

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



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OIC/ICFM-32/2005/AF/REP/RES/FINAL

REPORT
AND
RESOLUTIONS
ON THE
ADMINISTRATIVE
AND FINANCIAL AFFAIRS
ADOPTED BY THE
THIRTY-SECOND SESSION
OF THE
ISLAMIC CONFERENCE OF
FOREIGN MINISTERS

(Session of Integration and Development)

SANA'A -REPUBLIC OF YEMEN
21 - 23 JUMADA AL-AWWAL 1426H
28-30 JUNE, 2005

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REPORT
OF THE 33RD SESSION
PERMANENT FINANCE COMMITTEE
ON
ADMINISTRATION AND FINANCIAL AFFAIRS
ADOPTED BY THE
THIRTY-SECOND SESSION OF THE
ISLAMIC CONFERENCE OF FOREIGN MINISTERS

(Session of Integration and Development)

SANA'A, REPUBLIC OF YEMEN
21-23 JUMADA AL-AWWAL 1426H
28-30 JUNE 2005

The Permanent Finance Committee of the Organization of the Islamic Conference held its thirty-third session in Jeddah from 28 Rabiul-Awal to 3 Rabiul-Thani 1426H (07-11 May 2005) and examined the items on its Agenda related to the Administrative and Financial Affairs for submission to the 32nd Session of Islamic Conference of Foreign Ministers (ICFM).

The deliberations of the Committee were presided by His Excellency Ambassador Ghaleb Saeed Al-Adoofi, Chairman of the Session.

1. Representatives of the Member States, the General Secretariat and the Subsidiary Organs took part in the meeting.
2. The Committee began with the examination of the items of the agenda submitted to it and agreed to submit the Draft Resolutions it adopted to the plenary Meeting for adoption. These are :
 - a. Resolution No. 1/32-AF on the Report of the 25th FCO and Report of the 33rd PFC.
 - b. Resolution No. 2/32-AF on the Report of the Extraordinary Session of the FCO to review the personnel situation and the accounts during the period 1st July to 31st December 2004.
 - c. Resolution No. 3/32-AF on the budgets of the General Secretariat and its subsidiary organs, for the Financial Year 2005/2006.
 - d. Resolution No. 4/32-AF on amendment to the Personnel Regulations of the OIC.
 - e. Resolution No. 5/32-AF on the study of alternatives available for reducing medical expenses for the General Secretariat.
 - f. Resolution No. 6/32-AF on the General Secretariat's report on Member States contributions and arrears.
 - g. Resolution No. 7/32-AF on the Report of the 5th Meeting of the Intergovernmental Group of Experts in charge of the reform of the General Secretariat and the role assigned to it facing up to the challenges of the new Millennium

- h. Resolution No. 8/32-AF on the new scales of Member States' mandatory contributions to the annual budgets of the General Secretariat and its subsidiary organs.**
- i. Resolution No. 9/32-AF on the share of contribution of the Islamic Republic of Afghanistan to the budget of the OIC General Secretariat and its subsidiary organs**

RESOLUTION No. 1/32-AF
ON THE
REPORT OF THE 25TH FCO
AND REPORT OF THE 33RD PFC.

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005).

Having considered the report of the 33rd Session of the Permanent Finance Committee (PFC), the report of the 25th session of the Finance Control Organ (FCO) concerning the closing accounts of the General Secretariat and its subsidiary organs for the financial year 2003/2004, and the replies of the General Secretariat and the subsidiary organs on the observations made in this respect,

Decides:

1. **To adopt** the report of the 33rd Session of the Permanent Finance Committee held in Jeddah from 28th Rabiul-Awwal to 03rd Rabiul-Thani (07-11 May2005).
2. **To request** the General Secretariat to undertake the necessary arrangements to ensure that the rent contracts concerning staff members in New York and Geneva offices are made in the name of the staff concerned in that capacity, on the one hand, and the name of the landlord or his legal representative, as the second party to the contract, on the basis of the title deed of the premises.
3. **To request that** appropriate measures be taken to remedy the financial irregularities registered in Geneva Office, namely the exceeding of the mobile telephone allocation.
4. **To increase** the ceiling of the Mobile telephone allocation for the Geneva Office to US Dollars 100 monthly.
5. **To take note** of the current status regarding the issue of the recovery of the General Secretariat's dues from Al-Ajhour Company.
6. **To take note** of the arrangements made with the Lawyer's Office in Jeddah to follow up the matter until its settlement. The liquidation process and distribution of rights are underway as reported to the General Secretariat by the Lawyer's Office.
7. **To extend** thanks to Kuwait, Malaysia, Qatar and Turkey for their generous donation of US\$ 1 (one) million each to the benefit of the General Secretariat's budget.
8. **To call upon** the subsidiary organs to abide by the observations of the FCO contained in its 25th report, and to call upon the General Secretariat to collate

the observations of the FCO and the replies of the centres in accordance with the methods prepared by the General Secretariat, and to submit them subsequently to the PFC.

9. **To invite** the General Secretariat and the subsidiary organs to circulate documents of the PFC meeting on Member States at least one month before the meeting.
10. **Calls for** continued strict abidance by all OIC financial rules and regulations, particularly regarding the principles of transparency and production of documents in case of contracts, procurements and financial transactions.
11. **Requests** the Secretary General to follow the implementation of this resolution and to report thereon to the 33rd Session of the Islamic Conference of foreign Ministers

RESOLUTION No. 2/32-AF
ON THE
REPORT OF THE EXTRAORDINARY SESSION OF THE FCO TO
REVIEW THE PERSONNEL SITUATION AND THE ACCOUNTS
DURING THE PERIOD 1ST JULY TO 31ST DECEMBER 2004

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Having taken note of the Report of the General Secretariat and Observations of the Extra-ordinary Session of the Finance Control Organ (FCO) concerning accounts auditing and evaluation of administrative procedures relevant to the General Secretariat staff for the period from 01/07/2004 to 31/12/2004,

1. **Requests** the General Secretariat to refer the financial aspects of this report to its next session for examination under the closing accounts of the financial year 2004/2005.
2. **Requests** that all promotion cases referred to in the said report relating to the staff members of the General Secretariat and its subsidiary organs, which violated the existing rules, be referred to the Secretary General of the OIC for appropriate decision in accordance with the powers vested in him by the relevant rules and regulations.
3. **Requests** the General Secretariat to prepare a comprehensive and integrated study of the situation of all personnel which calls for a direct review, involvement and close follow-up on the part of the PFC.

RESOLUTION No. 3/32-AF
ON THE
BUDGETS OF THE GENERAL SECRETARIAT AND
ITS SUBSIDIARY ORGANS

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Having considered the budget proposals submitted by the General Secretariat and its subsidiary organs for the Financial Year 2005/2006;

Pursuant to the recommendations of the 33rd Session of the Permanent Finance Committee on the budgets of the General Secretariat and the subsidiary organs for the financial year 2005/2006;

Decides:

1. **To adopt** the budget of the General Secretariat and its subsidiary organs for the Financial Year 2005/2006 in accordance with financial statute, rules and regulations, and as follows:

- a) **General Secretariat - 16,000,000 USD (an increase of 4,628,000 USD over the previous year) distributed as follows:**

Code	Chapter	US Dollars
1000	Personnel Emoluments	11,947,280
2000	Recurrent Expenditures	1,010,000
3000	Acquisition and Renewal of Assets	230,000
4000	Conferences & Meetings	971,216
5000	Programme of Activities	1,841,504
	Total	16,000,000

- b) **Islamic Fiqh Academy (IFA) - which was 1,850,000 USD (without any increase over the previous year) distributed as follows:**

Code	Chapter	US Dollars
1000	Personnel Emoluments	1,290,000
2000	Recurrent Expenditures	215,000
3000	Studies, Research, and Verifications	250,000
4000	Acquisition and Renewal of Assets	45,000
5000	Meetings of the departments	25,000
6000	Meetings of the Annual Session	25,000
	Total	1,850,000

- c) **Statistical, Economic, and Social Research and Training Center for Islamic Countries, Ankara (SESRTCIC) - 2,000,000 USD (without any increase over the previous year) distributed as follows:**

Code	Chapter	US Dollars
1000	Personnel Emoluments	1,225,000
2000	Recurrent Expenditures	295,000
3000	Acquisition and Renewal of Assets	85,000
4000	Conferences & Meetings	135,000
5000	Programme of Activities	260,000
	Total	2,000,000

- d) **Islamic University of Technology, Dhaka (IUT) - 2,250,000 USD (an increase of 50,000 USD over the previous year) distributed as follows:**

Code	Chapter	US Dollars
1000	Personnel Emoluments	1,275,000
2000	Recurrent Expenditures	221,000
3000	Scholarships	609,000
4000	Conferences & Meetings	50,000
5000	Acquisition and Renewal of Assets	95,000
	Total	2,250,000

- e) **Research Center for Islamic History, Art, and Culture (IRCICA) - 2,230,000 USD (without any increase over the previous year) distributed as follows:**

Code	Chapter	US Dollars
1000	Personnel Emoluments	1,281,000
2000	Recurrent Expenditures	182,000
3000	Acquisition and Renewal of Assets	139,000
4000	Conferences & Meetings	127,000
5000	Programme of Activities	501,000
	Total	2,230,000

- f) Islamic Center for Development of Trade (ICDT) - 1,172,214 USD (without any increase over the previous year) distributed as follows:

Code	Chapter	US Dollars
1000	Personnel Emoluments	325,000
2000	Recurrent Expenditures	180,000
3000	Acquisition and Renewal of Assets	80,000
4000	Conferences & Meetings	100,000
5000	Programme of Activities	487,214
	Total	1,172,214

2. **To note** the following reservations :

- a) Reservation of the Republic of Bangladesh over the budget increase for the General Secretariat for the 2005/2006 financial year.
- b) Reservation of the Sultanate of Oman over the budget increase for the General Secretariat for the 2005/2006 financial year.

RESOLUTION No. 4/32-AF
ON THE
AMENDMENTS TO THE PERSONNEL REGULATIONS OF THE OIC

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Having considered the recommendation of the 33rd Session of Permanent Finance Committee,

Having examined the report of ad-hoc Inter-governmental Working Group of Expert,

Having recalled that the current Personnel Regulations of the OIC dated back to the 19th ICFM,

Decides:

1. **To approve** the proposed Personnel Regulations together with its annexes with effect from 01 July 2005.
2. **To apply** the amended Personnel Regulations together with its annexes to the Subsidiary Organs within the limits of the overall budget approved for each organ.
3. **To entrust** the Inter-Governmental Working Group of Experts (IGWGE) already set up by the 33rd PFC to review the Financial Regulations of the Organization and the Internal Rules and Procedures of the General Secretariat to be suggested by the latter and report thereon to the 34th PFC for further submission to the approval of the 33rd Session of the ICFM.

RESOLUTION No. 5/32-AF
ON THE
STUDY OF ALTERNATIVES AVAILABLE FOR REDUCING MEDICAL
EXPENSES FOR THE GENERAL SECRETARIAT

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Having examined the proposed study on alternatives available for reducing the medical expenses and taken note of the clarifications and explanations submitted by the General Secretariat, adopted a recommendation for the latter to:

- a- **Adopt** the health insurance scheme on an experimental basis for a period of two years with effect from 1st July 2005.
- b- **Assess** the advantages and disadvantages of the health insurance scheme and submit its report thereon to the 35th Session of the Permanent Finance Committee meeting.
- c- **Continue** applying the 10% deduction for any medical expenses excluded from the insurance coverage, in line with the existing rules.
- d- **Adhere to** the ceiling of the medical expenditure.

RESOLUTION No. 6/32-AF
ON THE
GENERAL SECRETARIAT'S REPORT ON MEMBER STATES
CONTRIBUTIONS AND ARREARS

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Having examined the report of the General Secretariat on Member States' contributions and arrears,

Decides:

1- **To apply** the following progressive measures to the Member States failing to settle their arrears before 1st July 2007:

- Suspension of the right to apply for any vacant positions in the OIC.
- Suspension of membership or requests for membership in all organs, bureaus and committees.
- Exclusion from the possibility of hosting conferences and symposia or any OIC activity.
- Suspension of the rights to speak at meetings.
- Suspension of the right to vote.
- Suspension or denial of assistance and facilities of the various OIC institutions as well as loans and projects under the IDB.
- Suspension of membership in the OIC.

2- That these measures shall be applied in a progressive manner and lifted as soon as the concerned Member State settles its dues.

3- **To open** a special account at the IDB for the deposit of arrears to be made by the Member States so as to monitor the arrears that have been settled till 30 June 2007 and to submit a statement on this account in their report.

4- **To call on** the General Secretariat to observe the time frame as stipulated by Resolution No. 1/10-AF (IS) for implementing those measures.

5- **To suggest** that the Secretary General links up with the concerned Member States and avails himself of every possible opportunity for contacts with them including visits, if necessary, to urge them to settle promptly their arrears in order to avoid any possible embarrassment as a result of applying the aforesaid measures.

RESOLUTION No. 7/32-AF
ON THE
REPORT OF THE 5TH MEETING OF THE INTERGOVERNMENTAL
GROUP OF EXPERTS IN CHARGE OF THE REFORM OF THE
GENERAL SECRETARIAT AND THE ROLE ASSIGNED TO IT
FACING UP TO THE CHALLENGES OF THE NEW MILLENNIUM

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Recalling resolutions adopted by the Islamic Summit and Islamic Conference of Foreign Ministers No. 5/27-ORG, No 2/9-AF(IS), No. 3/29-AF, No. 5/30-AF and No. 3/31-AF,

Taking note of the Secretary General's report on restructuring the General Secretariat,

1. **Welcomes** the report submitted by the Secretary General on the steps taking to prepare the final study on restructuring the General Secretariat and the progress made in preparing all aspect of the study,
2. **Invites** the open-ended Inter-governmental Group of Experts (IGGE) to convene as soon as possible for a final consideration of the report and adoption of the relevant recommendations, and to submit its findings to the 33rd session of the Islamic Conference of Foreign Ministers for approval.

RESOLUTION No. 8/32-AF
ON THE
NEW SCALES OF MEMBER STATES' MANDATORY
CONTRIBUTIONS TO THE ANNUAL BUDGETS OF THE GENERAL
SECRETARIAT AND ITS SUBSIDIARY ORGANS

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Recalling resolution No. 2/31-AF adopted by the 31st Session of the Islamic Conference of Foreign Ministers,

Having examined the study prepared by SESRTCIC on the new scales of Member States mandatory contribution to the annual budgets of the OIC General Secretariat and its subsidiary organs,

Expressing thanks and appreciation for the objective and thorough study undertaken by SESRTCIC as well as for the latter's for its continued professionalism and dedicated work,

1. **Requests** the General Secretariat to re-circulate the SESRTCIC study to Member States in order to obtain their views.
2. **Defers** the matter to the 34th session of the PFC for consideration and further study and to submit a report thereon to the 33rd session of the ICFM.

RESOLUTION No. 9/32-AF
ON THE
SHARE OF CONTRIBUTION OF
THE ISLAMIC REPUBLIC OF AFGHANISTAN
TO THE
BUDGET OF THE OIC GENERAL SECRETARIAT AND ITS
SUBSIDIARY ORGANS

The Islamic Conference of Foreign Ministers in its thirty-second session (Session of Integration and Development), held in Sanaá, Republic of Yemen from 21st to 23rd Jamad-ul-Awwal 1426H (28th – 30th June 2005),

Recalling the resolutions adopted by the Islamic Summit Conferences and Islamic Conferences of Foreign Ministers, specially those calling for the international assistance to rebuild Afghanistan;

Taking note of the UN resolutions on the situation in Afghanistan and its implications for international peace, security and stability;

Abiding by the provisions of Article 7 of the OIC Charter that stipulates that all expenses on the administration and activities of the Secretariat shall be borne by Member States according to their national income;

Taking into account the current grave situation in Afghanistan due to more than two decades of war;

Noting that about 80% of the Afghan economic and social infrastructure has been destroyed during two decades of war;

Recognizing the fact that contributing above 0.5 percent to the OIC budget is beyond the resources of the Government of the Islamic Republic of Afghanistan;

Recalling further the New Scale of Member States Percentage shares prepared by SESRTCIC, which establishes that Afghanistan is one of the least developed countries (LDCs) and according to all criteria, Afghanistan's contribution share ranges from 0.076 to 0.5.

Bearing in mind that the percentage share of Afghanistan to the UN budget is below 0.5;

Taking into consideration that Afghanistan's Gross National Income (GNI) is 0.239;

Bearing further in mind that currently some 19 Member States pay their contributions at the rate of 0.5 percent;

Noting also that the Government of the Islamic Republic of Afghanistan needs critical support in the process of stabilizing & reconstruction of the war-ravaged country;

Welcoming the establishment of OIC's Assistance Fund for the people of Afghanistan and the commencement of its operations;

Decides to reduce Afghanistan's rate of contribution to the OIC budget from 1% to the lowest rate applicable, i.e. 0.5% until the adoption of a new scale of contributions.