IOC Circular Letter No.2538
(Available in English and French) 12 September 2014

To: IOC National Official Coordinating Bodies of IOC Member States

cc: Permanent Delegates / Observer Missions to UNESCO of IOC Member States National Commissions for UNESCO of IOC Member States Chair and Vice-Chairs of IOC and Major Subsidiary Bodies

Subject: Work of the Open-ended Intersessional Financial Advisory Group

In pursuance to Resolution EC-XLVII.2 (Financial matters of the Commission) adopted by the IOC Executive Council at its 47th session (Paris, 1–4 July 2014), the open-ended Intersessional Financial Advisory Group (IFAG), which was re-constituted in 2013, will continue its work during the intersessional period 2014–2015 under the chairmanship of Vice-chair Peter Haugan. Technical secretariat support will be provided by Xenia Yvinec.

In the framework of its terms of reference (annexed hereafter), the intersessional group is requested, in particular, to provide guidance to the IOC Executive Secretary in preparing the Draft Programme and Budget for 2016–2017.

I invite IOC national coordinating bodies to designate members to work within the IFAG group in accordance with its mandate as defined in the Terms of Reference while maintaining close consultation with the intersessional working group on the Future of the IOC. As in the past, the group will work by correspondence. It is therefore imperative that we have up-to-date email addresses for all designated members. I would appreciate receiving your letters of nomination by 31 October 2014 at the very latest.

.../...
The relevant documentation will be posted online as the work of the group progresses at: http://www.ioc-unesco.org/ifag-14-15.

Yours sincerely,

[signed]

Wendy Watson-Wright
Executive Secretary, IOC

Attachments (2):
- Resolution EC-XLVII.2 of the Executive Council
Resolution EC-XLVII.2 (July 2014)

Financial matters of the Commission

The Executive Council,

**Having examined** documents IOC/EC-XLVII/2 Annex 2 Rev., IOC/EC-XLVII/2 Annex 3 Rev. and IOC/EC-XLVII/2 Annex 3 Addendum,

**Confirms** that the IOC budget for 2012-2013 has been executed in accordance with the approved Programme and Budget for 2012–2013 (36 C/5) and the Priority Funding Plan adopted by the IOC Executive Council in its decision EC-XLV/Dec.5.1;

**Expresses great concern** for the impact of the financial difficulties of UNESCO on the delivery of the IOC programmes, with the reduction of the IOC budget from US $12,026,200 in the approved Programme and Budget for 2014–2015 (37 C/5) to US $8,643,600 under the US $507 M expenditure plan for 2014–2015 (or 72% of the 37 C/5 approved);

**Further expresses great dissatisfaction** with the fact that the budgetary allocation to the IOC for the biennium 2014–2015 at the level of 72% of the 37 C/5 approved is not consistent with the recommendations of the 5th special session of UNESCO Executive Board (Paris, 4 July 2013) to allocate between 100% and 80% to high priority Expected Results, like those of the IOC;

**Recognizes** the efforts of the IOC Executive Secretary to maintain programme continuity under these challenging circumstances and the difficulty to fully implement the guiding principles adopted by the IOC Assembly at its 27th session (Resolution XXVII-2(C), Annex 2), given that the Assembly provided its recommendation on a scenario with an allocation of 86% (and not 72%) of the 37 C/5 approved budget;

**Welcomes** the programmatic choices of the IOC Executive Secretary;

**Endorses** the Programme and Budget for 2014–2017 and Workplans for 2014–2015 contained in document IOC/EC-XLVII/2 Annex 3 rev. as a measure to ensure programme continuity at essential level and consistent with the priorities of the Medium-Term Strategy for 2014–2021;

**Expresses** its appreciation to the IOC Executive Secretary for the development of a Complementary Additional Programme (CAP) of Extrabudgetary Resources (Proposals for 2014–2015) contained in document IOC/EC-XLVII/2 Annex 3 Addendum;

**Further expresses** its thanks to Member States who have already contributed to the CAP, and;

**Urges** all Member States to provide voluntary contributions for the financing of the CAP, preferably to the IOC Special Account;

**Further urges** Member States to:

(i) continue to advocate to the UNESCO Director-General and the Governing Bodies of UNESCO the importance of IOC as a body with functional autonomy within UNESCO, focusing in particular on the value that IOC provides to UNESCO and to the sustainable development of coastal areas and islands;

(ii) support the reinforcement of the IOC in the consultation process for the UNESCO Draft Programme and Budget for 2016–2017 (38 C/5);

**Invites** the Director-General of UNESCO to:
consider further reinforcement of IOC in this biennium as well as in the Draft 38 C/5 in order to address current and emerging priorities;

(ii) request the Governing Bodies of UNESCO to ensure that resources allocated to the IOC in the Draft 38 C/5 be clearly identified in the appropriation resolution;

(iii) maintain all IOC activities in a single Main Line of Action in the Draft 38 C/5 entitled “Promoting knowledge and capacity for protecting and sustainably managing the ocean and coasts”;

**Requests** the IOC Executive Secretary to:

(i) prepare a Draft Programme and Budget for 2016–2017 to be submitted to the IOC Assembly at its 28th Session, based on the guiding principles adopted by the IOC Assembly at its 27th session (Resolution XXVII-2(C), Annex 2), and consistent with the high level objectives defined in the IOC Medium Term Strategy for 2014–2021; and

(ii) support the work of the Intersessional Financial Advisory Group by providing timely information on the UNESCO budgetary planning process;

**Further requests** the Intersessional Financial Advisory Group to provide guidance to the IOC Executive Secretary in preparing the Draft Programme and Budget for 2016–2017;

**Invites** the Chairperson of the IOC to forward this Resolution to the Director-General of UNESCO.
Annex 3 to Resolution XXVII-2 (June 2013)

Revised Terms of Reference of IOC Intersessional Financial Advisory Group

Purpose
To provide advice from IOC Member States to the Chairperson of IOC and to the Assembly and the Executive Council in a transparent and objective fashion on:
(a) The affordability, sustainability and implementation of the results-based management;
(b) Financial matters of the Commission;

Term
The Financial Advisory Group will be constituted at each Session of the IOC Governing Body and operate for the following intersessional period.

Functions
(a) To advise on the adequacy of the linkage between the results-based management and the IOC Medium-Term Strategy and the IOC Programme and Budget;
(b) To advise on preliminary proposals from the Director-General of UNESCO for strategy and draft budgets provided by UNESCO;
(c) To advise on the adequacy of regular and extrabudgetary resource allocations against expected results; and
(d) To advise on the overall IOC budget level, taking into account issues of affordability and sustainability.

Composition
(a) An Officer of the Commission serves as chairperson;
(b) Open to all IOC Member States; however, the Executive Council and Assembly, as appropriate, may request the participation of Member States as part of the core membership.

Working arrangements
(a) The Financial Advisory Group will conduct the majority of its business by electronic means;
(b) If appropriate, the Chairperson may convene a meeting in time, and for a long enough period, to prepare a report prior to the commencement of a session of the Assembly or the Executive Council;
(c) The Financial Advisory Group will provide a report on all its activities to subsequent sessions of the Assembly and Executive Council, as appropriate;
(d) Relevant documents should be made available before the Financial Advisory Group meeting, in due time; and
(e) The Financial Advisory Group should follow procedures for IOC Subsidiary Bodies, seeking to formulate its conclusions and recommendations through consensus.