



**ANNUAL REPORT FOR 2016 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, 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 2016 is hereby submitted.

1.2. The Committee held several meetings and submitted six reports¹ to the General Council in 2016. At its first meeting, the Committee agreed a work plan for the whole year. This encompassed review and consideration of: the quarterly reports on the financial and extra-budgetary situation of the Organization; regular updates on the arrears of contributions from Members and Observers; a write-off request for uncollectible contributions; a progress report on the WTO Pension Plan; a WTO Risk Management Report; the Annual Report on Diversity in the WTO Secretariat; the Human Resources Annual Report on grading structure and promotions; as well as the report of the Office of Internal Oversight.

1.3. The Committee was informed about the new policies put in place by the Information Technology Solutions Division within the Organization. IT governance, information security, and security controls became very important global issues and the Secretariat is giving these issues significant attention. An IT Security Steering Committee, composed of Senior Management was established and meets regularly.

1.4. The Committee approved a donation from the "Canton of Geneva" and the "Loterie Romande" to finance the restoration and installation of an historic ceiling in Meeting Rooms V and Y.

1.5. The Committee made a recommendation to the General Council to approve pro-rata contributions for the accession of the Republic of Liberia as well as the Islamic Republic of Afghanistan to the WTO in July 2016. The General Council approved the recommendation.

1.6. The Secretariat presented the 2015 WTO Financial Performance Report. The Committee proposed that the General Council approve the transfers between budgetary sections therein outlined. The General Council approved it.

1.7. The External Auditors presented their report for 2015 to the Committee. Subsequent to its examination, the Committee recommended it for approval to the General Council. The General Council approved it.

1.8. The Committee took note of the Revision of the Adaptation of the Infrastructure contract. These revisions have no effect on the legal value and meaning nor do they generate any substantive consequence for the WTO and its premises.

1.9. The Committee was informed about revisions to the Treasury Management Policy.

1.10. The Committee reviewed the proposed revisions to the WTO Financial Rules. A recommendation has been made for the General Council to approve the concerned document during its meeting scheduled for 7th and 8th December 2016.

¹ Reports: WT/BFA/153 covering the meeting held on 3 March 2016; WT/BFA/154 covering the meeting held on 14 April 2016; WT/BFA/155 covering the meeting held on 21 June 2016; WT/BFA/156 covering the meeting held on 16 September 2016; WT/BFA/158 covering the meeting of 1 November; and WT/BFA/159 covering the meeting held on 30 November 2016.

1.11. In December 2013, the Director-General launched an Organizational Review process for the WTO Secretariat. The Secretariat regularly updated Members on the related subjects. These included the Bonus Working Group, the various groups assessing topics related to performance, the promotion policy and mobility initiative.

1.12. The Management Board of the WTO Pension Plan shared the Revised Rules of the WTO Pension Plan with the Committee. The Committee took note of the proposed revisions. The revisions will be sent to the General Council for approval during its meeting on 7th and 8th December.

1.13. The Committee examined the Mid-Term Review for the Biennium 2016-2017 of the WTO as well as that of the International Trade Center (ITC). Neither the WTO nor the ITC proposed a revision to their 2017 Budget. The Committee has made a proposal to the General Council to approve the WTO Members' Scale of Contributions for 2017, during its meeting scheduled for 7th and 8th December 2016.

1.14. During the year, two dedicated Working Groups (Working Group Concerning an Audit Committee and the Monitoring Group on ASHI Strategy Development) held several meetings.

1.15. The Working Group concerning an Audit Committee assessed whether there is a need for the Organization to have an Audit Committee. In its report to the Committee, the Working Group indicated that it had not been able to reach a consensus on this topic. Several Members of the Committee expressed the hope that the topic could be revisited at an appropriate time in future.

1.16. In November, the WTO Secretariat delivered a draft ASHI Strategy to the Monitoring Group on ASHI Strategy Development. The Monitoring Group asked for clarifications and provided feedback before suggesting a revised document be shared with the full Committee at its meeting on 30 November 2016. Members took note of the draft and expressed their general support for the strategy proposed. The WTO Secretariat will present the Committee with a slightly revised strategy that responds to Members' comments in the first quarter of 2017.
