



United Nations
Educational, Scientific and
Cultural Organization



Intergovernmental
Oceanographic
Commission

Resolution XXIX-2

Financial Matters of the Commission¹

The Intergovernmental Oceanographic Commission,

Having examined documents:

- (i) IOC-XXIX/2 Annex 2 (*Report on budget execution 2016 and outline of 2017 Budget*),
- (ii) IOC-XXIX/2 Annex 2 Add. (*Complementary Additional Programme of Extrabudgetary Resources (Proposals for 2016-2017)*),
- (iii) IOC-XXIX/2 Annex 6 (*Update to the Introduction to the IOC Medium-Term Strategy, 2014–2021*),
- (iv) IOC-XXIX/2 Annex 5 Rev.2 (*Draft Programme and Budget for 2018–2021 (Draft 39 C/5)*),
- (v) IOC-XXIX/2 Annex 4 (*Report of the Chairperson of the Executive Council Working Group on the Recommendations on Governance, Working Methods and Procedures of the Commission*),
- (vi) IOC-XXIX/2 Annex 3 (*IOC audit by external auditor of UNESCO: draft implementation plan*) and IOC-XXIX/2 Annex 3 Addendum I (*Study on the potential pooling of periodic reports to the governing bodies of the United Nations, UNESCO, the Commission and its subsidiary bodies*),

I

Budget Execution 2016 and Outline of 2017 Budget

Confirms that the IOC budget for 2016, as reported on in Part I of IOC-XXIX/2 Annex 2, has been executed in accordance with the approved Programme and Budget for 2016–2017 (38 C/5, US\$518 M Expenditure Plan) and the work plans endorsed by the IOC Executive Council at its 49th Session (IOC/EC-XLIX/2 Annex 2) through Resolution EC-XLIX.2;

Recognizes the efforts of the IOC Executive Secretary to maintain programme continuity under the challenging circumstances related to the reduced cash flow experienced by UNESCO for the third biennium which led to the reduction of the IOC budget from US\$13,860,900 in the approved Programme and Budget, 2016–2017 (38 C/5) to US\$10,155,000 under the US\$518 M expenditure plan for 2016–2017 (or 73% of the 38 C/5 approved);

Takes note of the information on the financial situation of the Commission provided in Part II of IOC-XXIX/2 Annex 2, including the expenditure forecast 2017–2018 for the IOC Special Account;

Endorses the revision to the budgetary appropriations under the IOC Special Account for 2016–2017 as proposed in Table 13 of Part II of IOC-XXIX/2 Annex 2, in accordance with Article 4.1 of the Financial Regulations applicable to the Intergovernmental Oceanographic Commission;

¹ Resolution adopted by the IOC Assembly at its 29th Session, Paris, 21–29 June 2017, on 29 June 2017

Expresses its appreciation to the IOC Executive Secretary for the development of an updated Complementary Additional Programme (CAP) of Extrabudgetary Resources (Proposals for 2016–2017) contained in document IOC-XXIX/2 Annex 2 Add, taking into account the guidance provided by the IOC Executive Council at its 49th Session through Resolution EC-XLIX.2;

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

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

II

Update to the Introduction to the IOC Medium-Term Strategy, 2014–2021 and Draft Programme and Budget for 2018–2021 (Draft 39 C/5), First Biennium 2018–2019

Endorses the proposed update to the introduction to the IOC Medium-Term Strategy, 2014–2021 as presented in Annex 1 to this Resolution;

Acknowledges with satisfaction that in pursuance to the decisions of the IOC Executive Council in June 2016, endorsed by the UNESCO Executive Board in October 2016, the IOC is for the first time presented in a stand-alone chapter of the UNESCO Draft 39 C/5, thus highlighting its functional autonomy, specific functioning, intervention modalities and key role in the achievement of the Sustainable Development Goal 14 on the Ocean;

Takes note of the information provided by the IOC Executive Secretary on the new way to organise the work of the UNESCO General Conference Natural Sciences (SC) Commission in two separate parts to review the items pertaining to the UNESCO Major Programme II (Natural Sciences) and the IOC, in accordance with the Draft 39 C/5 structure; and

Supports the proposal that the IOC Chairperson address the SC Commission at the opening of the IOC-related part of its work;

Expresses its appreciation to the Director-General of UNESCO for her efforts to preserve the Commission's budget in the Draft 39 C/5 to the extent possible and despite the overall cash flow constraints faced by the Organization;

Welcomes the programmatic choices proposed by the IOC Executive Secretary in the four budgetary scenarios presented to the Assembly in document IOC-XXIX/2 Annex 5 Rev.2, following the new integrated budgetary framework approach;

Endorses the approach to the preparation of the Draft Programme and Budget for 2018–2021 (First Biennium 2018–2019) proposed in document IOC-XXIX/2 Annex 5 Rev.2 as consistent with the priorities set in Resolution XXVIII-3 of the IOC Assembly, the high-level objectives defined in the IOC Medium-Term Strategy, 2014–2021, and the consensus emerging from the 'IOC and the Future of the Ocean' documents and discussions;

Emphasizes that the budgetary allocation proposed for the IOC in the Draft 39 C/5 US\$518 M Expenditure Plan in the amount of US\$10,681,300 is the critical minimum required to allow the functioning of the Commission;

Approves the budgetary appropriations for 2018–2019 under the IOC Special Account as proposed in IOC-XXIX/2 Annex 5 Rev.2 Appendix, in accordance with Article 4.1 of the Financial Regulations applicable to the Intergovernmental Oceanographic Commission;

Authorizes the IOC Executive Secretary to transfer funds between appropriation lines of the IOC Special Account up to the maximum of 15% of each line, when necessary, and to report

on all such transfers to the IOC Governing Bodies, in accordance with Article 4.3 of the Financial Regulations;

Notes with concern that the delay in payment of assessed contributions by UNESCO Member States may require a Contingency Plan which will impact the implementation of the last semester of the 38 C/5, and mitigating measures may need to be taken in the first six months (January to June 2018) of the 2018–2019 biennium, in accordance with the report by the Director-General of UNESCO to the 201st Session of the Executive Board of UNESCO on the collection of Member States contributions and cash flow implications (201 EX/25 Parts I and II);

Invites the IOC Executive Secretary to adhere to the guiding principles adopted by the IOC Assembly in its Resolution XXVIII-3 in making adjustments to the approved budgetary allocations, should such adjustment be made necessary by the UNESCO cash flow situation;

Further invites the IOC Executive Secretary to present to the IOC Executive Council at its 51st Session, a comprehensive proposal on how the Commission will secure the extrabudgetary resources to address the funding gap across all IOC programmes, including the analysis of the implications on delivery and possible recommendations, if sufficient extrabudgetary resources are not obtained;

Invites the Director-General of UNESCO to:

- (i) continue every effort to preserve the budget of IOC in the 39 C/5 despite the cash flow challenges faced by the Organization, to enable the Commission to fulfill its ever-increasing mandate and to address current and emerging priorities, including those related to the implementation of the 2030 SDGs;
- (ii) ensure that the budgetary appropriation approved in the 39 C/5 for the IOC shall not be decreased by transfers of funds to other parts of UNESCO's budget;

Requests the IOC Executive Secretary to:

- (i) keep the IOC Officers and Member States updated on the 39 C/5 adoption process and the impact of the UNESCO cash flow situation on the work of the Commission;
- (ii) support the work of the Intersessional Financial Advisory Group and provide timely information on the UNESCO budgetary planning process;

Urges IOC Member States to:

- (i) continue to advocate to the Director-General of UNESCO 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 the Organization 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 2018–2021 (Draft 39 C/5);
- (iii) increase their voluntary contributions to support the Commission in the face of the current difficulties, preferably to the IOC Special Account;

Further requests the Intersessional Financial Advisory Group and the IOC Officers to consider the possibilities of ensuring a more stable funding base for the Commission, including the opportunities offered by Article 10.4 of the Statutes of the Commission, with a view of submitting a proposal to the IOC Executive Council at its 51st Session in 2018;

III

Recommendations on Governance, Working Methods and Procedures of the Commission

Expresses its appreciation to the:

- (i) IOC Chairperson, Peter M. Haugan and Vice-Chairperson, Ariel H. Troisi for their contribution on this important matter during the intersessional period;
- (ii) IOC Executive Secretary for the initiation of a broad and inclusive consultative process on this matter, consistent with decision EC-XLIX/6.2(II);
- (iii) Vice-Chairperson Ariel H. Troisi for his leadership in conducting the meeting of the open-ended working group, following the initial discussion of this matter in the plenary of the 50th Session of the IOC Executive Council under agenda item 5 and the timely report on the results of the working group discussions to the plenary of this Assembly under item 3.2.3;

Takes note of the appreciation of the best practices of the Commission expressed by UNESCO Sub-Group 2 on “Structure, composition and methods of work of UNESCO’s international and intergovernmental bodies”;

Invites the IOC Chairperson to convey the consensus emerging from the discussion of this item in this Assembly, as reflected in the summary report under item 4.1, to the attention of the Sub-Group 2 Co-Chairpersons and the President of the General Conference of UNESCO;

Decides to entrust the IOC Chairperson and the Officers of the Commission to conduct broad and inclusive consultations on the recommendations, as endorsed by the UNESCO General Conference at its 39th Session, with a view of presenting a fully developed proposal to the IOC Executive Council at its 51st Session;

Requests the IOC Executive Secretary to ensure compliance with the statutory requirements for the preparation of documentation for Governing Body meetings, including timely publication in all working languages;

IV

IOC Audit by the External Auditor of UNESCO

Expresses its appreciation to the IOC Chairperson, the Officers and all Member States representatives who made themselves available for the questions by the External Auditor during the audit of April 2016;

Further expresses its appreciation to the Vice-Chairperson Ariel H. Troisi for his role in the intersessional consultative process on this matter;

Takes note of a number of constructive proposals contained in the recommendations of the External Auditor which will contribute to the continuing process of self-evaluation conducted by the Member States of the Commission in the meetings of its Governing Bodies and through the IOC and the Future of Ocean process;

Commends the IOC Secretariat for the quality documentation made available to support the Assembly’s decision-making on this item;

Adopts the recommendations as presented in the ‘Implementation Plan’ in Annex 2 to this Resolution; and

Invites the IOC Chairperson to forward this Resolution to the Director-General of UNESCO.

UPDATED INTRODUCTION TO THE IOC MEDIUM-TERM STRATEGY, 2014–2021

(as updated by the IOC Assembly at its 29th session, 21–29 June 2017)

The last decade demonstrated an increased understanding of the importance of the oceans as a source of life, and the realization that building regional know-how is essential for facilitating solving regional economic and social problems.

The IOC has a recognized and unique role in the UN system in relation to ocean science and the science base for ocean management. Its status as a body with functional autonomy within UNESCO has been carefully designed to provide an efficient platform for coordination, information and sharing of knowledge to contribute to sustainable and peaceful development.

When designing a medium-term strategy, it is crucially important to have a realistic appreciation of the possibilities and limitations within available budgets. Continued emphasis on coordination, exchange, initiation of activities and strengthening of key functions is required, while implementation to a large degree has to be done in collaboration with other organizations and entities. This is challenging and demanding and will require key inputs from Member States in collaboration with the IOC Secretariat.

In line with the IOC mission statement, a vision for the period 2014–2021 is formulated below based on perceived societal needs, emerging issues, and requirements for intergovernmental coordination. The Rio+20 Conference² has provided very useful and timely context for the role of IOC as expressed in this strategy and its high-level objectives.

The years 2014–2015 were marked by significant developments in the global environmental and ocean management, including the adoption by the United Nations General Assembly of the 2030 Agenda and its Sustainable Development Goals (SDGs), and in particular of the stand-alone Goal 14 on the Ocean; the recognition of the role of the Ocean in the UNFCCC Paris Climate Agreement; the endorsement of the Sendai Framework for Disaster Risk Reduction and the SAMOA Pathway. IOC's strong contribution to all these frameworks convincingly shows that IOC has withstood a test on its relevance, impact and stability and has been on the right path to contributing ocean-related solutions to global challenges of our time.

The strategy will cover eight years to be consistent with the new UNESCO medium-term planning context which includes four-year programme cycles. It will be implemented in a manner consistent with priorities and guidelines agreed by the IOC Governing Bodies, including the review by the IOC Executive Council at its 49th session of the Strategic Results Report and the consideration by the IOC Assembly at its 29th session of the 'Future of the IOC Roadmap'.

"We recognize that oceans, seas and coastal areas form an integrated and essential component of the Earth's ecosystem and are critical to sustaining it..."

The future we want – Outcome of the UN Conference on Sustainable Development - Rio +20

² <http://sustainabledevelopment.un.org/futurewewant.html>

External Audit Recommendations Implementation plan adopted by the 29th IOC Assembly

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
<p>Recommendation No. 1. The External Auditor recommends that Article 3 of the Statutes of the Intergovernmental Oceanographic Commission (IOC) be amended to include the “requirements” relating to the United Nations Framework Convention on Climate Change (UNFCCC); likewise, IOC’s medium-term strategy should take into account the Sustainable Development Goals of the 2030 Agenda adopted by the United Nations General Assembly.</p>	<p>It is the Secretariat’s opinion that inclusion of the reference to the UNFCCC and the 2030 Development Agenda in Art. 3.1 (c) of the Statutes of the IOC is not necessary, as this Article already reads “and other international instruments relevant to marine scientific research, related services and capacity-building”. The General Conference of UNESCO can however amend the Statutes as recommended by the external auditor, if desired, “following a recommendation of, or after consultation with, the Assembly of the Commission” (Art. 12 of the Statutes).</p> <p>The Secretariat concurs that the UNFCCC and the 2030 Development Agenda will provide the guiding principles for IOC’s strategic planning for the years to come and ADG/IOC is one of the members of the UNESCO 2030 Development Agenda Task Force set up by the Director-General. But so will the Sendai Framework, the Samoa Pathway and the UNFCCC COP processes. These global agenda’s will be duly reflected in the review of IOC’s Medium Term Strategy (2014-2021) during the coming IOC Assembly meeting in 2017, when the Draft Programme and Budget for 2018-2021 (39 C/5) will be discussed.</p> <p>In addition, the Assembly’s opinion will be sought on the External Auditor’s recommendation to amend the IOC Statutes to include references to requirements deriving from UNFCCC.</p>	<p>June 2017 – The External Auditor’s report and recommendations will be submitted for review and decision by the IOC Assembly at its 29th session. Among other documents, the IOC Medium Term Strategy will be updated to integrate in it the most recent developments in the international development agenda.</p>	<p>IOC-XXIX/2 Annex 6: Updated Introduction to the IOC Medium-Term Strategy 2014-2021</p>	<p>Based on the discussions already initiated at the 49th session of the IOC Executive Council in June 2016, the IOC Assembly endorses the update to the IOC Medium-Term Strategy 2014-2021 as contained in: i) document IOC-XXIX/2 Annex 6 (if adopted without changes) or ii) in the Annex to resolution XXIX-(11.1) on the Financial Matters of the Commission. With this, the Assembly considers the recommendation No.1 as adequately addressed.</p>

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
Recommendation No. 2. In liaison with the respective governing bodies, conduct a study of the potential pooling of periodic reports to the governing bodies of the United Nations, UNESCO, the Commission and its subsidiary bodies.	The concept of “mutualization” in the reporting area is unclear. While efforts are always made to avoid cumbersome and unnecessary reporting, it is recalled that the format of reporting to UNESCO’s Executive Board and General Conference is the prerogative of these Governing Bodies respectively. It is focused on C/5 expected results and other elements of the C/5 results chain for which reporting is mandated in a specific format. The reports required by subsidiary organs and their format are not the subject of discussion at UNESCO’s Executive Board and General Conference. It is acknowledged that they may be more specialized and/or detailed than those reported to UNESCO’s governing bodies. IOC will review this issue as well as that of reporting to UN bodies, consulting as necessary the relevant central services.	Study to be completed and presented to the 29th session of the IOC Assembly in June 2017.	IOC-XXIX/2 Annex 3 Addendum I: Study on the potential pooling of periodic reports to the governing bodies of the United Nations, UNESCO, the Commission and its subsidiary bodies	The Assembly takes note with satisfaction of the study presented in document IOC-XXIX/2 Annex 3 and considers the recommendation No.2 as adequately addressed.
Recommendation No. 3. The External Auditor suggests that the autonomy and specificity of IOC, with regard to governance, decision-making, partnerships, funding, operating and external reporting, should be better reflected in the presentation of UNESCO’s budgetary and accounting documents.	<p>The Secretariat takes on board this recommendation.</p> <p>It is worth noting that a certain autonomy and specificity of IOC is already reflected today in the C/5 budget presentation, i.e.:</p> <ul style="list-style-type: none"> • In the preparation process of the 38 C/5, a specific budget envelope for IOC was determined by the DG independently of SC sector. • In the presentation of the 38 C/5, while IOC programme figures under Major Programme II (MLA 3), the specific budget amount for IOC is clearly indicated in all the budget tables. • Internal control is provided to ensure that no budget transfer is made out of IOC. (Budget transfers across MLAs or MPs are subject to approval by BFM who verifies that such transfers do not involve IOC.) 	November 2017 – Subject to adoption of the 39 C/5 by the UNESCO General Conference.	IOC-XXIX/2 Annex 5: Draft Programme and Budget for 2018–2021 (Draft 39 C/5)	The Assembly takes note with satisfaction that, in pursuance to the decisions of the IOC Executive Council in June 2016, endorsed by the UNESCO Executive Board in October 2016, the IOC is for the first time presented in a stand-alone chapter of the UNESCO C/5. With this, the Assembly considers the recommendation No.3 as adequately addressed. For more details, reference is made to resolution XXIX-(11.1) on the Financial Matters of the Commission.

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
	On the accounting side: A note disclosure will be added in the consolidated 2016 financial statements addressing the specific nature of IOC.			
<p>Recommendation No.4. The External Auditor recommends a review of the organization of the work of the IOC's Assembly and Executive Council to enable them to make more strategic decisions on the key issues and challenges facing IOC. To that end, he recommends, in particular, a review of the Commission's programmes and activities, starting with the analysis, which has already started with regard to the Sustainable Development Goals (SDGs) of the 2030 Agenda, of the main international agreements and conventions with an impact on IOC's mandate and objectives, in order to propose an overall strategy.</p>	<p>The Secretariat takes on board this recommendation.</p> <p>The IOC Secretariat has already begun this exercise and the June 2016 session of the Executive Council was largely built around the guiding principles of the 2030 Development Agenda, the UNFCCC agenda, the Sendai Framework and the Samoa Pathway. The Executive Council provided guidance to the IOC Secretariat with a view of preparing a fully-developed proposal for the IOC Assembly in 2017.</p>	<p>June 2017 – fully developed proposal to be submitted for approval by the IOC Assembly at its 29th session.</p>	<p>IOC-XXIX/2 Annex 6: Updated Introduction to the IOC Medium-Term Strategy 2014-2021</p> <p>IOC-XXIX/2 Annex 5: Draft Programme and Budget for 2018–2021 (Draft 39 C/5)</p> <p>IOC-XXIX/2 Annex 8: Contribution to the Future of the IOC – Executive Roadmap</p> <p>IOC/INF-1337 Rev.: Synthesis of IOC development, work and results: opportunities and coincidences 1960-2015</p>	<p>The Assembly thanks the External Auditor for his pertinent recommendation, fully in line with the IOC Governing Bodies objectives, The continuous on-going review of the relevance of the IOC programmes in the light of the evolving international development agenda is ensured at every session, with a specific item and a intersessional work led by the Officers on the 'IOC and the Future of the Ocean'. In the last 2 years the Commission has undertaken an extensive mapping exercise, linking key aspects of its mandate and core functions to the new international strategic frameworks and the current proposal for the IOC Draft Programme and Budget for 2018–2021. This exercise also builds on the priorities and guidelines agreed by the IOC Governing Bodies, including the June 2016 review by the IOC Executive Council of the Strategic Results Report (IOC/EC-XLIX/2 Annex 3), the Executive Roadmap "Future of the IOC" (IOC/EC-XLIX/2 Annex 9 Rev.), and the recommendations of the External Auditor of UNESCO in his report on the audit of IOC conducted in April 2016 (200 EX/20.INF.2). In light of the above, the Assembly</p>

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
				considers the recommendation No.4 as adequately addressed.
<p>Recommendation No. 5. The External Auditor recommends that the quality of the information provided to the Executive Council and the Assembly be improved by:</p> <ul style="list-style-type: none"> - ensuring consistency between the presentation of budget implementation and the expenditure plan and reconciling the two in a single table; - providing information on the use of the surplus balance of the Special Account; - for IOC bodies only: establishing dashboards specifically for IOC to monitor its strategic actions and budget. 	<p>The Secretariat takes note of the recommendation, related to the quality of information given to the IOC Governing Bodies. The second item is already addressed through the adoption by the IOC Executive Council at its 49th session, 7-10 June 2016, of the budgetary appropriations for 2016-2017 for the IOC Special Account and further implementation is foreseen with the 2016 financial statements of the IOC Special Account.</p> <p>With regards to the third item of the recommendation, the Secretariat would prefer to continue to use the dashboard common to all programme sectors to enable Governing Bodies' Members to have a more global view and comprehensive approach in its monitoring of the Organization's strategic actions and budgets.</p>	<p>June 2017 – IOC Assembly at its 29th Session</p>	<p>IOC-XXIX/2 Annex 5: Draft Programme and Budget for 2018–2021 (Draft 39 C/5)</p> <p>IOC-XXIX/2 Annex 2: Report on budget execution 2016 and outline of 2017 budget</p>	<p>The Assembly encourages the Secretariat to pursue its continuous efforts aimed at facilitating the informed decision-making by the IOC Governing Bodies, taking into account the discussions both in the plenary and in the sessional Financial Committee.</p> <p>As regards the establishment of technical monitoring tools and dashboards, it leaves this matter to the appreciation of the Secretariat.</p> <p>With this, the Assembly considers the recommendation No.5 as adequately addressed.</p> <p>For more details, reference is made to resolution XXIX-(11.1) on the Financial Matters of the Commission.</p>
<p>Recommendation No. 6. The External Auditor recommends that reporting to the Assembly be improved with respect to human resources management by providing detailed information, in each</p>	<p>The Secretariat notes with interest the recommendation and would bring to the attention of the External Audit team the following information:</p> <ul style="list-style-type: none"> • Targets in terms of ratio between operational budget and staff allocation and staffing priorities under RP are already set by IOC Governing bodies • As regards the first sub-item, a new Annex showing expenditure by IPSAS category thus 	<p>June 2017 – IOC Assembly at its 29th Session</p>	<p>IOC-XXIX/2 Annex 5: Draft Programme and Budget for 2018–2021 (Draft 39 C/5)</p> <p>IOC-XXIX/2 Annex 2: Report on</p>	<p>The Assembly encourages the Secretariat to pursue its continuous efforts aimed at facilitating the informed decision-making by the IOC Governing Bodies, taking into account the discussions both in the plenary</p>

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
<p>budget implementation and activity report, on:</p> <ul style="list-style-type: none"> - the present situation: number of staff working for the Commission, corresponding number of full time equivalents, corresponding total expenditure and funding sources, table of planned and actual staffing levels, including a comparison with the previous consolidated financial period; - performance indicators with respect to human resources management, including expected trends in staffing and payroll, as well as a short-term and medium-term goal regarding the share of staff costs under the regular budget. 	<p>showing distinction between personnel and other costs will be included in the IOC Special Account financial statements. Furthermore, BFM and HRM will assist IOC Secretariat in exploring the possibility of including such information under the Regular Budget and other XB sources</p> <ul style="list-style-type: none"> • With regard to workforce planning and staff costs, this is already undertaken by IOC in consultation, where applicable with HRM and BFM. 		<p>budget execution 2016 and outline of 2017 budget</p>	<p>and in the sessional Financial Committee.</p> <p>With this, the Assembly considers the recommendation No.6 as adequately addressed.</p> <p>For more details, reference is made to resolution XXIX-(11.1) on the Financial Matters of the Commission.</p>
<p>Recommendation No. 7. The External Auditor recommends a comprehensive review of the Headquarters-field staff ratio, given the challenges, workload and new tasks that lie ahead for the Commission.</p>	<p>In line with the recommendation, the IOC Secretariat, in consultation with the relevant central services, shall conduct such a scoping exercise and prepare a working document on this matter, to be considered by the IOC Assembly at its 29th session in June 2017.</p>	<p>June 2017 – IOC Assembly at its 29th Session</p>	<p>IOC-XXIX/2 Annex 5: Draft Programme and Budget for 2018–2021 (Draft 39 C/5)</p> <p>IOC-XXIX/2 Annex 2: Report on budget execution</p>	<p>The Assembly encourages the Secretariat to pursue its continuous efforts aimed at facilitating the informed decision-making by the IOC Governing Bodies, taking into account the discussions both in the plenary</p>

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			<p>2016 and outline of 2017 budget</p> <p>IOC-XXIX/2 Annex 3: IOC audit by external auditor of UNESCO: draft implementation plan</p>	<p>and in the sessional Financial Committee.</p> <p>With this, the Assembly considers the recommendation No.7 as adequately addressed.</p> <p>For more details, reference is made to resolution XXIX-(11.1) on the Financial Matters of the Commission.</p>
<p>Recommendation No. 8. The External Auditor recommends that the Bureau of Financial Management (BFM) improve the monitoring, accounting and annual reporting of overtime paid to UNESCO staff members performing ad-hoc tasks for IOC.</p>	<p>This recommendation concerns overtime worked by staff and temporary hires of services other than IOC in supporting IOC's events and activities. A specific General Ledger (GL) account for overtime allows the identification of the overtime charges, across all sources of funding, thus complying already to part of the recommendation. BFM, in close consultation with the Administrative Officer of IOC who is certifying overtime charges, will work further on the implementation of this recommendation.</p>	<p>N/A</p>	<p>IOC-XXIX/2 Annex 2: Report on budget execution 2016 and outline of 2017 budget</p>	<p>The Assembly thanks the external auditor for addressing this particular item. It takes note of the specific information provided on this matter and invites the Secretariat to continue reporting on expenditure by main IPSAS categories, unless there is a material increase in overtime charges that deserves particular attention of the governing bodies. The Assembly considers the recommendation No.8 as adequately addressed.</p>
<p>Recommendation No. 9. The External Auditor recommends a return to compliance with the Organization's rules of geographical mobility and contract renewal, as defined by UNESCO's Staff Regulations and Staff Rules.</p>	<p>The Secretariat takes note of this recommendation and would wish to bring to the attention of the External Audit team the following information: with regard to HR Manual Item 5.11 F on geographical mobility; this Item applies only to international professional staff and above categories holding fixed-term appointments on posts specifically identified as being subject to geographical mobility regardless of the source of funding of the post. A geographical mobility move is carried out at equal-grade. It should also be noted that the number of IOC staff subject to geographical mobility is relatively low and that the number of posts in the "Field Offices" –</p>	<p>2018</p>	<p>N/A</p>	<p>The Assembly concurs with the Secretariat's comment that the number of IOC staff subject to geographical mobility is relatively low and that the number of posts in the "Field Offices" – in fact - <i>mainly project offices</i> – are very limited; this coupled with the very specialized fields of competence and the different grade levels may prove difficult to move IOC staff to and between different duty stations.</p>

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
	<p>in fact - <i>mainly project offices</i> – are very limited; this coupled with the very specialized fields of competence and the different grade levels may prove difficult to move IOC staff to and between different duty stations.</p> <p>This being said, please note that a new managed mobility programme for all staff (both geographical and functional) in support of operational needs and staff development will be developed in the context of the new HR Strategy for 2017-2022.</p> <p>Indeterminate contracts have not been granted since 1987 (ref. document 142 EX/34, Annex II). Within the context of the new HR Strategy 2017-2022, a review of contractual modalities is planned for January 2018 in particular the adjustment of the duration of contracts especially the 2-year renewable fixed-term contract. It is planned to introduce contracts of up to 5 year's duration.</p>			<p>The issue of staff contracts duration is a matter of UNESCO HR rules and policies. It is the Assembly's understanding that the IOC staff contracts are compliant with the regulations and policies currently in place.</p>
<p>Recommendation No. 10. The External Auditor recommends that the question of reactivating the mobility mechanism for the staff of UN-Oceans' member organizations be raised at a future meeting of UN-Oceans.</p>	<p>The Secretariat notes with interest this recommendation and would like to recall that an inter-agency mobility mechanism exists since 2003 – the Inter-Organization Agreement concerning transfer, secondment or loan of staff amongst the UN Organizations. It considers, however, that there is limited opportunity for such mobility, given that high level of specialisation of IOC staff and the differences in mandates (and therefore staff profiles) between UN-Ocean members.</p>	<p>June 2017 – IOC Assembly at its 29th Session</p>	<p>N/A</p>	<p>The Assembly concurs that there is limited opportunity for 'exchange' of staff which seems to be implied in the recommendation, given that high level of specialisation of IOC staff and the extremely limited number of staff who would fit the criteria for such exchanges. The issue of interagency coordination and IOC's potential role in it, which – if implemented – could lead to staff of other UN-Ocean members being seconded to IOC, is discussed and pursued under the 'IOC and the Future of the Ocean' item and relevant guidance will continue to be provided to the Secretariat. The Assembly therefore</p>

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
				considers that recommendation 10 as adequately addressed.
Recommendation No. 11. The External Auditor recommends, without delay, a return to strict compliance with recruitment conditions for external consultants, by confining waivers to the competitive process to the exceptional circumstance justifying such waivers, in accordance with the UNESCO Human Resources Manual. He recommends, in particular, putting a stop to the recruitment of consultants for functions for which there is a continuing need at the Commission and for multi-year extrabudgetary assignments, and returning to strict compliance with the applicable texts.	The selection and hiring of individual consultants shall be carried out in strict respect of the UNESCO HR Manual Item 13.10; whilst the authority to grant any derogations on hiring of individual consultants remains with DIR/HRM. The Secretariat fully agrees that all selection and hiring actions will be done in strict conformity with the relevant administrative rules	Internal memo was issued by ADG/IOC end of July 2016 to recall applicable rule and procedures, including as regards consultant contracts duration. Implementation started immediately. The IOC Operational Support Unit (IOC/EO/AO) keeps close records of every waiver granted so as to facilitate the overview and decision-making by the Executive Secretary of IOC.	N/A	The Assembly takes note of this recommendation and of the Secretariat's action in this regard, encourages to continue close monitoring on this issue and considers recommendation no. 11 as adequately addressed.
Recommendation No. 12. The External Auditor recommends that IOC staff be reminded of their obligation to write a substantial report upon	Taking into account this recommendation, the Secretariat will take appropriate action to ensure conformity with the Administrative Manual provisions	Internal memo was issued by ADG/IOC end of July 2016 to recall applicable rules and procedures,	N/A	The Assembly takes note of this recommendation and of the Secretariat's action in this regard and considers recommendation no. 12 as adequately addressed.

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
their return from a mission. These reports should be reviewed periodically to verify the appropriateness of certain categories of mission.		implementation starts immediately. increased internal control is in place with the IOC Operational Support Unit (IOC/EO/AO) accepting staff travel claims only if accompanied by a complete mission report, validated by supervisor.		
Recommendation No. 13. The External Auditor recommends that the achievement of expected results and performance indicators be clearly distributed between the sections of IOC.	The Secretariat takes on board the comment. While internally, in the bottom up process of building the C/5 programmatic structure the input from each section/unit appears to be clear, a more explicit mapping outside the SISTER tool may be useful for quick external understanding.	June 2017 – IOC Assembly at its 29th Session	IOC-XXIX/2 Annex 5: Draft Programme and Budget for 2018–2021 (Draft 39 C/5) IOC-XXIX/2 Annex 3: IOC audit by external auditor of UNESCO: draft implementation plan	The Assembly takes note of the information provided in the referenced documentation and considers recommendation no. 13 as adequately addressed.
Recommendation No. 14. The External Auditor recommends establishing partnerships with new universities or research centres in order to end the oligopoly with current partners and enable an effective	The Secretariat wishes to point out that the related contract with University of Hawaii (paragraph 152) is not a partnership agreement, but rather a procurement contract issued based on a competitive bidding process (Request for Proposal) carried out in 2005 covering both the initial installation/upgrade of a minimum of 14 sea level measurement stations and a minimum of five-year maintenance period.	December 2016	N/A	The Assembly takes note of this recommendation and of the Secretariat's intentions to achieve further efficiencies in competitive bidding, where applicable. With this, the Assembly considers that recommendation no. 14 is adequately addressed.

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
competitive bidding process when launching and renewing projects.	<p>The Contracts Committee, while providing its clearance to the initial 2005 contract, has requested separate submissions for the subsequent contracts per year/phase to be submitted to the Contracts Committee, to ensure satisfactory performance of the contractor and value for money. The subsequent contracts, including the one reviewed by the external auditor (March 2013), are based on 2005 pricing, duly cleared by the Contracts Committee.</p> <p>Value for money is a guiding principle of UNESCO contracting. It should however be noted that the current Administrative Manual Item 7.5 on Implementation Partnership Agreements (IPA) does not require formal competition: "An implementation partner should be selected after careful comparison with other potential implementation partners on the basis of its specific technical expertise, professional skills, adequate staff resources and reasonably sound financial status and geographic coverage". Instead, a comparison process has been put into place designed to respect the best value for money principle. Secondly, it should be recalled that due to the highly technical and specific expertise required, the market place may not have more than one suitable candidate.</p> <p>In line with the proposed recommendation, in the ongoing revision of the current Administrative Manual Item 7.5, it has been proposed to introduce a competitive selection process for all implementation partnership agreements of US \$50,000 and over.</p>			

Audit recommendations	Preliminary implementation plan and comments	Estimated date for the implementation of the recommendation	Relevant Assembly documentation references	IOC Assembly recommendation
<p>Recommendation No. 15. The External Auditor recommends that a draft resolution be submitted to the IOC Assembly calling for Member States to work together, with the support of IOC, to construct a universal information system and ocean data portal, along with a cost-benefit analysis prepared in advance by the IODE project.</p>	<p>The Secretariat welcomes the intent behind this recommendation, but would like to suggest that a proposal be submitted together with a cost benefit analysis to the next session of IODE, as the relevant technical subsidiary body of the IOC Assembly for review and recommendation</p>	<p>April 2017 (IODE); June 2017 – IOC Assembly at its 29th Session</p>	<p>IOC-XXIX/2 Annex 3 Addendum II: Ocean Data and Information System – Concept Paper Summary</p> <p>IOC/IODE-XXIV/3: Summary Report of the Twenty-fourth Session of the IOC Committee on International Oceanographic Data and Information Exchange, 24–28 March 2017, Kuala Lumpur, Malaysia</p>	<p>The Assembly's guidance on this matter is reflected in its decision IOC-XXIX, Dec. 6.2.1</p>