

**IOC INTERSESSIONAL FINANCIAL ADVISORY GROUP (IFAG) – 2021-2022**

**WORKING NOTE 1**

**Reporting on in-kind contributions**

**Directive to the IFAG from IOC Assembly**

- IFAG to develop a proposal for a systematic approach and methodology for reporting in-kind contributions, consistent with the updated Guiding Principles for Programming and Budgeting (See Annex II)

Proposed Systematic Approach

1. Focused on in-kind staff contributions consistent with the Assembly decision to support reporting of in-kind contributions and principle 10
2. Application of standard indicators consistent with a shared format for reporting
3. Comprehensive in the outreach to IOC programs and Sub-commissions and Member States for collaborative engagement
4. Annual notification to Member States to submit in-kind contributions

Proposed Pilot Methodology

1. Define in-kind contributions and develop indicators of such contributions to be applied.
2. Review principles to guide the in-kind reporting process
3. Characterize categories of contributions that will not be counted as in-kind contributions
4. Consult with IOC Secretariat and Sub-commissions for their engagement in the pilot
5. Develop a pilot to test the clarity and efficacy of the indicators
6. Focus will be on past precedent of in-kind contributions focused on IOC programs
7. Defer any question about such in-kind contributions related to the Decade, eg collaborative centers, to the Executive Council.
8. Defer the discussion of partner (non-Member States) in-kind contributions to the Assembly, focusing the initial pilot of Member States' contributions

*Some initial considerations:*

Report only those in-kind contributions that are currently conducted under formal Member State/Institutional arrangement with IOC, for example:

1. Support for hosted offices – ex Ostend, Copenhagen, WESTPAC, IOCARIBE
2. Address designated training centers through OTGA, Tsunami regional training centers, GOOS, IPHAB, regional subsidiary bodies eg WESTPAC, etc;
3. Staff loans to the IOC Secretariat
4. Hosting costs for expert and regional meetings

**Pilot Project Description and Timeline**

1. Pilot Timeline:
  - a. Phase 1: January - June: IFAG reviews pilot methodology, including the reporting template (Annex III)

- b. The Draft Pilot Methodology, including the reporting template, is presented to the **55<sup>th</sup> session of the IOC Executive Council (EC-55)**. The Executive Council reviews the methodology and possibly decides to launch the pilot reporting exercise for calendar year 2022
- c. Phase 2: July 2022 – January 2023: The IOC Secretariat issues a Circular Letter to Member States conveying the methodology and requesting formal statements of contributions in calendar year 2022 by 20 January 2023 at the latest.

Throughout the pilot request that IOC Secretariat to identify additional arrangements not already referenced above, for potential inclusion in pilot reporting.

- e. Phase 3: February 2023: the complete report on contributions is shared with IFAG (intersessional mandate 2022-2023) for discussion and potential proposal for revisions to methodology for consideration by the IOC Assembly in 2023.
- e. Assembly 2023 considers the report and decides on the future reporting.
- f. The same timeline as above would apply to the collection of data for calendar year 2023, subject to validation of methodology by the Assembly

#### **For Reference - Relevant IOC Principles**

The Guiding Principles provide guidance on how IOC and its Member States can enhance their mobilization of funds and resources to help IOC fulfill its mandate, and enhance Member States participation in and benefits from the IOC. Principles 1,2,4, 9-11 (see below).

**Annex I: Relevant IOC EC and Assembly Decisions (excerpt)**

<b>Assembly 2021 IOC-31/DR.4.4</b>	<b>EC 2021 RC-53/2</b>
<p><b>Highlights</b> the importance of ensuring that the IOC has the strategy and the necessary resources, both in terms of regular programme budget and voluntary contributions, to fulfill its role in the implementation of the UN Decade of Ocean Science for Sustainable Development (2021–2030), hereafter the Decade;</p>	<p>Identical</p>
<p>Invites Member States to: (iii) increase their voluntary contributions to support the IOC in the face of its increasing responsibilities, preferably to the IOC Special Account, as well as, <i>inter alia</i>, by providing in-kind support such as staff loans (either in-person or via telework arrangements) to the IOC Secretariat;</p>	<p>Identical</p>
<p>24 Invites IFAG to develop a proposal for a systematic approach and methodology for reporting in-kind contributions, consistent with the updated Guiding Principles for Programming and Budgeting (Annex I to Resolution EC-53/2) and Article 10 of the IOC Statutes, to be considered by the IOC Assembly at its 32<sup>nd</sup> session.</p>	<p>Note: The EC adopted the Guiding Principles for Programming and Budgeting. Para 9 calls for strong IOC partnerships in which partners take a greater share in supporting programmes (with conditions) Para 10 seeks to identify States willing to establish funded and staffed offices to take a larger share of an IOC programme (with conditions) Para 11 encourages use of extrabudgetary and in-kind contributions as part of balanced implementation of all IOC functions</p>

## **ANNEX II: Guiding Principles**

### **Annex I to Resolution EC-53/2**

#### **GUIDING PRINCIPLES FOR PROGRAMMING AND BUDGETING**

1. Provide focused leadership on those themes where IOC has clear leadership/ ownership in the programme theme;
2. Fulfill IOC's intergovernmental mandate: incompressible costs related to governing and subsidiary bodies' meetings, statutory requirements and commitments vis-à-vis partners and other United Nations agencies, including their implications in terms of staff time;
3. Support governments in national activities and strengthen regional subsidiary bodies of the IOC;
4. Incorporate the scope of Member States participation (inclusiveness);
5. Maximize synergies between UNESCO and IOC programmes and interlinked functions;
6. Preserve/sustain core programmes, while raising extrabudgetary funds for capacity development actions;
7. Provide some seed money for new high potential impact programmes and emerging ocean science issues (likely to attract extrabudgetary funding);
8. Balance IOC's strong engagement with the ocean science community and its strong focus on applications and services;
9. Programmes should develop strong partnerships which would increase financial resilience in the event of funding pressures, enabling partners to take a greater share in supporting these programmes, on the condition that those partners respect the objectives and guidelines established by the IOC's governing bodies and respond to the IOC Secretariat in this regard;
10. Identify Member States willing to establish funded and staffed offices to take a larger share of an IOC programme based on existing good practices, on the condition that those Member States respect the objectives and guidelines established by the IOC's governing bodies and respond to the IOC Secretariat in this regard;
11. Identify activities that can be sustained with extrabudgetary funding and in-kind contributions, and, according to that, prioritize the allocation of resources from the regular budget to activities and functions of the IOC that cannot be sustained with extrabudgetary funding, in order to ensure that resources from both the regular budget and extrabudgetary sources will be expended in a way that enables the adequate and balanced implementation of all IOC's functions.

### Annex III: Reporting template

The information should come either as a letter or an email addressed to the IOC Executive Secretary and contain, as a minimum, the following information. The amount should correspond to the in-kind contribution in a calendar year 01 January 2XXX to 31 December 2XXX. Amounts can be declared in local currencies or in USD. Amounts declared in local currencies will be converted by the Secretariat at the United Nations Operational Rate of Exchange applicable to financial reports for the period.

Donor		Purpose	Amount
Country	Institution		
<i>ex. Barbados</i>	<i>Government of Barbados, Coastal Zone Management Unit</i>	<i>Caribbean Tsunami Information Centre</i>	<i>USD 144 109</i>