

**REPORT AND RESOLUTIONS OF THE ADMINISTRATIVE AND FINANCIAL AFFAIRS  
COMMITTEE**

**OF THE TWENTY-THIRD ISLAMIC CONFERENCE OF FOREIGN MINISTERS  
(SESSION OF PEACE, SOLIDARITY AND TOLERANCE)  
CONAKRY, REPUBLIC OF GUINEA  
17-20 RAJAB, 1416H (9-12 DECEMBER, 1995)**

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OF THE TWENTY-THIRD ISLAMIC CONFERENCE OF FOREIGN  
MINISTERS (SESSION OF PEACE, SOLIDARITY AND TOLERANCE) CONAKRY,  
REPUBLIC OF GUINEA**

**17-20 RAJAB, 1416H (9-12 DECEMBER, 1995 )**

1. The Administrative and Financial Affairs Committee of the Twenty-third Islamic Conference of Foreign Ministers (Session of Peace, Solidarity and Tolerance), met in Conakry, Republic of Guinea, from 17 to 20 Rajab, 1416H (9-12 December, 1995) to examine the Agenda items referred to it by the Conference.
2. The Bureau of the Committee was composed of the same Member States as that of the Plenary, namely:

Chairman	Representative of the Republic of Guinea.
Vice- Chairmen	Representative of the Kingdom of Saudi Arabia Representative of the Republic of Azerbaijan. Representative of the State of Palestine.
Rapporteur	Representative of the Kingdom of Morocco.
3. The Committee Sessions were chaired by H.E Ambassador Mamouna Bangoura of the Republic of Guinea.
4. The General Secretariat was represented by Dr. El-Hedi Hnetish, High Commissioner and Incharge 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 Guinea. 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 for achieving the noble objectives of Islamic solidarity.
6. The Committee then proceeded to examine the agenda items and agreed to submit to the Plenary, for adoption, the draft resolutions annexed to the present report.
  - I. Report of the Twenty-fourth Session of the OIC Permanent Finance Committee.
7. After reviewing document No. PFC/24-95/REP.Final), containing the Report of the Permanent Finance Committee, and document ICFM/23-95/AF/D.1 which contained the Secretary General's report, the Committee invited the General Secretariat and the Subsidiary Organs to comply with and implement the recommendations contained in the

report of the Permanent Finance Committee. The Committee also took note of the cases of overspending in the second and third chapters of the General Secretariat's budget for the financial year 1993/94 and recommended that they be approved on an exceptional basis whilst directing the General Secretariat to the need for it to confine itself to the allocations as stipulated in the approved budgets.

8. The Committee further took note of the Report of the Fifteenth Session of the Finance Control Organ and the replies of the General Secretariat and the Subsidiary Organs to it and recommended that the General Secretariat and the Subsidiary Organs implement the recommendations contained in the report. It also recommended that the General Secretariat submit its final accounts, for the preceding year, to the Finance Control Organ before submitting its proposed budget to the Permanent Finance Committee.

## II. Budgets of the OIC General Secretariat and the Subsidiary Organs for the Financial Year 1995/96

9. After reviewing the recommendations of the Twenty-fourth Session of the Permanent Finance Committee concerning the proposed budgets for the fiscal year 1995/96, and the Report of the Secretary General (Doc. No. ICFM/23-95/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 1995/96 be approved with an increase of 7% for the General Secretariat's budget, and 7.1% for the Islamic Fiqh Academy's budget and to maintain the previous ceilings for the budgets of the other Subsidiary Organs according to the attached Resolution.

10. The Committee urged the General Secretariat and the Subsidiary Organs to continue their efforts for rationalization of expenditure wherever possible, and invited them to abide by the Financial rules and regulations.

11. The Committee also urged the Member States to ensure regular and in time settlement of their mandatory contributions, consistent with the OIC Charter.

The Committee examined the request of the Republic of Yemen to reduce the rate of its contributions to the OIC budgets in view of the economic difficulties it is facing, and showed understanding for this request. The Committee recommended that the General Secretariat should present a study on how the request could be implemented, to be submitted to the Twenty-fifth Session of the Permanent Finance Committee so that an appropriate recommendation be adopted on the subject.

The Committee took note of the proposal of some Member States to create the post of an external auditor. It took note also of the comments of the General Secretariat on the subject. The Committee recommended that the General Secretariat be entrusted with preparing an integrated study on the post of the auditor on the basis of the regulations in force in similar organisations and avoiding duplication or conflict of attributions, and that the study be circulated to Member States in addition to the study presented by the Kingdom of Saudi Arabia on the subject, so that it may be submitted to the next session of the Permanent Finance Committee.

The People's Democratic Republic of Algeria expressed its reservation on the proposed increase in the budget of the General Secretariat for fiscal year 1995/96, and stated that it would pay its contribution in accordance with the last year's budget (1994-95). Moreover, it reaffirmed that it does not consider itself committed to operations of expenditure made by organs of which it is not a member.

## III. Financial situation of the OIC and the problem of the accumulation of arrears of mandatory contributions of Member States.

12. The Committee examined the Report of the Secretary General (Doc. ICFM/23-95/AF/D.10) and expressed deep concern over the precarious financial conditions facing the General Secretariat and the Subsidiary Organs due to the delay or non-payment by

Member States of their mandatory contributions until the arrears accumulated to US\$87.4 million (Doc. No.ICFM/23-95/AF/D.10) despite the 50% concession accorded to Member States as per Resolutions No.1/6-AF(IS) and 1/7-AF(IS).

Hence, the Committee recommended the following:

- To extend the validity of the concession granted to the Member States that have arrears for an additional one year ending 30 June, 1997.
  - To urge the Member States that have arrears to benefit from this extension and settle their arrears within the prescribed period.
  - To consider the possibility of applying the sanctions envisaged in the report of the Expert Group (Doc. No. CAC/1-91/REP) which was approved by the Twenty-First Islamic Conference of Foreign Ministers, once the extension period is over (i.e. 30 June, 1997).
13. At the conclusion of the proceedings, the Committee expressed its sincere thanks and appreciation to the Government of the Republic of Guinea for the generous hospitality and for the excellent facilities it provided to ensure the success of the Conference.
  14. 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.
  15. The Committee addressed its thanks to the General Secretariat for the clarifications and various efforts contributed towards the success of its deliberations.

#### **Chairman of the Committee for Administrative and Financial Affairs**

Conakry, 18 Rajab, 1416H

(10 December, 1995)



#### **RESOLUTION NO.1/23-AF**

#### **ON THE REPORT OF THE TWENTY-FOURTH SESSION OF THE PERMANENT FINANCE COMMITTEE**

The Twenty-third Islamic Conference of Foreign Ministers, (Session of Peace, Solidarity and Tolerance), held in Conakry, Republic of Guinea, from 17 to 20 Rajab, 1416H (9-12 December, 1995),

Having considered the Report of the Twenty-Fourth Session of the Permanent Finance Committee and the Report of the Fifteenth Session of the Finance Control Organ on the Final Accounts of the General Secretariat and its Subsidiary Organs for the financial year 1993/94, and the comments and replies of the General Secretariat and the Subsidiary Organs;

1. Directs 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.
2. Also directs the General Secretariat and its Subsidiary Organs to comply with the observations made in the Fifteenth Report of the Finance Control Organ.



## **RESOLUTION NO.2/23/AF**

### **ON THE BUDGETS OF THE GENERAL SECRETARIAT AND THE SUBSIDIARY ORGANS FOR THE FINANCIAL YEAR 1995/96**

The Twenty-third Islamic Conference of Foreign Ministers, (Session of Peace, Solidarity and Tolerance), held in Conakry, Republic of Guinea, from 17 to 21 Rajab, 1416H (9-13 December, 1995),

Having taken cognizance of the recommendations of the Twenty-fourth Session of the Permanent Finance Committee regarding the budgets of the General Secretariat and the Subsidiary Organs for the financial year 1995/96.

Having examined the budget proposals of the General Secretariat and the Subsidiary Organs for the financial year 1995/96

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 a number of Member States;

1. Adopts the budgets of the General Secretariat and its Subsidiary Organs for 1995/96 to be financed totally by mandatory contributions of Member States in accordance with the charter and financial provisions as follows:

- General Secretariat, Jeddah	US\$10,628,031
- Islamic Foundation for Science, Technology and Development (IFSTAD)	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\$2,120,438
- Research Centre for Islamic History, Art and Culture (IRCICA), Istanbul	US\$1,785,000
- International Commission for the Preservation of the Islamic Cultural Heritage (ICPICH), Istanbul	US\$641,000
- Islamic Centre for Development of Trade (ICDT), Casablanca	US\$41,172,214

2. Urges the Member States to settle their contributions towards the budgets of the General Secretariat and the Subsidiary Organs for 1995/96 in order to enable the General Secretariat and the Subsidiary Organs to carry out the tasks entrusted to them.



## **RESOLUTION NO.3/23-AF**

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

The Twenty-third Islamic Conference of Foreign Ministers, (Session of Peace, Solidarity and Tolerance), held in Conakry, Republic of Guinea, from 17 to 20 Rajab, 1416H (9-12 December, 1995),

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;

Referring to Resolution No. 1/22-AF adopted by the Twenty-second Islamic Conference of Foreign Ministers which confirmed the principle of imposing sanctions against the defaulting Member States as of 1st July, 1996 in accordance with Resolution No. 3/21-AF adopted by the Twenty-first Islamic Conference of Foreign Ministers;

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\$87.4 million (Doc. No. ICFM/23-95/AF/D.10);

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/23-95/AF/D.10);

1. Decides anew to extend the period of the concessional decrease for another one year ending on 30th June, 1997 for the arrears relating to the period upto the financial year 1991/92, at the rate of 50% if the arrears are settled in lump sum or 25% for those Member States which opt to pay in eight equal installments ending on 30th June, 1997, in consultation with the General Secretariat.
2. Urges anew the Member States that have not yet settled their arrears up to the financial year 1991-92 to do so as promptly as possible no later than 30 June, 1997.
3. Decides to consider the implementation of the sanctions approved by Resolution No. 3/21-AF of the Twenty-first Islamic Conference of Foreign Ministers as of 1st July 1997.
4. Requests the General Secretariat to follow up the matter and present a report thereon to the Twenty-fourth Islamic Conference of Foreign Ministers.