



20 November 2015

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ANNUAL REPORT FOR 2015 OF THE COMMITTEE ON BUDGET, FINANCE AND ADMINISTRATION

1.1. In accordance with the procedures for an annual overview of World Trade Organization (WTO) activities and for reporting under the WTO, adopted by the General Council on 15 November 1995 (WT/GC/M/8, item 11), a report on the activities of the Committee on Budget, Finance and Administration in 2015 is hereby submitted.

1.2. The Committee held ten meetings and presented five reports¹ to the General Council in 2015. The Committee obtained and reviewed on a quarterly basis reports on the financial and budgetary situation of the Organization, the arrears of contributions from Members and Observers, the WTO Pension Plan, the WTO Risk Management and the financial situation due to negative interest impact. The Committee reviewed and took note of the annual report on diversity in the WTO Secretariat; the staff learning programme; the Human Resources annual report on grading structure and promotions.

1.3. The Committee reviewed and recommended to the General Council to approve pro-rata contributions for the accession of the Republic of Seychelles in April 2015, as the WTO's 161st Member.

1.4. The Director-General and the External Auditor presented to the Committee the WTO Financial Performance Report and the External Auditor Report for 2014, respectively. The Committee examined these reports and proposed to the General Council the approval of the 2014 audited accounts.

1.5. On the WTO Buildings and infrastructure, the Committee examined the Secretariat's proposal to establish a Building Renovation Fund. Experts from the Fondation des Immeubles pour les Organisations Internationales (FIPOI) were invited to an informal meeting to provide the Committee with additional information based on the estimated extraordinary maintenance costs of the WTO buildings.

1.6. The Working Group on ASHI, established by the Committee in 2014, completed its work and delivered a report with recommendations to the Committee in the second half of the year. The recommendations were endorsed by the Committee and included asking the Director General to develop a strategy proposal, within 12 months, to ensure the long term sustainability of the WTO Medical Insurance Plan and related ASHI benefits.

1.7. To align with the new requirements imposed by the implementation of the IPSAS, the Committee reviewed and approved the revision of the WTO Financial Regulations proposed by the Working Group on WTO Financial Regulations.

1.8. The Director-General launched within the WTO an Organizational Review process in December 2013. The Secretariat regularly informed Members about the on-going work of the Secretariat during that process. In line with the Strategic Review process, the Director-General implemented three amendments to the WTO Staff Rules. These were presented to the Committee. The Committee will continue its discussion on Strategic Review in 2016.

¹ Reports: WT/BFA/147 covering the meeting held on 2 and 10 February 2015; WT/BFA/148 covering the meeting held on 23 March 2015, WT/BFA/149 covering the meetings held on 8 and 25 June 2015; WT/BFA/150 covering the meeting held on 25 September 2015; WT/BFA/151 covering the meetings held on 23, 30 October, 6 and 16 November 2015.

1.9. The Committee established two new Working Groups. One to monitor the development of a strategy on the WTO after service health insurance (ASHI). This Working Group is the successor to the earlier Working Group that reported on the ASHI situation earlier in the year. The second Working Group will investigate if there is a need for the Organization to have an Audit Committee.

1.10. The Management Board of the WTO Pension Plan submitted recommendations to address an actuarial imbalance and provide some technical clarifications in the Plan's Regulations. This proposal was endorsed and forwarded to the General Council with the recommendation that the changes take effect as of 1 January 2016.

1.11. Finally, the Committee examined and proposed to the General Council to approve the 2016-2017 Biennium budget proposals for the WTO and the International Trade Center (ITC) as well as the 2016-2017 Biennial Technical Assistance and Training Plan. The ITC requested an increase in its budget due to the United Nations re-costing mechanism, which has been absorbed by the WTO budget. The WTO budget remained at Zero Nominal Growth for the 6th and 7th consecutive year.
