

March 2006



منظمة الأغذية
والزراعة
للأمم المتحدة

联合国
粮食及
农业组织

Food
and
Agriculture
Organization
of
the
United
Nations

Organisation
des
Nations
Unies
pour
l'alimentation
et
l'agriculture

Organización
de las
Naciones
Unidas
para la
Agricultura
y la
Alimentación

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FINANCE COMMITTEE

Hundred and Thirteenth Session

Rome, 8 - 12 May 2006

Provisional Annotated Agenda

1. Adoption of Provisional Agenda and Timetable (docs. FC 113/1, FC 113/1 Add.1 and FC 113/INF/1) **for decision**

In accordance with the Committee's internal working procedures, the Provisional Timetable provides to the extent possible for discussion at the beginning of the meeting of those items on which the Committee is required to make decisions or recommendations to the Council.

FINANCIAL AND BUDGET REPORTS

2. Annual Report on Budgetary Performance and Programme and Budgetary Transfers in the 2004-2005 Biennium (doc. FC 113/2) **for discussion**

In accordance with Financial Regulation 4.6(b) the Committee will receive, for its review, the Report on Budgetary Performance for 2004-2005. Any comments the Committee may wish to make will be submitted to the Council at its forthcoming session. The Annual Report will be appended to the Report of the Committee.

3. Financial Highlights and Status of Current Assessments and Arrears (doc. FC 113/3) **for discussion**

The Financial Highlights Report is designed to show, at a summary level, the financial situation of the Organization. In terms of the structure of the report, there are three groupings of data: income and expenditure by source of funds, the plan (budget) for particular sources of funds and balances for the comparative period in the previous biennium. Also included is the report on "Collection of Current Assessments and Arrears," which will present the status of member nation contributions to the Regular Programme as at 31 December 2005.

For reasons of economy, this document is produced in a limited number of copies. Delegates and observers are kindly requested to bring it to the meetings and to refrain from asking for additional copies, unless strictly indispensable.
Most FAO meeting documents are available on Internet at www.fao.org

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4. Report on Investments(doc. FC 113/4) **for information**
In accordance with Financial Regulation 9.2 and General Rule XXVII 7(i), the Committee will receive for its information a report on investments currently held in respect of the various funds of the Organization.

OVERSIGHT MATTERS

5. Progress Report on Implementation of the External Auditor's Recommendations (doc. FC 113/5) **for information**
As requested by the Committee, a report will be provided on actions taken in respect of recommendations made by the External Auditor in his report on the 2002-2003 accounts. This report also includes specific reference to the document Review of official Travel in FAO which was submitted to the Committee in September 2005.
6. Secretariat Response to External Audit Report on Contracts for Local Services (doc. FC 113/6) **for discussion**
This paper, requested by the Committee at its 110th Session, explains the Secretariat's response on the findings and recommendations in the Report of the External Auditor on the Review of Contracts for Local Services in FAO, submitted to the Committee at its last session.
7. 2005 Annual Activity Report of the Office of the Inspector-General (doc. FC 113/7) **for information**
In accordance with the practice established at the 87th Session, this report is provided to the members of the Finance Committee for their information.
8. Joint Inspection Unit Reports **for discussion**
- a) Some Measures to Improve Overall Performance of the UN System at the Country Level – Part I: A Short History of UN Reform in Development and Part II (JIU/REP/2005/2) (doc. CL 131/INF/10)
 - b) Policies of UN System Organizations Towards the Use of Open Source Software (OSS) in the Secretariats (JIU/REP/2005/3) (doc. CL 131/INF/11)
 - c) A Common Payroll for UN System Organizations (JIU/REP/2005/4) (doc. CL 131/INF/12)

These documents will be provided to the Committee for any comments it may wish to make to the Council.

FINANCIAL POLICY MATTERS

9. Actuarial Valuation of the Staff-Related Liabilities (doc. FC 113/9) **for discussion**
In the context of the 2005 actuarial review, the Committee will receive this Report which also includes a review of the assumptions for the Terminal Payments Fund (TPF), as previously requested by the Committee.
10. Treatment of the Staff Cost Variance (doc. FC 113/10) **for discussion**
The purpose of this paper is to respond to the Committee's request at its 110th Session for a review of possible measures to improve financial management of and some options for the treatment of the staff cost variance.
11. Measures to Improve the Organization's Cash Shortage Situation (doc. FC 110/17 **re-issued** and FC 113/11) **for discussion**
In this paper, a further analysis has been given on the Incentive Scheme to Encourage Prompt Payment of Contributions, including a survey of member nations on the range of issues that influence the timing of payments. Further, an analysis has been given on available options to improve the liquidity of the Organization and on local currency payment of assessed contributions.

12. Flexible Use of the Special Fund for Emergency and Rehabilitation Activities
(doc. FC 113/12) **for discussion**

At its 110th Session, the Committee requested that a document reviewing possible options for a more flexible use of the SFERA, with a view to improving its capacity to allow timely advanced funding, be submitted to its May 2006 Session.

13. HLCM Recommendations on Adoption of International Accounting Standards in the UN System (doc. FC 113/13) **for decision**

Further to previous discussions of accounting standards in the Finance Committee and a status report provided in May 2005 (FC 109/18), the document will report on the recommendation of the UN's High Level Committee on Management to adopt a specific set of internationally accepted accounting standards in the UN system by 1 January 2010. Details will be reported to the Committee, including preliminary comments on the impact on FAO, the expected timeframe for implementation, the need for Governing Body approvals of changes to Financial Regulations, resource requirements, etc. The Committee will be expected to review the matter again at its September 2006 Session, with a view to making a recommendation to Council on the adoption of these standards, for approval by Conference in 2007.

BUDGETARY MATTERS

14. Revised Programme of Work and Budget 2006-2007 (doc. PC 95/3 – FC 113/14) **for discussion**

In accordance with Conference Resolution 7/2005, the Committee will receive for its review, the adjustments to the Programme of Work and Budget 2006-2007. The Committee will be asked to recommend the proposals of the Director-General for approval by the Joint Meeting of the Programme and Finance Committees.

HUMAN RESOURCES MATTERS

15. Statistics on Human Resources (doc. FC 113/15) **for information**

In line with normal practice, the Committee will be provided with its annual report on the number of established posts and other human resources information as at 31 December 2005.

16. Decisions of the General Assembly on International Civil Service Commission and UN Joint Staff Pension Board (including Changes in Salary Scales and Allowances)
(doc. FC 113/16) **for information**

In accordance with standard practice, the Committee will be informed of any developments which took place at the ICSC, the UN Joint Staff Pension Board and the General Assembly which are of interest to the Organization, as well as an updated report on changes in salary scales and allowances.

17. Review of the Staff Medical Insurance Plans (doc. FC 113/17) **for discussion**

At its last session, the Committee had requested the Secretariat to provide the findings of the FAO-commissioned Review of the Staff Medical Insurance Plans, including a detailed analysis of the major sources of claims' costs for the various categories/groups of participants including currency related issues. This paper will reflect these findings and will also contain an update on the study being conducted by the Joint Inspection Unit (JIU) of the United Nations on the UN system-wide Medical Insurance Plans, as requested by the Committee at its 110th Session.

ORGANIZATIONAL MATTERS

18. Progress Report on Administrative Information Systems
(doc. FC 113/18) **for information**

In response to its request for regular progress reports, the Committee will be provided with updated information on the status of the various elements of the "Oracle" Project.

19. Working Methods of the Finance Committee (no document) **for discussion**

In accordance with the standard practice of the Committee, members will be given an opportunity to comment on the functioning of the session and to make suggestions for future improvements.

OTHER MATTERS

20. Date and Place of the Hundred and Fourteenth Session **for information**

The Committee will be informed of arrangements for its next session.

21. Any Other Matters