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|  | **Document CWG-FHR-20/4** |
| **20 January 2025** |
| **English only** |
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| Report by the Secretary-General | |
| METHODOLOGY FOR PROVISION OF ESTIMATES OF THE FINANCIAL IMPLICATIONS OF PROPOSED DECISIONS AND RESOLUTIONS AT ITU CONFERENCES AND ASSEMBLIES | |
| **Purpose**  In response to a request from the Council and discussions in Committee 2 of the WTSA, the purpose of this document is to provide information regarding the methodology used to calculate the financial implications of decisions and resolutions made at conferences and assemblies and to propose changes to the process to enable the availability of relevant financial implications prior to the relevant conference or assembly.  **Action required**  The Council Working Group on financial and human resources is invited to **note** the information provided in this document and to **consider** the proposals for future conferences and assemblies.  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  **References**  [*CWG-FHR website*](https://www.itu.int/en/council/cwg-fhr/Pages/default.aspx) | |

Introduction

1 This document provides a proposal for a methodology to assist membership to estimate the financial consequences of decisions/resolutions approved by conferences and assemblies.

Current process for estimating financial implications

2 During world conferences and assemblies, the work to assess and discuss the financial consequences of decisions and resolutions is conducted by the secretariat in support of the Budget Committee. When a decision or resolution is made by the conference or assembly, an exercise is undertaken to identify the **level and type** of resources required to implement a decision/resolution. This exercise is undertaken by the relevant staff at the Conference within the Bureau or General Secretariat department responsible for the implementation of the decisions/resolutions, in collaboration with the secretary of the committee concerned, supported by the secretariat of the Budget Control Committee. This includes consideration of activities that are no longer necessary or obsolete because of the decision or resolution. Once the level of resources is determined, the cost of those resources is estimated by the secretariat to the Budget Control Committee and the financial implications are presented to the Plenary of the Conference or Assembly

3 As the deliberations progress, the secretariat reviews proposals, assesses the resource requirements, and provides the relevant substantive committee with inputs on the financial consequences. Currently, the financial implications are known to the full conference or meetings only after the decision is made by the substantive committee. In recent years, conferences and assemblies have developed new resolutions and decisions which result in financial consequences which must urgently be addressed by ITU but cannot be accommodated within existing budgetary provisions. This can result in challenges for ITU in achieving its mandate as it can impact the full achievement of ITU’s existing workstreams, in favour of partial efforts in new areas.

Proposed process for pre-conference assessment of financial implications

4 To alleviate this challenge, the Secretariat proposes the implementation of a process whereby possible financial and resource implications of proposals presented to world conferences and assemblies are known to delegates to the conference or assembly before the decision is made. With this information, delegates would be able to assess the decision or resolution in the context of the resources required for implementation and address any impact the decision or resolution may have.

5 In this regard, it is proposed that upon receipt of proposals to conferences or assemblies that have been submitted on behalf of a recognized ITU regional group, the secretariat to the conference or assembly will, upon request by the relevant regional group, prepare an estimate of the financial implications of the proposal. These implications will be submitted to the first meeting of the Budget Control Committee of the conference or assembly as an information document. The preparation of the estimate shall be prepared following the process set out in the remaining sections of this document.

**Criteria for estimation of financial consequences**

6 The financial consequences of a decision or resolution are determined by identifying the expenses for the new activities that will need to be carried out, less any savings that can be achieved due to the cessation of any activities that may have been made obsolete due to the relevant decision or resolution. The process for estimating these financial consequences by the process set out below.

7 An exercise is undertaken to identify the **level and type** of resources required to implement a decision/resolution, in relation to the categories in paragraph 8 below. This includes the identification of activities that are no longer necessary or obsolete as a result of the decision or resolution. This exercise is undertaken by the relevant staff within the Bureau or General Secretariat department that would be responsible for the implementation of the decision/resolution. Once the level and type of resources have been determined, the cost for the provision of these resources is determined by the responsible Bureau or department in collaboration with the secretariat of the Budget Committee and the Financial Resources Management Department of ITU.

8 Expenses for ITU activities occur generally in relation to one or more of the following categories:

– staff costs and consultancy services

– conduct of meetings and events

– fellowships

– documentation (translation/typing/reprography)

– other operational expenses (including IT equipment software and services, travel expenses, rental expenses, etc.)

– overhead.

9 The costs of activities are calculated in accordance with the following guidelines:

Staff costs and consultancy services

The level and volume of the staff costs and consultancy services required are estimated based on the additional effort, complexity, and workload inherent to the decision/resolution.

For ITU human resources, the average budgeted rates per grade are used to calculate the amount of additional resources needed. The same methodology is used for short-term resources or special service agreements (SSAs) for consultant services, using rates in force at the time the calculations are made. It should be noted that additional human resource requirements may be implemented by the recruitment of new resources or the full or partial reassignment of existing resources from other activities. Where a resource is expected to be utilized on a partial basis, the cost is pro-rated for the specific activity.

As an example, the following table provides the 2024-2025 average standard budget rates per grade:

|  |  |
| --- | --- |
| Average standard costs per grade Budget 2024-2025 rates (Monthly costs) | |
| Grade | CHF |
| D2 | 24 718 |
| D1 | 23 609 |
| P5 | 20 262 |
| P4 | 17 385 |
| P3 | 14 607 |
| P2 | 11 642 |
| P1 | 10 584 |
| G7 | 14 413 |
| G6 | 12 588 |
| G5 | 11 314 |
| G4 | 10 152 |
| G3 | 9 844 |

Events and meetings

Where implementation of a decision or resolution requires ITU to host one or more meetings, the following parameters are included in the cost estimate:

– Number and duration of meetings – The number and duration of meetings estimated to implement the decision or resolution will be used to assess the quantum of the total costs on a per-meeting basis.

– Interpretation languages – Interpretation costs will be assessed based on the Table of Interpretation Costs provided below.

– Staff and expert travel costs – These costs are estimated on the number of staff and experts expected to travel to each meeting or event, based on ITU prevailing rates of DSA and estimated flight/transportation costs.

– Captioning – Costs for captioning, where included, are based on ITU's rates payable to its captioning service provider.

The following table provides the interpretation budgeted rates for a one-week meeting for the languages indicated:

|  |  |
| --- | --- |
| Interpretation  Budget 2024-2025 rates (One week – 5 days meeting) | |
| Languages | CHF |
| 2 languages | 18 502 |
| 3 languages | 29 603 |
| 4 languages | 37 003 |
| 5 languages | 51 805 |
| 6 languages | 73 203 |

Fellowships

Where membership decides that fellowships should be offered for an activity, estimates are based on the following criteria:

– meeting/event location for travel costs and per diem estimates

– type of fellowships (partial, i.e. travel or per diem) or full fellowships

– meeting duration

– number of fellowships anticipated or to be offered (this is based on whether the meeting or event is regional or global which will impact the number of eligible countries).

Documentation

Costs are calculated based on the number of pages and languages required. The table below provides the budgeted rates per language for translation and typing (2024-2025 budget rates).

| Documentation costs Budget 2024-2025 rates | |
| --- | --- |
|  | CHF |
| **Text processing (per page)** |  |
| Arabic text processing | 57.28 |
| Chinese text processing | 55.74 |
| English text processing | 95.76 |
| French text processing | 57.29 |
| Russian text processing | 57.28 |
| Spanish text processing | 53.77 |
| **Translation (per page)** |  |
| Arabic translation | 142.16 |
| Chinese translation | 153.54 |
| English translation | 328.53 |
| French translation | 148.19 |
| Russian translation | 149.51 |
| Spanish translation | 149.07 |
| **Reprography (for 1 000 pages)** | 417.32 |

Other operational expenses

Specific other operational expenses are included where anticipated and are estimated based on detailed requirements based on the input from the responsible Bureau or General Secretariat department.

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