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**FINANCE COMMITTEE
CIRCULAR LETTER 03/2017
21 April 2017**

**FINANCE COMMITTEE OFFICERS' MEETING
6 April 2017, IHO SECRETARIAT**

Dear Hydrographer,

1. The scheduled six-monthly meeting of the Finance Committee Officers (FCO) took place at the IHO Secretariat in Monaco on 6 April in accordance with Article 14 of the General Regulations that were superseded on 8 November 2016. The meeting comprised the Chair of the Finance Committee, Ms Muriel Natali-Laure (Monaco), the Vice-Chair, Mr Andrew Millard (United Kingdom); Secretary-General Robert Ward, Directors Mustafa Iptes and Gilles Bessero, and the Auditor, Ms Pascale Taramazzo, of Frank Morel Chartered Accountants. The Manager Finance and Administration (MFA) and her assistant also attended the meeting. The following topics were presented and discussed at the meeting.

Annual report and Recommendations of the Secretary-General

2. The Secretary-General tabled the audited financial statement which indicated a positive result for 2016 of 280,796.25 €.

3. The Finance Committee Officers endorsed the proposals of the Secretary-General that the effective budget surplus for 2016 of 241 k€ be allocated as follows:

- 191 k€ to the Capacity Building Fund
- 50 k€ to the Internal Retirement Fund

4. These recommendations will be presented for the consideration of the Member States at the forthcoming session of the IHO Assembly (see Assembly document A.1/F/04).

Provisional statement of accounts (March 2017)

5. The FCO reviewed the current financial situation, based on the monthly summary finance report for March. The Secretary-General and MFA presented the current financial statements and indicated that all aspects of the execution of the budget for 2017 were progressing satisfactorily.

Status of Member States' contribution payments

6. The status of Member States' contribution payments was examined. It was reported that a Member State that was suspended in January 2017 had paid its outstanding contributions, and had therefore been reinstated. Another Member State was reported as facing suspension if payment was not received promptly. The FCO noted that some Member States continue to face difficulties in remitting their contribution to the Secretariat because of circumstances beyond their control.

7. Thirteen Member States had failed to pay their contributions for 2016 during the year.

Review of preparations and documents for the next meeting of the Finance Committee and Assembly A-1

8. It was noted that there is no obligation to conduct a meeting of the Finance Committee in the four languages, as is the case for the Assembly. The meeting of the Finance Committee would therefore be conducted in English, as usual. However, in order to assist the Chair, simultaneous two-way translation will be provided between French and English.

9. It was noted that the Assembly will be invited to appoint a new auditor whose mandate will be for the accounts of the period 2018-2020.

10. It was noted that no further amendments to the list of tonnages to be presented to the Assembly will be accepted, as the deadline set by Article 6 (a) of the Financial Regulations has now passed.

11. It was noted that the role and the status of the Finance Committee and the FCO in relation to the IHO Council that will be appointed at the Assembly is not completely clear under the terms of the new Basic Documents of the IHO that entered into force on 8 November 2016. In particular, what role does the Finance Committee and the FCO play in the annual review and monitoring of the financial situation and the budget of the Organization? It was agreed that the Council should seek to clarify this at its first meeting.

Next Meeting

12. It was agreed that the Finance Committee Officers would next meet at the IHO Secretariat in Monaco on 31 October 2017.

Yours sincerely,



Robert WARD
Secretary-General