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NINETY-FOURTH SESSION

REPORT ON THE HUNDRED AND FOURTH SESSION

OF THE EXECUTIVE COMMITTEE

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REPORT ON THE HUNDRED AND FOURTH SESSION OF THE EXECUTIVE COMMITTEE

OPENING OF THE SESSION

1. The Executive Committee convened for its Hundred and fourth Session at the Palais des Nations, Geneva, on Wednesday, 6 June 2007, at 10.15 a.m.. Two meetings were held. The session was chaired by H.E. Mr. Nanguyalai Tarzi (Afghanistan).

2. The session was attended by representatives of the following members of the Executive Committee:[1] Afghanistan, Algeria, Bangladesh, Belarus, Chile, Congo, Costa Rica, Egypt, El Salvador, Germany, Ghana, Guatemala, Hungary, Iran (Islamic Republic of), Italy, Japan, Kenya, Madagascar, Mexico, Morocco, Netherlands, Nigeria, Peru, Romania, South Africa, Sri Lanka, Sweden, Thailand, Ukraine, the United Kingdom and the United States of America.

3. In addition, the following Member States were represented by observers: Albania, Argentina, Armenia, Australia, Austria, Azerbaijan, Bahamas, Belgium, Benin, Bolivia, Bosnia and Herzegovina, Bulgaria, Cambodia, Canada, Colombia, Croatia, Cyprus, Czech Republic, Denmark, Democratic Republic of the Congo, Dominican Republic, Estonia, Finland, France, Georgia, Greece, Guinea, Ireland, Israel, Jamaica, Jordan, Latvia, Libyan Arab Jamahiriya, Lithuania, Mali, Nepal, New Zealand, Nicaragua, Panama, Paraguay, Philippines, Poland, Portugal, Republic of Korea, Rwanda, Serbia, Slovakia, Slovenia, Spain, Switzerland, Tunisia, Turkey, United Republic of Tanzania, Uruguay, Venezuela (Bolivarian Republic of) and Yemen.[1]

CREDENTIALS OF REPRESENTATIVES AND OBSERVERS

4. The Executive Committee took note that the Director General had examined the credentials of the representatives of and observers for Member States and found them to be in order.

ELECTION OF OFFICERS

5. H.E. Mr. Nanguyalai Tarzi (Afghanistan) and Ms. Ximena Verdugo (Chile) were elected Chairperson and Vice-Chairperson respectively, by acclamation.

ADOPTION OF THE AGENDA

6. The Executive Committee adopted the agenda set out in document MC/EX/680.

[1] See List of Participants (MC/EX/685).

STATEMENT BY THE DIRECTOR GENERAL; REPORT OF THE DIRECTOR GENERAL ON THE WORK OF THE ORGANIZATION FOR THE YEAR 2006; STATEMENTS BY DELEGATIONS

7. The Director General said that 2007 had, thus far, been another excellent year for IOM. Progress had been made on several fronts. Agreement had been reached on a new strategy document that called for an expanded 1035 Facility. An application for observership had been received from Bahrain, proof that the Organization's work in countries and regions not formerly involved in its activities was appreciated. Services such as migration health, labour migration, counter-trafficking and technical cooperation continued to grow.

8. Staff relations and efforts to improve the working conditions of IOM staff worldwide were a top priority. Staff members were the Organization's prime asset and major resource. Their ideas, dedication and hard work in the service of Member States and the world's migrants constituted IOM's greatest value. A close look at IOM staff produced the following profile: they worked predominantly in the Field, at more than 320 locations. Out of a total of 5,500 staff members worldwide 184, or 3.3 per cent, were based at Headquarters. Several IOM Missions were larger than Headquarters, which meant that the bulk of the Organization's staff was involved in programme and project activity, delivering results to migrants and governments in their respective regions. IOM staff were flexible and resilient, changing posts regularly in response to operational needs. Furthermore, most staff members were hired in their own countries and paid according to local wage scales in the framework of IOM employment policies, which kept costs down and provided the Organization with local knowledge and contacts, enabling it to work effectively in different cultures. Local staff played a pivotal role in implementing and sustaining capacity-building activities and were an excellent source of recruitment for IOM's international posts. Relatively few staff – 683 - had a P or D grade. International staff, who were active in a variety of technical and managerial areas and embodied the Organization's accumulated expertise, were highly mobile and committed to worldwide duty according to the terms of the rotation policy. enabling them to gain an understanding of operations worldwide as a stepping stone to senior positions within IOM.

9. IOM generally followed the United Nations classification of posts, salary and adjustments but made its own rules when necessary and in the interest of cost-effectiveness and efficiency. For example, it had long operated its own retirement savings plan and had created National Officer positions in locations where United Nations rules would not allow them.

10. Despite the financial constraints imposed by the combination of zero nominal growth in the Administrative Part of the Budget and projectization in the Operational Part of the Budget, IOM had learned to expand using fewer resources, as illustrated by the establishment of the Manila and Panama Administrative Centres. New software applications held the promise of enhanced efficiency in operations. Nevertheless, such measures placed heavy demands on staff members who were often overstretched as they took on additional tasks to promote projects without adding new posts and keeping overheads to a minimum. Other problems stemmed from the fact that the conditions of service had not kept pace with the Organization's rapid growth and the changing dynamics of its work. As a result, an outside expert had been asked to examine the Staff Rules with a view to simplifying and updating them. It was to be hoped that a package of reform measures would be available for discussion by the 2007 autumn meetings of the governing bodies. The Administration hoped to improve flexibility and fairness at minimal additional cost, for example, by providing education grants for international IOM staff working in their own country,

establishing a simple income tax liability rule, making the rules for disciplinary action clearer and easier to implement, and streamlining administrative procedures to upgrade operational efficiency in the interest of maintaining the flexibility and responsiveness that had characterized the Organization when it was smaller.

11. The Administration and the Staff Association Committee had worked closely together throughout the year, setting up a new procedure that would enable the Appointments and Postings Board to implement the Organization's rotation policy, and joining the United Nations Joint Staff Pension Fund.

12. On the whole, IOM field workers seemed to enjoy high morale, new confidence and a sense of accomplishment, thanks to the empowerment they had obtained through decentralization. They were encouraged to take initiatives and join forces with Member States to tackle migration issues. Any staff suffering low morale - which most likely stemmed from difficulties in accepting recent changes in the world and in the Organization - should draw inspiration from the majority of IOM employees as they sought new challenges, opportunities, ideas and partners.

13. The Director General concluded by expressing his sincere appreciation to all staff for their outstanding work and to Member States for their support to them.

14. The Chairperson drew attention to the Report of the Director General on the work of the Organization for the year 2006 (MC/2224) and invited delegations to comment on it. He reminded delegations that, after its examination, they would be asked to adopt a draft resolution (MC/EX/L/170) formally taking note of the Report.

15. Several delegations congratulated the Chairperson and Vice-Chairperson on their election and expressed their appreciation to the members of the outgoing bureau for their work. In addition, a number of representatives thanked the Director General for his comprehensive and informative report.

16. Statements were made by the representatives of Belarus, Sri Lanka, Thailand and the United States of America.

17. The representative of Thailand said that IOM had successfully built upon its past successes and embraced new areas where it could make a difference. Indeed, the success of IOM's mission was due to the quality and commitment of its staff. His Government enjoyed a close working relationship with the Organization, especially because the Mission with Regional Functions for Asia was situated in Bangkok. He pledged to support the Director General's staff management reform initiatives, which he believed would raise morale throughout the ranks of IOM staff.

18. The representative of Sri Lanka said that IOM had become a global organization marked by a steadily growing membership, a shift to decentralized management and international recognition for its role in meeting the challenges of international migration. The Organization's strategy, aimed at building national capacities and facilitating national, regional and bilateral cooperation in migration issues by offering expert advice, research, technical cooperation and operational assistance to States and other stakeholders, was a sound one. To build partnerships, enhance capacity building and share best practices at all levels, migration had to be recognized as a cross-cutting field that required concerted efforts and a multidisciplinary approach. It needed to be incorporated into development planning agendas at the national and international levels.

Although unilateral and bilateral action aimed at managing migration had sufficed in the past, cooperative, multilateral approaches were now necessary. Over the years, the Government of Sri Lanka had taken part in regional consultative processes that provided opportunities to exchange experiences and good practices, enhance understanding of contemporary migration dynamics and identify mutual and complementary interests and prospects for cooperation in migration issues.

19. IOM's efforts to provide technical assistance and capacity building in labour migration management in Sri Lanka had produced good results. As the focal point for the human rights of migrants, it should concentrate on activities aimed at universalizing legal instruments such as the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

20. He commended IOM for helping unsuccessful asylum seekers and irregular migrants reintegrate and expressed appreciation for its help in evacuating stranded Sri Lankan migrant workers from Lebanon in 2006, for the projects organized by its Country Mission in Sri Lanka and for its swift response in the aftermath of the December 2005 tsunami disaster. His Government wholeheartedly supported the Organization and had paid its 2007 assessed contribution in full.

21. The representative of Belarus was pleased with the positive outcomes relating to budgetary expenditure and operational activities. However, the main challenge lay in keeping up with the rapid pace of IOM's development.

22. The Organization's cooperation with his Government in the fight against trafficking in human beings had produced tangible results. First, the findings of IOM's May 2006 assessment mission to his country showed that Belarus had accomplished its anti-trafficking work, particularly with regard to legislation, law enforcement, protection and prevention. Second, a conference jointly organized by IOM and Belarus in Minsk in October 2006 on cooperation between source, transit and destination countries, with participants from over 40 countries in the region and the Organization for Security and Cooperation in Europe, had led to the establishment, with IOM support, of a training centre in Minsk for combating human trafficking. The Government of Belarus looked forward to working constructively with the Organization in the future.

23. The representative of the United States of America hailed the consensus achieved on IOM strategy. The discussions had been long and arduous, but they had succeeded thanks to intensified dialogue and the commitment and cooperation of Member States with the Administration in a valuable process that should be continued. The IOM Strategy Document (MC/2216 and MC/2216/Corr.1/Rev.1) was significant because it accurately reflected the Organization's present and planned activities, positioned IOM as the leading international organization with a migration mandate and provided a clear sign of support from the 120 Member States, which could now move forward together to promote IOM's activities. The establishment of the Standing Committee on Programmes and Finance would help streamline and strengthen IOM governance in the years ahead and the expanded 1035 Facility would provide more predictable funding for projects in Member States. He encouraged the latter to contribute to stronger governance by ratifying the 1998 amendments to the Constitution.

24. In the absence of any further comments, the Executive Committee adopted Resolution No. 116 (CIV) on the Report of the Director General on the work of the Organization for the year 2006 (MC/2224).

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2006

25. The Executive Committee considered the Financial Report for the year ended 31 December 2006 (MC/2223), the relevant section of the Report of the Subcommittee on Budget and Finance on its Ninety-seventh Session (MC/EX/683), the Report by the External Auditors (Office of the Auditor General of Norway) on IOM accounts for the financial year 2006 (Conference Room Paper/23 *(English only)*) and the draft resolution on the Financial Report for the year ended 31 December 2006 (MC/EX/L/171).

26. The Rapporteur of the Subcommittee on Budget and Finance said that the Subcommittee had also examined the Financial Report for the year ended 31 December 2006. The Administrative Part of the Budget had been overspent by CHF 0.5 million (expenditure had amounted to CHF 37.6 million compared with the budget of CHF 37.1 million) but had nevertheless ended the year with a positive net result, allowing CHF 196,773 to be carried forward to 2007. Expenditure under the Operational Part of the Budget had fallen by USD 218.8 million to USD 703 million, mainly because of reduced payments under the Compensation Programmes. Discretionary Income, excluding staff security, had been higher in 2006 than anticipated due to increases in overhead and interest income.

27. The External Auditors had informed the Subcommittee that the Financial Report presented a true and fair view of IOM's resources and expenditures. The Subcommittee had therefore recommended that the Executive Committee approve the Financial Report.

28. In the absence of any comment, the Executive Committee took note of the above-mentioned reports and adopted Resolution No. 117 (CIV) on the Financial Report for the year ended 31 December 2006 (MC/2223).

STATEMENT BY A REPRESENTATIVE OF THE STAFF ASSOCIATION

29. A representative of the Staff Association Committee (SAC) briefed the Executive Committee on three proposals that the Director General had agreed actively to support. First, the Director General had encouraged the Committee to meet with the external consultant hired to review the Staff Regulations and Rules with a view to upgrading conditions of service for IOM staff to the level of other international organizations, in particular as concerned the efficient, transparent and fair implementation of the recently approved rotation policy. Secondly, the Director General had responded favourably to the Committee's proposal to establish a joint Administration/SAC disciplinary panel to ensure transparency and fairness in the treatment of staff and to avoid unnecessary measures and the consequent costly appeals. Thirdly, the Committee called on the Member States to apply all the provisions of the 1947 Convention on the Privileges and Immunities of the Specialized Agencies to IOM staff, including in respect of taxation and laissez-passer, so as to facilitate staff mobility and safety and thus greatly improve staff morale and general well-being. The Staff Association Committee had noted the Director

General's commitment to follow through on all three proposals and hoped that the Administration would take its concerns seriously.

30. In the autumn of 2006 the Director General had agreed with the Staff Association Committee that staff morale was unusually low. He had ascribed most of the problem to the zero nominal growth policy, which had stretched staff to a critical point. In such demanding times, consistency, unity of purpose, resolute effort and inclusive and consultative leadership were of essence to the staff and the Organization; the cancellation, in the spring of 2007, of a global meeting of IOM Chiefs of Mission had therefore been a major disappointment. Such a meeting would have enabled the Administration to enhance its understanding of the realities facing Field Missions and the concerns of field staff.

31. On the same occasion, the Director General had said that he had commissioned a staff member to work with the Staff Association Committee on the implementation of policy in key human resources areas such as career management, contracts, mobility and succession planning. Unfortunately, little had come of that or other initiatives such as the Senior Review Panel, the undertaking to end the practice of issuing short-term contracts over long periods and the commitment to provide more training opportunities for staff. Career development opportunities had to take particular account of staff from developing countries and women, with a view to improving their representation at senior management level.

32. The Administration also had to provide clear guidance on a number of core policy issues, chief among them IOM's relationship to the United Nations system. The issue had been raised regularly by the Field but had yet to receive a satisfactory response from the Administration.

33. The Executive Committee took note of the statement by the representative of the Staff Association.

REVISION OF THE PROGRAMME AND BUDGET FOR 2007

34. The Executive Committee considered the Revision of the Programme and Budget for 2007 (MC/EX/681), the Programme and Budget for 2007 (MC/2203), the relevant section of the Report of the Subcommittee on Budget and Finance on its Ninety-seventh Session (MC/EX/683) and the draft resolution on the Revision of the Programme and Budget for 2007 (MC/EX/L/172).

35. The Rapporteur of the Subcommittee on Budget and Finance relayed the Administration's report that the Administrative Part of the Budget for 2007 had been maintained at CHF 38,045,000 in the revision. Moreover, in accordance with Council Resolution No. 1077 (LXXX), "Systemic solution for the use of surplus in the Administrative Part of the Budget", the 2005 surplus of CHF 356,038 had been listed as a supplement to establish a building reserve for the possible purchase of office premises for the Manila Administrative Centre. The Operational Part of the Budget, for its part, had increased from USD 438.5 million to USD 636.6 million, to take account of expanded ongoing projects and the launch of new initiatives. The projected amount of Discretionary Income had also increased, from USD 23.5 million to USD 28.5 million, mainly due to a rise in interest income and project-related overhead income. The Administration had proposed to use most of the income for the ongoing development of the new financial system, PRISM Financials.

36. Having examined document MC/EX/681 in detail, the Subcommittee had recommended that the Executive Committee approve the Revision of the Programme and Budget for 2007.

37. In the absence of any comments, the Executive Committee adopted Resolution No. 118 (CIV) approving the Revision of the Programme and Budget for 2007.

ASSESSMENT SCALE FOR 2008

38. The Executive Committee considered the Proposed adjustment of the IOM assessment scale for 2008 (MC/EX/682) and the relevant section of the Report of the Subcommittee on Budget and Finance on its Ninety-seventh Session (MC/EX/683).

39. The Rapporteur of the Subcommittee on Budget and Finance reported that the Administration had explained in detail the relationship between the IOM and the United Nations scales of assessment, how assessments were calculated every year and how the minimum and maximum rates were adjusted every third year. It had presented three scenarios for the next scale of assessments, 2008 being a year in which the minimum and maximum rates were due to be adjusted.

40. The Subcommittee had been unable to reach a clear consensus on a scenario. The Chairperson had therefore proposed that the delegations consult with their capitals and inform her or the Administration of their preference. The Administration had underscored the importance of approving the scale of assessments, which served as the basis for the preparation of the Programme and Budget.

41. The Subcommittee had agreed to refer the matter to the Executive Committee for decision.

42. The Chairperson of the Subcommittee on Budget and Finance reported that, while most delegations had indicated that they would be willing to be flexible, preferences had been expressed for scenarios 1 and 3 and therefore no obvious consensus had emerged. She suggested that delegations could consider scenario 2 as a compromise between scenarios 1 and 3.

43. The representative of France pointed out that the Administrative Part of the Budget was currently subject to zero nominal growth; in theory, therefore, the assessed contributions of long-standing Member States should be decreasing as new Member States joined the Organization. While in regular years such “growth dividends” were shared by all, it had become the custom every three years to share them only by adjusting the maximum and minimum rates.

44. While that approach was satisfactory for the biggest and smallest contributors, it was not to the benefit of States whose contributions fell in between. The mechanism endorsed by the Council in 1994 provided considerable leeway in practice: “an adjustment of the minimum and maximum rates should be made on the basis not of a mathematical formula but of a political decision and it should be left to the Council to make such a decision”. There was therefore nothing to prevent the Executive Committee from deciding to adjust the minimum and maximum rates while at the same time sharing the surplus in a way that was of benefit to all. The subject should be discussed at greater length, and any decision deferred until the Ninety-fourth Session of the Council in November 2007. The discussion should also include a fourth scenario proposed by France, namely to distribute the Administrative Part of the Budget’s 2.544 per cent surplus by:

lowering the maximum rate by an amount that remained to be determined, for example to 25 per cent from the current 25.740 per cent; lowering the minimum rate from 0.035 per cent to 0.025 per cent; and sharing the remaining surplus between all Member States.

45. The Administration pointed out that the proposed assessment scale for 2008 adjusted not only the minimum and maximum rates but also the rates of Member States who were not at the minimum or maximum and whose variance with the United Nations scale was higher than the equation factor. The adjustment mechanism therefore benefited all Member States that were eligible for a reduction. It was important for the Executive Committee to decide the assessment scale in the spring of each year for two reasons: many Member States needed to know the amount of their assessed contribution far in advance so as to make provision for it in the national budget, and the Administration preferred to have a decision on the scale which would serve as the basis for preparing the Programme and Budget for the year ahead. In the Administration's view, the IOM assessment scale currently worked to the benefit of all Member States, distributing surpluses equitably and systematically. Should the Executive Committee be unable to reach a consensus on the assessment scale for 2008, the Administration would be obliged to apply the 2007 assessment scale in preparing the 2008 Programme and Budget.

46. With respect to the French proposal, the Administration pointed out that it would result in 54 Member States falling below the equation factor which equates the assessment of IOM's smaller membership to that of the United Nations. The equation factor is applied to all new Member States and changes every year when new Members joined IOM or a change occurred in the UN for an IOM Member State. At present, the countries assessed at the minimum and maximum rates were above the equation factor; all others, with two exceptions, were perfectly equated. If the equation factor no longer applied, the Administration would have to place each new Member State's assessed contribution before the Council for discussion and negotiation. It should also be borne in mind that while the French proposal was in compliance with some of the principles and guidelines endorsed by the Council, in all other respects it laid those principles and guidelines open to question.

47. Many delegations thanked the Administration for regularly taking the time to exchange detailed information on such matters with the Member States and the Chairperson of the Subcommittee on Budget and Finance for her efforts to find a solution.

48. One Member State asked why some contributions actually increased in the assessment scale proposed by the Administration. The explanation was that the rate of those Member States in the United Nations on which the IOM scale was based had increased. Were their IOM rate not to be increased, they would move away from the equation factor. Another Member State asked whether there was any obligation to distribute the surplus. The Administration responded that it could simply apply the 2007 assessment scale and highlighted that reaching an immediate decision on the assessment scale for 2008 would not preclude discussion of the scale for 2009 and beyond.

49. Many Member States expressed interest in the proposal put forward by the representative of France and felt that additional time should be set aside to discuss all four scenarios on the basis of more exhaustive input. Given that a consensus on one of the three scenarios put forward by the Administration was apparently out of reach, and that the number of Member States had increased considerably since the Council had last endorsed the guidelines and principles on which the assessment scale was drawn up, the time would seem to be ripe for an in-depth review of the

situation. One delegate suggested that consultations could start right after the current Executive Committee meetings.

50. Several other Member States, while also expressing an interest in the French proposal, opposed any further deferral of a decision. Although they did not object to giving fresh consideration to the assessment scale as a whole, they felt that such consideration should take place in the future, perhaps in the context of informal consultations on the budget and finance or in an open-ended working group, and should relate to the assessment scale for 2009 and beyond; it should not prejudice a rapid decision on the assessment scale for 2008. One delegate noted that, in line with the principles and guidelines endorsed by the Council, the proposed scale for 2008 brought most Member States, except those assessed at the minimum and maximum rates, very close or equal to their United Nations assessments. As another delegate pointed out, one of the current mechanism's guiding principles was to eliminate distortions between the IOM and the United Nations scales. A third delegate confirmed that an immediate decision was needed by many governments to make budget decisions.

51. Two Member States (Germany, Iran) were entirely flexible both on the scenario adopted and on whether the decision should be immediate or deferred. Another, noting the modest differences between the three scenarios, endorsed the suggestion made by the Chairperson of the Subcommittee on Budget and Finance that the Executive Committee adopt scenario 2. Several delegations that had originally expressed a preference for either scenario 1 or 3 agreed that they would be willing to join immediately in a consensus on scenario 2, with most of them suggesting that discussion of the fourth scenario be postponed for a future date.

52. A number of delegations emphasized that they were in favour of scenario 3 but remained open to a consensus decision for 2008, on condition that further discussions took place for 2009 and beyond.

53. The Executive Committee suspended its deliberations twice with a view to reaching a consensus on the assessment scale. On resumption of the deliberations, it agreed to adopt the assessment scale set out in scenario 3 of document MC/EX/682, and indicated the assessment scale be applicable for 2008 only. It further agreed to establish an open-ended working group under the chairmanship of the Vice-Chairperson of the Executive Committee to review the assessment scale adjustment mechanism for 2009 and beyond in the context of the proposal put forward by the delegation of France and of any other proposals the Member States wished to submit. Lastly, it requested that the Subcommittee on Budget and Finance (or whatever body replaced it) and the Executive Committee review the matter of the assessment scale for 2009 in the spring of 2008.

OTHER ITEMS ARISING FROM THE REPORT OF THE SUBCOMMITTEE ON BUDGET AND FINANCE

(a) Outstanding contributions to the Administrative Part of the Budget

54. The Executive Committee examined the Status Report on Outstanding Contributions to the Administrative Part of the Budget (SCBF/299/Rev.1) and the relevant part of the Report of the Subcommittee on Budget and Finance on its Ninety-seventh Session (MC/EX/683).

55. The Rapporteur of the Subcommittee on Budget and Finance said that the Subcommittee had also considered the Status Report, which noted that some Member States had paid their arrears but that a large amount remained outstanding. The Deputy Director General had reported on the Administration's efforts to obtain payment and encouraged Member States to agree to repayment plans, given that the non-payment of assessed contributions hindered efficient management. Some Member States had taken the opportunity to explain developments in their country's situation and the steps being taken to settle their debts.

56. The Subcommittee had taken note with appreciation of the efforts made by some Member States to pay their outstanding contributions and urged in particular Member States whose contributions had been outstanding for two or more consecutive years to settle their contributions in full or agree to repayment plans. It had requested Member States that had concluded a repayment plan to respect the terms and conditions thereof.

57. The Administration reported on developments since the Subcommittee's Ninety-seventh Session. Nine Member States had paid their outstanding assessed contributions in part or in full: Colombia, Georgia, Japan, Pakistan, Peru, the Republic of Korea, Sri Lanka, Tajikistan and Zambia. The payments received amounted to approximately CHF 7.6 million. Georgia was to be commended for having concluded a repayment plan and paying a first instalment. Tajikistan and Zambia unfortunately remained subject to the provisions of Article 4 of the Constitution.

58. The Deputy Director General thanked the Bureau of the Subcommittee and all the Member States for their constructive participation in the informal consultations on budget and finance issues held so far in 2007. She was gratified to note that the situation with respect to outstanding assessed contributions had improved since the Subcommittee's Ninety-seventh Session and encouraged all Member States in arrears to pay at least part of their debts or agree to a repayment plan. She had discussed the matter with roughly a dozen countries at a recent regional meeting and trusted that they would, as promised, contact the Organization by November on the matter.

59. The Executive Committee took note of the Status Report on Outstanding Contributions to the Administrative Part of the Budget (SCBF/299/Rev.1) and endorsed the recommendations made by the Subcommittee on Budget and Finance at its Ninety-seventh Session, in particular that Member States put forward new ideas and proposals relating to outstanding assessed contributions, that all Member States in arrears make every effort to pay their outstanding contributions as soon as possible and that Member States whose contributions had been outstanding for two or more consecutive years settle their contributions in full or agree to repayment plans.

(b) Support for developing Member States and Member States with economy in transition – 1035 Facility

60. The Executive Committee considered the reports on support for developing Member States and Member States with economy in transition (SCBF/296 and SCBF/297) and the relevant part of the Report of the Subcommittee on Budget and Finance on its Ninety-seventh Session (MC/EX/683).

61. The Rapporteur of the Subcommittee on Budget and Finance said that the Administration had, as in the past, distributed the funds available under the 1035 Facility equitably among all geographical regions. It had assured the Member States that the Facility would continue to

provide a flexible means of responding rapidly and efficiently to the priorities of eligible Member States. The Deputy Director General had expressed appreciation for the Member States' interest in the Facility's management and invited all Member States to follow the lead of certain governments and make voluntary contributions to the Facility.

62. The Subcommittee had taken note of the two reports on the 1035 Facility.

63. The Executive Committee took note of the reports on support for developing Member States and Member States with economy in transition (SCBF/296 and SCBF/297).

OTHER BUSINESS

64. The Executive Committee noted that applications had been received for representation by an observer from the Kingdom of Bahrain, Africa Humanitarian Action (AHA), the International Trade Union Confederation (ITUC) and the Ibero-American General Secretariat (SEGIB). The applications for observership would be considered at the forthcoming Ninety-third (Special) Session of the Council.

65. One Member State, noting that Ms. Nyambu of Kenya would be leaving Geneva shortly, wished to congratulate her on her excellent work during the three years she had served as Rapporteur of the Subcommittee on Budget and Finance.

DATE AND PLACE OF THE NEXT SESSION

66. Pursuant to Council Resolution No. 972 (LXXIV) of 26 November 1997, the Executive Committee would not hold a session in November 2007. The next session would therefore be held in spring 2008 in Geneva, on the provisional dates of 4 and 5 June 2008.

CLOSURE OF THE SESSION

67. The Chairperson thanked the Meetings Secretariat and the interpreters and declared closed the Hundred and fourth Session of the Executive Committee at 1 p.m. on Thursday, 7 June 2007.