



OPCW

**Advisory Body on Administrative and
Financial Matters**

Thirty-Seventh Session
1 – 4 September 2014

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**REPORT OF THE THIRTY-SEVENTH SESSION OF THE ADVISORY BODY ON
ADMINISTRATIVE AND FINANCIAL MATTERS**

1. Opening of the session

- 1.1 The Thirty-Seventh Session of the Advisory Body on Administrative and Financial Matters (ABAF) was held from 1 to 4 September 2014. The following members participated: Mr Teddy B. Ceke; Mr Mahmoud Esfahaninejad; Ms Sakiko Hayakawa; Mr Milan Kerber; Mr Nikolay Lozinskiy; Ms Mary B. Rios (Chairperson); and Ms Goenke Roscher.
- 1.2 The list of documents presented to the ABAF for this session is included as an 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, in particular the draft Programme and Budget of the OPCW for 2015 (EC-77/CRP.1, dated 4 July 2014).
- 1.4 With regard to the draft Programme and Budget for 2015, the Deputy Director-General stated that the core objectives of the Organisation will remain unchanged and that the Secretariat will continue to be committed to the full implementation of results-based management (RBM). Addressing the Organisation’s core activities, the Deputy Director-General stated that efforts will continue to confirm the verified destruction of chemical weapons stockpiles and to prevent their re-emergence, and noted that, in 2015, 139 inspections will be conducted under Articles IV and V of the Chemical Weapons Convention (hereinafter “the Convention”), as well as 241 Article VI-related inspections. Addressing the number of inspector days, the Deputy Director-General stated that a total of 13,820 days will be required in 2015, 6.9% fewer than in 2014.
- 1.5 After briefly outlining the Secretariat’s planned programme of work for 2015, including in the areas of education and outreach, contingency operations planning and knowledge management, the Deputy Director-General turned to resource requirements, stating that the draft Programme and Budget for 2015 totals EUR 69.6 million, which reflects a 5% decrease in comparison to the Programme and Budget for 2014. The Deputy Director-General stressed that the draft Programme and Budget for 2015 includes no resources for verification activities related to the destruction of Syrian chemical weapons.



- 1.6 The Deputy Director-General then outlined the Organisation's efforts to seek efficiencies and highlighted improvements to workforce and financial resource planning that have strengthened the links between the resource requests in 2015 and programme objectives. The Deputy Director-General also outlined the planned adjustments to the staffing table, which will see a reduction in staff costs of EUR 1.4 million compared to the Programme and Budget for 2014.
- 1.7 The Deputy Director-General also updated the ABAF on progress made since its Thirty-Sixth Session regarding the rehiring of inspectors, and stated that this issue will be further considered by the Executive Council (hereinafter "the Council") at its Seventy-Seventh Session. The Deputy Director-General also updated the ABAF on the status of the enterprise-resource-planning (ERP) project.

2. Election of the Chairperson of the ABAF

Under Rule 4 of its Rules of Procedure (Annex 2 to ABAF-27/1, dated 3 September 2009 and Corr.1, dated 15 October 2009), the ABAF **re-elected** Ms Mary B. Rios as its Chairperson for a period of one year.

3. Adoption of the agenda

The ABAF **adopted** the following agenda:

1. Opening of the session
2. Election of the Chairperson of the ABAF
3. Adoption of the agenda
4. Review of the report of the previous session
5. Status of the 2014 financial performance (first half of 2014)
6. Draft Programme and Budget of the OPCW for 2015 (including the Medium-Term Plan and the programme performance report for 2013)
7. Any other business
8. Next session and agenda
9. Adoption of the report

4. Review of the report of the previous session

- 4.1 In paragraph 5.4 of the report of its Thirty-Sixth Session (ABAF-36/1, dated 5 June 2014), the ABAF noted that Annex 5 to the report by the Director-General entitled "OPCW Income and Expenditure for the Period 1 January to 31 March 2014 (First Quarter of the Financial Year Ending 31 December 2014)" (S/1176/2014, dated 25 April 2014 and Corr.1, dated 6 May 2014) did not include activities related to the Syrian Arab Republic. The ABAF was informed that a first batch of invoices totalling EUR 1,320,531 for inspections carried out under Articles IV and V of the Convention was sent to the Permanent Representatives of the Syrian Arab Republic, Libya, and Iraq in July 2014. The ABAF was also informed that a set of invoices

supplementary to the first batch and totalling EUR 774,006, as well as a second batch of invoices totalling EUR 802,386 for missions from April to June 2014, will be sent to the Permanent Representatives of the Syrian Arab Republic and Libya in September 2014. A third batch, requesting reimbursement by the Syrian Arab Republic and Libya for mission costs paid by the Trust Funds, will also be sent to the Permanent Representatives in September 2014. The ABAF **appreciated** the quick resolution of this issue.

- 4.2 The ABAF was briefed on the “Report on the Status of Implementation of the Recommendations of the External Auditor” (EC-75/S/5, dated 15 January 2014), and **noted** that all of the recommendations had been accepted and are on track to being fully implemented. The ABAF will continue to be updated at future sessions, as appropriate, on any outstanding audit recommendations.

5. Status of the 2014 financial performance (first half of 2014)

- 5.1 The ABAF **reviewed** the report by the Director-General entitled “OPCW Income and Expenditure for the Financial Year to 30 June 2014” (S/1201/2014, dated 22 July 2014). The ABAF **noted** that 78.97% of assessed contributions for 2014 had been received as of the reporting date, consistent with the 74.41% received in the same period in 2013. The ABAF received a further update on the status of assessed contributions as at 1 September 2014 and **noted positively** the collection rate of 89.94%.
- 5.2 As in previous sessions, the ABAF **expressed concern** that, as at 30 June 2014, 33 Member States were in arrears in respect of annual contributions assessed for previous years in an amount equal to or exceeding the amount of contributions due from them for 2012 and 2013.¹ The ABAF **recommended** that the Council continue to encourage these Member States to regularise the payment of their outstanding annual contributions, if necessary by making use of the multi-year payment plans developed to that end, which were approved by the Conference of the States Parties (hereinafter “the Conference”) at its Eleventh Session (C-11/DEC.5, dated 7 December 2006).
- 5.3 The ABAF **reviewed** the Organisation’s bank balances as at 30 June 2014 and was informed of the preparation of a Note by the Director-General entitled “Limit of Investment of Funds of the OPCW” (EC-77/DG.4 and Corr.1, both dated 21 August 2014), which states that, owing to the unforeseen operational requirements of activities financed by the two Syria trust funds, a high concentration of OPCW cash assets had been held in three institutions from November 2013 to August 2014, thereby exceeding the 25% and/or EUR 12 million limits set by Financial Rule 9.1.02.

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Paragraph 8 of Article VIII of the Convention states the following: “A member of the Organization which is in arrears in the payment of its financial contribution to the Organization shall have no vote in the Organization if the amount of its arrears equals or exceeds the amount of the contribution due from it for the preceding two full years.” In assessing Member States’ voting rights in any given year, the Secretariat, following past practice, does not factor into its calculation of arrears any amounts still outstanding for the current year, and takes into account only amounts outstanding from annual assessments for previous years. Member States that joined the Convention during the preceding two years are not included in this assessment.

- 5.4 The ABAF **noted** the addition of activities related to the Syrian Arab Republic in Annex 5 to S/1201/2014, showing the reimbursements for inspections invoiced under Articles IV and V, as mentioned in ABAF-36/1.
- 5.5 The ABAF **reviewed** the status of appropriations by funding programme as per Annex 7 to S/1201/2014. The Secretariat informed the ABAF at its Thirty-Sixth Session that it had developed a budget-tracking mechanism that aimed to provide early warning of any potential budget overspends or underspends, so that rectifying actions can be taken to ensure the optimal utilisation of resources. The ABAF **recalled** that, historically, the Inspections Programme and International Cooperation and Assistance (ICA) Programme had significant unobligated balances at the mid-year point. The ABAF was previously informed that the Inspection Programme balances are normally due to changes in the inspection schedule, while the balances in the ICA Programme are due to the timing of its activities. The ABAF was informed that the Secretariat had fully implemented a mechanism to track and forecast the budget, which enables early warning and early action to address potential budget over- or underspends. Initial indicators suggest that the budget-tracking mechanism is achieving results, given that the budget implementation rate in all programmes, including inspections and ICA, was close to 50% at the mid-year point in 2014. The ABAF **commended** the improvements made and **encouraged** the Secretariat to continue to make every attempt to utilise available allotments efficiently and to the maximum extent possible, in line with the Programme and Budget for 2014.
- 6. Draft Programme and Budget of the OPCW for 2015 (including the Medium-Term Plan and the programme performance report for 2013)**
- 6.1 The ABAF received a briefing on the main highlights of the draft Programme and Budget for 2015, which has once again been prepared following RBM principles. The ABAF **noted** that the proposed draft Programme and Budget for 2015 was EUR 69.6 million, 5% less than the budget approved for 2014 and approximately at the same level as that for 2013. The ABAF also **noted** that the 2015 budget does not include cost estimates for verification activities related to the destruction of Syrian chemical weapons, and requires annual assessed contributions of EUR 65.9 million, which represents a decrease of 3% in comparison to the assessed contributions in 2014.
- 6.2 The ABAF **appreciated** the Secretariat's improvements to the budget formulation process and its continued efforts to implement RBM, notably the progress made to strengthen the links between the operational plan, as reflected in the Programme and Budget, and strategic guidance documents, such as the Medium-Term Plan. The ABAF **encouraged** the Secretariat to continue its efforts to strengthen the budget process, including its work to review and sharpen the narrative sections of each programme. The ABAF also **stressed** the importance of linking resource requests to results, and **recommended** the increased use of standard costing. It also **recommended** reviewing the format of the programme and budget document, so as to show a clear link between objectives, strategies, outputs, activities, and resources.
- 6.3 Despite the progress made, the ABAF **noted** that some of the key-performance indicators (KPIs), namely in the Office of Strategy and Policy (OSP) and the External Relations Division (ERD), could be further improved. The ABAF **encouraged** the

Secretariat to continue its efforts to ensure that RBM principles are reflected, especially when formulating KPIs and medium-term targets.

- 6.4 The ABAF **noted** that the programme and budget proposal included a number of new initiatives for which additional resources were requested. The ABAF **recalled** that the OPCW has had significant surpluses in the past and **recommended** that a zero-based budgeting approach be adopted when formulating resource requests, in order to take into consideration prior patterns of actual expenditure. Furthermore, the ABAF **recommended** that programmes seek to absorb the financial impact of new initiatives through efficiency savings and a re-prioritisation of activities.
- 6.5 The ABAF inquired about the underlying assumptions of inflation (information previously available in past versions of the draft Programme and Budget), and was informed that the annual inflation rate of approximately 2% had been absorbed within the requested resources through successful prioritisation and forward planning.
- 6.6 The ABAF **noted** that the draft Verification Programme budget reflects an overall increase of 2%, mostly due to increases for equipment and supplies. The ABAF **noted** in Annex 9 to S/1201/2014 that the balance of the Special Account for designated laboratories totalled EUR 909,068 at the end of June 2014. The ABAF was informed this balance will be reduced to approximately EUR 600,000 by the end of 2014, a level that is appropriate to cover contingencies for off-site analysis and emergency equipment needs.
- 6.7 Following a request from the ABAF for information concerning new funding in the amount of EUR 300,000 for “inspection and laboratory equipment” in the OPCW Laboratory, the ABAF was informed that this represents the requirements for 2015 and that there are no expected surpluses within this budget line that could be transferred to the Special Account.
- 6.8 The ABAF **noted** that the draft Inspections Programme budget reflects an overall 11.8% decrease from the level in 2014, which included the one-time costs for the activities related to the destruction of Syrian chemical weapons, but represents a 7.7% increase over the budget approved for 2013. The ABAF was informed that the difference is due to the training requirements of a new group of 15 inspectors and an increase in equipment and supplies. The ABAF **noted** that resources in the amount of EUR 367,000 were provided for “inspection and laboratory equipment” in the Operations and Planning Branch. The ABAF **recalled** Annex 9 to S/1201/2014, which shows a balance of EUR 91,146 for the Special Account for the OPCW Equipment Store. The ABAF **recommended** drawing down from the special accounts to the extent possible in order to lessen the impact of future significant budget requests for inspection and laboratory equipment.
- 6.9 The ABAF **noted** that the draft ICA Programme budget reflects an overall increase of 2.2%, mostly due to increases totalling EUR 215,000, including EUR 150,000 for education and outreach activities. The ABAF **recalled** that, in the Statement of Comparison of Budget and Actual Amounts in the Financial Statements of the OPCW for the Year Ending 31 December 2013 (EC-77/DG.1 C-19/DG.4, dated 14 July 2014), the difference between the final budget and the actual expenditure for the ICA Programme amounted to 10% of the approved budget: EUR 709,351 for the year ending 2012 and EUR 673,855 for the year ending 2013. The ABAF was

informed that the 2014 budget is expected to be almost fully spent because of improved budget-tracking and funds-transfer mechanisms, as well as the expeditious clearance of obligations. Notwithstanding these enhancements, the ABAF **encouraged** the Secretariat to reconsider the budgeted request in order to absorb increases to the extent possible within existing resources.

- 6.10 The ABAF **noted** that the draft External Relations Programme budget reflects an overall increase of 5.7%, mostly due to staff increases and new initiatives totalling EUR 90,000, including EUR 45,000 for commemorative celebrations. The ABAF **noted** the significant change in the objectives, KPIs, and activities for this programme, but stated that the current KPIs included in the proposal could be improved in order to better follow the SMART² criteria commonly used to develop KPIs. The ABAF was informed that the KPIs for the ERD are in the process of being reviewed and amended in order to strengthen the link between the programme of work and the results to be achieved. The ABAF was informed that the revised KPIs will be included in the final 2015 Programme and Budget document.
- 6.11 The ABAF was briefed on the planned programme of work and resource requirements of the OSP. The ABAF **commented** that, compared to other critical programmes, OSP's staffing levels appeared "generous". The ABAF **noted** that the programme includes funding for a number of initiatives, such as the EUR 30,000 for capacity building activities and outreach materials, which could result in an overlap with the planned ICA and ERD activities. The ABAF **encouraged** close cooperation between the OSP and these programmes in order to avoid any duplication and to optimise synergies. The ABAF also **noted** that while the OSP leads the implementation of RBM in the Secretariat, neither its programme objectives nor its KPIs mention the work in this area. The ABAF **recommended** that the KPIs be reviewed and improved for the 2016 Programme and Budget in order to reflect this new mandate. The ABAF also **recommended** that the OSP work in close cooperation with the Budget, Planning and Control Branch as part of the programme and budget formulation process in order to fully embed RBM principles.
- 6.12 The Office of Internal Oversight (OIO) provided the ABAF with an overview of its planned staffing levels for 2015 as well as its programme of work for 2014. The ABAF was informed that in the Programme and Budget for 2013, one P4 Senior Evaluation Officer post had been abolished, and its responsibilities were merged into the P4 Quality Assurance Manager post, which was subsequently downgraded to P3 in the Programme and Budget for 2014. The ABAF was informed that the OIO could not find an acceptable candidate at this level and has therefore requested that the position be reinstated at the P4 level in 2015. The ABAF **expressed concern** at the current level of staffing within the OIO, given the Office's broad mandate to provide "reasonable assurance that financial, operational, confidentiality, and security controls are observed and that management of the Secretariat's resources and programmes is efficient and effective". The ABAF **noted** that the current programme of work is already being negatively impacted by the reduced staffing level and **requested** further information, for presentation at its Thirty-Eighth Session, on how comparable international organisations resource their OIO function.

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SMART = specific, measurable, achievable, relevant, and time-related.

- 6.13 The ABAF was informed by the Office of the Legal Adviser (LAO) on its draft programme and budget for 2015. The ABAF was informed that resources in the amount of EUR 46,500 are included in the budget for the continued hiring of a consultant at the P1 level in “order to maintain and enhance the LAO’s adaptive capacity and resilience, bearing in mind the steady annual increase in legal support provided since 2010”. The ABAF **commended** the LAO’s efforts to identify efficiencies to fund the consultant but **expressed concern** at the current level of staffing within the Office, given the current workload. It also questioned whether P1 was the appropriate level, given the importance of the work conducted and the need for an expert with substantive international experience.
- 6.14 The ABAF **noted** that the draft Administration Programme budget request reflects an overall decrease of 1% compared to 2014, but includes a 6.1% increase within the Office of the Director of Administration. The ABAF was informed that this is the result of a EUR 78,000 provision to provide for an expert to conduct pre-ERP business process mapping. The ABAF **noted** that the Secretariat has prepared a draft decision requesting that the Council approve the reduction of the Working Capital Fund (WCF) to 6% of the draft Programme and Budget for 2015, and to place the resulting balance in a special fund to pay for the new ERP system. Pending approval of the decision by the Council, the ABAF **recommended** that all ERP-related expenses be removed from the regular programme of work and funded by the special fund. If the Council were not to approve the ERP proposal, all ERP-related activities and expenses could be removed from the 2015 budget request.
- 6.15 The ABAF was given a presentation on the Knowledge Management Capability Project, which was established according to a recommendation of the Third Special Session of the Conference of the States Parties to Review the Operation of the Chemical Weapons Convention. The ABAF was informed that the project is being implemented in four phases: (1) assembly of a knowledge management task force; (2) inventory of the current knowledge management resources related to chemical weapons disarmament; (3) implementation of a quality control mechanism to manage knowledge management resources; and (4) creation of a knowledge management capability plan. The ABAF was informed that the project has so far been implemented using existing resources, but may require limited financial resources to fund the purchase of “web crawler” software and to hire temporary project staff in order to fully implement the plan, once it is finalised. The ABAF **noted** that any financial resource requirements would be cost-neutral in 2015 and funded through a reallocation of resources.
- 6.16 During the discussion on knowledge management, the ABAF asked how new requests for software projects are assessed as part of the programme and budget process. The ABAF was informed that all such initiatives are the product of a needs assessment and project proposals, which include an evaluation of current capabilities to identify any synergies and to avoid duplication with existing systems.
- 6.17 The ABAF **received** the Medium-Term Plan for the period from 2015 to 2019 (EC-77/S/1 C-19/S/1, dated 23 April 2014). This document had been discussed at its Thirty-Sixth Session and the ABAF had noted that the current Medium-Term Plan featured several plausible scenarios of the future operating environment. The ABAF **requested** that at a future session it be provided with updates on the implementation

of the Medium-Term Plan and on the progress made in defining a clear vision for the future of the Organisation.

- 6.18 The ABAF **reviewed** the Programme Performance Report for the Year 2013 (S/1185/2014, dated 15 May 2014). The ABAF **noted** the importance of this document and **encouraged** the Secretariat to utilise the report, and notably the lessons learned, in its future planning. The ABAF also **encouraged** the Member States to review the document thoroughly, consistent with RBM principles. The ABAF was informed that the Secretariat is reviewing and strengthening the programme and budget process and that an outcome of this initiative will see the performance review and report preparation process become key steps in the programme and budget cycle.

7. Any other business

Presentation on the enterprise-resource-planning strategy

- 7.1 In paragraph 7.4 of the report of its Thirty-Third Session (ABAF-33/1, dated 30 August 2012), the ABAF was informed that the Secretariat would issue a follow-up report on the risk-mitigation options associated with the current ERP system. At its Thirty-Sixth Session, the ABAF received a presentation on the draft ERP strategy, divided into four major sections: architecture for the current ERP solution; major risks in the current ERP solution; major systems gaps and weaknesses; and the proposed architecture of the new ERP solution. The draft ERP strategy highlighted that the Secretariat needs to address major business, organisational, and quality risks associated with the current ERP and satellite applications. In the long term, this will help to achieve higher return on investment and cost benefits.
- 7.2 In paragraph 8.14 of ABAF-36/1, the ABAF **requested** future updates on the development of the draft ERP strategy and recommended the further development of total project cost and timeline estimates that reflect the future strategic direction of the Organisation. The ABAF was informed that the Director-General had noted the recommendation of the ABAF concerning the implementation of a fully integrated ERP system, and acknowledged the importance of mapping and streamlining current processes ahead of the planned implementation in order to minimise customisation requirements. The Secretariat has since briefed the Council at its Seventy-Sixth Session on the draft ERP strategy and will seek formal approval from the Council at its Seventy-Seventh Session to proceed with the implementation of a new ERP system.
- 7.3 The ABAF **received** a further update on the estimated initial costs, annual operating costs, and total cost of ownership (TCO) of the proposed ERP system over a 10-year period. The ABAF was informed that the TCO depends on the hosting option chosen and through-life operational costs. The initial cost estimates presented to the ABAF at its Thirty-Sixth Session ranged from a “cloud-based”/SaaS³ hosting option with the lowest implementation cost of EUR 5.43 million, but the highest annual operational running costs of EUR 1.44 million, to an on-premise hosting option with the highest implementation cost of EUR 7.98 million, but the lowest annual operational running cost over a 10-year period. The updated estimated costs now range from an initial cost of EUR 6.43 million for an SaaS solution, with annual operational costs of

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SaaS = software as a service.

EUR 1.44 million, to EUR 9.98 million for the on-premise hosting, with annual operational costs of EUR 990,000. The implementation phase is still expected to take three years. The ABAF **recommended** that the decision on the hosting option should be based not only on cost but should also fully take into consideration all aspects related to data security and confidentiality.

- 7.4 The ABAF was informed that some business process mapping activities commenced in 2014, as a vital first step in reviewing and considering potential process flow changes to ensure that there is little or no requirement for a “customised” ERP solution. The ABAF **noted** that in the process of changing business workflows, some financial rules and regulations might need to be amended. The ABAF **requested** that a holistic approach be taken in this regard so that all proposed changes are submitted as a “package” and not in a piecemeal fashion.
- 7.5 In paragraph 6.4 of ABAF-36/1 concerning the ABAF’s previous discussion on the level of the WCF, the ABAF recommended that the Council reduce the WCF to 6% of the Programme and Budget for 2015 and use the surplus of approximately EUR 5.4 million to assist in the financing of an ERP system. The ABAF was informed that the Director-General had acknowledged its recommendation, as well as the accompanying proposal to use the balance of the WCF and budget surpluses to fund a proposed new ERP system.
- 7.6 Following up on the recommendations and discussions of the ABAF, the Secretariat presented three initial texts of draft decisions that will subsequently be submitted by the Director-General to the Council at its Seventy-Seventh Session. The first text covers the implementation of an enterprise-resource-planning system and the establishment of a special fund for this purpose. The ABAF **endorsed** the draft text of the decision, as it is consistent with the previous recommendations of the ABAF and the OPCW External Auditors. Nevertheless, the ABAF **recommended** amending the draft text to include a specific reference to ensure that the decision respects the OPCW’s confidentiality and security regime.
- 7.7 The second text and its accompanying draft Note by the Director-General deal with the reduction of the Working Capital Fund. The ABAF **endorsed** the draft text of the decision, as it is consistent with its previous recommendations.
- 7.8 The third text and its accompanying draft Note by the Director-General cover the withholding of the distribution of the cash surpluses for 2012 and 2013, and were prepared following discussions at the Thirty-Sixth Session of the ABAF. The ABAF **endorsed** the draft text of the decision, as it is consistent with best practices at other international organisations that have implemented ERP systems. However, the ABAF **stressed** that the suspension of the application of Financial Regulation 6.3 should be approved on an exceptional basis, and that the adoption of this decision should not be considered a precedent.

Recommendation for write-offs of irrecoverable accounts receivable and losses of assets

- 7.9 Financial Regulation 10.5 of the OPCW stipulates that the write-off of losses exceeding EUR 500 per item and exceeding a total amount of EUR 10,000 in a given financial period are subject to the recommendation of the Council and the approval of

the Conference. A total amount of EUR 18,002.95, including losses of assets and irrecoverable accounts receivables, will be presented to the Council for consideration at its Seventy-Seventh Session. This amount represents a significant improvement on the previous request to write-off EUR 125,467.94.

7.10 The ABAF was informed that the request is composed of only the write-off of irrecoverable foreign VAT receivables from 22 vendors in the European Union. The ABAF was also informed that the Secretariat has followed all relevant procedures in its efforts to collect these receivables.

7.11 The ABAF **commended** the Secretariat for its pro-active approach to reduce the level of write-offs and continued to encourage the Secretariat to apply lessons learned to strengthen its procedures to reduce these amounts in the future.

8. Next session and agenda

The ABAF **adopted** the following provisional agenda for its Thirty-Eighth Session, which will be held from 1 to 5 June 2015:

1. Opening of the session
2. Adoption of the agenda
3. Election of the Vice-Chairperson
4. Review of the report of the previous session
5. Status of 2015 budget performance (first quarter of 2015)
6. Financial Statements of the Organisation for the Prohibition of Chemical Weapons and the report of the External Auditor for the year ending 31 December 2014
7. Report of the Office of Internal Oversight for the year ending 31 December 2014
8. Any other business
9. Next session and agenda
10. Adoption of the report

9. Adoption of the report

The ABAF **adopted** the report of its Thirty-Seventh Session on 4 September 2014.

Annex:

List of Information Papers and Other Documents Presented to the Advisory Body on Administrative and Financial Matters at its Thirty-Seventh Session

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

	Title
1.	Agenda for the Thirty-Seventh Session of the Advisory Body on Administrative and Financial Matters
2.	Report of the Thirty-Sixth Session of the Advisory Body on Administrative and Financial Matters (ABAF-36/1)
3.	Informal responses to questions raised in regard to the report of the Thirty-Sixth Session of the ABAF (ABAF-36/1)
4.	Note by the Director-General: Comments on the Report of the Advisory Body on Administrative and Financial Matters at its Thirty-Sixth Session (EC-76/DG.13, dated 24 June 2014)
5.	Report by the Director-General: OPCW Income and Expenditure for the Financial Year to 30 June 2014 (S/1201/2014)
6.	Note by the Director-General: Draft Programme and Budget of the OPCW for 2015 (EC-77/CRP.1)
7.	Note by the Technical Secretariat: Medium-Term Plan for the Period from 2015 to 2019 (EC-77/S/1 C-19/S/1)
8.	Note by the Technical Secretariat: Programme Performance for the Year 2013 (S/1185/2014)
9.	Presentation: ERP Strategy
10.	Opening Statement by the Deputy Director-General to the Thirty-Seventh Session of the ABAF
11.	Note by the Director-General: Recommendation for Write-Offs of Irrecoverable Accounts Receivable and of Losses of Assets (EC-77/DG.2 C-19/DG.5, dated 30 July 2014)
12.	Report on the Status of Implementation of the Recommendations of the External Auditor (EC-75/S/5)
13.	Presentation on the Knowledge Management Capability Project
14.	Initial draft notes and decisions dealing with the implementation of an enterprise-resource-planning system and the establishment of a special fund for this purpose; the reduction of the Working Capital Fund; the request for withholding of the distribution of the cash surpluses for 2012 and 2013; and the withholding of the distribution of the cash surpluses for 2012 and 2013