



منظمة الأغذية
والزراعة
للأمم المتحدة

联合国
粮食及
农业组织

Food
and
Agriculture
Organization
of
the
United
Nations

Organisation
des
Nations
Unies
pour
l'alimentation
et
l'agriculture

Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

FINANCE COMMITTEE

Hundred and Fifteenth Session

Rome, 25 - 29 September 2006

Provisional Annotated Agenda

1. Adoption of Provisional Agenda and Timetable (docs. FC 115/1, FC 115/1 Add.1 and FC 115/INF/1) **for decision**

In accordance with the Committee's internal working procedures, the Provisional Timetable provides to the extent possible for discussion at the beginning of the meeting of those items on which the Committee is required to make decisions or recommendations to the Council.

FINANCIAL AND BUDGET REPORTS

2. Financial Highlights and Status of Current Assessments and Arrears (doc. FC 115/2) **for discussion**

The Financial Highlights Report is designed to show, at a summary level, the financial situation of the Organization. In terms of the structure of the report, there are three groupings of data: income and expenditure by source of funds, the plan (budget) for particular sources of funds and balances for the comparative period in the previous biennium. Also included is the report on "Collection of Current Assessments and Arrears," which will present the status of member nation contributions to the Regular Programme as at 30 June 2006.

3. Audited Accounts
 - a) FAO 2004-2005 (docs. C 2007/5 A and C 2007/5 B) **for discussion**
 - b) FAO Credit Union 2005 (doc. FC 115/3b)) **for decision**
 - c) FAO Commissary 2005 (doc. FC 115/3c)) **for approval**

The Committee will receive the audited accounts of the Organization for 2004-2005, together with the Long-Form Report of the External Auditor for review and comment prior to their submission to the Conference for approval

For reasons of economy, this document is produced in a limited number of copies. Delegates and observers are kindly requested to bring it to the meetings and to refrain from asking for additional copies, unless strictly indispensable.
Most FAO meeting documents are available on Internet at www.fao.org

In addition, the audited accounts of the Credit Union and the Commissary will be provided for 2005. With regard to the Credit Union accounts, it is recalled that they are “made available to the Finance Committee for such action as deemed appropriate.” The Committee will be requested to clarify the action that the Committee should take in respect of the audited accounts of the Credit Union, i.e. whether they should be submitted to the Committee for information or approval.

OVERSIGHT MATTERS

4. Access by Members to Reports of the Office of the Inspector-General (doc. FC 115/4)
for discussion

This document has been prepared in response to the Committee’s request at its 113th session. It seeks to place the matter in the context of the general oversight framework of the Organization by providing information on this framework and putting forward a few relevant considerations. It is suggested that the matter be also referred to the Committee on Constitutional and Legal Matters (CCLM).

5. Inception Report of the Independent External Evaluation of FAO (doc. FC 115/5)
for information

This report has been submitted to the Council Committee for the Independent External Evaluation of FAO (CC-IEE) in accordance with the governance structure of the IEE. It is made available to the Finance Committee for information.

6. FAO Audit Committee (Internal) – Annual Report to the Director-General for 2005 (doc. FC 115/6)
for information

This is the third annual report of the Audit Committee following its establishment in April 2003. This report provides an overview of the Committee’s activities, the important issues that have arisen and the actions taken by AUD and other stakeholders involved in the audit processes.

7. Joint Inspection Unit Reports

- a) Further Measures to Strengthen United Nations System Support to the New Partnership for Africa’s Development (NEPAD) (JIU/REP/2005/8) (doc. CL 131/INF/9)
for information
- b) Oversight Lacunae in the United Nations System (JIU/REP/2006/2) (doc. CL 131/INF/13)
for discussion

The first document deals with issues that are primarily within the competence of the Programme Committee and is, therefore, submitted to the Finance Committee for information. The second document is provided to both Committees for any comments they may wish to make to the Council.

FINANCIAL POLICY MATTERS

8. Measures to Improve the Organization’s Cash Shortage Situation (doc. FC 115/8)
for discussion

In this paper, a further analysis has been given on the Incentive Scheme to Encourage Prompt Payment of Contributions, including a survey of member nations on the range of issues that influence the timing of payments. Further, an analysis has been given on available options to improve the liquidity of the Organization and on local currency payment of assessed contributions.

9. Proposed Arrangements for Selection and Appointment of the External Auditor (doc. FC 115/9)
for discussion

To enable the Secretariat to initiate on a timely basis and oversee the process for the selection and appointment of the External Auditor of FAO for 2008-2011, the Finance Committee is requested to reconfirm the procedures for the selection and appointment of the External Auditor as described in the document. In addition, the Committee is requested to provide additional guidance, as necessary, regarding the proposals for improvement of the evaluation procedures.

10. Annual Report on Special Fund for Emergency and Rehabilitation Activities (doc. FC 115/10) **for information**

As requested at its 108th Session, the Committee will be provided with the annual report on the utilization of the Special Fund for Emergency and Rehabilitation Activities (SFERA).

11. Adoption of International Public Sector Accounting Standards (doc. FC 115/11) **for discussion**

At its 113th Session, the Committee was informed about the recommendation of the UN's High Level Committee on Management to adopt a specific set of internationally accepted accounting standards in the UN system by 1 January 2010. At its September 2006 Session, the Committee will be expected to review the matter again with a view to making a recommendation to Council on the adoption of these standards, for approval by Conference in 2007.

12. Progress Report on Actuarial Valuation of the Staff-Related Liabilities (doc. FC 115/12) **for information**

At its 113th session, the Committee agreed that it would determine its recommendation to Council for ASMC funding in 2008-09 at its May 2007 session and requested the Secretariat to prepare a progress report on the issue for the September 2006 session of the Committee.

BUDGETARY MATTERS

13. Programme Implementation Report 2004-2005 (doc. C 2007/8) **for discussion**

The Committee will review and provide its comments on this factual overview for the biennium of the resources committed, key activities undertaken and salient outputs produced under the Regular and Field Programmes.

14. Report on Support Costs Expenditure and Recoveries (doc. FC 115/14) **for discussion**

The Committee, at its 113th Session, had noted the Secretariat's ongoing review of the cost recovery rate for projects in support of Regular Programme normative work. At the September 2006 Session the Committee will receive a proposal for adjustment.

HUMAN RESOURCES MATTERS

15. Report on Human Resources Management Issues (doc. FC 115/15) **for discussion**

The purpose of this paper is to update the Committee on recent developments in the field of human resources management in FAO. This report has been prepared against the background of FAO reform, including the initiatives on decentralization, the implementation of a Shared Services Centre and the implementation of the Human Resources Management Model (HRMM) supported by the Human Resources Management System (HRMS).

16. Recommendations and Decisions of the International Civil Service Commission and UN Joint Staff Pension Board (including Changes in Salary Scales and Allowances) (doc. FC 115/16) **for discussion**

In accordance with standard practice, the Committee will be informed of any developments which took place at the ICSC, the UN Joint Staff Pension Board and the General Assembly which are of interest to the Organization, as well as an updated report on changes in salary scales and allowances. In this context, the recommendations of the ICSC regarding the result of the 2005 general service salary survey will be referred through the Committee to Council, including implementation effective 1 November 2005 of the revised salary scale showing a 12.16% increase.

ORGANIZATIONAL MATTERS

17. Implementation of Conference Decisions and Proposals from the Director-General (doc. CL 131/18) **for discussion**

The document summarizes important features of the ongoing reform process and clarifies the relationships between the Director-General's reforms, UN reforms and the Independent External Evaluation. It provides an update of the progress made regarding the implementation of the first phase of reforms approved by the Conference and summarizes the actions for achieving streamlining and efficiency savings to help alleviate the adverse consequences of overall budget constraints. Further reform proposals from the Director-General are presented, together with their programme, budgetary and staffing implications, for eventual approval by the Council, through the Programme and Finance Committees.

18. Review of Translation Services in FAO (doc. FC 115/18) **for discussion**

At its 109th Session, the Secretariat submitted, at the Chairperson's request, a paper analyzing the problems and procedures of the translation process within FAO. At the September 2006 Session the Committee will be provided with a further review on translation services in FAO together with concrete proposals for implementation.

19. Progress Report on Administrative Information Systems (doc. FC 115/19)

for information

This report provides information to the Finance Committee on progress made with the Administrative Information Systems between February and July 2006. The overwhelming priority in this period has been on work leading to the implementation of HRMS at the end of 2006.

20. Working Methods of the Finance Committee (no document) **for discussion**

In accordance with the standard practice of the Committee, members will be given an opportunity to comment on the functioning of the session and to make suggestions for future improvements.

OTHER MATTERS

21. Date and Place of the Hundred and Sixteenth Session **for information**

The Committee will be informed of arrangements for its next session.

22. Any Other Matters