

# **REPORT AND RESOLUTIONS ON ADMINISTRATIVE AND FINANCIAL AFFAIRS**

## REPORT OF THE ADMINISTRATIVE AND FINANCIAL AFFAIRS COMMITTEE

### RESOLUTION NO.1/16-AF

ON THE SIXTH REPORT OF THE FINANCE CONTROL ORGAN OF THE O.I.C. ON THE FINAL ACCOUNTS OF THE GENERAL SECRETARIAT AND THE SUBSIDIARY ORGANS FOR FINANCIAL YEAR ENDING 30 JUNE 1984

### RESOLUTION NO.2/16-AF

ON THE BUDGET OF THE GENERAL SECRETARIAT OF THE O.I.C. FOR FINANCIAL YEAR 1985/86.

### RESOLUTION NO.3/16-AF

ON THE BUDGET OF THE STATISTICAL, ECONOMIC AND SOCIAL RESEARCH AND TRAINING CENTRE FOR ISLAMIC COUNTRIES, ANKARA, FOR FINANCIAL YEAR 1985/86.

### RESOLUTION NO.4/16-AF

ON THE BUDGET OF THE ISLAMIC CENTRE FOR TECHNICAL AND VOCATIONAL TRAINING AND RESEARCH, DHAKA, FOR FINANCIAL YEAR 1985/86.

### RESOLUTION NO.5/16-AF

ON THE BUDGET OF THE RESEARCH CENTRE FOR ISLAMIC HISTORY, ART AND CULTURE, ISTANBUL FOR FINANCIAL YEAR 1985/86

### RESOLUTION NO.6/16-AF

ON THE BUDGET OF THE ISLAMIC CENTRE FOR DEVELOPMENT OF TRADE, CASABLANCA, FOR FINANCIAL YEAR 1985/86

### RESOLUTION NO.7/16-AF

ON THE BUDGET OF THE ISLAMIC FOUNDATION FOR SCIENCE, TECHNOLOGY AND DEVELOPMENT, JEDDAH, FOR FINANCIAL YEAR 1985/86

[RESOLUTION NO.8/16-AF](#)

ON THE BUDGET OF THE INTERNATIONAL COMMISSION FOR PRESERVATION OF THE ISLAMIC CULTURAL HERITAGE, ISTANBUL, FOR FINANCIAL YEAR 1985/86.

[RESOLUTION NO.9/16-AF](#)

ON THE BUDGET OF THE ISLAMIC FIQH ACADEMY, JEDDAH, FOR FINANCIAL YEAR 1985/86.

[RESOLUTION NO.10/16-AF](#)

ON MATTERS PERTAINING TO THE FINANCING OF BUDGETS OF THE OIC, SETTLEMENT OF ARREARS OF MANDATORY CONTRIBUTIONS BY THE MEMBER STATES, AND ON THE FUNCTIONING OF THE ORGANIZATION OF THE ISLAMIC CONFERENCE.

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

The Administrative and Financial Affairs Committee of the Sixteenth Islamic Conference of Foreign Ministers, met in Fez from 26 to 28 Rabiul Thani, 1406 H (January 7-9,1986) to examine the items referred to it by the Plenary Session of the Sixteenth Islamic Conference of Foreign Ministers.

2. The Member States attending the Sixteenth Islamic Conference of Foreign Ministers participated in the deliberations of the Committee.

3. The meeting was opened by Mr. Ali Al Khaldi, of the delegation of Yemen Arab Republic which hosted the Fifteenth Islamic Conference of Foreign Ministers. After a brief welcome address he invited H.E. Mr. Abdul Raheem Bin Abdul Jalil, Minister-in-Charge of Administrative Affairs at the Office of the Prime Minister, Kingdom of Morocco, as representative of the host country, to preside over the sessions of the Committee.

The Chairman in his opening remarks welcomed the participants and expressed the hope that the Committee's deliberations would be guided by the spirit of Islamic solidarity and fraternity.

4. The Committee then elected the members of the Bureau. The delegates of Malaysia, Niger and Palestine were elected Vice-Chairmen while the delegate of Yemen Arab Republic was elected as Rapporteur.

5. The General Secretariat was represented by Mr. Naeem Uddin Hasan, Director of Administration and Financial Affairs.

6. The representative of the General Secretariat while introducing the report of the Sixteenth Session of the Permanent Finance Committee of the O.I.C. highlighted the serious financial difficulties of the O.I.C. General Secretariat and the Subsidiary Organs, particularly in the past year, due to non-receipt of contributions from a large number of Member States. He also referred to the mounting arrears of contributions from Member States which had reached US\$.17 million at the close of financial year 1984/ 85, in the case of contributions towards the budget of the General Secretariat alone. This state of affairs was adversely affecting the activities of the General Secretariat and the Subsidiary Organs and they were unable to make advance planning for the implementation of the responsibilities and tasks assigned to them by the Conference.

The representative of the General Secretariat recalled the report of the Secretary General presented to the Plenary Session of the Sixteenth ICFM which elaborated in detail on these financial difficulties.

7. The Committee, after examining the report and recommendations of the Permanent Finance Committee endorsed some of the general recommendations contained therein, particularly with regard to the financing of the budget through mandatory contributions and to explore ways and means to enable the settlement of arrears due from Member States.

8. Regarding the Sixth Report of the Finance Control Organ of the O.I.C on the final accounts of the O.I.C. General Secretariat and the Subsidiary Organs for financial year ending June 30th, 1984, the Committee recommended its adoption by the Conference. The Committee stressed the necessity for the follow up and implementation of the observations of the FCO by the General Secretariat particularly with regard to the financial operations of IFSTAD; the financial and administrative procedures of the Dhaka Centre; and the observations on the New York Office.

9. The Committee discussed the budget proposals as submitted by the General Secretariat as well as the amount recommended by the Permanent Finance Committee for financial year 1985/86 and recommended a budget of US\$8 , 345 , 000/- to be financed by mandatory contributions, as proposed by the Permanent Finance Committee. The Delegation of the People's Democratic Republic of Algeria recorded its reservation .

The Committee reiterated the appeal to Member States to make regular and prompt contributions to the budget of the General Secretariat and to settle their arrears.

10. With regard to the budgets of the Subsidiary Organs for the financial year 1985/86, the Committee recommended as follows:-

-Statistical, Economic and Social Research and Training Centre for Islamic Countries, Ankara:

US\$ 2 million to be financed by mandatory contributions.

- Islamic Centre for Technical and Vocational Training and Research, Dhaka:

US\$ 5 million to be funded as follows:

US\$2.2 million by mandatory contributions.  
US\$2.8 million by voluntary donations.

- Research Centre for Islamic History, Art and Culture, Istanbul:  
US\$1.7 million to be funded as follows:  
US\$1,650,000/- by mandatory contributions.  
US\$ 50,000/- through fund raising campaign and activities of the Centre.

- Islamic Centre for Development of Trade, Casablanca:  
US\$ 1.3 million to be funded by mandatory contributions.

- Islamic Foundation for Science, Technology and Development, Jeddah:  
Saudi Riyals 6449053/- to be financed by voluntary contributions.

- International Commission for the Preservation of Islamic Cultural Heritage Istanbul:  
US\$ 900,000/- to be funded through mandatory contributions.

- Islamic Fiqh Academy:  
US\$ 2.00 million to be funded through mandatory contributions.

Regarding the budgets of the Casablanca Centre and the Istanbul Centre, the delegations of the Kingdom of Saudi Arabia and the State of Kuwait expressed their commitments to budget amounts approved for financial year 1984/85. They further stated that they would be prepared to pay their share to the increased budgets of these two Centres for 1985/86, provided there is increase in the flow of contributions by other Member States to these Centres.

11. While adopting the budgets of the subsidiary organs enumerated above, the Committee made the following observations:-

(a) It recommended that any proposal having financial implications should first be submitted to the Permanent Finance Committee before presentation to the Ministerial Conference.

(b) The budget proposals of the Islamic Fiqh Academy in future, should be submitted to the Conference through the Permanent Finance Committee as per practice followed for the budgets of the General Secretariat and other subsidiary organs of the OIC. Similarly, the accounts of the Academy should also be submitted to the Finance Control Organ for auditing.

12. The Committee decided to discuss together the items entitled "Questions relating to mandatory contributions by Member States" and "Report of the Committee of Experts on the functioning of the Organization of the Islamic Conference". The Committee noted with deep concern the decline in the resources of the General Secretariat and the OIC subsidiary organs due to non-receipt of contributions by a large majority of Member States. It was felt

that the element of voluntary contributions contained in the budgets of the OIC was not a satisfactory way of financing these budgets which should be financed entirely through mandatory contributions. Some delegations were of the view that in order to strengthen the General Secretariat and the subsidiary organs financially, there was need to take more effective measures such as making a link between the financial obligations of Member States and the benefits derived from the General Secretariat. It was further noted that some other international organisations were already following this practice.

The Committee also discussed the question of the rate of assessment to the budgets of the General Secretariat and the subsidiary organs. It noted that some Member States had expressed reservations on the present formula of assessment which was approved by 15th Islamic Conference of Foreign Ministers. The Committee while agreeing to recommend the preparation of a revised formula of assessment, stressed that the contributions for the current year may continue to be paid according to the rate of assessment presently applied. The Committee requested the General Secretariat and the Ankara Centre to prepare a revised formula of assessment of contributions for submission to the Seventeenth ICFM.

The Committee recalling Resolution No.4/15-AF of the ICFM also stressed the need to convene the meeting of the Group of Experts to review the financial and administrative regulations of the General Secretariat and the subsidiary organs and affiliated agencies of the OIC and requested the General Secretariat to hold a meeting of this Group immediately upon the completion of the study assigned to the Saudi Institute of Public Administration.

13-The Committee recommended to refer to the Conference the request of the Arab Republic of Egypt that it could not be held responsible for payment of its mandatory contributions for the period of suspension of membership of the OIC.

14. The Committee examined the report and recommendations of the first meeting of the Group of Experts on the functioning of the General Secretariat. It was of the view that the programme drawn up by the Expert Group was too elaborate. The Committee accordingly recommended that the Review Committee may reconvene for another meeting to discuss and finalise its proposals on the issues referred to it by the 15th ICFM under Resolution No.14/15-AF, with regard to the functioning and coordination of working of the OIC General Secretariat and all subsidiary organs, institutions and affiliated agencies of the OIC.

15. At the conclusion of its deliberations, the Committee recommended the adoption of the following resolutions:-

Res.No.I/16-AF Sixth Report of the Finance Control Organ of the OIC on the final accounts of the General Secretariat and the subsidiary organs for financial year ending 30 June 1984.

Res.No.2/16-AF Budget of the General Secretariat of the OIC for financial year 1985/86.

Res.No.3/16-AF Budget of the Statistical, Economic and Social Research and Training Centre for Islamic Countries, Ankara, for financial year 1985/86.

Res.No.4/16-AF Budget of the Islamic Centre for Technical and Vocational Training and Research, Dhaka, for financial year 1985/86.

Res.No.5/16-AF Budget of the Research Centre for Islamic History, Art and Culture, Istanbul, for financial year 1985/86.

Res.No.6/16-AF Budget of the Islamic Centre for the Development of Trade, Casablanca, for financial year 1985/86.

Res. No .7/16-AF Budget of the Islamic Foundation for Science Technology and Development for financial year 1985/86.

Res.No.8/16-AF Budget of the International Commission for Preservation of the Islamic Cultural Heritage, Istanbul, for financial year 1985/86.

Res.No.9/16-AF Budget of the Islamic Fiqh Academy, Jeddah, for financial year 1985/86.

Res.No.10/16-AF Matters pertaining to the financing of the budgets of the OIC, settlement of arrears of mandatory contributions by the Member States, and on the functioning of the Organisation of the Islamic Conference.

16. The Committee at its concluding session expressed deep gratitude to His Majesty King Hassan II and his Government and the people of the Kingdom of Morocco for the warm reception and generous hospitality accorded to all the delegations. It expressed its thanks and appreciation to the Chairman for the efficient manner in which he presided over the work of the Committee. It also recorded its thanks to the Vice-Chairmen for their assistance and the Rapporteur for the preparation and submission of this report.

Rapporteur

FEZ, January.9, 1986.

## RESOLUTIONS ON ADMINISTRATIVE AND FINANCIAL AFFAIRS

### **RESOLUTION NO.1/16-AF**

#### **ON THE SIXTH REPORT OF THE FINANCE CONTROL ORGAN OF THE O.I.C. ON THE FINAL ACCOUNTS OF THE GENERAL SECRETARIAT AND THE SUBSIDIARY ORGANS FOR FINANCIAL YEAR ENDING 30 JUNE 1984**

The Sixteenth Islamic Conference of Foreign Ministers held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having examined the Sixth Report of the Finance Control Organ of the Organisation of the Islamic Conference on the final. Accounts of the General Secretariat and the Subsidiary Organs for financial year ending 30th June 1984;

Having considered the observations and recommendations of the Sixteenth Session of the Permanent Finance Committee of the O.I.C. on the report of the Finance Control Organ;

1. Accepts the Sixth Report of the Finance Control Organ.
2. Directs the General Secretariat and the Subsidiary Organs to implement the recommendations contained therein.

### **RESOLUTION NO.2/16-AF**

#### **ON THE BUDGET OF THE GENERAL SECRETARIAT OF THE O.I.C. FOR FINANCIAL YEAR 1985/86.**

The Sixteenth Islamic Conference of Foreign Ministers, held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having reviewed the budget proposals of the O.I . C . General Secretariat for the financial year 1985/86;

Having considered the recommendations of the Sixteenth Session of the Permanent Finance Committee on these budget proposals;

Recognizing that the method of financing the administrative budget partly through voluntary donations has proved an uncertain and unpredictable source of financing;

1. Approves the budget of the O.I.C. General Secretariat for financial year 1985/86 for US\$8.345 million, to be financed through mandatory contributions of Member States.

2. Urges Member States to pay their mandatory contributions promptly to avert break-down of activities of the Organization.

### **RESOLUTION NO.3/16-AF**

#### **ON THE BUDGET OF THE STATISTICAL, ECONOMIC AND SOCIAL RESEARCH AND TRAINING CENTRE FOR ISLAMIC COUNTRIES, ANKARA, FOR FINANCIAL YEAR 1985/86.**

The Sixteenth Islamic Conference of Foreign Ministers held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406H (6-10 January 1986),

Having examined budget proposals of the Statistical, Economic and Social Research and Training Centre for Islamic Countries, Ankara, for the financial year 1985/86;

Having considered the recommendations of the Sixteenth Session of the Permanent Finance Committee;



Approves the budget of the Statistical, Economic and Social Research and Training Centre for Islamic Countries for financial year 1985/86 amounting to U.S. \$ 2 million to be fully financed by mandatory contributions of Member States.

#### **RESOLUTION NO.4/16-AF**

#### **ON THE BUDGET OF THE ISLAMIC CENTRE FOR TECHNICAL AND VOCATIONAL TRAINING AND RESEARCH, DHAKA, FOR FINANCIAL YEAR 1985/86.**

The Sixteenth Islamic Conference of Foreign Ministers held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having examined the budget proposals of the Islamic Centre for Technical and Vocational Training and Research, Dhaka, for the financial year 1985/86,

Having considered the recommendations of the Sixteenth Session of the Permanent Finance Committee;

Approves the budget of the Islamic Centre for Technical and Vocational Training and Research for financial year 1985/86 amounting to US\$ 5 million, to be financed as follows:

US.\$ 2.2 million through mandatory contributions.

US.\$ 2.8 million through voluntary donations.

#### **RESOLUTION NO.5/16-AF**

#### **ON THE BUDGET OF THE RESEARCH CENTRE FOR ISLAMIC HISTORY, ART AND CULTURE, ISTANBUL FOR FINANCIAL YEAR 1985/86**

The Sixteenth Islamic Conference of Foreign Ministers held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having examined the budget proposals of the Research Centre for Islamic History, Art and Culture, Istanbul, for the financial year 1985/86;

Having considered the recommendations of the Sixteenth Session of the Permanent Finance Committee;

Approves the budget of the Research Centre for Islamic History, Art and Culture for financial year 1985/86 amounting to US\$ 1.7 million to be financed as follows:

US\$. 1,650,000/- through mandatory contributions.

US.\$ 50,000/- through fund raising campaign and activities of the Centre.

### **RESOLUTION NO.6/16-AF**

#### **ON THE BUDGET OF THE ISLAMIC CENTRE FOR DEVELOPMENT OF TRADE, CASABLANCA, FOR FINANCIAL YEAR 1985/86**

The Sixteenth Islamic Conference of Foreign Ministers, held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having examined the budget proposals of the Islamic Centre for Development of Trade, Casablanca, for the financial year 1985/86;

Having considered the recommendations of the Sixteenth Session of the Permanent Finance Committee;

Approves the budget of the Islamic Centre for Development of Trade for financial year 1985/86 amounting to US\$ 1.3 million to be totally financed by mandatory contributions of Member States.

### **RESOLUTION NO.7/16-AF**

#### **ON THE BUDGET OF THE ISLAMIC FOUNDATION FOR SCIENCE, TECHNOLOGY AND DEVELOPMENT, JEDDAH, FOR FINANCIAL YEAR 1985/86**

The Sixteenth Islamic Conference of Foreign Ministers, held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having examined the budget proposals of the Islamic Foundation for Science, Technology and Development, Jeddah for the financial year 1985/86;

Having considered the recommendations of the Sixteenth Session of the Permanent Finance Committee;

Having noted the study submitted by the General Secretariat on the activities and financial situation of IFSTAD;

Approves the budget of the Islamic Foundation for Science, Technology and Development for financial year 1985/86 amounting to 6,449,053 Saudi Riyals to be financed through voluntary donations.

#### **RESOLUTION NO.8/16-AF**

#### **ON THE BUDGET OF THE INTERNATIONAL COMMISSION FOR PRESERVATION OF THE ISLAMIC CULTURAL HERITAGE, ISTANBUL, FOR FINANCIAL YEAR 1985/86.**

The Sixteenth Islamic Conference of Foreign Ministers, held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having examined the budget proposals of the International Commission for the Preservation of the Islamic Cultural Heritage, Istanbul, for the financial year 1985/86;

Having considered the recommendations of the Sixteenth Session of the Permanent Finance Committee;

Approves the budget of the International Commission for the Preservation of the Islamic Cultural Heritage for financial year 1985/86 amounting to US Dollars 900,000/-, to be financed by mandatory contributions of Member States.

#### **RESOLUTION NO.9/16-AF**

**ON THE BUDGET OF THE ISLAMIC FIQH ACADEMY, JEDDAH, FOR  
FINANCIAL YEAR 1985/86.**

The Sixteenth Islamic Conference of Foreign Ministers held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Having examined the budget proposals of the Islamic Fiqh Academy, Jeddah for the financial year 1985/86;

Having considered the recommendations of the Council of the Islamic Fiqh Academy;

1. Approves the budget of the Islamic Fiqh Academy for financial year 1985/86 amounting to US.\$ 2 million, to be financed from mandatory contributions of Member States.
2. Directs the Academy to submit its future budgets through the Permanent Finance Committee and to submit its accounts to the Finance Control Organ.

**RESOLUTION NO.10/16-AF**

**ON MATTERS PERTAINING TO THE FINANCING OF BUDGETS OF THE OIC,  
SETTLEMENT OF ARREARS OF MANDATORY CONTRIBUTIONS BY THE MEMBER  
STATES, AND ON THE FUNCTIONING OF THE ORGANIZATION OF THE ISLAMIC  
CONFERENCE.**

The Sixteenth Islamic Conference of Foreign Ministers held in Fez, Kingdom of Morocco, from 25 to 29 Rabiul Thani, 1406 H (6-10 January, 1986),

Emphasizing the need to improve the efficiency of the O.I.C. General Secretariat and the Subsidiary Organs, Institutions and Centres established by the Organization of the Islamic Conference;

Recognizing the importance of sound planning of the activities undertaken by the General Secretariat and the Subsidiary Organs, Institutions and Centres of the OIC, and the importance of sustained financing of the budgets of the Organization in order to ensure sound planning;

Expressing great concern at the continuing decline in the resources of the General Secretariat and the Subsidiary Organs, Institutions and Centres due to non-payment by Member States of their financial contributions within the scheduled time-limit, and the lack of the expected voluntary contributions to finance the budgets of the Organisation and the Subsidiary Organs, Institutions and Centres established by the OIC;

DECIDES:

1. To rely, on mandatory contributions to finance the budgets of the General Secretariat and the Subsidiary Organs and Institutions stemming from the OIC for the coming years with the exception of temporary projects.
2. To urge Member States to honour their financial obligations on time and to request those Member States which are in arrears to settle these arrears as early as possible.
3. To request the Committee of Experts which was recomposed pursuant to Resolution No.14/15-AF, and which is entrusted with the task of examining ways-and means to coordinate the work of the General Secretariat and all Subsidiary Bodies, Institutions and Centres established under OIC auspices, and also to assess and review the functions and performance of these Bodies with a view to promptly enhance their effectiveness and efficiency, to submit its recommendations to the Seventeenth ICFM. The General Secretariat and the Subsidiary Organs, Institutions and Centres established under OIC auspices are requested to extend fullest cooperation to the Committee in the fulfilment of its task.
4. To request the Six-member Committee of Experts, set up under Resolution No.4/15-AF, to expedite its work and to review the administrative and financial regulations of the aforementioned Institutions and Centres stemming from the OIC. The Institute of Public Administration of the Kingdom of Saudi Arabia .is invited to study the financial and administrative regulations of these OIC Institutions and Centres and to provide the Committee of Experts with report thereon to enable the Committee to carry out the tasks entrusted to it.
5. To request the General Secretariat to prepare a report containing its proposals and the suggestions of the Subsidiary Organs and Institutions of the OIC on the ways and means to make the benefits enjoyed by the Member States from the General Secretariat commensurate with the regularity of the payment of their contributions. The General Secretariat may apply the relevant proposals after their approval by the Seventeenth Islamic Conference of Foreign Ministers.

6. To re-affirm its resolution calling for deferment of establishing new institutions affiliated to the OIC, or expand the staff of the General Secretariat and the Institutions and Centres stemming from the OIC until such time as the high level Committee of Experts concludes its work.

7. To request the General Secretariat and the Ankara Centre to carry out a study on the revised formula of assessment for contributions of Member States to the budgets of the OIC General Secretariat and the Subsidiary Organs, and to submit the same to the Seventeenth Islamic Conference of Foreign Ministers.

8. To further request the General Secretariat to follow up the implementation of this resolution.