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>> CHAIR: Good morning, everyone. I would like to welcome you to the 7th ADM Committee. Today we have 30 minutes. We have until 10 o'clock to complete our work. And we have a hard stop at 10 o'clock. So the only thing on our agenda today is it is in DT9 and we have to approve the budget which is in DT7. So if everyone would turn to DT7 we will proceed in that manner. I have Thailand asking for the floor. Thailand, you have the floor. Okay. Thank you. So I will ‑‑ we have our budget in DT7. If ‑‑ I will turn it over to Mr. Ba to explain DT7 and the draft resolution that is included. Mr. Ba, you have the floor.

>> ALASSANE BA: Thank you, Madam Chair. Good morning, everyone. On behalf of the Secretary‑General I have the honor of introducing document C17/DT/7. It contains the draft budget for the 2018‑2019 period. As you will be aware the contributory unit was fixed at 318,000 Swiss francs. This draft budget is also based on the provisions of decision 5 revised at Busan in 2014 as well as the provisions of Article 11 of the financial regulations and financial rules of the Union which established the budget for an amount of 324,617,000 Swiss francs. That is 159,877,000 for 2017 and 164,740,000 for the 2019 year.

In addition to this as I wish to indicate the ‑‑ some of the contributory units was fixed at 318,000 Swiss francs. In accordance of 160 of the constitution and 468 of the International Telecommunication Union the total number of 334 and a quarter units. To set the annual value of the contributory unit for the sector members at 63,600 Swiss francs, to set the financial contribution for associates as 10,600 for associates participating in the work of the T and the R sector. At 3975 Swiss francs for associates participating in the work of ITU‑D and 1987 Swiss francs for associates from Developing Countries participating in the work, ITU‑D.

To set the annual fee for academia and Universities and their associated research establishments as follows: At 3975 Swiss francs for organizations from Developed Countries and at 1987 Swiss francs of teams of organizations from Developing Countries. Under paragraph 5 it authorizes the Secretary‑General to adjust the appropriations in relation to items of expenses indicated under subparagraphs A and B. If there is an increase in salary scales, pension contributions and allowances including post adjustments applicable to Geneva as adopted by the United Nations common system. And to take in to account fluctuations in the exchange rate between the U.S. dollar and the Swiss francs insofar as this affects the staff costs for those staff members on United Nations based scales. Subparagraph 6 to grant the Secretary‑General for the 2018‑2019 biennium with respect to rule 6.1 of the financial regulations of eventual rules the necessary flexibility to compensate overspend on categories 1 and 2 staff costs, from savings on categories 3 to 9 and to make the necessary transfers if so needed. Paragraph 7 authorizes the Secretary‑General to balance the 2018‑2019 accounts should the need arise from surplus in revenue and paragraph 8 to instruct the Secretary‑General to transfer 1 million Swiss francs from the reserve account on January 1, 2018 to the ASHE fund in order to address the unfunded long‑term liabilities. This is a decision taken at the Plenipotentiary, a million per biennium. We already had to do this during the 2016‑2017 budget. The Council at its 2016 session authorized this transfer of 1 million Swiss francs.

So here we are also requesting that the Secretary‑General be authorized and requested to transfer 1 million Swiss francs from the reserve account to the ASHE fund. So there you have it, Madam Chair. There are also some changes in the tables, particularly in table 10 of this draft resolution. Following the request of the United States of America we've given more detail as regards the regional offices in table 10. We have also made some changes in table 11 which has, in fact, been added to. And we now have table 11BIS which includes estimated expenditure for regional offices.

Now turning to table 8 on the ITU‑T, we are showing in the next budget, 2020 to 2021, we will have a breakdown of expenditure by Study Group. And I am ready to respond to any questions you might have on this document, DT7. It also reflects the discussions that we had yesterday around document DL3 Rev 1. All of these discussions are reflected in this draft decision. Thank you very much, Madam Chair.

>> CHAIR: Thank you, Mr. Ba. So I now open C17/DT/7 for discussion. I see no one asking for the floor. U.S., you have the floor.

>> UNITED STATES: Thank you, Madam Chair. And let me thank the Secretariat, Mr. Ba for the presentation of the budget and also for responding to our requests for additional detail on the regional offices as well as the ITU‑T Study Groups. I'd like to ask through you, Madam Chair, on clarification for on how the issues that were raised in the parking lot in DL3 Revision 1 were addressed in this budget. We had had, for example, some discussion on expenditure 2 which was to raise the status of the ITU area office for the CIS countries to the status of a regional office. So how has that been addressed in this budget? In addition I would like to ask how the ICSC decision is reflected in this budget. And what measures are being taken to address that. Thank you, Madam Chair.

>> CHAIR: I now have ‑‑ I will ask Mr. Ba to address all the questions after the discussion. Germany, you have the floor.

>> GERMANY: Thank you, Madam Chair. And good morning. We congratulate the Secretariat and Mr. Ba and his team in particular for having reacted so quickly in amending the budget document, including the items that we discussed yesterday in DL3. I have a similar question like the United States on how the costs for the Moscow upgraded office are already addressed in this budget. I have a remark rather than for the Council than for the Secretariat. Madam Chair, the whole budget exercise and having a balanced budget during these four years of the present financial plan have been achieved by ITU on the application of rigid savings measures among others around 70 staff posts have been eliminated from the budgeted staff posts. So we created a few ‑‑ I guess the net decrease is 64 meanwhile in four years period.

Madam Chair, if we continue like this, in future periods among others one of the consequences would be that we need at least one floor less in the new Varembe building. So it is an appeal to all of us that for future financial plan exercises we should be a little bit more careful and not request savings that are mainly covered by reduction of staff in the Union. Thank you very much, Madam Chair.

>> CHAIR: Thank you, Germany. Russia, you have the floor.

>> RUSSIAN FEDERATION: Thank you, Madam Chair. For our part we would like to thank the Secretariat for the work it has done and note the efforts that they have made to compile this balanced document. Thank you.

>> CHAIR: Thank you, Russia. Canada, you have the floor.

>> CANADA: Thank you, Madam Chair. Good morning to you and to all colleagues. And I join others in thanking the Secretariat and particularly Mr. Ba and his team for all the hard work done and the timely submission of this document.

Madam Chair, just to add our voice in regards to the questions by the United States on some of the items, if not all of the items in DL3 how they are being reflected in this budget. And also a question to the effect as to whether that document, DL3, would be an annex that should be the case to the draft budget so that there could be more clarity in interpreting the draft budget as it relates to the items that were in the so‑called parking lot. Thank you, Madam Chair.

>> CHAIR: Thank you, Canada. I have Japan asking for the ‑‑ Japan, you have the floor.

>> JAPAN: Thank you, Madam Chair. Good morning. I appreciate the Secretariat's efforts to make a balanced budget plan. So I ask to clarify, I would like to clarify that ‑‑ I would ask in the future savings plan like in the same opinion of Germany and is that transfer from the account, I want to know the future savings plan, please. Thank you, Madam Chair.

>> CHAIR: Thank you, Japan. Mr. Ba, we have no more requests for the floor. Would you please address the questions from what we have received? Thank you.

>> ALASSANE BA: Thank you, Madam Chair. I'd like to thank the Delegates for their questions. I will take the interventions in order. So I will begin with the question from the United States of America about the Moscow office. You can see in table 11 and 11BIS that we have added an amount of 523,000 Swiss francs starting from 2019. And as you indicated yesterday in saying that this will depend on the decision taken by the Council, namely about the standard structure that's going to be applied by the Moscow office, the maximum amount for this structure, the standard structure taking in to account the current structure as a zone ‑‑ an area office rather is 523,000 Swiss francs. This is a reflected in table 11BIS but starting from 2019. As you also indicated yesterday this will be possible thanks to savings expected for the 2017 and 2018 financial years. This will all depend on the decision made on the document on the regional presence which if I have understood correctly is going to be discussed today in Plenary. And as soon as a decision is made we will reflect the decision in the implementation of the budget rather. But the 523,000 Swiss francs are already reflected in this budget starting from 2019.

The other question about the measures taken by ICSC on this subject I can say that when we compiled this draft budget we took the current existing salary scale because this was a budget we began to prepare at the beginning ‑‑ rather at the end of the month of January when the Council Working Group on financial and human resources is meeting. And as you will see any document that has financial implications needs to be submitted to the Council session seven weeks before the session in question. So the draft budget that we are submitting to you includes the current scale. It doesn't take in to account salary reductions.

If the Secretary‑General applies the measures which are being promoted by the ICSC, of course, the implementation of the 2018‑2019 budget implementation will see some expected savings. And if there are savings then we will also share with you these savings. And the Council will have to allocate. Otherwise these savings will be sent to the reserve fund. That's the practice if there is surplus or unutilized credit will be sent to the reserve fund. The current budget does not take in to account the current measures of which the ICSC is favoring.

Now turning to the question from Germany about the Moscow office, I think I responded to this. I think this is an issue perhaps not to be handled by the Secretariat, more by the members of the Council. I would leave it up to you to consider this question. Canada is asking whether the elements which were discussed yesterday in DL3 Rev 1 are being reflected in the draft budget. Yes, they are in the draft budget. We could even add DL3 Rev 1 as an annex to this document which will be sent by the ADM Committee to the Plenary for approval. But if you would like more details on DL3 they are actually in the budget.

So, for example, as regards security I could invite you to look at table 2 which is in this draft resolution. It will be financed in 2019 by savings made during the 2017 to 2018 period. The Secretary‑General closed the accounts for 2016 with savings allocated a million Swiss francs to finance security. As regards decisions with financial implications from WTSA‑2016 the modifications for those have been made in various tables. That's table 8 and 9 in particular of this draft budget. And table 2 which covers revenue is also affected by these measures. The BR, the Radiocommunication Bureau is covered by table 6 and 7 of this ‑‑ of this document.

You will see that 500,000 Swiss francs per year have been allocated to the space department. You will see ‑‑ you will see also that 200,000 Swiss francs has also been added to these various tables for the 2018‑2019 period as well as 300,000 for revenue from satellite network filings. All of these considerations are reflected in table 6 and 7 but also in tables 1 and 2 of this draft resolution.

Now as regards to the gender post, it has been attached to this Strategic Planning Management Department of the Secretary‑General. And a sum of 175,000 Swiss francs has been reflected for 2018‑2019. And the UIFN numbers issue has also been reflected in the TSB table.

Now as regards free online access, as was indicated following the presentation of the document from Poland, the financial impact is minimal. It is 10,000 Swiss francs a year. So that's 20,000 for the period, the biennium. This does not greatly affect the draft budget. We have also increased as indicated in table 2 a revenue from satellite network filings.

Now as to the last question from Japan, it is the 2016 to 2019 financial plan which instructed the Secretary‑General to allocate 2 million Swiss francs in this period. The 2016 to 2019 financial plan which was approved at the Council 2015 also authorized the withdrawal of 1 million. So we are doing this in order to respect the financial plan which was approved to 2016 to 2019. On Monday during the presentation of document 42 the financial management report, it was also indicated that the level of the reserve account is at more than 27 million Swiss francs. That's more than 16.8% compared to the budget. The minimum is 6.1% in accordance with decision 5. So there you have it, Madam Chair. I think I covered all the questions that were asked. Thank you.

>> CHAIR: Thank you, Mr. Ba. With that I would ‑‑ United States, you have the floor.

>> UNITED STATES: Thank you, Madam Chair. And thank you, Mr. Ba, for your explanations. It seems to us that since the budget doesn't include any decision from the ICSC and that the Secretary‑General will be consulting with other agencies in the Geneva area with the ICSC that we need to take some sort of measure in the adoption of the budget to bring it in line with whatever decision ultimately results. And so we would propose to add another resolves to the resolution that would instruct the Secretary‑General to revise the budget as required to implement applicable post adjustment multipliers as determined by the International Civil Service Commission. And this way we can make the necessary adjustments when and if they happen. Thank you, Madam Chair.

>> CHAIR: Thank you, United States. I see the Secretary‑General shaking his head. So that will be done. Nodding. Yeah, yeah.   
 (Laughter).

>> CHAIR: So with that change and adding a new Resolves 9 we have four minutes left. I would like to approve the budget. If there are no objections, I would like to have the ADM Committee approve the budget and that change will appear in our final report to the Plenary. Canada, you have the floor.

>> CANADA: Thank you, Madam Chair. Apologies for taking the floor again. But just one clarification, table 3, the budget of the General‑Secretariat we see that there is an estimate on section 1.2 and the WTPF as this is an issue that we still have to discuss how are these estimates being determined here. It says 218,000 Swiss francs. Just for clarification, Madam Chair, as this is an issue that we will be discussing at Plenary. Thank you.

>> CHAIR: Mr. Ba, you have the floor.

>> ALASSANE BA: Thank you, Madam Chair. Well, here this is an allocation for the World Telecommunication Policy Forum. If you will recall we allocated 247,000 during the previous financial period but as a WTPF didn't take place during 2016‑2017 this amount was allocated to the ITU‑R group which requires interpretation given that this group was not created before the approval of the 2016‑2017 budget. Now as these 218,000 is concerned we believe it is the minimum amount required to organize this Forum in 2019. It is also costs for documentation which are not reflected here but as the cost of documentation is centralized within the conference and publications department. Thank you, Madam Chair.

>> CHAIR: Thank you. With that explanation of WTPF can we approve the budget?

(Gavel).

>> CHAIR: Budget approved. We have come to the end of our work for the ADM Committee. I would like to thank all of the Councillors that participated in the ADM Committee for helping us achieve a wonderful outcome. We have a budget. I know that the road was sometimes difficult but we were always able to find solutions and reach Consensus. And that is because of you. And I really appreciate that.

So I also would like to thank my two ad hoc drafting Chairs, Mr. Jefferson, I'm going to pronounce his last name wrong, Mr. Nacif and Madam Mahare Ani. Thank you both for taking on that task. You both came back with a beautiful Consensus. And I know it was difficult sometimes. And you had my complete trust at all times. So thank you very much. I have the ADM Committee closed. Thank you.   
 (Applause.)

>> CHAIR: Sorry, I forgot to thank my team. I could not have done it without them. This was a team effort. So thank you very much.   
 (Applause.)

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