



17 November 2017

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**ANNUAL REPORT FOR 2017 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 2017 is hereby submitted.

1.2. The Committee held several meetings and submitted ten reports¹ to the General Council in 2017. The Committee reviewed and took note 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 progress report on the WTO Pension Plan; a report on the WTO Medical Plan and ASHI contributions; the Actuarial Position of the WTO Pension Plan; the WTO Risk Management report; the Annual report on Diversity in the WTO Secretariat; the Human Resources Annual report on Grading Structure and Promotions; the 2016-2017 report on Staff Learning Development as well as the report of the Office of Internal Oversight.

1.3. The Committee took note of outstanding contributions from Members and Observers and invited the General Council to urge Members and Observers under Administrative Measures to liquidate their arrears. In addition, the Committee made a recommendation to the General Council to suspend the application of administrative measures for the Republic of Guinea-Bissau which agreed to liquidate all arrears over a period of 30 years. The General Council approved the recommendation.

1.4. The Director General addressed the Committee on two occasions on the following subjects: the WTO Building Renovation Fund; the Dispute Settlement area; the Secretariat Structure; After Service Health Insurance (ASHI) Liabilities; the Office of Internal Oversight (OIO); the 2018-19 Budget and the upcoming Ministerial Conference (MC11).

1.5. The Chief of the Office of Internal Oversight (OIO) presented his report on the Activity Plan conducted by the OIO from March 2016 to June 2017.

1.6. The Committee was informed about the launch of the new e-Registration application that will also be used for the Members' accreditation for the Eleventh Ministerial Conference.

1.7. The Committee reviewed the External Auditor's report for 2016 and recommended it for approval by the General Council. The General Council approved the External Auditor's report.

1.8. The Secretariat presented the 2016 WTO Financial Performance Report. The Committee proposed that the General Council approve the transfers between budgetary sections therein outlined. The General Council approved the 2016 Financial Performance Report.

1.9. During its meetings in 2017, the Senior Management strongly encouraged the Members to liaise with their authorities to consider making contributions in order to facilitate participation of LDC Members in the 11th Ministerial Conference. The Fund has been sufficiently replenished to enable Least Developed Countries to participate at the Ministerial Conference in Buenos Aires.

¹ Reports: WT/BFA/161 covering the meeting held on 24 February 2017; WT/BFA/162 covering the meeting of 31 March, WT/BFA/163 covering the meeting 18 May, WT/BFA/164 & WT/BFA/164/Rev.1 covering the meeting of 22 June; WT/BFA/165 covering the meeting of 18 July and WT/BFA/166 covering the meetings of 25 September, WT/BFA/167 covering the meeting of 12 October, WT/BFA/168 covering the meeting of 6 November and WT/BFA/169 covering the meeting of the 16 November 2017.

1.10. The Monitoring Group on ASHI, established in 2014 by the CBFA, presented to the Committee the WTO Medical Plan and ASHI Liabilities Strategy. That report highlighted the importance of establishing a Working Group on an ASHI Fund. The Committee agreed to establish this Working Group in February 2017 to further monitor the development of an ASHI Strategy Reserve Fund proposal. The Working Group on an ASHI Fund submitted its report to the Committee in October 2017. The Committee approved the establishment of a Special Reserve Account.

1.11. The Committee deliberated extensively on the subject of dependency allowances. Recommendations were made to the General Council in July and the General Council approved these. The Committee further endorsed the 2018 amounts on Dependency Allowances and submitted its recommendation to the General Council.

1.12. The Committee reviewed a request from the Staff Council to be represented during CBFA meetings. The Committee did not accede to this request.

1.13. Finally, the Committee examined and proposed to the General Council to approve the 2018-2019 Biennium budget proposals for the WTO and the International Trade Center (ITC) as well as the 2018-2019 Biennial Technical Assistance and Training Plan.
