REPORT ON THE COMMITTEE ON BUDGET, FINANCE 
AND ADMINISTRATION

INTRODUCTION

1. The WTO Committee on Budget, Finance and Administration and the GATT 1947 Committee on Budget, Finance and Administration, hereafter referred to jointly as the Committee, met on 17 February 1995.

2. The Committee was chaired by Mr. J.-M. Metzger of France. The terms of reference and composition of the WTO Committee are set out in document PC/IPL/2 of 28 October 1994.

3. The Agenda in document WTO/AIR/15, GATT/AIR/3672 was adopted with the addition of the Contracting Parties’ representative on the United Nations Pension Board and comments on various administrative measures.

A. FUNCTIONING OF THE COMMITTEE ON BUDGET, FINANCE 
AND ADMINISTRATION OF THE WTO/GATT

4. The Chairman expressed his thanks to his predecessor, Mr. P. Gosselin, and recalled that many administrative and financial questions with regard to the World Trade Organization had been settled in 1994 both in the Preparatory Sub-Committee on Budget, Finance and Administration as well as in the Working Group headed by Mr. P. Gosselin. There remained, nevertheless, a heavy work programme before the Committee in 1995 which would require formal meetings and meetings of informal working groups, as was the case in 1994. He suggested that the Committee follow the procedures of the General Council except for that concerning votes, as he expected the Committee to continue to work by consensus. Meetings would be held monthly, at least until the summer break, and the working groups might have to meet more frequently.

B. PROGRAMME OF WORK FOR THE COMMITTEE IN 1995

Management Review

5. The Chairman indicated that the Chairman of the General Council intended to hold an informal meeting on the Management Review in the near future. On that basis, the Budget Committee would undertake a study of the Review and would further report to the General Council. Work in the Committee should start in March in order to be in a position to make a report to the next meeting of the General Council.
Status of Personnel of the WTO

6. The Chairman recalled that questions related to the personnel of the WTO should be resolved by 30 June 1995, the date when the ICITO would cease to exist. The issues under this topic concerned employment contracts for the WTO staff, staff regulations, salaries and pensions.

International Trade Centre (ITC)

7. The Chairman said that once a policy decision had been taken by the General Council with regard to the future relationship with the ITC, the administrative implications of the decision would have to be examined by the Committee with a view, if necessary, to undertake negotiations with the United Nations early in May.

Basis for Assessing Contributions to the WTO

8. It was recalled that a Working Group in 1994 had examined the question of a new basis for assessing contributions to the WTO which would take into consideration the widened scope of activities of the Organization (Trade in Services, Intellectual Property, in addition to Trade in Goods). As the Preparatory Committee for the WTO had decided that this new basis should be applied as from the budget for 1996, it would be necessary to resolve the question before July 1995. The Chairman thought that, in the near future, a Working Group could continue the examination of the question which began in 1994.

Financial Rules and Regulations for the WTO

9. The Financial Rules and Regulations which are to embody the GATT practice, would have to be submitted by the Secretariat to the Committee before the summer break.

Administrative Measures: Inactive Members

10. It was recalled that certain points relative to Inactive Members under the Administrative Measures, particularly concerning the manner in which the contributions for such Members should be accounted for, remained to be discussed this year.

Logo for the WTO

11. As the question of the Logo for the WTO had not been decided upon in 1994, the Chairman said that it would be necessary to re-examine the situation in the Committee in 1995.

External Auditor

12. The Chairman indicated that the Committee should have an exchange of views with regard to the work and the mandate of the external auditor. One member of the Committee suggested that the attribution of the mandate of the External Auditors could also be discussed.

Usual Work of the Committee

13. It was recalled that, in addition to the above topics, there remained the usual work of the Committee such as examination of the Director-General’s Financial Report on the 1994 Accounts and Report of the External Auditor Thereon, which should be completed before the summer break, and reports relative to the past activities of the International Trade Centre.
Establishment of Working Groups

14. The Chairman suggested that two Working Groups, one dealing with the basis for the assessment of contributions to the budget and one dealing with personnel-related questions, should be formed in the near future. He requested members of the Committee who were interested in taking part in the work of the Working Groups to so indicate to him. It was mentioned that the size of the Working Groups should not be too large.

15. In terms of a calendar for the work, the Chairman indicated that the discussions on the Management Review should begin relatively soon. With regard to personnel question, it would be necessary to verify whether the proposal made by the Secretariat in 1994 was still valid. He hoped that work could begin in March.

C. OTHER BUSINESS

16. The delegate who acted as representative of the Contracting Parties on the United Nations Joint Staff Pension Board said that he would not be able to serve in that capacity for the entire year. Consequently, he suggested that the Committee might identify a replacement.

17. A member of the Committee suggested that the manner of recording the work of the Committee might be re-examined with a view to more detailed reports. He also thought it would be useful to have separate copies of individual Uruguay Round agreements in order to facilitate their use in meetings. Finally, he emphasized the role of the Committee with regard to monitoring the administration of the organization.

18. The Work Programme proposed by the Chairman was adopted. The next meeting of the Committee would follow the informal consultations on the Management Review being organized by the Chairman of the General Council.

19. Delegates of the following contracting parties/members expressed an interest at this stage in participating in the Working Groups: Argentina, Australia, Bangladesh, Belgium, Brazil, Canada, Colombia, Egypt, Finland, France, Germany, Hong Kong, India, Italy, Japan, Korea, Morocco, Netherlands, Spain, Sweden, Switzerland, United Kingdom, United States, and Venezuela.