

## Proposed Budget for 2023

<b>Submitted by:</b>	Secretary-General
<b>Executive Summary:</b>	This paper provides the proposed budget for 2024 for the approval of the Council on behalf of the Member States.
<b>Reference A:</b>	<i>M-7 Staff Regulations, Edition 9.0.0, July 2023</i> <i>Decisions of the 3<sup>rd</sup> IHO Assembly</i> <i>3 years' Budget Estimates 2024 - 2026</i>

### Introduction

1. Article VI(g)(iii) of the Convention on the IHO stipulates that the Council ...coordinate during the inter-Assembly period the activities of the Organization within the framework of the strategy, work programme and financial arrangements, as decided by the Assembly.
2. Decision 24.c of the first IHO Assembly... confirmed that the Council is empowered to approve the financial statements and any recommendations for the previous year and the budget estimates and the associated annual work programme for each forthcoming year.

### Discussion

3. The 3<sup>rd</sup> Session of the Assembly approved the 3 years' budget 2024 – 2026 (A3 Dec. 26). The approved budget was calculated on the values of Member States contribution shares in place at the time of the submission of the budget estimates 2024 – 2026 endorsed by C6 in July 2022.
4. A3 also approved the increase of the value of the Member States contribution share by 3% to 4,145.05 Euro, an increase of 120 Euro per share, in one step taking effect in 2024 (A3 Dec. 27) and tasked the Council to adapt the budget estimates 2024 – 2026 (A3 Dec. 28).
5. The proposed budget for 2024 is based on the first year of the three-year budget 2024 – 2026 approved by the 3<sup>rd</sup> Session of the IHO Assembly (A3 Dec. 26), but propose several variations (Annex A).
6. The variations of the IHO budget for 2024, compared to the approved estimate, result from changes in the reported national tonnage and the increase of the value of the contribution share by 3%. The resulting total increase of about 4.3 % covers the increase in all operational costs induced by the ongoing local inflation.
7. The proposed budget for 2024 remain balanced with an expected surplus of about 0.35% of the real budget by end of the year.

### Action Required of the Council

8. The Council is invited to:
  - a. **Approve** the budget for 2024 provided in Annex A to this submission, and
  - b. **Take any other actions** that may be required.

PROPOSED BUDGET FOR 2024

**TABLE 1**  
**PROPOSED IHO BUDGET DETAILS FOR 2024**  
**SUMMARY**

3-Year Budget Estimate as approved by A3 for 2024	Chapters and Items	Proposed budget 2024	Difference	Comment
868	Number of shares	884	16	
-6	Provision for suspended Member States	-7		
862	Final number of shares	877	15	
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<u>(EURO)</u>		<u>(EURO)</u>	<u>(EURO)</u>	
3.763.964	Income	3.925.209	161.245	
3.761.300	Net Expenditure	3.911.300	150.000	
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2.664	Budget Excess/Deficit	13.909		
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2.664	Effect on capital	13.909		
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**TABLE 2**  
**INCOME**

(EURO)		(EURO)	(EURO)
3.468.964	CONTRIBUTIONS	3.635.209	166.245
45.000	INTEREST ON BANK ACCOUNTS	40.000	-5.000
250.000	INTERNAL TAX	250.000	0
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<b>3.763.964</b>		<b>3.925.209</b>	
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**TABLE 3**  
**DETAILED EXPENDITURE**

**Chapter 1 - Personnel Costs**

(EURO)		(EURO)	(EURO)
600.000	Salaries - Secretary-General and Directors	600.000	0
680.000	- Assistant Director and Finance Officer -	710.000	30.000
96.000	- Translators	99.000	3.000
695.000	- Permanent Member of Staff	750.000	55.000
10.000	Overtime for Permanent Staff	10.000	0
	<b>Costs dependent on Salaries</b>		
56.000	Annual Bonus (Permanent Members of Staff)	65.000	9.000
420.000	Payment to Retirement schemes (AG2R)	420.000	0

*Change of index + expected increase of 2% for cost of living*

*Including exceptional performance bonus*

150.000	Provision External retirement GAN VIE Premium	150.000	0	
16.000	Insurances based on wages	16.000	0	
325.000	Medical (CIGNA premiums)	325.000	0	
22.000	Family Allowances	20.000	-2.000	<i>Based on expected expenditure</i>
25.000	Education Grants	15.000	-10.000	<i>Based on expected expenditure</i>
			0	
	<b><u>Costs independent of Salaries</u></b>		0	
0	Home rental	0	0	
10.000	Home Leave	15.000	5.000	<i>Based on historical expenditure</i>
3.000	Miscellan. Personnel Expenses	3.000	0	
	<b><u>Controllable Personnel costs</u></b>			
5.000	Salaries - Temporary staff	5.000	0	
5.000	IHO Secretariat Staff training	5.000	0	
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<b>3.118.000</b>	<b>TOTAL CHAPTER I</b>	<b>3.208.000</b>	<b>90.000</b>	

**Chapter II - Current Operating Costs**

	<b><u>Maintenance, communications, etc</u></b>			
(EURO)		(EURO)	(EURO)	
45.000	Maintenance of building	45.000	0	
4.600	Multirisk insurance	4.600	0	
40.000	Maintenance of IT equipment	70.000	30.000	<i>Based on existing contracts and increasing digitalization needs</i>
8.000	Office Stationery	8.000	0	
32.000	Postage, telephone, telefax	32.000	0	
1.500	Local Travel	1.500	0	
6.000	Bank Charges	6.000	0	
30.000	Contract support	40.000	10.000	<i>Expected extended need for IT transformation</i>
15.000	Administrative support for Council	15.000	0	
10.000	Auditors fees	10.000	0	
20.000	Public Relations	30.000	10.000	<i>Expected investment in PR materials</i>

1.000	Miscellan. Operating Expenses	1.000	0
<b><u>Travel costs</u></b>			
250.000	Long Distance	250.000	0
<b><u>Publications costs</u></b>			
10.000	International Hydrographic Review	10.000	0
1.000	Other publications	1.000	0
			0
0	Provision for bad debts		0
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<b>474.100</b>	<b>TOTAL CHAPTER II</b>	<b>524.100</b>	<b>50.000</b>

**Chapter III - Capital Expenditure**

<u>(EURO)</u>		<u>(EURO)</u>	<u>(EURO)</u>	
15.000	Purchase of IT equipment under 762 €	10.000	-5.000	<i>Based on historical expenditure</i>
5.000	Furniture & other equipment under 762 €	5.000	0	
1.000	Purchase Publications & Binding	1.000	0	
15.000	Depreciation of fixed assets	15.000	0	
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<b>36.000</b>	<b><u>TOTAL CHAPTER III - TOTAL CHAPITRE III</u></b>	<b>31.000</b>	<b>-5.000</b>	
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<b>3.628.100</b>	<b>Annual Operating Costs</b>	<b>3.763.100</b>	135.000	
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**Chapter IV - Asset Allocation**

<u>(EURO)</u>		<u>(EURO)</u>	<u>(EURO)</u>
15.000	Purchase of IT equipment over 762 €	15.000	0
10.000	Furniture & other equipment over 762 €	10.000	0
<b>25.000</b>		<b>25.000</b>	<b>0</b>

**Chapter V - Allocation to Funds**

<u>(EURO)</u>		<u>(EURO)</u>	<u>(EURO)</u>
8.200	GEBCO Fund	8.200	0
10.000	GEBCO SCUFN Gazetteer	10.000	0
0	IBSC Fund	10.000	10.000 <i>Develop Standards of Competence for Marine Geodata Experts</i>
0	Renovation and Enhancement Fund	0	0
20.000	Assembly Fund	20.000	0
0	Relocation Fund	0	0
60.000	Capacity Building Fund	60.000	0
10.000	Special Project Fund	15.000	5.000 <i>Increase because of expected extended needs</i>
0	Internal Retirement Fund	0	0

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**108.200**

**TOTAL CHAPTER V**

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**123.200**      **15.000**

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**3.761.300**      **TOTAL EXPENDITURE**

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**3.911.300**

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TABLE 3A

3-Year Budget Estimate as approved by A3 for 2024	Chapters and Items	Proposed budget 2024	Difference	Comment
(EURO)		(EURO)	(EURO)	
	<b>PERSONNEL COSTS</b>			
3.118.000	Salaries Secretary-General and Directors	3.208.000	90.000	
	Salaries Other staff			
	Social charges			
	Benefits and Pensions			
	Controllable Personnel cost			
474.100	<b>CURRENT OPERATING COSTS</b>	524.100	50.000	
	Maintenance, communications, etc..			
	Contract support			
	Travels			
	Publications			
36.000	<b>CAPITAL EXPENDITURE</b>	31.000	-5.000	
25.000	<b>ASSET ALLOCATION</b>	25.000	0	

3-Year Budget Estimate as approved by A3 for 2024	Chapters and Items	Proposed budget 2024	Difference	Comment
<b>ALLOCATIONS TO FUNDS</b>				<u>Remaining fund on 1st January 2023</u>
8.200	GEBCO Fund (IHO contributions + external SB2030 contributions)	8.200	0	1.965.382
10.000	GEBCO SCUFN Gazetteer	10.000	0	10.000
0	ISBC Fund	10.000	0	30.000
0	Renovation and Enhancement Fund	0	0	61.508
20.000	Assembly Fund	20.000	0	294.334
0	Relocation Fund	0	0	47.129
60.000	Capacity Building Fund (IHO contributions + external contributions)	60.000	0	2.632.351
10.000	Special Projects Fund	15.000	5.000	297.436
0	Internal Retirement Fund		0	1.301.507
<b>3.761.300</b>	<b>Net Expenditure</b>	<b>3.911.300</b>	150.000	6.639.647