



OPCW

**Advisory Body on Administrative and
Financial Matters**

Forty-Second Session
6 – 9 June 2017

ABAF-42/1
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**REPORT OF THE FORTY-SECOND SESSION
OF THE ADVISORY BODY ON ADMINISTRATIVE AND FINANCIAL MATTERS**

1. Opening of the session

- 1.1 The Forty-Second Session of the Advisory Body on Administrative and Financial Matters (ABAF) was held from 6 to 9 June 2017. The following members participated: Mr Giridhar Armane, Mr John Foggo, Mr John Fox, Mr Peter Maddens (Chairperson), Mr Khodayar Rouzbahani (Vice-Chairperson), Mr Hiroshi Sanomura, Ms Claudia Spahl, and Mr Zhongkun Hu. Mr Denis Zhuykov attended as an observer.
- 1.2 The list of documents presented to the ABAF for this session is included as the Annex to this report.
- 1.3 The Deputy Director-General of the Technical Secretariat (hereinafter “the Secretariat”) of the Organisation for the Prohibition of Chemical Weapons (OPCW) welcomed the ABAF members. Referring to the agenda for the session, the Deputy Director-General noted that a number of important issues were to be addressed by the ABAF, including the 2016 Financial Statements of the OPCW, and the reports of both the Office of Internal Oversight (OIO) and the National Audit Office, the External Auditor of the Organisation.
- 1.4 With regard to the Financial Statements, the Deputy Director-General informed the ABAF members that these had once again been prepared in full compliance with International Public Sector Accounting Standards (IPSAS). The Deputy Director-General stated that the External Auditor had issued an unqualified audit opinion, and added that the Secretariat had positively noted his view that the audits of the OPCW and the OPCW Provident Fund Financial Statements revealed no material weaknesses. Addressing the External Auditor’s report, the Deputy Director-General expressed the Secretariat’s appreciation to the National Audit Office of the United Kingdom of Great Britain and Northern Ireland for its recommendations, which were aimed at enhancing the effectiveness and efficiency of the OPCW.
- 1.5 The Deputy Director-General shared the National Audit Office’s view—first reported in the 2015 External Auditor’s report and again in the 2016 report—on the significant General Fund pressures on the Organisation, which have arisen largely from the delayed payment of assessed contributions and verification reimbursements. He reminded the ABAF that a decision was made to utilise resources available in the Working Capital Fund and the Special Fund for Enterprise Resource Planning (“ERP”) to address cash shortfalls. At present, the Organisation does not anticipate having a cash shortfall in 2017, but the margin is very tight; if the receipt of



assessments and reimbursements does not materialise as expected, there could be a similar need again.

- 1.6 The Deputy Director-General noted that pressure on the Working Capital Fund has improved from 2015 to 2016 and that in 2017 so far, the Organisation continues to rebuild the Working Capital Fund, taking advantage in particular of an incentive agreement of EUR 1.4 million for re-signing the OPCW's Tenancy Agreement. The Deputy Director-General stated that it is clear that a longer-term strategic financing approach is required. This approach will be presented for consideration by the ABAF at its next session.
- 1.7 The Deputy Director-General commented that recommendations made by the National Audit Office on governance and internal control have been noted by the Secretariat, and these will be further elaborated upon when the National Audit Office presents its audit report to the ABAF. In light of the discussion on governance, and particularly on the establishment of an audit committee, the OIO will be presenting different approaches for further consideration by the ABAF. The Deputy Director-General stated that this is an issue on which an agreement should be reached. In this regard, the OIO will be providing its annual report for 2016 at this session of the ABAF, as well as a briefing on the current status of its previous recommendations.
- 1.8 The Deputy Director-General stated that one of the most significant initiatives for the Organisation is the PANGO 1 ERP project—a potentially significant step forward in the OPCW's efforts to streamline its processes. During the course of the meeting, the ABAF was to be updated on the status of the project. As part of that briefing, the ABAF would receive an introduction to the proposed changes to the OPCW's Financial Regulations and Rules needed as a result of the roll-out of the new ERP.
- 1.9 The Deputy Director-General informed the ABAF that they would hear from the Inspectorate Programme on specific issues related to the management of that vitally important area of the OPCW's work.
- 1.10 The Deputy Director-General informed the ABAF that the draft Programme and Budget for 2018 was in the process of being prepared and would be presented by the Director-General to States Parties in July just prior to the Eighty-Fifth Session of the Executive Council (hereinafter "the Council"). Copies would be provided to the ABAF ahead of the next session.
- 1.11 The Deputy Director-General concluded his remarks by stating that budgetary and financial management had continued to improve at the OPCW, while maintaining a strong focus on fulfilling the Organisation's mandate. In particular, programme planning and resource management had been strengthened.

2. Adoption of the agenda

The ABAF **adopted** the following agenda:

1. Opening of the session
2. Adoption of the agenda

3. Election of the Chairperson and Vice-Chairperson of the ABAF
4. Review of the report of the previous session
5. Status of the 2017 financial performance (first quarter of 2017 and April)
6. Improvements to the programme performance report
7. Status of budget transfers in 2016
8. ERP project update
9. Financial Regulations and Rules: introduction of the forthcoming proposed amendments
10. Cash position of the OPCW (cash situation update)
11. The Financial Statements of the OPCW and the report of the External Auditor for the year ending 31 December 2016
12. Report of the Office of Internal Oversight for the year ending 31 December 2016
13. Office of Internal Oversight presentation on an audit committee
14. Revised United Nations Compensation Package
15. The 2018 Draft Programme and Budget
16. Any other business
17. Next session and agenda
18. Adoption of the report

3. Election of the Chairperson and Vice-Chairperson of the ABAF

Under Rule 4 of its Rules of Procedure (Annex 2 of ABAF-27/1, dated 3 September 2009 and Corr.1, dated 15 October 2009), the ABAF **elected** Mr Peter Maddens as Chairperson and Mr Khodayar Rouzbahani as Vice-Chairperson for a period of one year.

4. Review of the report of the previous session

Reference was made to paragraphs 4.5 to 5.1 in the Report of the Forty-First Session of the ABAF (ABAF-41/1, dated 1 September 2016).

5. Status of the 2017 financial performance report (first quarter of 2017 and April)

Programme support costs

- 5.1 The ABAF was provided with an update on the status of programme support costs. The ABAF **noted** that the programme support costs balance of 6 June 2017 was

approximately EUR 88,000, up from the 2016 year-end closing balance of EUR 77,000. The Secretariat indicated it would continue to monitor programme support cost income and expenditures to ensure that an adequate programme support costs recovery rate is maintained.

Status of assessed contributions and Article IV and V reimbursements

- 5.2 The ABAF was briefed on the status of the Organisation's assessed contributions and Article IV and V reimbursements. Further details on this matter are provided later in this report as part of the Secretariat's update to the ABAF on the Organisation's cash position. The ABAF **expressed concern** as to the number of States Parties in arrears with regard to annual contributions assessed for previous years and the cumulative outstanding balance for the reimbursement of inspections invoiced under Articles IV and V.

Status of implementation of the 2017 Programme and Budget

- 5.3 The ABAF was briefed by the Secretariat on the implementation of the 2017 Programme and Budget and was informed that, as at 30 April 2017, the budget in the amount of EUR 67,075,500 had been 40% obligated. The Secretariat stated that this figure was reasonable, given the front-loading of contractual obligations for the year, notably with regard to the Headquarters building. The ABAF was informed that in order to mitigate the risk of non-payment of assessed contributions, a contingency margin had been applied to the 2017 budget in accordance with the OPCW Financial Regulations and Rules. This margin provided a EUR 1.85 million (2.8% contingency margin) buffer aimed at ensuring that 2017 income exceeded expenditure, taking into consideration assessed contribution collection patterns over the past years and to mitigate the potential risks of exposure to exchange rate fluctuations, as well as other unforeseen factors such as, for example, price adjustments or unplanned activities. While staff costs had been allotted 100% of appropriations, only 90% of operational cost budgets had been allocated. The ABAF was advised that a detailed review of actual and projected expenditures would be conducted at mid-year, along with a review of assessed contributions and Article IV and V collections, which could result in an adjustment to the contingency margin. The ABAF **commended** the initiatives taken by the Organisation to avoid a budget deficit and a transfer of funds between Chapters. The ABAF **encouraged** the Secretariat to continue to monitor staff costs on a monthly basis.

6. Improvements to the programme performance report

The ABAF **reviewed** the programme performance report for the year 2016 (S/1485/2017, dated 11 April 2017) and **noted** the importance of this document. In this regard, it **encouraged** the Secretariat to consider including information based on the financial performance so that the document becomes a "programme and budget performance report". Budget and Finance agreed with the proposal of including the financial performance in the report after the implementation of the new ERP. The implementation of the ERP system should enable the Secretariat to better analyse budgets and expenditures by programme objective, in line with the principles of results-based management. The ABAF **encouraged** the Secretariat to further develop a narrative for the report to highlight the achievements made during the year, provide

a meaningful assessment of the outcomes and impact of activities, and catalogue lessons learned during programme implementation. The ABAF **commended** the enhancements made since the 2015 programme performance report, such as achieving further reductions in the number of programme objectives and key performance indicators, making the report concise and easier to assess.

7. Status of budget transfers in 2016

The ABAF **reviewed** the Note by the Director General on the transfer of funds in 2016 (EC-84/DG.17 C-22/DG.3, dated 16 February 2017) and **noted** that all transfers took place without detriment to the approved activities of the respective Programmes. Budget and Finance highlighted that unlike in 2015, there were no transfers made between Chapters. The ABAF further **noted** that the introduction of the document should refer to the impact of the transfers on activities, thus avoiding the repetition of the same statement throughout the document, unless that would be to the detriment the approved activities, in which case specific reference should be made.

8. ERP project update

8.1 The ERP project manager provided the ABAF with an update on the status of the project, and indicated that there had been delays in finalising the contract with the selected vendor (Unit 4). This had resulted in a shorter implementation period, although the expected launch date of January 2018 had not been changed. There would be a period of stabilisation following the launch, after which there would be an externally provided Application Managed Service in place for the Secretariat for system support, also to be supplied by Unit 4, the system implementer.

8.2 An update on the project financials was provided, and indicated that the ERP Project fund was EUR 7.9 million. The ABAF **noted** that there is a potential balance of EUR 0.7 million remaining in the ERP fund.

9. Financial Regulations and Rules: introduction of the forthcoming proposed amendments

9.1 The ABAF was informed that the introduction of the ERP would necessitate amendments to the Financial Regulations and Rules of the Organisation in a number of areas. A draft advisory note was provided to show the ABAF where the impact would be. Proposed amendments have gone through internal reviews with relevant stakeholders, after which the ABAF, and then the Office of the Legal Adviser, would review them. The detailed package of proposed amendments would be presented to the ABAF at its next session for endorsement to the Council.

9.2 The ABAF **expressed** the importance of stakeholder buy-in for the success of the ERP project. The ABAF was reassured that the cooperation of the Organisation was available for implementation. In this regard and in the context of the impact of the ERP on knowledge management within the Secretariat, the ABAF **suggested** that the identification of a Chief Information Officer within the Secretariat is crucial to the success of the project. In addition, with the implementing partner now on-site, the ABAF **noted** that much of the detailed implementation-related work should be able to start soon.

10. Cash position of the OPCW (cash situation update)

- 10.1 The ABAF received a presentation on the OPCW's current cash situation as at 6 June 2017, including the status of assessed contributions from States Parties. The ABAF **noted** that as at this date, EUR 25 million was outstanding for the period of 1993 to 2017, of which EUR 20.6 million was for 2017 and EUR 4.4 million was for prior years. The ABAF was informed that approximately EUR 5 million is outstanding for Article IV and V reimbursements.
- 10.2 The ABAF was informed of the basis of the cash forecast for 2017 and the underlying assumptions. It was noted by the ABAF that the Secretariat is forecasting a cash neutral position for 2017, which is a positive development compared to the prior year. The ABAF was reminded that in 2015, a decision was made to utilise resources available in the Working Capital Fund and the Special Fund for ERP to address cash shortfalls. At this stage, the Secretariat does not anticipate having a cash shortfall in 2017, which is a definite positive, however, the margin is extremely tight.
- 10.3 The ABAF was advised that the Secretariat was looking into options to address its liquidity issues, which included increasing the Working Capital Fund and a strategic financing strategy to promote improving the long-term financial health of the Organisation.
- 10.4 The ABAF was informed that the Organisation entered in an incentive agreement to not terminate the OPCW Headquarters Tenancy Agreement on 15 February 2023, resulting in the extension of the Tenancy Agreement through 2028, in exchange for an incentive payment of EUR 1.4 million to be credited to the OPCW Working Capital Fund.¹ Of this amount, EUR 0.9 million has been received and applied to the Working Capital Fund.
- 10.5 The ABAF **noted** the presentation and was pleased to see an improvement in the OPCW's cash situation and forecast. It also **noted** the budgetary constraints that the Organisation was facing and **reiterated** the need for a strategic financing paper for the next ABAF session.

11. The Financial Statements of the OPCW and the report of the External Auditor for the year ending 31 December 2016

- 11.1 The ABAF was briefed by the Secretariat on the 2016 Financial Statements, which were formulated for the sixth time in accordance with IPSAS. The ABAF was advised that the net assets of the OPCW amounted to EUR 9.9 million, representing an increase of EUR 1.5 million from 2015. The net asset position of the Organisation remains positive largely due to positive trust fund balances. The General Fund of the Organisation does show a negative asset position of EUR 5.1 million due to employee benefit liabilities.
- 11.2 The External Auditor then presented their findings regarding the 2016 Financial Statements and stated that the audit examination had revealed no weaknesses or errors material to their accuracy, completeness, or validity. The External Auditor stated that

¹ EC-84/DEC.3, dated 9 March 2017.

an unqualified audit opinion had therefore been issued with respect to the Financial Statements of the OPCW and the Financial Statements of the OPCW Provident Fund. The ABAF **noted** with satisfaction that both sets of Financial Statements had received unqualified opinions.

- 11.3 The External Auditor outlined the key observations of the audit. Addressing financial management, the External Auditor stated that in 2016, as in 2015, the OPCW faced significant General Fund cash pressures arising mainly from delayed payment of assessed contributions and Article IV and V inspection reimbursements in 2015 and 2016. Whilst the Organisation again depended on the use of the Working Capital Fund to meet cash pressures in 2016, this was at a lower value than the previous year, as cash pressures in 2016 cash pressures were less acute than in 2015. This was due to a combination of tight budgetary control, as well as more timely—and, in some cases, advance—payments of assessed contributions. The External Auditor stated that while Management had taken steps to tighten the budget allotment, financial pressures would remain unless States Parties met their Convention obligations in a timely manner. The External Auditor added that the Organisation needed to rebuild the Working Capital Fund on a sustainable basis and take a more structured approach to building up reserves, and noted that the Secretariat is proposing a paper to the ABAF on strategic financing at its next session. This should position the OPCW well for consideration of the OPCW's financial strategy at the Fourth Special Session of the Conference of the States Parties to Review the Operation of the Chemical Weapons Convention in 2018.
- 11.4 The External Auditor stated that financial pressures had led to the development of effective budget monitoring and forecasting tools that were used throughout 2016, and which provided a mechanism to facilitate improved financial management. The External Auditor noted that while in-year budgeting was sound, the OPCW needed to consider the development of longer-term resource planning linked to the evolving strategy of the Organisation. In terms of governance and internal control, the External Auditor noted that Management is considering how to take forward many of their previous recommendations, and that the pace of this consideration should be accelerated, including specific plans to address the recommendations made. The ABAF further **noted** that the External Auditor commented that there is room to bring forward the benefits of enhanced risk management, which would support the role and independence of the OIO.
- 11.5 The External Auditor continued to advocate the benefits of an audit committee to the Organisation and stated that the External Auditor will remain available to the Secretariat or States Parties to share its experience and knowledge of how these arrangements are established in other international organisations, if such is required. The ABAF **questioned** the External Auditor on the merits of an audit committee and their experience with such committees elsewhere.
- 11.6 Turning to the OIO, the External Auditor recommended that the OIO should ensure that its internal audit work programme is risk-based and focused on the key areas of the business where internal control may fail. This means that the programme should continue to be varied year-to-year in accordance with the risks the Organisation faces. The programme should be sufficient to provide reasonable assurance to Management, and the assertions made in the Statement of Internal Control.

- 11.7 With regard to the Statement of Internal Control the External Auditor continued to emphasise the importance of their 2015 recommendation in respect of the Statement of Internal Control and encourage the Secretariat to make more urgent efforts to implement improvements to the process and transparency of the Statement of Internal Control.
- 11.8 With regard to the ERP project, the External Auditor stated that they had previously reported the need for a clear plan quantifying business benefits, assumptions on savings arising from the investment, and a clear articulation of the business outcomes from ERP implementation. They note the Organisation is in the process of drafting a detailed Business Realisation Plan for the project, which will be subject to approval by the Project Steering Committee and the Project Board. The External Auditor continues to believe that these benefits should have been more clearly set out at the inception of the project. The ABAF **shared** the view that the Secretariat should agree on this plan and report it to States Parties to enable them to assess the value derived from their investment as soon as possible.
- 11.9 With regard to human resource matters, the External Auditor commented that human resources are the main asset of the Organisation, and that the 2016 audit noted a number of areas for consideration by the Secretariat aimed at having the human resources function better support broader change management and organisational design, improved workforce planning, and performance management mechanisms.

12. Report of the Office of Internal Oversight for the year ending 31 December 2016

- 12.1 The ABAF **received** a presentation from the OIO on its annual report for the period from 1 January to 31 December 2016 (EC-85/DG.10 C-22/DG.4, dated 24 May 2017). The ABAF was informed that the implementation of the OIO's 2016 work programme resulted in six audit/evaluation assignments. Four of these cover the areas where final reports were issued (Audit of Manpower Planning in the Inspectorate, Audit of IT Infrastructure in the OPCW Laboratory, Evaluation of Programmes and Activities of the Health and Safety Branch, and Evaluation of the Quality Management System in the Technical Secretariat), in addition to draft reports issued for the Audit of Evaluation of Governance in the Technical Secretariat and the Audit of the Developed Selection Methods for Schedule 3 Plant sites. Following from the four final reports on audits and evaluations that were issued in 2016, a total of 27 recommendations were issued and accepted by Management.
- 12.2 The ABAF **noted** that the OIO had conducted an audit of manpower planning in the Inspectorate, which could be used to improve management practices in these areas and referenced in future. The ABAF looks forward to Management's response to the OIO recommendations in this report.
- 12.3 The ABAF **noted** that as at 31 December 2016, the cumulative rate of implementation of the OIO recommendations issued in previous years stood at 84.2%, compared to 87.3% as at 31 December 2014. The ABAF was also advised that 46 recommendations were pending. Noting that the Director-General had approved all OIO recommendations, the ABAF **encouraged** Management to implement the recommendations in a timely fashion. The ABAF **noted** that it is Management's responsibility to ensure that OIO recommendations are implemented.

- 12.4 The ABAF was also briefed on the OIO's overall work plan and risk assessment process, and appreciated that the annual audit plan was developed based on an assessment and prioritisation of organisational risks.
- 12.5 The ABAF **noted** the main recommendations from the audits and the fact that the Secretariat was once again able to obtain its certification from the Dutch Accreditation Council (RvA).
- 12.6 The OIO shared its thoughts on its strategic vision, which covered a number of ongoing areas including strengthening of independence, use of IT tools in auditing, and enhancement of the evaluation function, among others. The ABAF **commended** the OIO for its vision and looked forward to future updates.

13. Office of Internal Oversight presentation on an audit committee

The OIO gave a presentation on considerations and options related to the topic of an audit committee. The options presented included: expanding the scope of work of the ABAF to take over the role of an audit committee, setting up a separate audit committee as a completely independent body, or using a panel of independent experts selected by the Institute of Internal Auditors that would report to the ABAF. The ABAF **expressed appreciation** for the work done by OIO on this presentation and **noted** that the issue remains a complex one. The ABAF **noted** that its members function independently in their individual capacity, and **expressed** reservations about setting up another layer with additional costs to the Organisation without significant added value. The ABAF **recommended** that further work was required before it could make an informed recommendation to the Council. The ABAF **requested** the OIO to assess the experiences of other United Nations organisations with or without an audit committee, in particular the two sister organisations based in Vienna (the CTBTO² and the IAEA³) and the United Nations Independent Audit Advisory Committee. The ABAF also **requested** the OIO to provide an assessment of what the impact would be for the Secretariat in terms of the cost-benefit of the various options. The ABAF also **decided** that it would request the External Auditor to provide more insight into its recommendation for the establishment of an audit committee so that it could be better understood.

14. Revised United Nations Compensation Package

- 14.1 The Human Resources Branch provided the ABAF with a presentation on the revised United Nations Common System compensation package and the impact on the OPCW. The ABAF was informed that the Organisation has yet to decide on the relevant elements of the compensation package for which the cost implications are still to be determined. The ABAF assumed that the compensation package elements adopted by the Organisation to be included in the 2018 budget would be discussed at the next meeting of the ABAF.

² The Comprehensive Nuclear-Test-Ban Treaty Organization
³ The International Atomic Energy Agency

- 14.2 The ABAF also **requested** that any associated Financial Regulations and Rules that might be impacted by the compensation package be discussed as part of the Regulations and Rules presentation for endorsement at the next ABAF session.

15. The 2018 Draft Programme and Budget

- 15.1 The ABAF **received** a briefing on the status of the Draft Programme and Budget for 2018.
- 15.2 The ABAF **repeated** its recommendation in paragraph 3.6 from the previous meeting report, ABAF-41: “When deciding on a budget level, there should be a considered agreement among States Parties on what priorities must be supported. If a full examination indicates that overriding needs cannot be absorbed within an existing budget ceiling, then good budgetary discipline requires acceptance of an increased budget level. To ignore this reality would be a disservice to the Organisation.”

16. Any other business

Inspectorate methodology for the number of inspectors

- 16.1 The Director of the Inspectorate Division informed the ABAF of the methodology used to determine the number of inspectors necessary to conduct missions (routine and non-routine), and to support capacity-building activities both within the Secretariat and within States Parties. The ABAF **noted** the methodology, rationale, and criteria used, and it looks forward to its implementation in the Programme and Budget.

Inspectorate presentation on the rehiring of former inspectors

- 16.2 The Director of the Inspectorate briefed the ABAF on the issue of rehiring of former inspectors. This briefing featured an assessment, including of the advantages of rehiring inspectors.
- 16.3 The ABAF was reminded that at its Nineteenth Session, the Conference of the States Parties adopted decision C-19/DEC.11 (dated 4 December 2014) in which it decided to allow the Director-General to rehire, as an exceptional measure, individuals who had previously been designated as OPCW inspectors.
- 16.4 Given the turnover of inspectors due to tenure, it is important that the correct balance between new and experienced inspectors is maintained.
- 16.5 The rehiring programme needs to be a scalable solution that supplements existing knowledge and expertise flexibly and in response to the Secretariat’s requirements and priorities. This is particularly relevant for contingency operations, where existing capabilities could be significantly bolstered at short notice by the sensible use of rehired inspectors, and would potentially reduce reliance on contractors temporarily hired under special service agreements.
- 16.6 The ABAF **thanked** the Inspectorate Division for its presentation, which it found to be a useful introduction to the topic. The ABAF **deferred** any recommendation on

this issue to the next session of the ABAF so that further consideration could be given to this sensitive and important issue.

Other

- 16.7 The ABAF **requested** that all documentation for ABAF meetings be sent no later than the Wednesday prior to the meeting—and earlier if possible—so that topics can be properly reviewed and vetted beforehand.
- 16.8 The ABAF **accepts** the invitation of the Director of the Verification Division to visit the Rijswijk Laboratory during its next meeting.

17. Next session and agenda

The ABAF **adopted** the following provisional agenda for its Forty-Third Session, which will be held from 28 August to 1 September 2017:

1. Opening of the session
2. Adoption of the agenda
3. Review of the report of the previous session
4. Status of 2017 financial performance (first half of 2017)
5. Draft Programme and Budget for 2018
6. Strategic financial strategy paper for the OPCW
7. Update on the status of the ERP project
8. Changes to Financial Regulations and Rules required to implement the ERP
9. Risk management and internal controls with regards to External Auditor recommendations
10. Rehiring of ex-inspectors
11. Audit committee consideration
12. Any other business
13. Next session and agenda
14. Adoption of the report

18. Adoption of the report

The ABAF **adopted** the report of its Forty-Second Session on 9 June 2017.

Annex: List of Information Papers and Other Documents Presented to the Advisory Body on Administrative and Financial Matters at its Forty-Second Session

Annex**LIST OF INFORMATION PAPERS AND OTHER DOCUMENTS PRESENTED TO
THE ADVISORY BODY ON ADMINISTRATIVE AND FINANCIAL MATTERS
AT ITS FORTY-SECOND SESSION**

Title	
1.	Agenda for the Forty-Second Session of the Advisory Body on Administrative and Financial Matters
2.	Report of the Forty-First Session of the Advisory Body on Administrative and Financial Matters (ABAF-41/1, dated 1 September 2016)
3.	Note by the Director-General: Comments on the Report of the Advisory Body on Administrative and Financial Matters at its Forty-First Session (EC-83/DG.16, dated 19 September 2016)
4.	Note by the Director-General: Transfers of Funds in 2016 (EC-84/DG.17, C-22/DG.3, dated 16 February 2017)
5.	Note by the Technical Secretariat: Programme Performance for the Year 2016 (S/1485/2017, dated 11 April 2017)
6.	Financial Statements of the Organisation for the Prohibition of Chemical Weapons for the Year Ending 31 December 2016
7.	Audit Completion Report (including Management Letter) on the 2016 Financial Statement Audit and the Provident Fund Audit
8.	Report of the Independent External Auditor on the Audit of the Financial Statements of the OPCW Provident Fund for the Year Ending 31 December 2016
9.	Note by the Director-General: Annual Report of the Office of Internal Oversight for the Period from 1 January to 31 December 2016 (EC-85/DG.10, C-22/DG.4, dated 24 May 2017)
10.	Note by the Director-General: Report on the Status of Implementation of the Recommendations contained in the 2015 Annual Report of the Office of Internal Oversight (EC-85/DG.12, dated 26 May 2017)
11.	Presentation: Budget Overview – 2016 First Quarter and April
12.	Presentation: Cash Flow and Financial Situation including Status of Programme Support Costs, collection of Assessed Contributions (as at 6 June 2017), Outstanding Reimbursements invoiced under Articles IV and V of the Chemical Weapons Convention (as of 31 May 2017)
13.	Presentation: OPCW Programme Planning and Budgeting
14.	Presentation: Status of Implementation of the Enterprise Resource Planning System
15.	Presentation: Introduction to Regulation and Rule changes due to ERP Implementation
16.	Presentation: Inspector Methodology
17.	Presentation: Re-hiring of Former Inspectors
18.	Presentation: Office of Internal Oversight Report to the ABAF
19.	Presentation: OIO Briefing to ABAF on an Audit Committee
20.	Presentation: Revised United Nations Compensation Package