

**REPORT AND RESOLUTIONS OF THE ADMINISTRATIVE AND FINANCIAL AFFAIRS
ADOPTED BY THE TWENTY-FOURTH SESSION OF THE
ISLAMIC CONFERENCE OF FOREIGN MINISTERS
(SESSION OF FRATERNITY AND COOPERATION)
JAKARTA, REPUBLIC OF INDONESIA
28 RAJAB - 3 SHAABAN 1417H 9-13 DECEMBER, 1996**

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1. The Administrative and Financial Affairs Committee of the Twenty-fourth Session of the Islamic Conference of Foreign Ministers (Session of Fraternity and Cooperation), met in Jakarta, Republic of Indonesia, from 28 Rajab - 3 Shaaban, 1417H (9-13 December, 1996) to examine the Agenda items referred to it by the Conference.
2. At the outset of its proceedings the Committee elected its Bureau and decided it would be composed of the same Member States as that of the Plenary, namely:
 - Chairman : - Republic of Indonesia.
 - Vice-Chairmen : - Republic of Gabon.
 - Republic of Yemen.
 - State of Palestine.
 - Rapporteur : - Republic of Guinea.
3. The Committee sessions were chaired by H.E Ambassador Hadi Wayarabi of the Republic of Indonesia.
4. The General Secretariat was represented by Ambassador Dr. El-Hedi Hnetish, High Commissioner in charge of Administration and Finance, Mr. Abdullah Abdi Hersi, Director of Administration and Finance and Mr. Djibrilla Hima, Internal Auditor.
5. The Chairman opened the proceedings with a statement in which he welcomed the delegations and wished them a pleasant stay in the Republic of Indonesia. The Chairman sought the assistance and cooperation of the delegations to facilitate his task in a positive atmosphere of true Islamic brotherhood and sincere determination to endeavour to achieve the noble objectives of Islamic solidarity.
6. The Committee then proceeded to examine the agenda items referred to it and agreed to submit to the Plenary, for adoption, the draft resolutions annexed to the present report.
 - I. Report of the Twenty-fifth Session of the OIC Permanent Finance Committee: Item 62 of the Agenda of the 24th Session of the Islamic Conference of Foreign Ministers.
7. After reviewing document No. PFC/25-96/REP.Final), containing the Report of the Permanent Finance Committee, and document ICFM/24-96/AF/D.1 which contained the Secretary General's report, the Committee requests the General Secretariat and its Subsidiary Organs to comply with and implement the recommendations contained in the report of the Permanent Finance Committee. The Committee further requests the General Secretariat and its Subsidiary Organs to comply with the following:

a) The General Secretariat should not exceed the allocations approved in each and every chapter of the budget.

b) The mistakes made in the travel and overtime allowances should not be repeated and that the provisions of the Personnel Regulations should be complied with.

c) The General Secretariat and the Subsidiary Organs should not bear the educational expenses of children of the staff in the nursery and preparatory school stages.

d) The Secretary General is requested to form a Committee under the chairmanship of an Assistant Secretary General to examine the appointment and promotion process while abiding by the administrative rules stipulated in the Personnel Regulations. The Secretary General is also requested to inform Member States of vacant positions, taking into consideration equitable geographical distribution.

e) The Committee affirms the right of the Financial Control Organ to practice its right to audit the administrative measures relative to Personnel Affairs and ascertain their compliance with the approved allocations and the administrative procedures under Article (85) paragraph 4 of the Financial Regulations and the General Secretariat is expected to provide it with all the necessary facilities to carry out its work.

f) The General Secretariat is requested to comply with the financial regulations concerning the allowances of members of the Finance Control Organ provided that such allowances shall not exceed the budget allocations of the General Secretariat.

II. Budgets of the OIC General Secretariat and the Subsidiary Organs for the Financial Year 1996/97: Item 63 of the Agenda of the 24th Session of the ICFM.

8. After reviewing the recommendations of the Twenty-fifth Session of the Permanent Finance Committee concerning the proposed budgets for the fiscal year 1996/97, and the Report of the Secretary General (Doc. No. ICFM/24-96/AF/D.2) explaining the financial difficulties faced by the General Secretariat and the Subsidiary Organs the Committee recommended that the budgets of the General Secretariat and its Subsidiary Organs for the fiscal year 1996/97 be approved according to the attached Resolution No.2/24-AF.

9. The Committee urged the General Secretariat and the Subsidiary Organs to continue their efforts for the rationalization of expenditure wherever possible.

10. The Committee also urged the Member States to ensure regular and prompt settlement of their mandatory contributions, consistent with the OIC Charter, so as to enable the Organisation to assume its tasks and mission towards the Islamic Ummah, in a proper way.

III. Financial situation of the OIC and the problem of the accumulation of arrears of mandatory contributions of Member States: Item 64 of the Agenda of the 24th Session of the ICFM.

11. The Committee examined the Report of the Secretary General (Doc. ICFM/24-96/AF/D.9) and expressed deep concern over the precarious financial conditions facing the General Secretariat and its Subsidiary Organs due to the delay or non-payment by most Member States of their mandatory contributions until the arrears accumulated to US\$95.3 million (Doc. No.ICFM/24-96/AF/D.9) in accordance with the attached resolution no. 3/24-AF.

IV- Creating a post of an External Financial Controller.

12. The Committee considered the two studies submitted to it by the Kingdom of Saudi Arabia and the General Secretariat concerning the creation of a post of External Financial Controller. Following deliberations on the subject, the Committee recommended that the two studies should be communicated to the Member States to elicit their views and proposals, preparatory to submitting them to an Intergovernmental Group of Experts to consider them and make its recommendations thereon to the next Session of the Permanent Finance Committee for submission to the 25th Session of the ICFM.

V- Quotas of Member States' contributions to the budgets of the General Secretariat and its Subsidiary Organs.

13. With regard to the recent OIC membership of a number of States, the Statistical, Economic and Social Research and Training Centre for Islamic Countries is entrusted with preparing a study, taking into account the request of the Republic of Yemen, on the quotas of Member States' contributions to the budgets of the General Secretariat and its Subsidiary Organs. The Member States are requested to provide the Center with the necessary information as soon as possible. The Centre is expected to present this study to the General Secretariat as soon as possible. Each new Member State is to pay 1% of the budgets of the General Secretariat and its Subsidiary Organs until the requested study is completed, and such payments will be entered into the miscellaneous receipts account.

VI- Member States' reservations.

14. Algeria reaffirms the reservation it had expressed about the 1995/96 budget concerning its opposition to the 7% increase in the budget of the OIC General Secretariat. Algeria reaffirms its commitment to settling its financial contributions to the General Secretariat according to the 1994/95 budget.

Algeria affirms that membership in the Organisation does not mean automatic membership in the OIC branches unless so requested by the Member State concerned, and that the OIC Charter does not provide that the State member of the Organisation shall bear the budgets of the Subsidiary Organs of which it is not a member.

VII- Conclusion.

15. At the conclusion of the proceedings, the Committee expressed its sincere thanks and appreciation to the Government of the Republic of Indonesia for the generous hospitality and for the excellent facilities it provided to ensure the success of the Conference.

16. The Committee also expressed its profound gratitude to its Chairman for the skilled manner and wisdom with which he steered its proceedings, which contributed so much to the success of its deliberations.

17. The Committee addressed its thanks to the General Secretariat for the clarifications and various efforts contributed towards the success of its deliberations.

Ambassador Hadi Wayarabi

Chairman of the Committee for Administrative and Financial Affairs

Jakarta, 29 Rajab, 1417H

(10 December, 1996)



RESOLUTION NO.1/24-AF

ON THE REPORT OF THE TWENTY-FIFTH SESSION OF THE PERMANENT FINANCE COMMITTEE

The Twenty-fourth Session of the Islamic Conference of Foreign Ministers (Session of Fraternity and Cooperation), held in Jakarta, Republic of Indonesia, from 28 Rajab - 3 Shaaban, 1417H (9-13 December, 1996),

Having considered the Report of the Twenty-fifth Session of the Permanent Finance Committee and the Reports of the Sixteenth and Seventeenth Sessions of the Finance Control Organ on the Final Accounts of the General Secretariat and its Subsidiary Organs for the financial years 1994/95 and 1995/96, and the comments and replies of the General Secretariat and the Subsidiary Organs;

Requests the General Secretariat and its Subsidiary Organs to implement the recommendations made in the Report of the Permanent Finance Committee and to comply with them.



RESOLUTION NO.2/24-AF

ON THE BUDGETS OF THE GENERAL SECRETARIAT AND THE SUBSIDIARY ORGANS FOR THE FINANCIAL YEAR 1996/97

The Twenty-fourth Session of the Islamic Conference of Foreign Ministers (Session of Fraternity and Cooperation), held in Jakarta, Republic of Indonesia, from 28 Rajab - 3 Shaaban, 1417H (9-13 December, 1996),

Having taken cognizance of the recommendations of the Twenty-fifth Session of the Permanent Finance Committee regarding the budgets of the General Secretariat and the Subsidiary Organs for the financial year 1996/97;

Having examined the budget proposals of the General Secretariat and its Subsidiary Organs for the financial year 1996/97;

Being aware of the financial difficulties faced by the General Secretariat and its Subsidiary Organs in implementing their programmes and the resolutions of the Summit and Foreign Ministers Conferences;

Recalling Resolution No. 1/6-AF(IS) adopted by the Sixth Islamic Summit Conference which requested the Islamic Conference of Foreign Ministers to provide the General Secretariat and its Subsidiary Organs with the necessary means to implement the programmes and resolutions which it adopts while bearing in mind the wish to develop the Organisation and to promote its coordination role;

Being aware of the economic realities and financial difficulties facing some Member States;

1. Adopts the budgets of the General Secretariat and its Subsidiary Organs for 1996/97 to be financed totally by mandatory contributions of Member States in accordance with The Charter and Financial Provisions as follows:

- General Secretariat US\$10,628,031
- Islamic Foundation for Science, Technology and Development (IFSTAD) Jeddah. US\$1,304,300
- Islamic Fiqh Academy, (IFA) Jeddah. US\$1,650,000
- Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRTIC), Ankara US\$2,000,000
- Islamic Institute of Technology (IIT) Dhaka. US\$2,200,000
- Research Centre for Islamic History, Art and Culture - Istanbul (the approved increase is to be allocated exclusively to the activities programmes Chapter). US\$1,910,000
- International Commission for the Preservation of the Islamic Cultural Heritage (ICPICH),

Istanbul. US\$ 641,000

- Islamic Centre for Development of Trade (ICDT), Casablanca. US\$1,172,214

2. Urges the Member States to settle their contributions towards the budgets of the General Secretariat and its Subsidiary Organs for 1996/97 in order to enable the General Secretariat and its Subsidiary Organs to carry out the tasks entrusted to them.



RESOLUTION NO.3/24-AF

ON THE FINANCIAL SITUATION OF THE OIC AND THE PROBLEM OF ACCUMULATION OF ARREARS OF MANDATORY CONTRIBUTIONS OF MEMBER STATES

The Twenty-fourth Session of the Islamic Conference of Foreign Ministers (Session of Fraternity and Cooperation), held in Jakarta, Republic of Indonesia, from 28 Rajab - 3 Shaaban, 1417H (9-13 December, 1996),

Being aware of the important role played by the Organisation of the Islamic Conference through its General Secretariat and the Subsidiary Organs, at both Islamic and International levels for consolidating Islamic solidarity and cooperation and for defending the causes of the Islamic Ummah;

Expressing deep concern over the serious financial difficulties of the General Secretariat and the Subsidiary Organs due to the delay in payment or non-payment of contributions by some Member States, a situation that led to the accumulation of arrears upto to more than US\$95 million (Doc. No. ICFM/24-96/AF/D.9);

Having taken cognizance of the report of the Secretary General on the financial situation of the Organisation of the Islamic Conference and the problem of accumulation of arrears of mandatory contributions (Doc. No. ICFM/24-96/AF/D.9);

1. Decides to constitute a Tripartite Ministerial Committee consisted of the Host Country, the Summit Chairman State, the 24th Session of the ICFM Chairman State, and with the participation of the Secretary General, to consider the necessary means for solving this issue, propose appropriate ways for this purpose consistent with Resolution 3/23-AF and the other relevant resolutions and submit its recommendations to the 25th Session of the ICFM.

2. Requests the General Secretariat and its Subsidiary Organs to take more effective measures in order to contact member states at the highest level and urge them to pay their contributions and arrears.

3. Requests the Secretary General to follow up the matter and present a report thereon to the Twenty-fifth Session of the ICFM.