

**PRO- 3.5      Establishment of a task force to explore the potential merits, structures, and options for alternate fund generation to support capacity building and other IHO initiatives**

**Submitted by:** United States of America, Canada, Norway, United Kingdom, Australia

**PROPOSAL**

**Considering the discussion below the Assembly is invited:**

- a. To recognize the important global maritime issues facing the hydrographic community worldwide.<sup>1</sup> Addressing these issues will require expanded global hydrographic capacity for data collection to underscore effective decision making at geographic scales from local communities to national, regional and beyond;**
- b. To approve the proposal to establish a task force comprised of interested Member State volunteers, industry partners, philanthropic partners, and representative(s) of IHO Secretariat to explore the possible establishment of reliable alternative funding streams or resources to support IHO activities including capacity building and GEBCO;**
- c. Authorize Council to review progress reports from the task force at least annually at Council meetings, review recommendations, discuss and explore options, and provide guidance to the task force in preparation to a report out to Assembly-4 (A4), as Council deems appropriate; and**
- d. Provide any amplifying guidance deemed warranted, if any, on the proposal.**

**EXPLANATORY NOTE**

1. The ability of coastal nations to deliver national capabilities for the provision of hydrographic services is not keeping up with the renewed focus on the ocean and requirements for data to address global maritime challenges.
2. The IHO's Strategic Plan states that capacity building and training should aim to assist Member States with meeting the requirements and delivery phases of the S100 Implementation Plan. Further, Strategic Goals 2 and 3 call for the increase in availability, quality and coverage of hydrographic data.
3. However, IHO Member State and coastal state applications for funding to the Capacity Building Sub-Committee (CBSC) far exceed the amount available in the IHO capacity building fund resulting in a relatively small number of projects being accepted each year and leaving a long queue of unfunded projects. Similarly, the cost to execute the work plans of an expanded GEBCO, with two new subcommittees established in recent years, far exceeds the funds that are available, meaning important work cannot advance. This has been recognized as a long-standing, persistent situation that the current funding model has not been able to address. Further, this situation limits the ability of the IHO to

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<sup>1</sup> For illustrative purposes only, "Based on research among senior leaders around the world, the Global Maritime Issues Monitor 2022 explores the impact, likelihood and preparedness of 18 global issues potentially affecting the maritime industry in the coming decade." Please see <https://www.maritimeissues.org/>

achieve the goals of its Strategic Plan and to meet the challenge of “leaving no country behind.”

4. Adding new member states to solve the budgetary problem is finite and cannot provide the level of funding required. This approach is further undermined as prospective new members will generally be countries requiring the most assistance with regards to building hydrographic capacity. The prospect of incrementally raising membership dues to significantly increase funds available to the IHO for additional capacity development and GEBCO support is also unlikely.
5. Keeping these realities in mind, it is proposed that an inter-Assembly task force be established to explore options for building a sustainable ancillary funding mechanism for the IHO that is separate and independent from the current membership due model which will significantly improve the organization’s ability to support programmatic work such as capacity development and GEBCO into the future. The working group should consider a number of options for extending funding opportunities, without impacting the current IHO funding model or operations, that may include working with established IHO partners like the RENCs, establishing parallel structures like a foundation, bureaucratic adjustments to the IHO and other options.

## **PROPOSED TASK FORCE STRUCTURE**

6. The task force should be kept small but should include senior level participants that ideally bring together hydrographic, intergovernmental, business, and development finance experience. The members will be selected by the IHO Council (preferably prior to C7), will be chaired by a Member State, and should include two additional Member State representatives, relevant IHO Secretariat Staff including a member of the Directing Committee, and the Council Chair. The task force may also include representation from the private sector, RENCs, and philanthropic sector. The task force will report to the IHO Council annually and the IHO Council will manage the task force under Authority of Assembly-3, if so approved at Assembly-3.
7. The proposal authors provide this initial timeline for consideration, leading to a report at Assembly-4
  - Establish Task Force membership and prepare Terms of Reference
  - Conduct a workshop to gather new ideas and develop possible solutions
  - C7 – Present results of the workshop to Council-7
  - Hold WG meeting to agree on a path forward
  - Conduct gap analysis, legal evaluation, governance assessment, and evaluation of potential tax implications, etc.
  - C8 – Present proposed path forward to Council-8
  - Hold WG meeting to confirm plan for presentation to A4
  - Present recommendations for A4 endorsement