKOBSEN (Denmark) said his delegation agreed with Germany on that point of procedure and would do likewise.

Cdr. MONTES DE OCA LOPEZ (Cuba) spoke in support of the German position and asked Spain to bow to the majority.

Mr. SPITTAL (New Zealand) observed that a decision had been reached that should put an end to the matter.

Captain NODAR CRIADO (Spain) said his country would not insist since it understood that there was a commitment on the part of the SPWG to continue its study of language policy.

The PRESIDENT thanked Spain for its clarification, co-operation and understanding to help resolve this issue.

Captain MACKAY (Chile) said he wished to be quite clear that a vote had been taken to postpone the vote on the Spanish proposal until the SPWG had analysed the cost of adopting Spanish as the third official IHO language. There was no question, he concluded, of withdrawing the proposal. If Spain did so, Chile would put the proposal back on the table.

Captain BANAGAS FONCESECA (Venezuela) added that if Spain did not renew that proposal, Venezuela certainly would. The Spanish proposal continued to be fully valid and the Conference had merely approved the IHB recommendation for deferment.

Rear Admiral GUY (Director IHB) pointed out that Spain was not being asked to withdraw its proposal, a decision on it had simply been deferred until the SPWG had reported on the subject of language policy.

Cdr. MONTES DE OCA LOPEZ (Cuba) wished to make it quite clear that, despite agreeing with Germany on the question of procedure, Cuba would maintain its support for the Spanish proposal at the Conference in 2002.

The PRESIDENT thanked all who had assisted in the decision-making process, hoping that the best interests of the Conference and the Organization had been served. The right decision had, he considered, been made and the Spanish proposal still merited further consideration at the next Conference.

CONF.EX2/P/SR.4

FOURTH PLENARY SESSION

22 March 2000

0830 – 1220

Rapporteur : Mrs. Anne KEARLE (United Kingdom)

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CONSIDERATION OF PROPOSALS (Agenda item 4) (continued)**TO APPROVE PROPOSED CHANGES TO THE QUALIFICATIONS OF DIRECTORS (PROPOSAL 4) (CONF.EX2/G/03/Rev.1, CONF.EX2/INFO.6) (Agenda item 4.4)**

The PRESIDENT said he wished, as planned, to hand over the presidency of the Conference to its Vice-President, Captain Gorziglia, for the rest of the session.

The Vice-President took the Chair.

The VICE-PRESIDENT thanked delegates for the confidence they had placed in him, adding that he would do his utmost to meet the professional and personal challenge involved. In Proposal 4 approval was being sought for the changes proposed by the SPWG to the eligibility criteria for IHB Directors. The proposed changes to the General Regulations of the IHO were given in Annex B and concerned Articles 39 to 44. Adoption of the proposed revision would require a two-thirds majority of Member States entitled to vote.

Commodore LEECH (Director IHB), reminding delegates that the Extraordinary Conference had been convened to discuss the Strategic Plan of the IHB and other matters the SPWG wished to bring forward, said that most proposals related to the terms of reference of the SPWG or to specific decisions of the last Conference requiring advice. The question of the qualifications of Directors had not been specifically referred to the SPWG, but in all its meetings the Working Group had been identifying the strengths and weaknesses of the Organization and looking at such matters as structural change. The question of the eligibility criteria for Directors, though constantly returned to, had not been satisfactorily resolved. The eligibility criteria were intended as a filter to ensure that those nominated by Member States for election were reasonably knowledgeable about the business of the Organization. The SPWG had formed the view that the eligibility criteria were too narrow and not likely to bring to elections the best possible candidates available from Member States. The SPWG therefore proposed a more liberal form of words that would enable Member States to make nominations from a wider range of well-qualified candidates, for, as they stood, the eligibility criteria would prevent many heads of hydrographic services, currently present, from standing for election.

Rear Admiral BARBOR (United States of America) said the United States supported the changes in the eligibility criteria for IHB Directors, as proposed by the SPWG. There was indeed increasing impetus for changes to those criteria, as discussed in the previous two Conferences. Since the Directors represented a unique technical organization before other world organizations and its most important customer, the mariner, they should have hydrographic experience and a data application background. But the rapid pace of technological change and the mandate to continue the critical work of the IHO within a zero nominal growth budget called for innovative leadership and the keenest management skills.

Furthermore, the goals of the IHO in terms of global coverage of effective hydrographic services would benefit from the nomination and election of Directors from countries which might not have candidates eligible under the current restrictive requirements. The proposed changes would provide for the nomination of a candidate whom a Member State believed best met those qualifications, and ultimately for the election of Directors chosen from a field of candidates who were among the world's best in hydrography.

Captain CHUA (Singapore) suggested that an editorial change might be needed to the proposed new version of Article 39 in Annex B: "Each candidate nominated shall be regarded by their Member State" should be replaced by "Each candidate nominated shall be regarded by his Member State...".

Commodore LEECH (Director IHB) said the matter would be considered.

Rear Admiral ANDREASEN (United States of America) said his country would prefer not to bring gender into the wording.

Captain GERAGHTY (Australia) said his country supported the proposal to revise the General Regulations because it believed that the bias towards ex-service personnel who had served at sea as senior hydrographers should be removed. Advances in technology sometimes meant that a senior hydrographer of a Member State might not go to sea but rather act as a contract authority. Hence the need to widen the field for candidates.

Australia nevertheless proposed that the new version of Article 44 be deleted since it meant a Director could decline to run for the Presidency of the IHB. Anyone nominated should be in a position to be President.

Captain RODRIGUEZ (Argentina) said that the proposed new version of Article 44 had the added disadvantage of opening up the hypothetical possibility that none of the three Directors might wish to be President. That part of the proposed revision should, Argentina agreed, be withdrawn.

Vice-Admiral SOBRAL (Portugal) stated his country's opposition to changing the eligibility criteria for IHB Directors. Every candidate should have sea experience and knowledge of practical hydrography and navigation, as stated in Article 39 of the General Regulations. Directors were fairly often in contact with hydrographic officers of Member States and needed practical knowledge of the problems involved.

Portugal completely disagreed that, when assessing prospective Directors' professional achievements consideration should go only to publications and research work and awards. He thought that the SPWG had agreed to delete these items.

Dr. EHLERS (Germany) said his country supported the proposed revision to the General Regulations. Under the present criteria, some people trying to contribute to the work of the IHO would not be eligible for nomination. Sea experience and practical knowledge of hydrography and navigation were important but, in a changing world, they could not be the only criteria of eligibility. New requirements were managerial ability and knowledge of economics, modern technology, information technology and other fields.

A distinction needed to be drawn between the possibility of nominating a candidate and the actual election. Since the IHO was an intergovernmental organization, nominations were the responsibility of the governments of Member States. He knew of no other intergovernmental organization that dictated to governments in the matter of nominations. Whom the IHO decided to elect, however, was quite a different matter. It could consider personal qualifications and those required in the particular case, which might depend on the qualifications of other Directors, but excluding nominations was not the right way to meet the challenges and changes of the future.

Rear Admiral CLARKE (United Kingdom) said that Portugal had voiced a very real concern since the IHO was an intergovernmental organization that had come from the sea and naturally wished to ensure that its leadership also came from the sea. The United Kingdom nevertheless associated itself with Germany on the matter in view of a current set of rules that was too restrictive, seemingly out of fear of having a Directing Committee with nobody from the sea. Member States should not be frightened to ease up on the eligibility criteria for Directors since, in a rapidly changing world, the Directing Committee needed a broader range of skills. The Organization was unlikely not to choose some Directors meeting the present criteria, but that would be in the light of having looked at candidates from broader fields. It should, he concluded, be left to the judgment of the IHO to get the balance right.

Rear Admiral MARATOS (Greece) said that his country, while understanding the comments of Portugal, supported the proposed revision to the General Regulations since the qualifications of prospective Directors must be more open. Age restriction, he added, was a matter that needed to be reconsidered by the SPWG.

Ingénieur général MILARD (France) said a system was needed to ensure a Directing Committee globally possessing the necessary skills, which included sea experience and hydrography but also management in general. Despite any risk of having a team made up purely of technocrats, a reasonable solution was to trust governments to nominate suitable candidates and Member States to elect the best team. France therefore supported the proposed revision to the General Regulations.

Mr. OEI (Singapore) said his country also supported the proposal, having seen from Annex A that, besides technical proficiency, such other skills were needed as policy formulation, public relations, modern management and finance, and even languages. It would therefore be wise to cast the net wider for relevant skills.

Commodore LEECH (Director IHB), referring to the comment by Greece on the question of age restriction, said the SPWG had discussed the matter and decided not to make any change. Prospective Directors had to be under the age of 66 at the time of election. Opinion had nevertheless been divided in the SPWG, since some had said that age discrimination was not appropriate, while others had pointed to their governments' insistence that people in government service retire at a fixed age, often as early as 60. The SPWG would therefore prefer some restriction and would in any case keep the matter under review.

Although most Member States seemed to support a proposal that had been twice defeated, he observed that the entire membership was not present. While, failing broad support, he would have asked for a vote by circular letter, it seemed to him that the proposed revision enjoyed sufficient support among the delegates present.

Rear Admiral ANDREASEN (United States of America), observing that while his country did not approve of age restrictions, whereas the United Nations set a retirement age of 62, said his delegation would prefer to vote on the issue that day.

The VICE-PRESIDENT said that age restriction was not at present under consideration; the comments made on the matter would nevertheless be addressed by the SPWG. A vote would forthwith be taken on the proposal by Australia, supported by Argentina, to delete the proposed change to Article 44 of the General Regulations.

Rear Admiral SRINIVASAN (India) said that, while he understood the justification for the proposal, two other concerns should be taken into account in the election process, namely the need to give consideration to practical hydrographic knowledge and experience, and the established practice of electing the three Directors from three distinct geographic regions; those concerns should be reflected in the Regulations at the appropriate place.

The VICE-PRESIDENT invited the Conference to vote on the amendment proposed by Australia.

The amendment was adopted by 34 votes to 4, with 10 abstentions.

Commodore LEECH (Director IHB) suggested that the vote on Proposal 4 as amended should proceed, on the understanding that the question raised by the representative of India, especially the matter of regional representation, would be further discussed by the SPWG, adding that there were currently no provisions in the IHO Basic Documents concerning regional representation. He urged adoption of Proposal 4.

The PRESIDENT OF THE DIRECTING COMMITTEE said that, in his capacity as President of the Directing Committee, he would refrain from encouraging Member States to vote one way or the other.

The VICE PRESIDENT invited the Conference to vote on Proposal 4, as amended, it being understood that a two-thirds majority was required for the Proposal to be carried.

A roll-call vote was taken on Proposal 4, as amended.

In favour: Belgium, Brazil, Canada, China, Cyprus, Colombia, Croatia, Denmark, Estonia, United States of America, Finland, France, Greece, Indonesia, Iceland, Italy, Japan, Monaco, Morocco, Norway, Oman, Netherlands, Philippines, Poland, Republic of Korea, Democratic People's Republic of Korea, South Africa, United Kingdom, Singapore, Sweden, Tunisia, Turkey, Germany, Argentina, Australia. (35)

Against: Chile, Cuba, Ecuador, Spain, India, Malaysia, Mozambique, Pakistan, Peru, Portugal, Russian Federation, Uruguay, Venezuela, Algeria. (14)

Abstentions: None.

Total number of votes: 49

Having failed to obtain the required majority (42), Proposal 4, as amended, was rejected.

TO APPROVE THE CONTINUATION OF THE ADDITIONAL POST OF PROFESSIONAL ASSISTANT (PROPOSAL 6) (CONF. EX2/G/03/Rev. 1, CONF. EX2/INFO. 8, 9 and 10) (Agenda item 4.6)

Commodore LEECH (Director IHB) recalled that the XVth IH Conference had approved the creation of an additional Professional Assistant post at the IHB for an initial period of two years. The reasons had been the growth in the number of Member States and accordingly in the secretariat's workload, without there having been any matching increase in the staff, especially professional staff, and the perception that, as a result, important issues had not received sufficient attention. Another factor had been the need to cater for the new developments in digital data management and services. The new post had been created in order to increase the technical support available in the IHB, and thus respond to the needs of Member States and to help them in the critical transition to the digital era. The candidate selected for the post had specific expertise in that latter area, and the creation of the post had greatly helped that transition and the workload in general. The additional position was needed in order to support Member States in the development of hydrography.

The PRESIDENT OF THE DIRECTING COMMITTEE said that he would encourage Member States to vote in favour of the proposal. The parameters of the equation were the need to implement the Strategic Plan, the desire to ensure a sound balance of expertise in the IHB and the concern not to exceed a zero growth budget. Measures were being put in place in connection with the latter point.

The VICE-PRESIDENT invited the Conference to vote on Proposal 6, a simple majority being required.

Proposal 6 was approved.

**APPROVAL OF THE IN-PLACE ARRANGEMENTS FOR AN ELECTRONIC DOCUMENT CENTRE AT IHB (PROPOSAL 8) (CONF. EX2/G/03/Rev.1, CONF. EX2/INFO.12)
(Agenda item 4.8)**

Commodore LEECH (Director IHB) said that the proposal was a follow-up to the proposal approved by the XVth IH Conference on the transition to the digital era and reflected the agreed shift in emphasis from paper to digital products.

Captain MACKAY (Chile) commended the IHB and the SPWG for their correct interpretation of Chile's proposal to the XVth IH Conference and for the progress made to date which had benefited Member States and served the goals of the Organization. Full advantage should be taken of available technology and Member States were urged to avail themselves of the opportunities provided by the Electronic Document Centre.

Ms. WYNES (United States of America) requested clarification as to whether the Proposal was cost-neutral.

Commodore LEECH (Director IHB) said that the Proposal was not only cost-neutral, but had enabled the IHB to redeploy resources to other areas where they were needed. It might be recalled that in 1998, some restructuring of the Organization had been proposed, involving early retirements in Category B, and reductions in the costs of publishing, in order to deploy resources to new activities.

The VICE-PRESIDENT invited the Conference to vote on Proposal 8, which entailed approving the recommendation that the implementation of the Electronic Document Centre at the IHB should be continued, taking advantage of available technology which was being incorporated by the IHB and Member States.

Proposal 8 was approved.

CONSIDERATION OF OTHER STRATEGIC ISSUES (Agenda item 5) (continued)

**INTERPRETATION OF ARTICLE XX OF THE IHO CONVENTION (PROPOSAL 10)
(CONF. EX2/G/03/Rev.1, CONF. EX2/INFO.15 and 17)
(Agenda item 5.2)**

The PRESIDENT OF THE DIRECTING COMMITTEE, introducing Proposal 10, which consisted in adding the phrase "opened for accession to any State with maritime interests" to Article 1 of the IHO General Regulations, said that its purpose was not only to open access to any State with maritime interests, but also to ensure that the benefits of IHO membership were made as widely available as possible.

Captain MACKAY (Chile) expressed surprise at the fact that the report presented by the Bureau to the Conference (CONF. EX2/INFO. 15) contained the views of a single member of LAC rather than the Committee's collective opinion. Turning to the substance, he recalled that SPWG had asked the Bureau to look into the definition of "maritime States" in Article XX of the Convention, whereas the report referred to "land-locked States". Moreover, the proposed amendment appeared to contravene the terms of the Convention, which provided for the accession not of States, but of Governments, to the Convention and not to the Organization, and related to maritime States and not to States with maritime interests. Moreover, the reference in paragraph 2 of Proposal 10 to Article 123 of UNCLOS was incorrect in that Article 123 applied to relations between land-locked States and regional organizations, and not to international bodies such as IHO. For all those reasons, Chile could not support the proposed amendment.

Captain GERAGHTY (Australia), introducing Australia's comments on Proposal 10 (CONF. EX2/INFO. 17), said that in the view of his country the Convention and General Regulations of IHO already allowed land-locked States to join the Organization. Consequently, Australia did not consider the proposed amendment warranted or desirable. Instead, he wished to propose a general resolution expressing the desire to ensure a wide membership, worded as follows: "This Conference, having regard to legal advice provided to the IHO, determines that a land-locked State may in some circumstances qualify as a maritime State for the purposes of Article XX of the IHO Convention and may, subject to the further operation of that provision, accede to the Convention". If that was accepted, membership could be determined on a case-by-case basis.

Dr. KUBO (Japan) pointed out that Article 123 of UNCLOS in fact referred to "States bordering an enclosed or semi-enclosed sea" and not to land-locked States, which were the subject of Articles 124 to 132.

Rear Admiral GUY (Director IHB) assured the delegates that the issue had been referred to LAC, which had returned a document containing five separate opinions rather than a single one, all of them stating essentially that the present wording of the IHO basic texts was not restrictive. The Bureau had decided to distribute Mr. Pogson's opinion as being the fuller explanation.

Dr. EHLERS (Germany) wondered whether the problem under consideration was purely theoretical or whether it had a practical purpose. In other words, he would like to know whether a decision was needed because of a specific applicant. In his view, when LAC was consulted, it should be asked for a joint opinion, and if that was not possible, to explain why. As far as he knew, the German member of LAC had not been consulted. In conclusion, he suggested that if the question was theoretical only, it should be referred back to LAC for a collective opinion.

Mr. POGSON (Australia), after expressing general agreement with the views of the German representative, stated that the decision to distribute his own opinion had been taken by the Bureau without consulting him. Australia regretted that decision and endorsed the view that the collective opinion of the full membership of LAC should be sought on all important issues.

Rear Admiral ANDREASEN (United States of America), Lieutenant Commander PIMENTEL (Portugal) and Mr. KLEPSVIK (Norway) concurred with the views expressed by the representatives of Germany and Australia, the representative of Norway pointing out that, to the best of his knowledge, the Norwegian member of LAC had not been consulted. The United States of America LAC Member, Denise Webster, was present and had been consulted, but not all LAC Members had addressed this matter.

Captain JARRAR (Tunisia) said that his country failed to see the usefulness of the proposed amendment and did not fully understand its purpose. Moreover, it appeared to be contrary to the terms of the Convention.

The PRESIDENT OF THE DIRECTING COMMITTEE said that to avoid further confusion he withdrew Proposal 10. He suggested that the matter be referred back to LAC for a collective opinion.

Rear Admiral CLARKE (United Kingdom) wondered what assurance there was, in view of LAC's previous performance and its apparent failure to consult all its members, that the results would be better next time.

Rear Admiral GUY (Director IHB) considered it unfair to criticize LAC because some of its members had failed to respond to the question addressed to them.

Captain MACKAY (Chile) said that he could see no reason to authorize a country with no maritime interests, and therefore without a national hydrographic service, to become a member of IHO.

The VICE-PRESIDENT noted that there was no support for referring the matter back to LAC.

CONSIDERATION OF OTHER MATTERS

(Agenda item 6)

DEVELOPMENT OF THE WEND SYSTEM, AND FUTURE ROLE OF RENCs [REPORT] (CONF.EX2/WP.2)

(Agenda item 6.1)

Dr. EHLERS (Germany), speaking as Chairman of the WEND Committee and introducing Working Paper 2 (CONF.EX2/WP.2), said that since the last Ordinary Conference there had been two annual WEND meetings – in Sydney, Australia, in 1999 and in Monaco the previous week. Their results were difficult to characterise. In some countries good progress had been made in the production of Electronic Navigational Charts (ENCs): one Regional Electronic Chart Centre (RENC) PRIMAR was in existence and operating, though presently still without many clients. In other countries there were a number of ideas and plans on how to establish a RENC, but overall the realistic conclusion was that ENC services currently available did not meet the needs of international maritime shipping. It was not an encouraging observation since the process had begun in the IHO ten years ago. Globally, the situation was not satisfactory because there were still large gaps regarding the capacity to produce ENCs and to establish ENC services. That was not the fault of the hydrographic services, which were very interested in making as much progress as possible; the problem was that many were restrained by national governmental priorities, and it was very difficult for them to make adequate headway. Additional actions were needed through Member States and through the IHO.

There was a need for a better permanent overview based on information from all Member States concerning the production of ENCs, plans and ideas, as well as identified needs. That overview should be undertaken by Member States, but also by the Regional Hydrographic Commissions.

Hitherto, a bottom-up approach had been adopted, which amounted basically to waiting for volunteers to cooperate regarding the establishment of RENCs. It was now time to try a more top-down approach. Everything should be done to ensure that higher priority was given to ENC services by Member States.

There was a very urgent need for harmonization: the mariner was interested only in a consistent product.

The issue of encryption to protect data was held by a number of hydrographic services to be necessary, but if encryption was used regulations had to be provided guaranteeing that ENCs would not be totally terminated in the event of non-fulfilment of contractual obligations, since that would represent a threat to the safety of navigation. Finally, there was the question of how to make use of the participation of private industry in the fulfilling of WEND aims.

The Working Paper proposed a number of actions to be taken by the Conference. One was in the form of a formal resolution, while the other six were to be in the form of decisions which would be reflected in the report. The Conference should encourage Member States to give higher priority to the production of ENC data, and the provision of adequate ENC services. The Conference should emphasize the importance of establishing the WEND system by adopting the WEND Resolution appearing in Annex A of the Working Paper. The Conference should adopt the WEND principles appearing in Annex B of the Working Paper which had been amended with regard to harmonisation between RENCs and encryption mechanisms. The Conference should endorse the amended Terms of Reference of WEND, appearing in Annex C of the Working Paper. The Conference should request

the Regional Hydrographic Commissions, where they existed, or where they were appropriate International Chart Committees, to address the needs for and promotion of ENC production in their regions. The Conference should request that Regional Hydrographic Commissions report annually to the WEND Committee about the progress made on the establishment of the WEND system; that should be accompanied by reports of all Member States about the needs and priorities of ENC production, and the progress which had been achieved. Finally, additional endeavours to improve the capacity to establish ENC services might also include the participation of private industry, and in that respect the meeting held on 18 March 2000 could be taken as a starting point for further cooperation with private industry.

Rear Admiral CLARKE (United Kingdom), supporting the proposals, actions and proposed amendments outlined by the Chairman of the WEND Committee, said that it was clear that where national policies permitted Member States were making great efforts to produce ENCs. The real issue of the next five to ten years would be harmonization, for if there was not real harmonization between regions with regard to technical solutions, and different products were delivered to the mariner in different parts of the world, there would be real discrepancies as well as confusion. Speaking on behalf of his own service, he said that in the process of turning the ENC vision into a reality on the bridges of ships a number of wrong decisions and wrong turns had been taken, and it was important that colleagues in other countries seeking to achieve the same objective should not repeat those mistakes; the United Kingdom would be very happy to share its experiences with them.

Mr. KERR (Observer, past IHB Director) said that he had participated in the WEND Committee in his capacity as a consultant to the United Kingdom Hydrographic Office. Like the Chairman of the WEND Committee, he was worried about the slow formation of RENC organizations around the world, and was pleased that consideration was now being given to a top-down approach. The reason for the inability to form RENCs in many parts of the world probably lay in a less than total belief in the WEND idea: there was, for example, evidence that some Member States were distributing their ENC products directly through commercial operators. His own interpretation of the WEND had been that the HOs themselves would look after the integration of data while final distribution would be through commercial houses. In his opinion, solution (e) on page 2 of the Working Paper should be rather more specific. The International Chart Committees, which jointly provided total geographical coverage of the world, were the mechanism which would enable the objectives outlined in the paragraph to be achieved. Since data collection was only one part of the operation, he would prefer the paragraph to refer to "ENC services" rather than "ENC production".

Dr. EHLERS (Germany), speaking as Chairman of the WEND Committee, said that while the Committee was well aware of Mr. Kerr's great merits with regard to developing the WEND system, it had always operated as a body of an intergovernmental organization according to the ruling that it was discussing the positions of representatives of Member States, and should not heed private positions irrespective of their merit.

Rear Admiral CLARKE (United Kingdom), confirming that the matter had been fully discussed in the WEND Committee, associated himself with the report and remarks of its Chairman.

Rear Admiral SRINIVASAN (India) said that one of the most important requirements to be considered was that Member States should receive type approval for various ECDIS equipment. Many countries were making slow progress because their ships were not fitted with ECDIS, and there was no market for it. Pressure should be exerted on shipping authorities to grant type approval for ECDIS equipment.

Ingénieur général MILARD (France) said that the IHO as a whole should more clearly be responsible for the decisions and resolutions proposed by the WEND Committee. Greater weight would be achieved by an approval procedure employing Circular Letters, if it cannot be done in this Conference.

Mr. BROWN (United States of America), fully associating his delegation with the introductory remarks made by the Chairman of the WEND Committee, spoke of the need to increase the involvement of the private sector, which in many respects led the way in exploiting new tools. Private industry benefited from the spur of competitive pressure and was free of many of the obligations incumbent upon governments. One area in which the private sector was making particularly rapid progress was that of encryption. In the move to embrace the private sector, it was important to be aware that there was no diminution of the role of National Hydrographic Offices and their responsibility to provide the mariner with the quality product he expected.

Mr. HECHT (Germany), referring to the point made by the representative of India regarding type approval, said that the Bundesamt für Seeschifffahrt und Hydrographie (BSH) was not only a hydrographic service but also a type approval authority which had obtained a greater number of applications from manufacturers of ECDIS equipment, and he was pleased to report that four companies had so far received type approval for their ECDIS equipment. More applications were pending, proving in his opinion that the standards and specifications developed by IMO and the IHO were workable. The first approved ECDIS equipment would now be installed in ships and be ready to process data developed by RENCs. The desired breakthrough regarding ECDIS technology had been achieved.

Rear Admiral CLARKE (United Kingdom), supporting the statement made by the representative of the United States of America regarding private sector involvement, said that it reinforced the importance of the harmonization issue. The private sector had to be encouraged to produce solutions that were compliant; it had to be used and controlled so that it produced what was wanted.

Lieutenant Commander SOLTAU OSPINA (Colombia) said that his delegation needed more time to consider the actions recommended in the Working Paper. He supported the proposal made by the representative of France that the process be undertaken by Circular Letters.

Mr. LIU GONGCHEN (China) said that while doing its best to establish a global and regional hydrographic data centre, China was facing many problems. Member States were at different stages in the development process: some had already established and put hydrographic centres into operation, while others were at the research stage at best. The fact that development was so unbalanced was bound to lead to difficulties. If a maritime accident occurred because of an ENC mistake, where would the legal responsibility lie? More time was needed to consider the actions recommended in the Working Paper, and the IHO should make the issues clear by means of a Circular Letter.

A vote was taken by show of hands on the proposal that the actions recommended in the Working Paper (CONF. EX2/WP.2) be decided on by means of Circular Letter.

The Proposal was adopted.

The PRESIDENT OF THE DIRECTING COMMITTEE said that the result of the vote by no means precluded the Chairman of the WEND Committee Dr. Ehlers from working with the IHB to formulate the action required to be put in the Circular Letter.

Rapporteur : Mr. Michel POULIN (Canada)CONTENTS

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CONSIDERATION OF OTHER MATTERS (Agenda item 6) (continued)**BRIEFING ON THE FINANCIAL SITUATION OF THE ORGANIZATION AND IHO WORKING CAPITAL FUND AND INTERNAL RETIREMENT FUND (PROPOSAL 11) (CONF. EX2/WP.3, CONF. EX2/INFO. 16 and 18, CONF. EX2/G/03/Rev. 1/Add. 1 and Add 2)**

Commodore LEECH (Director IHB), introducing the item, said that it had been included in order to give participants an opportunity to comment on the financial situation of the Organization. In that connection, he drew attention to the bottom line of Annex A of the briefing paper (CONF. EX2/WP. 3) which showed that the working capital had stood at some 7.5 million Francs in 1996 and 2 million in 1998. That situation was due to the fact that, on expert actuarial advice, liabilities to the IRF had been revalued from some 8 million Francs to 16 million. It seemed only proper to invite comments from Member States on so drastic a write-down of assets. The effect of that measure had been to necessitate much tighter financial management.

For various reasons, Member States did not all pay their contributions to the Organization in January; some habitually paid towards the end of the year, while others - fortunately - paid before the year began. Generally speaking, as shown in the cash flow summary in Annex B, income was spread over the entire year. The Bureau needed was to have a reasonable level of income in hand at the beginning of each year to ensure that work could continue without financial problems.

Under the Financial Regulations, the Organization was required to maintain working capital at half the level of annual contributions. In December 1998, it had stood at 2 million Francs, which was insufficient. Present indications suggested a level for December 1999 of about 3 million Francs, and he felt reasonably sure that by the end of the term of the present Directing Committee it would reach

the desired level of some 4 million Francs. In that context, he drew attention to Proposal 11 submitted by the United States of America (CONF. EX2/G/03/Rev.1/Add.1), which should be debated.

As regards the question of zero growth budgets, he had the impression that Member States wished to control the expenditures of the Organization, keeping it at the same level, or possibly reducing it. He would welcome comments.

Ms. WYNES (United States of America) observed from Annex A of the briefing that there had been a significant worsening of contributions due between 1996 and 1998, which was the main cause of the Organization's financial difficulties. In that connection, she repeated her request for a second budget option for the 2003-2007 period, consisting in a zero nominal growth budget in addition to a zero real growth one, as was the practice in other international organizations.

Rear Admiral MARATOS (Greece) noted that document CONF.EX2/INFO.16, page 6, referred to an increase in the share value of 5.75%, whereas the briefing paper (paper 2) mentioned the figure of 5.5%. He wondered whether the latter figure was additional to the former.

Dr. EHLERS (Germany) pointed out that his own country was in the process of reducing its national budget over the next few years. As a consequence, it sought a similar approach in international organizations and would, in the longer run, strongly support any efforts in favour of zero nominal growth. At the same time, he recognized that a period of adjustment was needed, although it should not be too long. In that connection, the increase in share value of 5.75 or 5.5% should not continue in the near future, from 2001 for instance.

Commodore LEECH (Director IHB), replying to the United States of America, said that two budget options could be presented as requested. Outstanding contributions, which had grown significantly, were a cause of major concern to the Directing Committee. The balance sheet for 1999, however, showed that the situation was now improving. It would seem that the global economic crisis of 1997 and 1998 might have been partly responsible for the problem, so he was pleased to note that the world economy was at present stabilizing. He urged all Member States to pay their contributions promptly.

Replying to the comments made by the representatives of Greece and Germany, he said that the 5.5% increase was not additional to the 5.75% figure, and, as pointed out in the briefing paper, the increase was an exceptional event. In 1997, the Conference had approved a five-year budget which was related as closely as possible to the Work Programme, including, for example, provision for an additional Professional Assistant. An amount had always been built in for inflation, which was currently running at about 2%. The figure of 5.5% had been requested to cope with the problem of the IRF, since pensions would need to be financed for a few years out of operating expenses. It was anticipated that by the end of the term of the current Directing Committee, this pension supplement would no longer be required. Future budget increases from 2001 would be related to the level of inflation, about 2%.

With regard to zero nominal growth, he pointed out that some of IHO's overheads would give rise to difficulties. For example, approximately 80% of expenditure went towards salaries, which were not very flexible. There would have to be a period of adjustment while restructuring measures were introduced, but he hoped that all aims could be achieved in about five years' time.

The briefing on the financial situation of the Organization contained in document CONF. EX2/WP.3 was noted.

The PRESIDENT invited the representative of the United States of America to introduce Proposal 11 (CONF.G/03/Rev.1/Add.1) (CONF.G/03/Rev.1/Add.2)

Ms. WYNES (United States of America) recalled that her country had in the past called upon IHO to reduce its working capital to the level of 8 %, which represented approximately one month's operations. That figure was consistent with the United Nations Joint Inspection Unit's recommendation for United Nations organizations. The savings so obtained could then be transferred to help capitalize the IRF. Since the main cause of current problems resulted from the failure to pay contributions in full and on time, she considered it necessary to encourage Member States to do so. To that end, she believed the Bureau could play a more active role by alerting national offices, which were not always aware whether payment had been made, to the fact that their contributions were overdue.

Since a drastic reduction to 8 % would, in the present financial circumstances, be a major hardship, the USA was prepared to accept a graduated introduction of their proposal, for example by reducing the level to 36 % in 2001, 22 % in 2002 and 8 % in 2003. The counterproposal made by the Bureau in document CONF. EX2/G/03/Rev.1/Add.2 to set up a group of financial experts to determine an appropriate level for the working capital, while feasible, did not specify a time frame or indicate the membership.

Commodore LEECH (Director IHB) said that the Bureau was not convinced that the rules applying to the United Nations were entirely suitable for small organizations like the IHO and felt that the question required further study. Moreover, the United States proposal seemed somewhat arbitrary. The Directing Committee's main concern was to have enough money for day-to-day operations: a reasonable reserve was essential to ensure the Organization's solvency. For that purpose, he considered that the whole issue should be properly researched.

Mr. BURGESS (United Kingdom) congratulated the Directors on the progress made by the IHB in rectifying the IHO's financial structure. The key to that had been improved financial management with the prime objective of decreasing the level of working capital and Member States' contributions. The new definition of working capital was more closely in accord with international accounting standards, but the reduction of working capital by inclusion of the reserve of 800,000 FF contravened normal accounting standards and must be reexamined. The financial management changes planned for 2000 and 2001 were welcome, and it was hoped that those which directly improved cash flow, such as the recovery of VAT, would be implemented urgently.

The IHO suffered financially from the impact of late payment of contributions by Member States and maintained a positive cash balance only because of the receipt of advance contributions, without which it would have no cash within its working capital. Attachment 4 to Information Paper No. 16, which referred to the introduction of an incentive scheme to encourage prompt payment of contributions, was a good idea in principle, and further detail would be welcome.

Turning to the proposal to limit the working capital to 8% of the total annual contributions of member governments, he said that, based on the budget for 2000, 8% indicated working capital of marginally in excess of 1 million FF, and while that was a laudable objective his view was that such a level of working capital was too low and probably unsafe when compared with the working capital for 1998 of 2.9 million FF. He said that the United Kingdom took a realistic view and therefore could not support the proposal, but the current mandate of not less than 50% was plainly excessive as it indicated working capital of 6.9 million FF.

The segregation in the revised Balance Sheet of the Internal Retirement Fund with balancing liabilities and assets was welcome. There needed to be annual valuations by qualified actuaries that would determine the adequacy of the funds set aside and the scale of future contributions. As yet there was no clear idea of the relationship between the current 16 million FF liability for the Internal Retirement Fund and the long-term liability, and how that might impinge on future budgets.

The introduction of the Euro, whilst mandatory, needed further examination as to its impact, since a depreciating currency, certainly compared with the US dollar and pound sterling, could result in a cost increase and there could be repercussions on Member States' contributions.

In conclusion, he said it was apparent that there were many issues of financial structure and management that must be addressed. The IHB had suggested to the Conference that recommendations for establishing the level of working capital be obtained from a group of financial experts. The United Kingdom fully endorsed the proposal to establish such a group, but with a remit to report on the wider financial issues facing the IHO.

Captain MACKAY (Chile) pointed out that the purpose of the Extraordinary Conference was not in fact to consider the Organization's financial report; indeed the most recent financial report received by Chile had been the report for 1997, and even earlier reports had not been forthcoming.

He fully agreed with the representative of the United Kingdom that a Working Capital level of 8% would impede the functioning of the IHB. Commending the efforts made by the Directing Committee to find a solution, he said that the error was to have arrived at such a level of liability, owing to arrears in Member States' contributions. The amount of arrears could in fact be readily determined and forecast, since the level was usually fairly constant. He supported the United Kingdom's suggestion that a group of financial experts should research the issues and complete its work rapidly so that its report could be submitted to Member States in good time for consideration at the next Conference.

Captain GERAGHTY (Australia) said that he did not believe that sufficient investigation had been conducted thus far to justify the changes in structures and arrangements now being proposed. The reason for changes appeared to be the current state of the Internal Retirement Fund (IRF) and its forecast liabilities. The IRF was an important issue, especially as the changes made so far were now having a significant impact on the Working Capital and on Member States' contributions. He agreed with the Directing Committee that there was a less than rigorous system of management of the IRF and shared its concerns that it was inappropriately connected to the funds of the IHO. The fact that the IRF was primarily administered by the Directors of the IHB might be in conflict with the interests of the beneficiaries of the Fund.

The overall financial arrangements of the Organization, including the IRF, must be reviewed, but only by independent professional accounting advisers and not by any internal group. The study, which should be presented and considered at the next Conference, should cover and recommend the most appropriate financial arrangements for the Organization, which might include a close examination of the percentage required for the Working Capital, and, in particular, a recommendation on the way ahead for the IRF. Such an independent assessment of the financial arrangements of the IHO must take place as a matter of priority, before any changes to the financial management structure of the IHO were effected. Australia acknowledged the thrust of the United States proposal that a percentage should be set for the Working Capital, but did not consider that the arbitrary application of an 8% level would resolve the issue. A thorough independent financial review should first be undertaken to assess accurately the status of the IHO finances and management of the IRF.

Rear Admiral SRINIVASAN (India) said he endorsed many of the comments made by the representatives of the United Kingdom and Australia. He agreed that a further in-depth study of the issue should be made before proceeding to any reduction in Working Capital levels. It was also necessary to ascertain whether the IHO could provide or even maintain the requisite services, which meant that the question of zero real or nominal growth must also be addressed, in the light of the ambitious goals of the Strategic Plan and Work Programme, the implementation of which would depend to a great extent on the level of financial resources.

Dr. YASHIMA (Japan) said that while he understood the United States' argument to some extent, time was needed to consider the issues involved and how they compared with practice in United Nations organizations, and Japan therefore supported the IHB's proposal to set up a study group.

Vice Admiral SOBRAL (Portugal) agreed with the Bureau's proposals, and with the suggestions made by the representative of the United Kingdom. An 8% Working Capital level as proposed by the United States of America would not be sufficient for the IHB to carry out its work. Portugal was in favour of greater accountability in the future, but believed that the IHB was heading in the right direction and trusted that the financial situation would have improved by 2003.

Commodore LEECH (Director IHB), replying to the question asked by the United States representative about the composition of the group of experts and the time frame in which it would work, proposed that the group could be formed without delay and be required to report in good time before the next Conference, for instance by the end of 2000, so that its findings could inform the preparation of the next budget. A group composed of four members would be sufficient, and he invited Member States with appropriately qualified finance directors to propose their participation in the group. The Organization was already benefiting from the assistance of an expert from France; he suggested that the United Kingdom, Germany and possibly the United States of America might also wish to participate.

Replying to the comment by the representative of Australia that the changes proposed by the IHB were not justified, he referred the Conference to the attachments to document CONF. EX2/INFO 16. He pointed out, firstly, that most of the changes concerning the management of the IRF were already in place, as a result of efforts to bring governance of the IRF into line with international practice. Secondly, with regard to the transition to a zero growth budget, the Bureau had anticipated what appeared to be the majority wish of Member States to move eventually to zero nominal growth, adding that that would obviously take time. Thirdly, recalling the comment by the representative of Chile about the late submission of financial reports, he said that improvements were clearly necessary in the financial management of the IHO. That being said, he agreed with Australia that independent advice was needed. In recent months, an independent auditor had been commissioned to look into those specific issues and also into the wider financial context. The international firm in question had begun work at the beginning of February 2000 and had largely completed its report, but was still investigating solutions to the problem of the management of the Retirement Fund under French and Monegasque law, which did not provide for the same facilities as Anglo-Saxon law.

Dr. EHLERS (Germany) said that, while appreciating the Directing Committee's efforts to solve the Organization's financial problems, Germany supported the United States proposal, its contention being that a reduction in the Working Capital could be an alternative to merely increasing the budget and hence Member States' contributions. Having made Germany's long-term position clear, he said that, as he understood it, the United States delegation was not insisting on an amendment to the Financial Regulations at the current session, but was suggesting a graduated reduction. Bearing in mind that a decision to amend the Financial Regulations would be a fundamental one, requiring a two-thirds majority of all Member States, and the fact that the United States proposal was a very recent one which Member States would need time to consider, it might be wise to accept the IHB's proposal to have the issue reviewed further by a study group.

The PRESIDENT said that he took it that the proposal was to defer further consideration of the issue until the next Conference, by which time the findings of the review proposed by the IHB would be completed.

Ms. WYNES (United States of America) said she had no objection to that proposal.

Commodore LEECH (Director IHB) said he took it that the United Kingdom, Germany and France would contribute to the working group, and inquired whether the United States of America wished to do likewise.

Ms. WYNES (United States of America) said that she would need to consult her authorities on that point.

The PRESIDENT, summing up, said that the proposal as it now stood was to defer a decision on the matter pending a study by a group of financial experts, whose report would be tabled at the next Conference, on the understanding that the report would include a proposed figure for the level of Working Capital and would also address all other concerns expressed at the current session, including the impact on the introduction of the Euro, so that an informed decision could be taken.

In response to a comment by Rear Admiral CLARKE (United Kingdom), he agreed that the expert group's study should be completed within six months and that its report should then be forwarded to Member States by Circular Letter.

On that understanding, he invited the Conference to vote on that proposal.

The proposal was approved unanimously.

Commodore LEECH (Director IHB) assured Member States that the IHB was, and would continue to be, committed to improving the financial management of the Organization.

He expressed gratitude to Mr. Michel, an official of the Government of Monaco, for the work he had accomplished as Chairman of the Finance Committee.

CLOSING OF THE CONFERENCE (Agenda item 7)

PRESENTATION OF ICA PRIZES (Agenda item 7.1)

The PRESIDENT OF THE DIRECTING COMMITTEE, after outlining the history of the ICA Prizes, said that the 1995 prize for the best exhibitor went to Japan for its production of marine charts at the Barcelona session of the International Cartographic Conference. He invited Dr. Kubo to receive the award.

Dr. KUBO (Japan), speaking on behalf of the Japanese Hydrographic Bureau, thanked the IHB for the unexpected honour bestowed on his country.

The PRESIDENT OF THE DIRECTING COMMITTEE said that Chile and Peru - in alphabetical order - shared the 1999 ICA Prize. The award to Chile was on account of its clear and attractive presentation of electronic cartography at the Ottawa session of the International Cartographic Conference in 1999. He consequently invited Captain Mackay to receive the award.

Captain MACKAY (Chile), expressing his gratitude at the international honour done to his country, thanked SHOA's personnel and all of those who had supported and assisted Chile in developing electronic cartography, including the Canadian Hydrographic Service, the United Kingdom, Germany, Australia and New Zealand.

The PRESIDENT OF THE DIRECTING COMMITTEE said that the other ex aequo recipient of the 1999 ICA Prize was Peru for its demonstration of a presentation library at the same Ottawa session of the International Cartographic Conference. He consequently invited Rear Admiral Soldi to receive the award.

Rear Admiral SOLDI (Peru) expressed his thanks for that recognition of the joint effort of the entire Peruvian Hydrographic Service in the matter of electronic charting, which was indeed an indispensable tool for navigation in the future.

ORDER OF SEATS FOR 2002 CONFERENCE (Agenda item 7.2)

The letter **"S"** having been drawn, the PRESIDENT noted that Singapore would be first in seating order at the XVIth International Hydrographic Conference to be held in 2002.

ANNOUNCEMENT BY THE OBSERVER FOR THE UNITED NATIONS

Mr. ZINCHENKO (United Nations Division for Ocean Affairs and the Law of the Sea), speaking at the invitation of the PRESIDENT, provided information about the Open Meeting of the Commission on the Limits of the Continental Shelf to take place at United Nations Headquarters on 1 May 2000. The Open Meeting was intended to familiarize States with the need to implement the provisions of Article 76 and Annex II to the United Nations Convention on the Law of the Sea within ten years from the date of entry into force of the Convention for any State intending to establish the outer limit of its continental shelf beyond 200 nautical miles; and to explain to policymakers and legal advisers what benefits coastal States might derive from implementing the provisions of Article 76. At least 30 and possibly as many as 60 States appeared to meet the legal and geographic requirements to take advantage of those provisions. The Meeting would also endeavour to explain to experts in marine sciences and academics how the Commission considered that the Scientific and Technical Guidelines should be applied in practice. His Division would be pleased to supply any further particulars on the Meeting up to 15 April 2000.

PRESENTATION OF GIFTS TO THE IHB

Admiral KOMARITSYN (Russian Federation) said it was his pleasure to present the IHB with a model of a fine ship from Russia's hydrographic fleet.

The PRESIDENT OF THE DIRECTING COMMITTEE expressed his appreciation of the magnificent gift, which would inaugurate the IHB's collection of such models. He also wished to thank the Russian Federation for its participation in the Conference with a big delegation and a real ship.

Captain MACFARLAND (United States of America) said it gave him pleasure, on behalf of his delegation, to present the IHB with a memento in the form of a plaque reflecting the appreciation of his country's hydrographic services.

The PRESIDENT OF THE DIRECTING COMMITTEE cordially thanked the United States representative for his gesture.

Dr. EHLERS (Germany) said he was pleased indeed to present the IHB with a print representing a marine artist's impression of Germany's new survey vessel under construction, which in two years' time would be sent to the next Conference.

The PRESIDENT OF THE DIRECTING COMMITTEE heartily thanked the German representative for that gesture.

CLOSING REMARKS

The PRESIDENT said that like other good organizations the IHO was trying to embark upon changes for improvement. One significant change had been that for the first time in 15 Ordinary Conferences and two Extraordinary Conferences the President of the Conference had come from the Far East. The IHO had left port and was making good headway towards a new port of destination, with less uncertainty regarding the best route to take and its estimated time of arrival. A number of important decisions had been taken during the Extraordinary Conference despite differing opinions and approaches.

He thanked the Directing Committee, especially the Chairman of the SPWG, and the Bureau Staff, as well as the interpreters, précis writers, translators and Conference organizers. He also thanked the Vice-President of the Conference and the Rapporteurs. Finally, he acknowledged with gratitude the assistance given by the Government of Monaco in organizing the Conference.

APPENDIX

**APPENDIX OF THE 2nd EXTRAORDINARY INTERNATIONAL
HYDROGRAPHIC CONFERENCE**

CONTENTS

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WORKING PAPER DOCUMENTS

CONF. EX2/WP.1

Working Paper No. 1

SPWG SUMMARY REPORT

Introduction

The Strategic Planning Working group was established by Decision No.11 of the XV IH Conference. The Terms of Reference approved by the Conference are attached at Annex A.

The XV Conference decided to refer three other matters to the SPWG. These items [Decisions 5, 7, 8] are also listed in the Annex.

This report summarises the SPWG recommendations on all the matters referred to it.

Method of Work

The SPWG held three meetings prior to the extraordinary IH Conference in March 2000. These meetings took place in Monaco in December 1997, June 1998 and November 1999. A meeting planned for March 1999 was cancelled.

The SPWG established a small study team to examine the main issues raised by the Terms of Reference, and also certain issues raised during the SPWG meetings.

The members of the SPWG were nominated by the Regional Hydrographic Commissions. The members of the SPWG and the SPWG Study Team are listed at Annex B.

The SPWG issued three interim reports to keep Member States informed of progress. These were sent as Circular Letters 4/98, 44/98, and 28/99. A set of these CLs, without Annexes, is provided as a Conference Information Paper [Conf.Ex2 / Info.1]

The first meeting of the SPWG

The first meeting of the SPWG was held in December 1997. Prior to its first meeting the SPWG issued a questionnaire to all Member States, asking for their opinion about the strategic issues which they faced, and their views about the future work of the SPWG. The responses to this questionnaire provided an important point of departure for the Strategic Planning process, and a summary of those responses is provided as an information paper [Conf.Ex2 / Info.2]

At its first meeting the SPWG identified six major Strategic Issues facing Member States, and subsequently developed four Strategic Goals for the IHO for the next ten years. These are all detailed in the draft Strategic Plan. In general the SPWG endorsed the existing work programme, but felt that a higher tempo of activity was required. However two new activities were identified. These are Public Relations, and Corporate Development.

It identified a programme of work for a small study team.

The Second meeting of the SPWG

The second meeting of the SPWG was held in June 1998. At this meeting the SPWG reviewed the draft Strategic Plan and Work Programme prepared by the SPWG Study Team.

Following the meeting, the draft Strategic Plan and Work Programme, and proposals concerning the Eligibility Criteria for members of the Directing Committee, were submitted to Member States for comment. This was done under CL 44/98.

No major changes to these documents were proposed in Member States responses to the CL

The Third meeting of the SPWG.

The third meeting of the SPWG was cancelled. It was decided that any outstanding business could be decided by correspondence. The following matters were addressed in this way;

- Changes in activities and resource allocation at the IHB.
- The need to establish a “Board”, to assist the Directing Committee between Conferences.
- The need to change the Convention of the IHO.

These matters were reported to Member States in CL 28/1999

The Fourth meeting of the SPWG

At its fourth meeting in November 1999, the SPWG reviewed the final version of the documents to be considered by the 2nd Extraordinary Conference.

Most of the discussion at the fourth meeting was concerned with the issue of structural change. This will be dealt with by the Extraordinary Conference under Proposal 5.

The meeting also discussed the financial affairs of the Organisation. The Conference will be briefed on financial matters under Agenda Item 6. The relevant document is Conf.Ex2 / WP.3 .

Scope of SPWG Summary Report

This report will summarise the findings of the SPWG. More detailed information on each topic is contained in the Conference Proposals and Information Papers.

The IHO Strategic Plan [ToR 1, 2, 4, 8].

The SPWG examined the purpose, goals, priorities, activities and services of the organisation for the next decade, and produced the draft Strategic Plan for the Organisation.

The Strategic Plan has been issued as a separate Conference Document [Conf.Ex2 / Pro.1].

The SPWG working paper on the activities and structure of the IHO has been provided to the Conference as an information paper [Conf.Ex2 / Info.3] This working paper was used as a check list in the construction of the Strategic Plan.

The Strategic Plan addresses SPWG Terms of Reference No.s 1, 2, 4, and 8.

The IHO Work Programme [ToR Note 1, Stage 3]

In addition, the SPWG produced a draft inter-sessional Work Programme, setting out the work to be undertaken in order to achieve the goals of the Strategic Plan.

The inter-sessional Work Programme has been issued as a separate Conference Document [Conf. Ex2/ Pro.2].

The Work Programme addresses SPWG Terms of Reference, Note 1, Stage 3.

The IHO Planning Cycle [ToR 7]

A formal planning cycle for the organisation has been produced, and has been issued as a proposal for the Conference [Conf.Ex2 / Pro.3]. The Planning Cycle replaces the existing ad-hoc approach to strategic planning through decisions based on Conference proposals.

The SPWG consider that this planning cycle should be trialled during the next two years, in order to gain some experience. The SPWG recommend that approval of the Planning Cycle should be deferred until the Conference in 2002.

The Planning Cycle addresses SPWG ToR No 7.

SWOT Analysis [ToR 3]

As a preliminary to the Strategic Planning process, Member States were asked to give their opinions about a number of aspects of the IHO. Member States opinions were taken into account during the development of the Strategic Plan. One question concerned Strengths and Weaknesses, Opportunities and Threats [SWOT].

A summary of Strengths and Weaknesses, based on Member States' opinions, is given in the Conference document, entitled " Responses to Strategic Planning Questionnaire " [Conf.Ex2 / Info.2].

This document addresses SPWG ToR No 3.

Structural Change [ToR 5, 6]

The Terms of Reference required the SPWG to advise on the need for structural change in the Organisation. Two studies were undertaken, and copies will be provided as information documents at the Extraordinary Conference [Conf.Ex2 / Info.3, and Conf.Ex2 / Info.9].

As a result of work by the SPWG and the Directing Committee, some initial structural and service changes were proposed in C/L 25/99. Those changes were designed to redirect financial and human resources to ensure rapid achievement of the goals identified in the draft Strategic Plan. The changes proposed were well accepted by Member States. A copy of CL 25/99, without annexes, is provided as an information paper for the Conference [Conf.Ex2 / Info.8].

The SPWG still has much work to do in regard to structural change, as indicated in the Conference report on this subject. Some of the main points to be addressed in future SPWG studies include;

- i. participation of industry in IHO business;
- ii. enhancement of the work of regional hydrographic commissions;
- iii. improving the business processes of the Organisation;
- iv. further changes to the staffing and activities of the IHB;
- v. reducing the cost of languages in the work of the Organisation;
- vi. re-focussing the work of the IH Conferences;
- vii. replacing the Directing Committee with a Secretary General;
- viii. re-drafting the Convention of the IHO.

More detail on each of these points is given in the Conference document [Conf.Ex2 / Pro.5].

The report on Structural Change addresses SPWG ToR No.s 5 and 6.

Eligibility Criteria for Candidates wishing to be elected to the Directing Committee

During its deliberations on structural change, the SPWG found it necessary to discuss the need to update the eligibility criteria for candidates wishing to be elected to the Directing Committee. This issue was reported to Member States in CL 44/98, paragraphs 18 to 26. The suggestions contained therein were generally well received, there being only one dissenting comment.

The Conference document [Conf.Ex2 / Pro.4] presents the proposed changes to the eligibility criteria for Conference approval. The SPWG working paper on this difficult subject contains useful background material, and is provided to the Conference as an information paper [Conf.Ex2 / Info.7].

The need for an extra Professional Assistant at the IHB [XV IH Conference Decision No. 5]

The SPWG considers that the recruitment of another Professional Assistant to the IHB has been one of the most important features of recent structural change. It has noted that the cost of this additional Category A position, voted as an extra budgetary charge in 1992, will in 2002 have been offset by a reduction in costs of Category B staff.

The SPWG recommends that the additional Category A post be continued for the time being [Conf.Ex2 / Pro 6].

The need for more frequent IH Conferences [XV IH Conference Decision No. 7]

The SPWG considers that it is necessary to hold IH Conferences at more frequent intervals. A convenient interval would be two and a half years.

This recommendation is based upon the rapidity and number of changes affecting hydrographic services, and the consequent need for national hydrographers to consult on senior management issues at more frequent intervals. Full details of the arguments supporting this recommendation are contained in the SPWG report on this matter [Conf.Ex2 / Pro.7].

The need for an Electronic Document Centre at the IHB [XV IH Conference Decision No. 8]

The SPWG consider that an effective electronic document centre will be established at the IHB by the end of 2000. The SPWG report on this matter is contained in document [Conf.Ex2 / Pro.8].

Conference Proposals made by the SPWG

A summary list of Conference Proposals made by the SPWG is provided at Annex C.

SPWG Recommendations

The SPWG recommends that the Extraordinary Conference;

- [i] Note this summary report,
- [ii] Approve the SPWG proposals contained in the Conference papers.

- Annexes:**
- A. Terms of Reference for the SPWG.
 - B. List of SPWG members.
 - C. List of Conference Proposals made by the SPWG.

Annex A to the Report of the SPWG

TERMS OF REFERENCE OF THE SPWG

DECISION No. 11 - ESTABLISHMENT OF AN INTERSESSIONAL STRATEGIC PLANNING WORKING GROUP (PRO 42)

It was decided to create an intersessional Strategic Planning Working Group, with the following Terms of Reference and chaired by the President of the D.C. The W.G. will be created by IHB C.L.

TERMS OF REFERENCE

1. To examine the purpose of the Organization, including the role of the IHB.
2. To seek the opinions of Member States and relevant international organizations regarding the services to be provided in the 21st Century.
3. To conduct an analysis of the strengths and weaknesses of, and the opportunities and threats facing, the Organization.
4. To develop the strategic goals and priorities of the Organization for the next ten years.
5. To examine and report upon any necessary structural or constitutional changes required in order to enhance the effectiveness of the Organization in the future.
6. To examine the problem of matching the achievement of goals with the Organization's budget and staff resources.
7. To propose a strategic planning cycle for the Organization.
8. To present a revised Strategic Plan to the Organization within two years, using as basic documents the draft Strategic Plan of April 1997 and the record of the XVth I.H. Conference discussion. (See note 1).

Note 1:

The XVth IH Conference, in agreeing these Terms of Reference, envisaged that the first round of the strategic planning cycle should be as follows:

- Stage 1** By end 1998, produce a report in response to these Terms of Reference.
- Stage 2** By mid 1999, this report and plan should be approved by Member States. This approval may be managed either through the Circular Letter process or by a Special Conference in 1999. The Working Group should make recommendations concerning the need for a Special Conference.
- Stage 3** Based on the agreed Strategic Plan the Directing Committee should prepare a work plan and budget for approval at the XVIth IH Conference.

The cycle should be repeated in the subsequent inter-sessional period, unless otherwise recommended by the Working Group under item 7.

Note 2:

The Conference agreed that the Chairman of this Working Group should be the President of the Directing Committee.

Decisions referred to the SPWG by the XV IH Conference

DECISION No. 5 - ADDITION OF A NEW PROFESSIONAL ASSISTANT (PRO 9)

It was decided to authorize the Directing Committee to engage another Professional Assistant for technical matters. The continuance of the arrangement is subject to the outcome of the Strategic Planning Working Group study.

DECISION No. 7 - ANNUAL SUPPLEMENTARY CONFERENCES (PRO 11 & 21)

It was decided that the Strategic Planning Working Group will carry out a study on the implementation of Annual Supplementary Conferences or one Inter-sessional Extraordinary Conference.

DECISION No. 8 - DEVELOPMENT OF A PROJECT TO ESTABLISH AN ELECTRONIC DOCUMENTATION CENTRE AT THE IHB (PRO 14)

It was decided that this subject will be considered by the Strategic Planning Working Group.

Annex B to the Report of the SPWG

LIST OF SPWG MEMBERS

Baltic Sea HC	Russian Federation	Admiral A. Komaritsyn
Carribean & Gulf of Mexico HC	United States	Rear Admiral C. Andreasen [NIMA]
		Mr. K. Cooper [NAVOCEANO]
East Asia HC	Japan	Dr. H. Nishida
Eastern Atlantic HC	Portugal	Vice Admiral J. Torres Sobral
Mediterranean & Black Sea HC	Greece	Rear Admiral A. Maratos
Nordic HC	Sweden	Mr. S. Astermo
	Iceland	Mr. H. Hafstaensen
North Sea HC	United Kingdom	Rear Admiral J. Clarke
Southern Africa & Islands HC	France	Ingenieur Général F. Milard
South East Pacific HC	Chile	Captain H. Gorziglia
South West Pacific HC	New Zealand	Mr. J. Spittall
United States & Canada HC	United States	Mr. D. Brown [OCS]
INT Charting Area C1	Brazil	Captain F. M. Mattos
		Vice Admiral M.A. Leal de Azevedo
INT Charting Area J	India	Commodore M.K. Thomas
WEND Committee	Germany	Dr. P. Ehlers
Monaco	Monaco	Mr. L. Anselmi
Norway	Norway	Mr. F. Klepsvik
Spain	Spain	Captain M. Pardo De Donlebrun
IHO Directing Committee	[IHB]	Rear Admiral G. Angrisano
	[IHB]	Rear Admiral N. Guy
	[IHB]	Mr. J. Leech

Observers

Intergovernmental Oceanographic Commission

Mr. D. Travin

Members of the SPWG Study Team

Mr J. Leech	IHB
Ingenieur en Chef G. Bessero	France
Mr. W. Salmon	UK
Mr. D. Brown	USA
Captain H. Gorziglia	Chile

Annex C to the Report of the SPWG

SUMMARY LIST OF SPWG PROPOSALS CONTAINED IN THE CONFERENCE PAPERS

The SPWG proposes that the Conference should:

1. approve the new IHO Strategic Plan;
 2. approve the Inter-Sessional Work Programme 2000 - 2004;
 3. approve the deferral of a decision on the Planning Cycle until the Conference in 2002;
 4. approve the proposed changes to the Eligibility Criteria for Directors;
 5. approve the proposals for further studies on Structural Change;
 6. approve the continuation of the additional post of Professional Assistant;
 7. approve an increase in the frequency of IH Conferences;
 8. approve the arrangements for an Electronic Document Centre at the IHB.
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Working Paper No. 2**DEVELOPMENT OF THE WEND SYSTEM AND FUTURE ROLE OF RENCs****Activities**

WEND meetings are held annually in different parts of the world to accomplish three goals:

- 1) to understand regional problems
- 2) to promote the production of Electronic Navigational Charts (ENCs)
- 3) to facilitate the establishment of Regional Electronic Chart Centres (RENCs).

Meetings have been held in New Orleans (USA), Tokyo (Japan), Goa (India), Sydney (Australia) and now in Monaco. Representatives from at least 20 IHO Member States usually attend the Meetings.

The outcome of the 4th WEND Meeting in Sydney was reported to Member States through Circular Letter 37/1999.

WEND maintains close contact with other related IHO Committees and Working Groups, in particular, the activities of the IHO CHRIS Committee and its associated working groups (e.g., TSMAD and Colours and Symbols Maintenance Working Group). In addition, there are the various international contacts that the IHB has with IMO, IALA, IEC and ISO that may be related to WEND activities and developments. In particular, refinements and additions to standards and specifications relating to ECDIS, ENC, RNC and RCDS are considered.

Probably the most important aspect for annual WEND consideration is the progress made in the production of ENCs and the development of distribution mechanisms through RENCs following the WEND Principles.

Problems Related to the Establishment of the WEND System.

Some progress has been achieved regarding the ENC production. However, on a global level the situation is still unsatisfactory. Additional efforts are necessary to cover congested areas and harbour approaches in various parts of the world. This problem can only be solved if additional capacity for the ENC production is accomplished.

The establishment of RENCs has been very slow. Currently, only one RENC has been formed (PRIMAR). This situation has led to a reassessment of what may be required to provide world-wide ENC coverage and services.

A number of problems that may have hindered the development of distribution mechanisms through RENCs have been identified. They include:

- a) The reluctance of regional States to agree on a *modus operandi*. This could be as a result of national priorities, lack of hydrographic infrastructures, inability to produce consistent or uniform data.
- b) The problems related to quality assurance.
- c) Necessary security systems to protect the data.
- d) ENC updating services.

- e) The cost of establishing and operating a RENC.

Solutions

In the light of the WEND considerations, the following actions for solving the problems are recommended:

- a) The Conference should encourage Member States to give higher priority to the production of ENC data, and the provision of adequate ENC services.
- b) The Conference should emphasize the importance of establishing the WEND system by adopting the following WEND Resolution. (see Annex A).
- c) The Conference should adopt the WEND principles (see Annex B) which have been amended with regard to harmonization between RENCs (para 2.6) and encryption mechanisms. (para. 5.4).
- d) The Conference should endorse the amended Terms of Reference of WEND (Annex C).
- e) The Conference should request that Regional Hydrographic Commissions or, where they exist or where they are appropriate, International Chart Committees should address the needs for and promotion of ENC production in their regions.
- f) The Conference should request that Regional Hydrographic Commissions report annually to the WEND Committee about the progress made on the establishment of the WEND system. This should be accompanied by reports of all Member States about the needs and priorities of ENC production, and the progress which has been achieved.
- g) Additional endeavours to improve the capacity to establish ENC services may also include the participation of private industry. The meeting of HOs and industry which took place on Saturday, 18 March could be taken as a starting point for further cooperation with private industry.

WEND RESOLUTION

It is recommended that Member States:

- a) create the appropriate climate for regional and international co-operation in the capture and management of digital hydrographic data, acknowledging the ownership of the data.
- b) give high priority to the production of data that are validated and conform to the ENC Product Specification.
- c) promote the production of ENCs and the use of ECDIS.
- d) establish mechanisms for the national, regional and international distribution of ENCs in accordance with the WEND Principles.

WEND PRINCIPLES

1. Ownership and Responsibility

- 1.1 A Member State has responsibility for the preparation and provision of digital data and its subsequent updating for waters of national jurisdiction.
- 1.2 The Member State responsible for originating the data should validate it.
- 1.3 A Member State responsible for any subsequent integration of a country's data into a regional, or larger, data base is responsible for validating the results of that integration.
- 1.4 Responsibilities for providing digital data outside areas of national jurisdiction should be established.
- 1.5 The INT chart system is a useful basis for areal selection.
- 1.6 Legal liability must be recognized by participants.

2. Cooperation and Coordination

- 2.1 In the interests of safety at sea and to respond to the increasing demand for ENC, Member States are encouraged to work together in establishing and maintaining a WEND system as soon as possible, to share in common experience and reduce expenditure, and to ensure the greatest possible standardization and reliability.
- 2.2 Terms of Cooperation Arrangement for the Northern Europe RENC may be useful in arranging transactions between other RENCs and national HOs.
- 2.3 HOs are strongly recommended to provide data to HO data base organizations (RENCs) pursuing data bases within the WEND concept.
- 2.4 Member States are encouraged to work together on data capture or management.
- 2.5 Neighbouring Member States are encouraged to cooperate in boundary areas.
- 2.6 The Member States should strive for harmonization between RENCs in respect of data standards and service practices in order to ensure the provision of consistent ENC services to users. Wherever appropriate, this should be achieved by adoption of IHO Standards.
- 2.7 Advantage should be taken and shared of all experience gained.
- 2.8 Member States planning to incorporate data that must be obtained from another Member State into an integrated data base should inform those countries well in advance.
- 2.9 The development of overlapping data sets from different sources should be avoided if possible.

3. Languages

3.1 The need to have data associated with different languages should be considered.

4. Standards and Quality Management

4.1 A recognized standard of quality management (e.g. ISO 9000) should be employed to ensure a high quality of the ENC services.

4.2 There should be compliance with all relevant IHO and IMO standards and criteria (including IHO S-57, IHO S-52, or their replacements).

5. Distribution

5.1 Distribution of products may be separate from the data base management.

5.2 Methods to be adopted should ensure that data bear a stamp or seal of approval of the issuing HO.

5.3 Member States should work together in safeguarding national copyright in ENC data to protect the mariner from falsified products.

5.4 When an encryption mechanism is employed to protect data, a failure of contractual obligations by the user should not result in a complete termination of the service. This is to assure that the safety of the vessel is not compromised.

6. Updating

6.1 Technically and economically effective solutions for updating should be established.

6.2 National HOs providing source data are responsible for advising the issuing HO of update information in a timely manner.

6.3 The issuing HO is responsible for providing timely updates to the ENC for the mariner.

6.4 Updating information to regional or greater area ENC datasets should be available worldwide.

7. Reimbursement and Financial Arrangements

7.1 HOs should not give commercial companies better conditions than they offer to other HOs.

7.2 Reimbursement, including financial arrangements, payment in kind etc. for providing data, should be a matter for bilateral agreement between the parties involved.

8. Assistance and Training

8.1 Member States' HOs are strongly recommended to provide, upon request, training and advice to HOs which require it to start developing their own national data base.

TERMS OF REFERENCE FOR THE WEND COMMITTEE

Objective: To promote the establishment of a World-wide Electronic Navigational Chart Database (WEND) suitable for the needs of international shipping

1. Terms of Reference

- 1.1 To provide a forum for the coordination of the activities of Member States in achieving the objective.
- 1.2 To harmonize the policies of regional ENC Coordinating Centres (RENC) with respect to matters related to administration, legality, finances, technical processes, etc.
- 1.3 To take account of the Terms of Reference of, and consult with, other IHO bodies as appropriate, particularly CHRIS.
- 1.4 To report to Member States annually through Circular Letter and make a report to the ordinary sessions of the International Hydrographic Conference.

2. Rules of Procedure

- 2.1 The Committee is composed of representatives duly authorized by Member States and an IHB Director will attend WEND Meetings.
 - 2.2 Meetings shall be held once a year. The venue and date will be announced at least three months in advance.
 - 2.3 The Committee Members will elect the Chairman and the Vice-Chairman of the Committee at its first meeting following each ordinary session of the International Hydrographic Conference.
 - 2.4 Recommendations of the Committee will be submitted to the IHO Member States for adoption through the Directing Committee.
 - 2.5 The IHB will serve as the Secretariat for the WEND Committee.
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Working Paper No. 3

BRIEFING ON THE FINANCIAL SITUATION OF THE ORGANIZATION

Introduction

In the Finance Report for 1997, and in the Budget for 2000, the Directing Committee described the delicate nature of the IHO finances. Copies of these advices are provided in Information Paper Conf. Ex2 / Info. 16.

The purpose of this paper is to brief the Conference on the financial affairs of the Organisation.

The Internal Retirement Fund

The Internal Retirement Fund [IRF] is the main cause of the current financial situation.

Member States may recall the history of the IRF. In 1987 it was realised that the IHO staff retirement arrangements were unsustainable, because the benefits received by members on retirement greatly exceeded the contributions made whilst working. From that time, new members of staff have been placed into personal pension plans. [Currently the IRF has 6 active members and 8 retired members].

It was also realised that the IRF would require additional financial support, and this was provided [from 1987] by the annual transfer of budget surpluses into the retirement fund reserve. This provision was essentially informal. The need to make formal provision for the IRF in the budget was recognised in the reports of the Finance Committee to the IH Conferences in 1987, 1992, and 1997. However decisions to increase the budget were deferred.

In 1997 the Directing Committee sought an actuarial report on the liabilities of the IRF. This report advised that the liabilities should be increased to some 17 million Francs [previously 8 million Francs].

The report also advised that the fund would need additional annual contributions of 1/2 million Francs in order to enable it to pay the pensions of retirees.

The actuarial report has had an immediate effect on the Balance Sheet and the Budget of the organisation.

The Balance Sheet - Working Capital

In the Finance Report for December 1997 the Directing Committee reported a reduction of the working capital from 9 million Francs to 2 million Francs, in order to make full provision for the liabilities to the IRF.

The draft Finance Report for December 1998 indicates that the value of the working capital remains at 2 million Francs. A summary of the Balance Sheet for December 1998 is attached at Annex A, in which a comparison can be made with 1996, the last year before the re-valuation.

Article 18 of the Finance Regulations stipulates that the working capital should be equivalent to 50% of the annual contributions of Member Governments.

Working capital is defined according to conventional accounting practice as follows;

$$\text{Working Capital} = \text{Current Assets} - \text{Current Liabilities} - \text{Reserve Fund}$$

The purpose and value of the Reserve Fund is established in the Financial regulations of the IHO, Article 19, and in Administrative Resolution R 1.2. It is essentially a cushion against financial emergencies, and should not be regarded as a part of the working capital. The value is currently set at 800,000 Francs.

The appropriate level of the Working Capital is influenced by the monthly outlays of the Organisation, and by the dates on which the Member States pay their contributions. These dates, in turn, are influenced by the financial year calendar of each Member State. Annex B contains a table and bar-chart which illustrate the annual pattern of IHO receipts and expenditures. This information suggests that the value of the Working Capital should be maintained at not less than 4 months, or 30% of contributions.

In these circumstances the Directing Committee believes that a Working Capital of at least 4 million Francs is necessary to enable the IHB to conduct daily operations without financial stress, and to maintain solvency. The present Working Capital of 2 million Francs is not sufficient, and the value must be increased.

The value of the Working Capital will grow to the desired level by 2002 as a result of a number of initiatives. The payment of pensions from operating funds will allow interest and dividends from IRF investments to accumulate, raising the value of IRF assets and reducing the corresponding IHO liabilities, with consequent improvement in the level of the Working Capital. An additional annual sum of about 1/4 million francs has been allocated to the IRF in the budget, to accelerate this process. The process should also be accelerated by giving more emphasis to growth in the investment strategy of the IRF.

The Balance Sheet - Cash Management

The present working capital of 2 million Francs does not provide sufficient cash to conduct daily operations without stress, because monthly outlays have a median value of approximately 1 million Francs.

It can be seen from the Balance Sheet that the cash holdings at December 1998 [including the reserve], valued at some 3 million Francs, consisted almost entirely of Member States' contributions paid in advance. At the same time the Balance Sheet shows that the unpaid contributions were valued at over 4 million Francs.

Member States are requested to ensure that their annual contributions are paid at the start of the financial year, in order to avoid the need to utilise the reserve fund for daily operations. The IHB will in future send reminders if contributions are not received in the first quarter of the year.

The IHB will also take urgent action to recover over 1 million Francs of refundable Value Added Tax, which will significantly increase the cash balances.

The Budget

In proposing the budget for 2000, the Directing Committee was obliged to increase the value of the contributions of Member States by 5.5% in order raise an additional 650,000 Francs each year to pay the pensions of retirees, and to allocate some funds directly to the IRF and the Working Capital. This 5.5% increase should be regarded as an exceptional event, but the higher level of budget support will be carried forward into the budgets for 2000 onwards, and will be required for about 10 years, after which the IRF should stabilise as a self-funding operation.

Member States will recall that, in Circular Letter 25/1999, the Directing Committee proposed some major 'budget-neutral' adjustments to future budget allocations. A reduction of three Category B staff by end 2001, and a cut in the cost of publications, will enable the Organisation to absorb the cost of the new Category A position, and to provide funds for additional external expertise [at Cat A level], for IT development, and for additional IH Conferences.

The value of the budget must be sufficient to enable the IHB to effectively achieve the programme of work authorised by the Member States during this Conference. The Directing Committee believe that the programme can be completed within the budget envelope approved by the XIIIth Conference. Any increases in 2001 and 2002 will be limited to allowance for inflation.

Legal and Fiducial Aspects

The present financial situation of the IHO arises, in part, from the decision to adopt a new accounting presentation in relation to the IRF. Some Member States have questioned the need to do this.

The IRF was originally conceived as a typical "un-funded" retirement scheme, of the type widely used by governments in the 1940s. In such a scheme it is not necessary to balance future liabilities against a present asset base, because the employer guarantees that all liabilities will be met as they fall due. The contributions of active staff are used to pay the pensions of retired staff. By the 1980s, governments began to realise that such schemes would not be supportable in the long term, and they began to introduce new schemes. The IHO followed this trend in 1987, when the IRF was closed to new entrants by Decision No.15 of the XIII Conference.

The Directing Committee considers that it is now necessary to adopt contemporary, internationally accepted accounting practices for the IRF. This involves supporting the liabilities of the IRF in full by real monetary assets, rather than by guarantee. These assets must be isolated from the operating funds of the Organisation, and may not be used to support daily operations. Proper fiduciary practices must be established for the management and supervision of the fund. This change in management practice for the IRF is a necessary consequence of the decision of the XV Conference.

Such management arrangements for small retirement funds are required by law in many countries, although not in Monaco. It would be within the law for the IHO to continue with the previous accounting arrangements for the IRF, but it would fall well short of acceptable international practice, and it would be unethical in the present financial circumstances of the IHO.

The Directing Committee has taken the appropriate action.

Future Budget Policy - The Zero Growth Budget

The need to contain budget growth has been raised at several IH Conferences. As the hydrographic departments of Member States come under increased financial pressure, it seems reasonable that the IHO should also operate with some restraint in its budget. Should achievement of a zero growth budget be a strategic objective of the IHO?

In the past, the majority of IHO Member States have emphasised the achievement of the objectives of the Organisation, and while desiring some budget restraint, they have not sought a transition to a zero-growth budget.

There are two common definitions of a zero growth budget.

- i. Zero Real Growth. Allows increases to offset inflation. Programme activity levels will be maintained, but may only be increased by improving cost effectiveness.

- ii. Zero Nominal Growth. Allows no increase to offset inflation. Programme activity levels will tend to be reduced, and may only be maintained by improving cost effectiveness.

The Directing Committee believe that it should be possible to operate on a zero real growth budget [allowing only for inflation], once the working capital is restored to a satisfactory level, and the structure of the Balance Sheet is improved.

However SPWG members will be aware that the IHO has for many years adhered to the staff salary scales and conditions of the Monaco government. The inflationary pressures inherent in these scales and conditions may prejudice the Organisation's ability to achieve a true zero nominal growth budget [with no allowance for inflation] in the short term, without reduction of programme activity.

The Directing Committee has commenced an initiative to replace the present staff salary scale with one which will be closer to the salary scales which exist in the commercial sector. This scale will apply to all staff recruited after 1997, and should reduce inflationary pressures, although inflation cannot be eliminated completely.

The D.C. has also commenced negotiations with the Host Government with a view to reducing the long term financial burden of the social security arrangements for IHB staff.

At the same time, the re-structuring within the IHB will convert a percentage of fixed staff costs to discretionary costs, associated with the use of external expertise [consultants and temporary staff]. This will not reduce costs, but will provide greater budget flexibility.

These initiatives, if successfully concluded, should improve the prospects of achieving a zero nominal growth budget from 2012, when the majority of the present staff will have retired. Until that time Member States should expect inflationary growth of about 2% under current economic conditions.

It has been suggested that an increase in the number of Member States, with a corresponding growth in the number of contributions, should have the effect of driving down the share value. In fact, the increasing number of Member States results in a higher level of activity, and the growth in contributions is needed to pay for this.

It has also been suggested that, as the budgets of national hydrographic agencies are being reduced, the budget of the IHO should also be reduced. Any proposal of this sort would affect the ability of the Organisation to achieve its strategic objectives, and would need to be carefully researched.

Comment on Financial Management

The Directing Committee believes that further changes must be made to the arrangements for the financial management of the Organisation, in order to meet acceptable international standards of accountability. The process of change has been started. A summary of the principal changes which have been made, or are forecast to be made, is attached to Information Paper No 16.

In order to follow contemporary practice in the oversight of financial management, the Directing Committee will propose the establishment of a new IHO Audit Committee composed of the Finance Directors of four Member States, which will replace the Finance Officers Committee. This change will require approval of a change to the General Regulations of the IHO, Article 14.

Introduction of the Euro

Member States should note that the French Franc is in the process of being replaced by the Euro. By 2002 at the latest the Euro must become the accounting unit of the IHO. From 2001 the calculation

of the share value will be made in Euro. As at present, contributions from 2001 onwards may be paid in any currency.

Concluding Remarks

Member States may rest assured that the financial affairs of the Organisation, although not entirely satisfactory, are under control. There is at present no need to curtail the agreed work programme, or to further increase the budget.

It is expected that the finances of the Organisation will return to a more healthy state by the end of 2002.

However it is essential that Member States do not allow the payment of their contributions to fall into arrears.

Action requested of the 2nd Extraordinary Conference

The Conference is requested to note the matters raised in this briefing. Agenda Item 6.2 will provide an opportunity for discussion and clarification if needed.

Annexes; A. Summary of draft Balance Sheet for 1998
 B. Cash Flow tables and graphics for 1998

Information Paper: Conf. Ex2 / Info. 16 - Set of Finance Documents

1. Foreword to the Finance Report for 1997 [Comments on the Balance Sheet]
2. Finance Committee Circular Letter 2/1999 [Comments on the IRF]
3. Annex B to Finance Committee Letter 1/1999 [Comments on the Budget for 2000]
4. List of recent and future changes to IHO Financial Management
5. Copy of report on the IRF to the XIII Conference [Conf.13/F/05/Add.1]

Annex A to Conference Finance Brief

**SUMMARY BALANCE SHEET FOR DECEMBER 1998
[WITH COMPARISON TO DECEMBER 1996]**

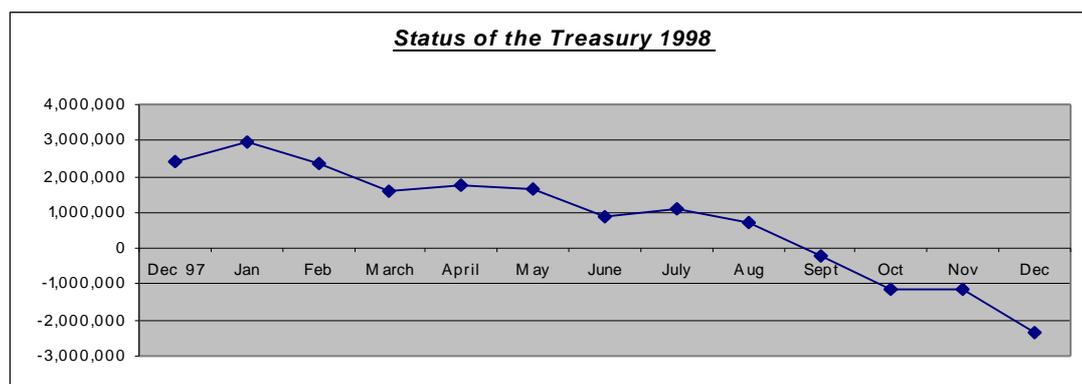
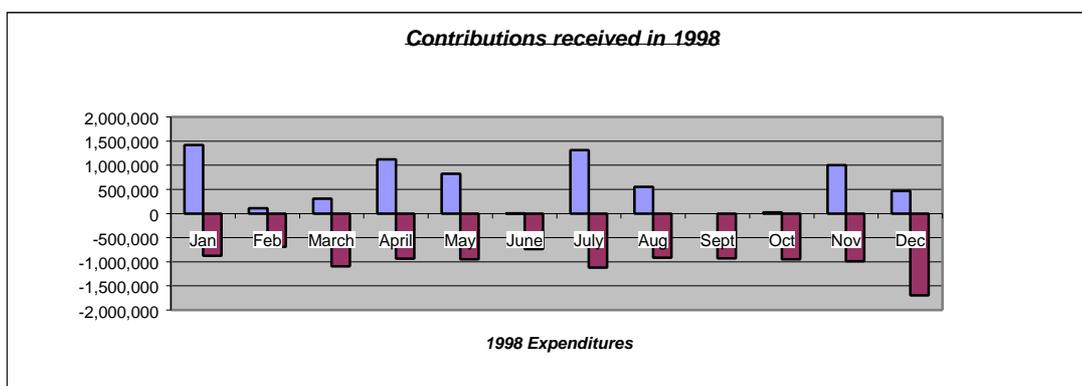
	<u>1998</u>		<u>1996</u>
Fixed Assets		[MFrF]	[MFrF]
Furniture	0.832		0.832
Library	<u>0.203</u>		<u>0.203</u>
Total fixed assets	1.035		1.035
<hr/>			
Current Assets			
Debtors	0.162		0.120
VAT	1.036		0.687
Contributions [due]	<u>4.521</u>		<u>2.777</u>
	5.719		3.584
Cash	<u>3.371</u>		<u>9.047</u>
<u>Total Current Assets</u>	9.090		12.631
Current Liabilities			
Creditors	1.353		0.736
Provisions	0.256		0.000
Special Funds	1.239		1.274
Contributions [advance]	<u>3.396</u>		<u>2.126</u>
<u>Total Current Liabilities</u>	6.244		4.136
Net Current Assets		2.846	8.495
<hr/>			
Retirement Fund			
Funds invested	16.592		8.205
Accrued Liabilities	<u>16.592</u>		<u>8.205</u>
	<u>0.000</u>		<u>0.000</u>
Net Assets		3.881	9.530
Represented by Member States Funds			
Reserve	0.800		0.800
Profit & Loss account	<u>3.081</u>		<u>8.730</u>
Shareholders Funds		3.881	9.530
<hr/>			
<u>Working Capital</u> [Net current assets less reserve]		<u>2.046</u>	<u>7.695</u>

CASH FLOW CHARTS

Table - Variation of Cash Balance over Time

1998	Contributions received	Realised expenditures	Treasury
Dec-97	2,397,600	-	2,397,600
Jan	1,420,800	-875,066	2,943,334
Feb	111,000	-687,833	2,366,501
March	305,496	-1,095,987	1,576,010
April	1,123,886	-932,588	1,767,307
May	820,800	-947,289	1,640,819
June	600	-739,943	901,476
July	1,309,800	-1,123,734	1,087,542
Aug	555,000	-912,922	729,620
Sept	0	-927,918	-198,298
Oct	22,200	-949,872	-1,125,969
Nov	999,000	-987,697	-1,114,666
Dec	463,791	-1,693,219	-2,344,094
Total	9,529,973	-11,874,067	
Contributions for 1998 :	12,631,800	(1 052 650 F per month)	
Amount remaining due :	3,101,827		

Monthly comparison of contributions and expenditures 1998



**LIST OF EXHIBITORS TO THE 2nd EXTRAORDINARY INTERNATIONAL
HYDROGRAPHIC CONFERENCE**

Stand Code	Exhibitor	Country
015	Blom International AS	Norway
223	CARIS-Universal Systems Ltd	Canada
011	Coastal Oceanographics	USA
023	DSNP	France
212	EIVA a/s	Denmark
013	Environmental Systems Research Inst.	Netherlands
252	HydroSERVICE and C-MAP	Norway
012	Interactive Visualization Systems	Canada
042	Knudsen Engineering Ltd	Canada
021	Kongsberg Scanners and BARCO	Norway
014	Kongsberg Simrad	Norway
221	LADS Corporation Ltd	Australia
211	L-3 Communications ELAC Nautik	Germany
016	Maptech	USA
234	Marimatech	Denmark
022	Nautical Data International Inc.	Canada
235	Optech Inc.	Canada
251	Racal Survey Group Ltd	UK
031	RESON A/S	Denmark
233	SEATEX A/S	Norway
041	SevenCs GmbH	Germany
232	Société Navale Française de Formation et de Conseil (NAVFCO)	France
222	STN ATLAS Marine Electronics GmbH	Germany
231	TSS (UK) Ltd	UK
254	Thomson Marconi Sonar	Australia
253	Trimble Navigation Europe Ltd	UK

