



**INTERGOVERNMENTAL OCEANOGRAPHIC COMMISSION**  
(of UNESCO)

**Fifty-fifth Session of the Executive Council**  
UNESCO, Paris, 14–17 June 2022

Items 5.1 of the Provisional Agenda

**REPORT OF THE CHAIR**  
**OF THE INTERSESSIONAL FINANCIAL ADVISORY GROUP**  
**(Intersessional period December 2021–June 2022)**

Summary

This document provides a brief report of the Chair of the Intersessional Financial Advisory Group (IFAG) on the work accomplished in the intersessional period December 2021 – June 2022.

Decision proposed is referenced Dec. EC-55/5.1 in the Provisional Action Paper IOC/EC-55/AP.

1. In accordance with IOC [Resolution A-31/2](#), the open-ended Intersessional Financial Advisory Group (IFAG) was reconstituted through a call for nominations addressed to Member States in the IOC Circular Letter [2862](#) of 20 October 2021.

2. As customary, the Group started working by correspondence and finalized its conclusions at the face-to-face meeting on 13 June 2022. Overall, eighteen (18) Member States – Argentina, Australia, Bangladesh, Belgium, Benin, Canada, China, Egypt, Germany, Grenada, Japan, Kuwait, Norway, Portugal, Russian Federation, Türkiye, United Kingdom and United States of America – participated in the work of the Group, chaired by IOC Vice-Chair Karim Hilmi from Morocco.

3. Focussing, as mandated by the IOC Assembly at its 31st session, on the matters covered by IOC Resolution A-31/2 and in compliance with the IFAG Terms of Reference (Annex 2 of IOC Resolution XXVIII-3), the Group structured its discussions in three main parts as follows:

**I. 2020-2021 Budget Implementation as at 31 December 2021 and Outline of 2022-2023 Integrated Budgetary Framework and Financial Situation of the IOC Special Account as at year end 2021 and Forecast for 2022-2023**

4. In this context the Group considered documents [IOC/EC-55/3.1.Doc\(1\)](#) and [IOC/EC-55/3.1.Doc\(2\)](#). It was satisfied with the overall implementation rate for the 2020-2021 biennium, and in particular the 100% rate for the regular budget part. The IOC Assembly at its 31<sup>st</sup> session in June 2021 noted a slightly lower than usual implementation rate in the first year of the biennium due to the working conditions under the COVID-19 pandemic, but, consistent with the Executive Secretary's commitment, the Secretariat was able to fully implement the biennial programme of work by the end of 2021.

5. The Group also noted that the extrabudgetary resource mobilisation target set for the 2020-2021 biennium was achieved to the level of 92% overall, while noting variances between the Commission's Functions. IFAG thanked all Member States that contributed to the Commission's budget in the 2020-2021 biennium, noting a number of new promising partnerships and an increased level of investment in capacity development.

6. The Group was satisfied that the Integrated Budgetary Framework for 2022-2023 was adopted by the UNESCO General Conference at its 41<sup>st</sup> session as reviewed by the Assembly in document [IOC/A-31/4.2.Doc](#) and approved through IOC Resolution A-31/2.

**II. Review of the IOC Rules of Procedure**

7. By Resolution A-31/2, adopted during its 31st session in 2021, the Assembly requested *“the IOC Executive Secretary to prepare, in consultation with the UNESCO Legal Advisor and IFAG, a preliminary proposal for the revised separate sets of Rules of Procedure for the IOC Assembly and Rules of Procedure for the IOC Executive Council, making the necessary clarifications and aligning language versions, for review and adoption by these two bodies.”*

8. Accordingly, the Secretariat, in consultation with UNESCO Legal Office, identified a competent legal consultant to provide the initial analysis of the feasibility and potential complications of drafting separate sets of Rules of Procedure for the IOC Assembly and for the IOC Executive Council. This analysis was presented to the IOC Officers during their annual meeting, 17–21 January 2022 and shared with the Intersessional Financial Advisory Group (IFAG) by the IFAG Chair in his email communication of 14 April 2022 (reference [IFAG Working Note 2](#)).

9. The main conclusion is that while the preparation of such separate sets of Rules of Procedure does not seem to be barred by obstacles rendering it unfeasible, it however constitutes a more challenging exercise than would appear *prima facie*.

10. First, the separation process must be assessed against statutory constraints. Article 6.B.3 of the IOC Revised Statutes, adopted by the UNESCO General Conference on 16 November 1999 in its Resolution 30 C/Resolution 22, “[t]he Assembly shall determine the Commission’s Rules of Procedure.”

11. Secondly, it entails a careful consideration of the existing provisions of the Rules of Procedure, which do not evenly apply to the Assembly and Executive Council.

12. Thirdly, the analysis concurs that the current Commission’s Rules of Procedure evidently suffer from a defective alignment of the language versions, as pointed out in the Report of the IFAG Chair to the 31st session of the Assembly ([IOC/A-31/4.3.Doc](#)). There are obvious discrepancies between the English and French versions of the current Rules, which may lead to significant difficulties in interpreting and implementing the relevant provisions.

13. Separating the current Rules of Procedure into two sets of rules respectively applicable to the Assembly and the Executive Council is therefore only feasible on the basis of a clear identification of the object and purpose of existing provisions.

14. For the reasons given above, the document ([IOC/EC-55/5.1.Doc\(1\)](#)) presented for consideration by the Executive Council is based on the proposal to:

- refrain from engaging in a procedure of amendment of the IOC Statutes;
- in conformity with Article 6.B.3 of the Statutes, maintain a single set of the Commission’s Rules of Procedure, to be formally determined by the Assembly;
- revise the current Rules of Procedure on the basis of a distinction among general rules, rules applicable to the Assembly and the Executive Council, and rules applicable only to one of these bodies;
- amend Rules 55 and 56 in order to acknowledge and specify the competence of the Executive Council to amend or suspend rules relating to its organization and functioning.

15. IFAG members welcomed the proposal by the Secretariat presented in IOC/EC-55/5.1Doc(1) as a prudent ‘first draft’ approach. As highlighted by the IFAG Chair in his communication of 6 June 2022, this approach only diverges from what was discussed at the 31<sup>st</sup> session of the Assembly in that it still keeps one set of Rules to be approved by the IOC Assembly in 2023 (there is no longer a need for an extraordinary session of the Executive Council in 2023).

16. It is fully respectful of Member States’ wish to refrain from any substantial review of the Rules by reorganizing them, rather than truly reviewing them, and only proposing minimal adjustments to rules 55 and 56 to optimize the functioning of the Executive Council.

17. The Group also examined the Annex to document IOC/EC-55/5.1Doc(1) which contains a non-exhaustive set of comments by legal experts indicating where Member States may wish to consider the benefit of further clarifications, requiring a more in-depth review of the Rules. The face-to-face meeting on 13 June allowed to go through the Annex rule by rule, considering the comments and suggested areas of improvement, in order to better prepare for the discussion during the session.

18. The discussion at the Executive Council should therefore focus on the following:

- consider whether the proposed approach is satisfactory to Member States;
- consider whether to invite the Secretariat to continue the review of the Rules in order to bring further clarity and consistency, as advised by the legal team;
- possibly indicate some areas/points of priority focus and/or add some specific recommendations.

19. With regard to the last two of the above items, the Group agreed on a number of preliminary comments:

- while improving clarity and aligning language versions, focus on fixing only what needs to be fixed;
- develop guidelines for consultations by correspondence, applicable both to the Assembly and the Executive Council, based on prevailing best practices and UNESCO experience;
- include in the Rules a provision for holding online meetings, but only as an exceptional measure;
- submit draft guidelines for online meeting to the Assembly along with the revised draft of the Rules.

20. This will guide the work of the Secretariat in preparing the pre-final version for adoption by the IOC Assembly at its 32nd session in 2023.

### III. Reporting on in-kind contributions

21. IOC Resolution A-31/2 invited IFAG 'to consider a proposal for a systematic approach and methodology for reporting in-kind contributions, consistent with the updated Guiding Principles for Programming and Budgeting... and Article 10 of the IOC Statutes, to be considered by the IOC Assembly at its 32<sup>nd</sup> session.

22. IFAG's work in the intersessional period on this issue was based on the [IFAG Working Note 1](#). Group members agreed with the proposed approach, while highlighting the following:

- the proposed more systematic approach to reporting of in-kind contributions (IKC) is welcome, as more inclusive and equitable;
- in addition to guiding principles highlighted in the note, the reported IKC must be necessary for the achievement of the objectives of the IOC and would have been paid for by IOC from its own budget were they not provided;
- all types of expenses done at national level in participation to programmes, activities etc., where the beneficiaries of the value from that expense are also national, in principle do not fall in this category of IKC;
- voluntary (extrabudgetary) contributions in cash to the IOC budgetary workflow that the IOC itself can use are clearly distinct from IKCs where the IOC benefits from the value of that contribution, as opposed to deriving the direct benefit from own cash expenditure;
- IKC value needs to be straightforwardly expressed as the market price, i.e. the expenditure by the party making the contribution -- this is the case where the contribution is 100% dedicated to the objectives of the receiving organization;
- the term 'contributor' rather than 'donor' may be more suitable for the reporting template (ref. Annex III to IFAG Working Note 1), to differentiate with 'cash donors' to the IOC budgetary workflow.

23. In this context, IFAG members were of the opinion that the Executive Council -- upon further discussion both in the plenary and in the sessional Financial Committee -- could recommend that the Secretariat should launch the **pilot reporting exercise** according to the timeline as follows and taking into account the Executive Council's recommendations:

- 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.

- February 2023: the complete report on IKCs 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.
- The Assembly considers the report and decides on the future reporting.