



12 December 2023

(23-8524)

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ANNUAL REPORT FOR 2023 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 (CBFA) in 2023 is hereby submitted.

1.2. In 2023, the CBFA held seven formal meetings and submitted seven reports¹ to the General Council. The CBFA also held ten informal meetings.

1.3. The list of CBFA documents issued in 2023 is contained in Annex 1.

1.1 Regular and Other Items

1.4. The CBFA reviewed and took note of regular and other items, such as:

- a. the quarterly reports on the financial and extra-budgetary situation of the Organization ([WT/BFA/W/628](#) - [WT/BFA/W/645](#) - [WT/BFA/W/655](#) - [WT/BFA/W/629](#) - [WT/BFA/W/646](#) - [WT/BFA/W/656](#));
- b. the status of the balance of the LDC Ministerial Conference Trust Fund 2023-2024 ([WT/BFA/W/624](#) - [WT/BFA/W/647](#));
- c. the 2023 WTO Salary Survey and Dependency Allowances ([WT/BFA/W/620](#));
- d. the Annual Report on Grading Structure in the WTO Secretariat for 2022 ([WT/BFA/W/631](#));
- e. the WTO Secretariat staff's Learning and Development Programme for 2022 ([WT/BFA/W/621](#));
- f. the Annual Report on Diversity in the WTO Secretariat for 2022 ([WT/BFA/W/648](#));
- g. updates from the Chairperson of the WTO Pension Plan Management Board;
- h. WTO Pension Plan interim actuarial valuation for 2022 ([WT/BFA/W/638](#));
- i. an update on the WTO Medical Insurance Plan and ASHI ([WT/BFA/W/627](#));
- j. the Annual Strategic Facilities Plan ([WT/BFA/W/630](#));
- k. the report on the follow-up to Outstanding Recommendations of the External Auditors ([WT/BFA/W/641](#));

¹ [WT/BFA/211](#) covering the meeting held on 9 March 2023; [WT/BFA/212](#) covering the meeting of 16 May 2023; [WT/BFA/213](#) covering the meeting of 27 June; [WT/BFA/214](#) covering the meeting of 18 July 2023; [WT/BFA/215](#) covering the meeting of 21 September 2023; [WT/BFA/216](#) covering the meeting of 17 October 2023; and [WT/BFA/217](#) covering the meeting of 22 & 12 December 2023.

- I. the Audit and Evaluation Plan 2023-2024 of the Office of Internal Oversight and Launch of Internal Control Framework ([WT/BFA/W/626](#));
- m. the Annual Report of the activities of the Office of Internal Oversight for 2022-2023 ([WT/BFA/W/651](#));
- n. an update on the replacement of Documents Online ([WT/BFA/W/634](#)); and
- o. an internal compilation of the number of meetings of WTO Regular and Negotiating Bodies and the number of documents circulated between January 2021 and July 2023 ([WT/BFA/W/652](#)).

1.2 WTO 2024-2025 Budget Proposal

1.5. The Director-General presented the 2024-2025 budget proposal to the Committee on 18 July ([WT/BFA/W/643](#)).²

1.6. The budget proposal was discussed at formal meetings on 18 July 2023, 21 September 2023, 17 October 2023, 22 November 2023 and 12 December. Furthermore, the Secretariat circulated a note on the staffing elements of the budget ([WT/BFA/W/653](#)). Additionally, the CBFA held five informal technical sessions on budget-related matters: on HR and staffing considerations on 11 September 2023; on non-HR technical budget elements on 18 September 2023; on posts and the regular budget, technical assistance travel, Trust Fund performance audit, and Trust Fund guidelines on 2 October 2023; on the budget proposal and IT Projects on 12 October; and on the streamlined WTO Secretariat budget proposal 2024-2025 ([WT/BFA/W/654](#)) on 2 November.

1.7. Following extensive consultations and an informal meeting on 24 November, the Secretariat issued an updated budget document ([WT/BFA/W/659/Corr.1](#)), which reflected an emerging consensus among Members for a compromise on the budget increase. Subsequently, the Committee met informally on 8 December to express views in anticipation of a formal meeting the following week.

1.8. On 12 December, the Committee continued its meeting of 22 November. The Committee deferred a decision on pension reform, and it will be taken up again in early 2024. Regarding the WTO 2024-2025 budget and disposition of the 2021 surplus, the Committee, except one Member, endorsed recommendations contained in para. 3.14 of document [WT/BFA/217](#). That recommendation was conveyed to the General Council.

1.3 ITC 2024-2025 Budget Proposal

1.9. The ITC Executive Director presented the 2024-2025 budget proposal to the Committee on 18 July [JOB/BFA/84](#).

1.10. The CBFA discussed the ITC budget proposal at formal meetings on 18 July 2023, 21 September 2023, and 17 October 2023.³

1.11. At the 12 December meeting, the Committee, except one Member, endorsed the recommendation to be made to the General Council regarding the 2024-2025 ITC budget proposal contained in para. 3.14 of document [WT/BFA/217](#) regarding the overall budget proposal.

² The discussions on the WTO budget proposal correspond to the following Committee Reports: [WT/BFA/214](#) - [WT/BFA/215](#) - [WT/BFA/216](#) - [WT/BFA/217](#).

³ The discussions on the ITC budget proposal correspond to the following Committee Reports: [WT/BFA/214](#) - [WT/BFA/215](#) - [WT/BFA/216](#) - [WT/BFA/217](#).

1.4 Pension Plan

1.12. The CBFA took note of the 2022 WTO Pension Plan Audited Financial Statements and the External Auditor's Report. The recommendation for the approval of the Audited Financial Statements, to the General Council, is under the mandate of the WTO Pension Plan Management Board.

1.13. The Chairman of the WTO Pension Plan Management Board presented recommendations on the reform of the WTO Pension Plan, aimed at addressing the actuarial gap between the pension plans assets and liabilities.

1.14. At the meeting on 12 December, the Committee deferred a decision on pension reform to early 2024.

1.5 Transformation Exercise

1.15. Regular updates on the WTO Secretariat Transformation Exercise ([WT/BFA/W/625](#) - [WT/BFA/W/635](#) - [WT/BFA/W/642](#) - [WT/BFA/W/649](#) - [WT/BFA/W/658](#))⁴ were provided at each CBFA meeting by Deputy Director-General Angela Ellard.

1.16. Furthermore, an informal meeting with the Transformation Office was organised on 25 April 2023 at which Members had an opportunity to ask questions and seek clarifications regarding the ongoing transformation work to develop vision statement and strategic pillars for the Secretariat.

1.6 External Audit

1.17. The External Auditors presented their report on the Performance Audit on Governance and Management of Extra-Budgetary Trust Funds ([WT/BFA/W/622/Rev.1](#)).

1.18. The CBFA reviewed the 2022 WTO Audited Financial Statements and the External Auditor's Report and recommended that the General Council approve the 2022 WTO Audited Financial Statements. In addition, the CBFA proposed that the General Council approve transfers between budgetary sections as outlined in the 2022 WTO Financial Performance Report.⁵

1.7 Outstanding Contributions from Members and Observers

1.19. The CBFA took note of outstanding contributions from Members and Observers ([WT/BFA/W/619](#)) and invited the General Council to urge Members and Observers under administrative measures to liquidate their arrears. Furthermore, the Chairperson of the CBFA read out the list of Members and Observers under administrative measures at every General Council meeting.

1.8 Use of Building Renovation Fund

1.20. The CBFA approved a request to draw funds from the Building Renovation Fund to update audio-visual equipment in the WTO conference rooms ([WT/BFA/W/650](#)).⁶

1.9 2024-2025 Biennial Technical Assistance and Training Plan

1.21. The CBFA approved the budgetary aspects of the 2024-2025 Biennial Technical Assistance and Training Plan ([WT/COMTD/W/273](#) - [WT/COMTD/W/273/Corr.1](#)).⁷

⁴ Updates of the Transformation Exercise correspond to the following Committee reports: [WT/BFA/211](#)-[WT/BFA/212](#) - [WT/BFA/213](#) - [WT/BFA/214](#) - [WT/BFA/215](#) - [WT/BFA/216](#) - [WT/BFA/217](#).

⁵ The approval can be found in the following Committee Report [WT/BFA/213](#).

⁶ The approval can be found in the following Committee Report [WT/BFA/215](#).

⁷ The approval can be found in the following Committee Reports [WT/BFA/215](#) - [WT/BFA/217](#).

ANNEX 1**LIST OF CBFA DOCUMENTS ISSUED IN 2023**

Symbol	Title of the document
WT/BFA/W/618	2023 Draft Work Plan for the Committee on Budget, Finance and Administration
WT/BFA/W/619	Outstanding Contributions from Members and Observers as at 31 December 2022
WT/BFA/W/620	2023 WTO Salary Survey and Dependency Allowances: Cumulative Movement of the WTO Salary Scale in 2018 – 2023
WT/BFA/W/621	WTO Secretariat's Staff Learning and Development Programme 2022
WT/BFA/W/622	Performance Audit Report of the Independent External Auditor on the Governance and Management of Extra-Budgetary Trust Funds
WT/BFA/W/622/Rev.1	Performance Audit Report of the Independent External Auditor on the Governance and Management of Extra-Budgetary Trust Funds – Revision 1
WT/BFA/W/623	Secretariat's Responses to the Report of the Independent External Auditor on the Performance Audit on Governance and Management of Extra-Budgetary Trust Funds
WT/BFA/W/624	LDC Ministerial Conference Trust Fund 2023-2024
WT/BFA/W/625	WTO Secretariat Transformation Exercise as of 22 February 2023 for CBFA Meeting on 9 March 2023
WT/BFA/W/626	Office of Internal Oversight (OIO)– Audit and Evaluation Plan 2023-2024 and Launch of Internal Control Framework
WT/BFA/W/627	Update on WTO Medical Insurance Plan and ASHI
WT/BFA/W/628	WTO Budget and Finance Report - 1 st Quarter 2023
WT/BFA/W/629	Quarter 1 2023 Extra Budgetary Funds Report
WT/BFA/W/630	Strategic Facilities Plan
WT/BFA/W/631	2022 Annual Report on Grading Structure in the WTO Secretariat
WT/BFA/W/632	WTO 2022 Financial Performance Report
WT/BFA/W/632/Rev.1	WTO 2022 Financial Performance Report – Revision 1
WT/BFA/W/633	Reform Proposal for Addressing the Pension Plan's Funding Gap
WT/BFA/W/634	Update on the Replacement of Documents Online (DOL)
WT/BFA/W/635	WTO Secretariat Transformation Exercise as of 1 May 2023 for CBFA Meeting on 16 May 2023
WT/BFA/W/636 – WT/L/1167	WTO Pension Plan - Annual Report and Financial Statements for the year ending 31 December 2022
WT/BFA/W/637 – WT/L/1168	WTO Pension Plan - Report of the Independent External Auditor on the Audit of the Financial Statements of the World Trade Organization Pension Plan for the Financial Year ended 31 December 2022
WT/BFA/W/638	WTO Pension Plan 2022 Interim Actuarial Valuation

Symbol	Title of the document
WT/BFA/W/639	Report of the Independent External Auditor on the Audit of the Financial Statements of the World Trade Organization (WTO) for the Financial Year ended 31 December 2022
WT/BFA/W/639/Rev.1	Report of the Independent External Auditor on the Audit of the Financial Statements of the World Trade Organization (WTO) for the Financial Year ended 31 December 2022 – Revision 1
WT/BFA/W/640	Secretariat's Responses to External Auditor's Recommendations on the Audit of the Financial Statements of the World Trade Organization for the Financial Year ended 31 December 2022
WT/BFA/W/641	Secretariat's Responses to the follow-up to Outstanding Recommendations of the External Auditors
WT/BFA/W/642	WTO Secretariat Transformation Exercise as of 12 June 2023 for CBFA Meeting on 27 June 2023
WT/BFA/W/643	WTO 2024-2025 Budget Proposal
WT/BFA/W/644	Recommendation of the WTOPP Management Board for Addressing the Pension Plan's Funding Gap
WT/BFA/W/645	WTO Budget and Finance Report – 2 nd Quarter 2023
WT/BFA/W/646	Quarter 2 2023 Extra Budgetary Funds Report
WT/BFA/W/647	LDC Ministerial Conference Trust Fund 2023-2024
WT/BFA/W/648	2022 Annual Report on Diversity in the WTO Secretariat
WT/BFA/W/649	Status Report on the WTO Secretariat Transformation Exercise as of 6 September 2023 for CBFA Meeting on 21 September 2023
WT/BFA/W/650	Request to Draw Funds from the Building Renovation Fund to Update Audio-Visual Equipment in WTO Conference Rooms
WT/BFA/W/651	Annual Report on the Activities of the Office of Internal Oversight (OIO) 2022-2023
WT/BFA/W/652	Internal compilation - Number of Meetings of WTO Regular and Negotiating Bodies and Number of Documents Circulated (January 2021-July 2023)
WT/BFA/W/653	Secretariat Staffing Resources Compressed by Increasing Costs and Decreasing Resources - Budget Proposal 2024-2025
WT/BFA/W/654	Streamlined WTO Secretariat Budget Proposal 2024-2025
WT/BFA/W/655	WTO Budget and Finance Report – 3 rd Quarter 2023
WT/BFA/W/656	Quarter 3 2023 Extra Budgetary Funds Report
WT/BFA/W/657	Draft Annual Report for 2023 of the Committee on Budget, Finance and Administration
WT/BFA/W/658	Status Report on the WTO Secretariat Transformation Exercise as of 7 November 2023 for CBFA Meeting on 22 November 2023
WT/BFA/W/659	Updated Secretariat WTO 2024-2025 Budget Proposal and Disposition of the 2021 Budget Surplus
WT/BFA/W/659/Corr.1	Updated Secretariat WTO 2024-2025 Budget Proposal and Disposition of the 2021 Budget Surplus - Corrigendum

Symbol	Title of the document
WT/BFA/INF/18	Note from the Secretariat on the Working Capital Fund
WT/BFA/INF/19	Responses to Questions Raised by a Member during the CBFA Meeting on 16 May 2023

Symbol	Title of the document
JOB/BFA/76	DDG Ellard's Update on the Secretariat's Transformation Exercise - CBFA Meeting - 9 March 2023
JOB/BFA/77	Presentation of the External Auditor's Performance Audit Report on the Governance and Management of Extra-Budgetary Trust Funds – CBFA Meeting – 9 March 2023
JOB/BFA/79	DDG Ellard's Update on the Secretariat's Transformation Exercise - CBFA Meeting - 16 May 2023
JOB/BFA/81	WTO Pension Plan Reform - Communication from the European Union and its 27 Member states
JOB/BFA/82	DDG Ellard's Update on the Secretariat's Transformation Exercise - CBFA Meeting - 27 June 2023
JOB/BFA/84	2024-2025 ITC Budget Proposal
JOB/BFA/84/Corr.1	2024-2025 ITC Budget Proposal - Corrigendum
JOB/BFA/85	Letter from the CBFA Chair to the WTO Staff Council on the WTO Pension Plan Management Board's Reform Proposal
JOB/BFA/86	Reply from the WTO Staff Council to the CBFA Chair's Letter on the WTO Pension Plan Management Board's Reform Proposal
JOB/BFA/87	DDG Ellard's Update on the Secretariat's Transformation Exercise - CBFA Meeting - 18 July 2023
JOB/BFA/89	DDG Ellard's Update on the Secretariat's Transformation Exercise - CBFA Meeting - 21 September 2023
JOB/BFA/90	DDG Ellard's Updated Speaking Note on budget – CBFA Meeting - 21 September 2023
JOB/BFA/92	DDG Ellard's Update on the Secretariat's Transformation Exercise - CBFA Meeting - 17 October 2023
JOB/BFA/93	Office of Internal Oversight (OIO)'s Speaking Notes on the Annual Report on its Activities for 2022-2023 – CBFA Meeting – 17 October 2023
JOB/BFA/95	Elements for a Budget Outcome Based on a Compromise by a Group of Members
JOB/BFA/96	DDG Ellard's Update on the Secretariat's Transformation Exercise - CBFA Meeting - 22 November 2023