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International Centre for Ocean Development
Centre international d'exploitation des océans

MEMORANDUM

To: Members of the Executive Committee Our File: 105
From: Garry A. Comber
Date: 8 March 1991
Re: **Executive Committee Meeting in May**

You will recall that at the January Executive Committee meeting, it was agreed that the Executive would next meet in May.

Due to travel schedules, it was suggested that May 17 might be most appropriate but would be subject to confirmation. Since that time, the Chairman and I have had discussions with the Chief of Staff of the Minister's Office and I then followed this up with further discussions with the Executive Assistant in the Minister's Office. Arising out of these discussions was the suggestion that the next Executive Committee Meeting should be held in the National Capital Region so as to provide an opportunity for the Minister to have discussions with the Executive Committee during the course of the meeting. These discussions could focus on recent developments in, and constraints upon, Canada's Official Development Assistance Program; a discussion about ICOD's role within the ODA program; ICOD's projected growth or lack thereof; etc.

The Chairman is expected to return to Canada around March 16 and we will then try to set a date in May which is convenient to the Minister. If you have time constraints during the month of May, could you please let me know so that these can be factored into the discussions with the Minister's Office and the Chairman.

Thank you for your cooperation.


Garry A. Comber
Vice President

GAC/lc



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International Centre for Ocean Development
Centre international d'exploitation des océans

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CONFIDENTIAL

105

EXECUTIVE COMMITTEE MEETING
18 JANUARY 1991
HALIFAX, NOVA SCOTIA

Draft Minutes

PRESENT: Executive Committee

Elisabeth Mann Borgese, Chairman
John Vandermeulen, Vice Chairman
Roy Cheeseman
Gary Vernon, President

Garry Comber, Vice President
Jeanne-Mance Côté, Administration Officer

GUEST: Chris Barr

1. i. CALL TO ORDER

The Chairman called the meeting to order and welcomed Members of the Executive Committee. She noted that a quorum was present.

It was noted that Robert Maguire was no longer a Director (see 3.ii below) and there was a vacant position on the Executive Committee.

The Vice-Chairman announced that he would have to leave early.

1. ii. ADOPTION OF THE AGENDA

It was moved by John Vandermeulen, seconded by Gary Vernon,

EC91/1/R1 THAT THE AGENDA BE ADOPTED AS PRESENTED.

Motion passed unanimously.

2. REVIEW OF EXECUTIVE COMMITTEE MINUTES OF 13 SEPTEMBER 1990

It was moved by John Vandermeulen, seconded by Roy Cheeseman,

**EC91/1/R2 THAT THE MINUTES OF THE 13 SEPTEMBER 1990 EXECUTIVE
COMMITTEE MEETING BE ADOPTED AS PRESENTED.**

Motion passed unanimously.

2. ii. TABLING OF BOARD MINUTES OF 1 & 2 NOVEMBER 1990

The Minutes were tabled for Members' information.

3. i. SELECTION OF CANDIDATES FOR PRESIDENT

The Chairman reported that the Ad Hoc Committee had met the previous week. As a result of that meeting, a letter to the Minister had been drafted for the Chairman's signature. Members of the Executive Committee reviewed the contents of the letter and proposed a change to the last page. It was agreed that the Chairman and the Vice-President would travel to Ottawa to meet with the Minister or Senior Officials in her Office to brief them on the situation.

3. ii. BOARD MEMBERSHIP AND COMMITTEE MEMBERSHIP

Two of the four Board Members whose terms expired in August 1990 have been replaced, (Mary Jo Duncan and Robert Maguire) the term of a third Member was extended for another three years (Gastien Godin) and there were no new developments on the status of the fourth Member (Danielle de St. Jorre). The terms of five additional Members were due for renewal during the course of 1991. The Executive Committee felt that two or three Members whose terms were coming up for renewal should remain on the Board to maintain a certain continuity. The vacancies created by the departure of the others would allow for sufficient "new blood".

It was noted that the two new Members brought the number of oceanographers on the Board to four. It was suggested that, in order to get a proper balance on the Board of different sector

representatives ie private, public, and scientific, as well as recognizing the geographic, political and sectoral criteria, a profile on the mix of the Board should be drawn up to facilitate the task of replacing Board Members. ICOD Management agreed to prepare the document and present it to the next Executive Committee meeting who would recommend it to the full Board at its June meeting.

In the meantime, the Chairman will make recommendations to the Minister concerning reappointments or new appointments this year.

Members asked that Thank You letters to the two outgoing Board Members and a letter of congratulations to the Member who was re-appointed be drafted and sent on behalf of the whole Board.

3. iii. ICOD FORUM

A Steering Committee has been formed of which the Chairman and Vice-Chairman are invited participants. Professor Art Hanson of Dalhousie University will Chair the Committee and two additional Members will be included who can provide advice on sustainable development.

An in-house Secretariat has been set up headed by Carol Amaratunga to deal with the Conference administration, communications and

follow up. ICOD has contracted Professor Hanson to provide a core paper. With the help of the Steering Committee, he will also identify speakers and develop the Conference program.

The Chairman has prepared a document on the institutional implications of sustainable development which she thought would be useful for the Forum.

3. iv. FOLLOW-UP TO SPECIAL EXAMINATION REPORT

The issues that were raised by the Auditor General's staff as a result of the Special Examination are being dealt with and Management is confident that they will have been resolved before the June Board Meeting. A point-by-point document listing the issues raised by the Auditor General and the actions taken by ICOD to resolve those issues will be submitted to the Board.

3. v. UPDATED BY-LAWS

The By-Laws were updated to reflect all changes and amendments, including the last amendment at the November 1990 Board Meeting, providing for the possible appointment by the Board of the current incumbent to the position of President pro tem if required. Resolution numbers have been added at the end of each By-Law to

indicate when each resolution was taken. A copy of the By-Laws will be sent to all Board Members.

ICOD's Legal Counsel will be asked to undertake a general review of the By-Laws and make suggestions for changes or amendments.

4. PRESIDENT'S REPORT

The President has met with the Presidents of several donor agencies in Ottawa and the consensus is that more cuts will probably be applied to the ODA envelope.

Some slippage is expected at the end of the Fiscal Year mainly due to the OECS situation discussed at the last Board Meeting which has not yet been resolved.

The President reported on his recent visit to Namibia and Zimbabwe and the issues of major concern in Southern Africa. The Director of West Africa and Indian Ocean Division will be representing ICOD at the February Seychelles Donors' Meeting in Paris dealing with the environment organized by the World Bank. He will then continue on to Dakar to review with IDRC and CIDA regional offices the modalities of establishing a regional ICOD office in West Africa.

The President indicated he would be travelling to Central America

in late January for the signing of the CIDA/CARICOM project in Belize, a visit to OLDEPESCA in Panama and meetings with various officials in Costa Rica. After the Caribbean portion of his trip, the President would also participate in a South Pacific Donors' Meeting organized by the Forum Secretariat of the FFC

The proposed meeting between the Presidents of PCIAC/IDRC/ICOD has been cancelled due to the imminent departure of both Ivan Head and Gary Vernon. Johann Williams, representative of the Nordic Council of Fisheries, met with representatives from CIDA, IDRC and ICOD to propose cooperation with Canadian agencies for the use of the Nordic Research Vessel 'Fritdjof Nansen'. ICOD staff participated in a CIDA-sponsored Fisheries Workshop and in a tripartite CIDA/IDRC/ICOD coordination meeting, both in December 1990.

ICOD is working on a Business Cooperation policy paper and pilot program. It is hoped that the policy paper can be submitted at the June Board Meeting.

5. FINANCIAL MATTERS

The Director of Finance presented a Consolidated Balance Sheet (EC90/D86). In reviewing the Statement of Operations as at 31 December 1990, Members felt that background information on the new negotiated lease for additional space on the 7th and 8th floors

should have been provided and asked that this information be made available to the June Board Meeting.

ICOD will contribute \$100,000 to government restraint this Fiscal Year in response to a government request to help reduce the deficit. Some slippage is expected at the end of the Fiscal Year. The major part of this will depend on the outcome of the situation with the OECS. Members of the Executive Committee took note of the projections made on the Statement of Operations but also noted the constraints due to the above circumstances. Members asked that explanatory footnotes be added to the Balance Sheet indicating the unusual circumstances which might lead to slippage as well as factors relating to other projected disbursements during the current Fiscal Year. These should be attached to the Minutes for future reference.

6. POLICY DISCUSSIONS

6. i. CORPORATE PLAN

The Corporate Plan was redrafted incorporating all the comments and suggestions made by Board Members.

It was noted that in Annex C, Yemen, which had been listed twice, should be deleted from the Non-recipients category.

The Chairman stated that there was an imbalance within the target groups listing in Annex B inasmuch as three out of the seven groups were targetting fisheries. It was agreed to drop that list from Annex B.

After careful examination and consideration,

It was moved by Roy Cheeseman, seconded by Gary Vernon,

EC91/2/R3 THAT THE CORPORATE PLAN BE ADOPTED ON BEHALF OF THE
BOARD OF DIRECTORS.

Motion passed unanimously.

7. PROJECT PROPOSALS

7. i. ECONOMIC ANALYTICAL SUPPORT - NAMIBIA FISHERIES (#900381) EC90/D76

The Executive Committee asked that fisheries economics be looked at in the broader context including ecology and environment and that this be brought to the attention of the recipient.

It was moved by Roy Cheeseman, seconded by Gary Vernon,

EC91/2/R4 THAT FINAL APPROVAL BE GIVEN TO PROJECT #900381
 "ECONOMIC ANALYTICAL SUPPORT - NAMIBIA FISHERIES"
 TO A MAXIMUM CONTRIBUTION OF \$532,000.

Noting the above the comments, the motion was passed unanimously.

7. ii. SUPPORT FOR FISHERIES RESEARCH - DEMOCRATIC REPUBLIC OF
 SAO TOME AND PRINCIPE (#900379) - EC90/D77

It was moved by Roy Cheeseman, seconded by Gary Vernon,

EC91/1/R5 THAT FINAL APPROVAL BE GIVEN TO ICOD PROJECT
 #900379, "SUPPORT FOR FISHERIES RESEARCH" TO A
 MAXIMUM ICOD CONTRIBUTION OF \$910,000 CANADIAN.

Motion passed unanimously.

7. iii. GRADUATE PROGRAM IN MARINE RESOURCE AND ENVIRONMENTAL
 MANAGEMENT - PHASE I, UWI (#880195) EC90/D78 - Change
 of Scope

It was moved by Roy Cheeseman, seconded by Gary Vernon,

EC91/1/R6 THAT FINAL APPROVAL BE GIVEN TO INCREASE THE BUDGET
OF PROJECT #880195 "GRADUATE PROGRAM IN MARINE
RESOURCE AND ENVIRONMENTAL STUDIES (CERMES) PHASE
I" UP TO MAXIMUM INCREMENT OF \$221,000 CANADIAN
(OVER ORIGINAL APPROVED BUDGET) FOR A TOTAL ICOD
CONTRIBUTION OF \$920,000 CANADIAN.

Motion passed unanimously.

7. iv. ESTABLISHMENT OF RURAL FISHING GROUPS (#870150) -
 EC90/D84 - Cost Increase
- v. PROVISIONAL TREATY LINES (#890279) - EC90/D85 - Cost
 Increase/Change of Scope

The Executive Committee was requested to provide post facto approval of the cost increases for the two above-mentioned projects.

Given the fact that aproval for those two projects had been given by the President prior to the clarification by the Board of the President's cost increase limitations,

It was moved by Roy Cheeseman, seconded by Elisabeth Mann Borgese,

EC91/1/R7 THAT UNDER THE CIRCUMSTANCES OUTLINED ABOVE, THE
EXECUTIVE COMMITTEE APPROVES AND RATIFIES COST
INCREASES FOR PROJECT #870150 AND PROJECT #890279
WHICH HAD BEEN APPROVED BY THE PRESIDENT.

Motion passed unanimously.

8. DATE OF MEETINGS

8. i. EXECUTIVE COMMITTEE MEETING

Members agreed to meet on 17 May 1991 subject to confirmation by the Chair.

8. ii. JUNE BOARD MEETING

The meeting would take place in St. Johns, Newfoundland, on 24 and 25 June followed by visits on 26 and 27 June.

8. iii. NOVEMBER BOARD MEETING

The meeting would take place in Halifax on 18 and 19 November followed by the ICOD Forum on 20 and 21 November.

8. iv. MISCELLANEOUS

A tentative date of 3 June 1991 was set for an Audit and Evaluation Committee Meeting.



International Centre for Ocean Development
Centre international d'exploitation des océans

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Balance Sheet
December 31, 1990

	<u>ASSETS</u>	<u>Dec. 31/90</u>	<u>Dec. 31/89</u>
Current			
Cash and Term Deposits		754,886	851,000
Accounts receivable			
- Trade		423,636	301,000
- Gov't of Canada			
. Fisheries & Oceans		12,789	23,000
. CIDA		<u>20,683</u>	<u>901,000</u>
TOTAL ASSETS		<u>1,211,994</u>	<u>2,076,000</u>
	<u>LIABILITIES</u>		
Current			
Trade Accounts Payable		235,946	377,000
Accounts Payable to DFO		<u>108,004</u>	<u>59,000</u>
TOTAL LIABILITIES		<u>343,950</u>	<u>436,000</u>
	<u>EQUITY</u>		
Retained Earnings - March 31		567,862	45,615
Y-T-D Surplus (Deficit)		<u>300,182</u>	<u>1,594,385</u>
Total Equity		<u>868,044</u>	<u>1,640,000</u>
TOTAL LIABILITIES & EQUITY		<u>\$1,211,994</u>	<u>\$2,076,000</u>

FISCAL YEAR 1990/91
PERIOD 10

ICOD CONSOLIDATOR
1990/91
FREE BALANCE - CONSOLIDATOR

DATE 91/01/10
PAGE 1

FREE BALANCE REPORT - SUMMARY
STATEMENT OF OPERATIONS (DEC)
FISCAL YEAR 1990/91

FUND / DIVISION	DESCRIPTION	BUDGET A	CUM. EXPENSES B	HARD COMMITMENT C	NON-OBLIGATED FUNDS D = A-B-C	NON-OBLIGATED PERCENT REMAINING	
						DEC 31/90	DEC 31/89
	FINANCE	924,561	537,457	31,511	355,593	38.5%	17.4%
	HUMAN RESOURCES DEVELOPMENT	395,178	137,916	2,090	255,172	64.6%	29.0%
	LEGAL SERVICES	204,645	104,654	719	99,272	48.5%	28.5%
	AFRICA-INDIAN OCEAN DIVISION	2,709,871	979,514	559,743	1,170,614	43.2%	73.0%
	SOUTH PACIFIC/CARIBBEAN DIV	4,263,101	2,209,308	937,997	1,115,796	26.2%	70.0%
	INTERREGIONAL & COOPERATIVES A	2,437,537	895,688	775,968	765,881	31.4%	40.8%
	OFFICE OF PRESIDENT	1,203,724	546,911	108,960	547,853	45.5%	39.3%
	OFFICE OF VICE-PRESIDENT	824,685	333,488	57,863	433,334	52.6%	32.3%
	CORPORATE RESERVE	-41,302	0	0	-41,302	-	-
***	GOVERNMENT OF CANADA ***	12,922,000	5,744,936	2,474,851	4,702,213	36.4%	55.8%
	SOUTH PACIFIC/CARIBBEAN DIV	1,516,102	1,091,823	428,954	-4,675	-	24.0%
	INTERREGIONAL & COOPERATIVES A	267,200	135,092	0	132,108	49.4%	50.7%
***	SPONSORING AGENCIES ***	1,783,302	1,226,915	428,954	127,433	7.2%	26.7%
TOTAL		14,705,302	6,971,851	2,903,805	4,829,646	32.8%	50.7%

(*) NOTE: Commitments had not been implemented in 1989.

FISCAL YEAR 1990/91
PERIOD 10

ICOD CONSOLIDATOR
1990/91
FREE BALANCE - CONSOLIDATOR

DATE 91/01/10
PAGE 1

FREE BALANCE REPORT - SUMMARY
STATEMENT OF OPERATIONS (DEC)
FISCAL YEAR 1990/91

DESCRIPTION		BUDGET	CUM. EXPENSES	HARD COMMITMENT	NON-OBLIGATED FUNDS	SOFT COMMITMENTS	FREE BALANCE
FUND / DIVISION		A	B	C	D = A-B-C	E	F = D-E
SUSPENCE CLEARING		0	21,974	0	-21,974	0	-21,974
GENERAL ADMINISTRATION		924,561	515,483	31,511	377,567	5,839	371,728
FINANCE		924,561	537,457	31,511	355,593	5,839	349,754
SUSPENCE CLEARING		0	17,908	0	-17,908	0	-17,908
GENERAL ADMINISTRATION		395,178	120,008	2,090	273,080	0	273,080
HUMAN RESOURCES DEVELOPMENT		395,178	137,916	2,090	255,172	0	255,172
GENERAL ADMINISTRATION		204,645	104,654	719	99,272	0	99,272
LEGAL SERVICES		204,645	104,654	719	99,272	0	99,272
GENERAL ADMINISTRATION		771,874	447,293	27,407	297,174	126	297,048
PROGRAM DEVELOPMENT		379,073	65,170	135,727	178,176	0	178,176
OTHER PROJECTS		1,558,924	467,051	396,609	695,264	0	695,264
AFRICA-INDIAN OCEAN DIVISION		2,709,871	979,514	559,743	1,170,614	126	1,170,488
GENERAL ADMINISTRATION		777,559	515,546	3,406	258,607	133	258,474
PROGRAM DEVELOPMENT		200,000	64,321	32,322	103,357	0	103,357
FIJI OFFICE		90,000	111,820	0	-21,820	0	-21,820
PROGRAM EVALUATION		77,250	39,869	0	37,381	0	37,381
OTHER PROJECTS		3,118,292	1,477,752	902,269	738,271	0	738,271
SOUTH PACIFIC/CARIBBEAN DIV		4,263,101	2,209,308	937,997	1,115,796	133	1,115,663
GENERAL ADMINISTRATION		623,744	332,525	6,060	285,159	1,168	283,991
PROGRAM DEVELOPMENT		134,000	35,746	21,900	76,354	0	76,354
SCHOLARSHIP RELATED EXPENSES		6,172	3,312	850	2,010	0	2,010
OTHER PROJECTS		1,673,621	524,105	747,158	402,358	0	402,358
INTERREGIONAL & COOPERATIVES A		2,437,537	895,688	775,968	765,881	1,168	764,713
GENERAL ADMINISTRATION		351,319	219,919	124	131,276	620	130,656
POLICY AND PLANNING		401,693	114,069	108,836	178,788	0	178,788
COMMUNICATION & PUBLICATIONS		450,712	207,405	0	243,307	0	243,307
CORPORATE INITIATIVES		0	5,518	0	-5,518	0	-5,518
OFFICE OF PRESIDENT		1,203,724	546,911	108,960	547,853	620	547,233
SUSPENCE CLEARING		0	268	0	-268	0	-268

FISCAL YEAR 1990/91
PERIOD 10

ICOD CONSOLIDATOR
1990/91
FREE BALANCE - CONSOLIDATOR

DATE 91/01/10
PAGE 2

FREE BALANCE REPORT - SUMMARY
STATEMENT OF OPERATIONS (DEC)
FISCAL YEAR 1990/91

DESCRIPTION		BUDGET	CUM. EXPENSES	HARD COMMITMENT	NON-OBLIGATED FUNDS	SOFT COMMITMENTS	FREE BALANCE
FUND / DIVISION		A	B	C	D = A-B-C	E	F = D-E
INFORMATION RESOURCE CENTRE		94,966	68,708	0	26,258	0	26,258
GENERAL ADMINISTRATION		163,354	114,370	14,738	34,246	0	34,246
OTTAWA OFFICE		77,952	46,500	0	31,452	0	31,452
PROGRAM EVALUATION		235,000	66,722	42,063	126,215	0	126,215
BUSINESS COOPERATION		115,413	31,444	1,062	82,907	0	82,907
CORPORATE INITIATIVES		138,000	5,476	0	132,524	0	132,524
OFFICE OF VICE-PRESIDENT		824,685	333,488	57,863	433,334	0	433,334
CORPORATE RESERVE		-41,302	0	0	-41,302	0	-41,302
CORPORATE RESERVE		-41,302	0	0	-41,302	0	-41,302
*** GOVERNMENT OF CANADA ***		12,922,000	5,744,936	2,474,851	4,702,213	7,886	4,694,327
OTHER PROJECTS		1,516,102	1,091,823	428,954	-4,675	0	-4,675
SOUTH PACIFIC/CARIBBEAN DIV		1,516,102	1,091,823	428,954	-4,675	0	-4,675
OTHER PROJECTS		267,200	135,092	0	132,108	0	132,108
INTERREGIONAL & COOPERATIVES A		267,200	135,092	0	132,108	0	132,108
*** SPONSORING AGENCIES ***		1,783,302	1,226,915	428,954	127,433	0	127,433
TOTAL		14,705,302	6,971,851	2,903,805	4,829,646	7,886	4,821,760

Notes to Financial Statements Re: Non Obligated Funds -

December 31, 1990

1. The % of non-obligated funds (ie unspent and uncommitted) are identified at 36.4% as of December 31, 1990. The Executive Officers deem this figure to be too high and have so apprised Program Directors and Cost Centre Managers.
2. Although some of the 'non-obligated' funds identified on the books should, in the opinion of the Executive Officers, be either committed or expended as of December 31, 1990, a number of explanations were provided to account for the situation as of December 31, 1990:
 - As of December 31, 1990, a number of contracts and commitments were at various stages of planning and were therefore not reflected in the financial information system. Administrative commitments falling into this category which are readily identifiable total \$230,000.
 - Payrolls, postage, rent, telephones and other monthly costs are not committed in the financial information system and accordingly, a full 25% should be outstanding at December 31, 1990. Moreover, one pertinent bi-weekly payroll had not been recorded as of December 31, 1990. The % distribution of

salary and relocation costs for 1990-91 are skewed somewhat by the hiring of new employees in the 3rd and 4th quarters of the fiscal year.

- A number of major contracts, including those for sectoral policy papers, some evaluation activities and a number of communication projects were neither committed nor expended at December 31, 1990, although ICOD Senior Management is confident of the related expenditures by March 31, 1991.

- Eleven presidential approvals which total approximately \$1.2 million and which account for an estimated \$675,000 in expenditures during 1990-91 are in preparation for approval in January/February 1991.

3. Managers have been instructed to: 1) complete existing undertakings and the paperwork related thereto as soon as possible; 2) identify additional, worthwhile projects to make use of any potential slippage.

Summary of Leased Space, Cost & Allowances

June/90 - March 31/96

<u>June/90 - Sept. 30/90</u>		<u>Annual</u>	<u>Monthly</u>
	<u>Area ft²</u>	<u>\$</u>	<u>\$</u>
4th S.P.C.B.	2,352 @ \$12	28,224	2,352
7th I.R.C.A.D. 3,072			
W.A.I.O. 1,883	4,955 @ \$14	69,370	5,780
9th Corp.Serv./Exec. 7,855 @ \$12		94,260	7,855
\$ 15,162		\$ 191,854	\$ 15,987
 <u>Oct. 1/90 - Dec. 01/90</u>			
4th S.P.C.B.	2,352 @ \$12	28,224	2,352
7th I.R.C.A.D. 3,072			
W.A.I.O. 1,883			
New Space WAIO 896	5,851 @ \$14	8,194	6,826
9th Corp.Serv./Exec. 7,855 @ \$12		94,260	7,855
\$ 16,058		\$ 204,398	\$ 17,033
 <u>Dec. 01/90 - Jan. 31/01</u>			
4th S.P.C.B.	2,352 @ \$12	28,224	2,352
7th I.R.C.A.D. 3,072			
W.A.I.O. 2,779			
New Space IRC/			
Sec.Cons. 2,004	7,855 @ \$14	109,970	9,164
8th New Space			
S.P.C.B. 4,000 @ \$14	56,000		4,666
9th Corp.Serv./Exec. 7,855 @ \$12		94,260	7,855
\$ 22,062		\$ 288,454	\$ 24,037

<u>Feb.01/91 - Mar.31/92</u>		<u>Annual</u>	<u>Monthly</u>
	<u>Area ft²</u>	<u>\$</u>	<u>\$</u>
7th IRCAD/WAIO/ IRC/Sec.Cons.	7,855 @ \$14	109,970	9,164
8th SPCB/HR	4,000 @ \$14	56,000	4,666
9th Corp.Serv./Exec.	<u>7,855 @ \$12</u>	<u>94,260</u>	<u>7,855</u>
	\$ 19,710	\$ 260,230	\$ 21,685

Apr.01/92 - Mar.31/93

7th	7,855 @ \$14	109,970	9,164
8th	4,000 @ \$14	56,000	4,666
9th	<u>7,855 @ \$14</u>	<u>109,970</u>	<u>9,164</u>
	\$ 19,710	\$ 275,940*	\$ 22,995

* Annual charge based on current occupancy will apply until March 31, 1996.

Leasehold Improvements:

7th & 8th floor 7,000 ft² to renovate
 Provincial low tender bid \$ 115,600
 L/H improvement allowance
 \$8/ft² X 7,000 56,000
 \$ 59,600

Also negotiated \$ 25,000 allowance from Provincial Realty for
 refurbishing 9th floor
 i.e., carpet, painting

Operating costs 1990 \$ 5.46/ft² annually
 1991 \$ 5.67/ft² annually



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

BD91/2/DO2¹
2 July 1991
CONFIDENTIAL
File: 104

**ANNUAL BOARD OF DIRECTORS MEETING
HALIFAX, NOVA SCOTIA
24 & 25 JUNE 1991
DRAFT MINUTES**

PRESENT: Elisabeth Mann Borgese, Chairman
John Vandermeulen, Vice-Chairman
Pierre Béland
Roy Cheeseman
Gastien Godin
Paul Henri LeBlond
Ellen McLean
Moise Mensah
Philipp Muller
Sharon Proctor
Danielle de St. Jorre
Gary Vernon, President
Garry Comber, Vice-President
Chris Barr, Treasurer
Jeanne-Mance Côté, Administration Officer

ABSENT: Vaughan Lewis
Nicole Senécal

GUEST SPEAKER: Jioji Kotobalavu

GUESTS: Carol Amaratunga
Peter Flewwelling
François Gilbert

1. i. CALL TO ORDER

The Chairman called the meeting to order, welcomed Members to Newfoundland and extended a special welcome to Pierre Béland and Paul Henri LeBlond. Nicole Senécal and Vaughan Lewis had sent their regrets at not being able to attend. She then noted that there was a quorum.

1. ii. ADOPTION OF THE AGENDA

It was moved by John Vandermeulen, seconded by Gary Vernon,

BD91/1/R1 THAT THE AGENDA BE ADOPTED AS PRESENTED.

Motion carried unanimously.

1. iii. COMMENTS FROM INTERNATIONAL DIRECTORS

Indian Ocean

A statement on fishery activities in the South West Indian Ocean had been circulated earlier. Mme de Ste. Jorre indicated that, with the help of ICOD, the Western Indian Ocean Tuna Organization (WIOTO) was set up to assist and advise participating countries in the management, conservation, socio-economic and political aspects relating to tuna and tuna-like species in the South West Indian Ocean. At their last meeting in the Seychelles member countries including the Comores, Madagascar, Mozambique and the Seychelles signed a convention which was also initialed by Kenya, Maldives and Mauritius. The organization will be granted official status once the requisite states have ratified the convention.

At this stage, the organization is making sure that sufficient funds are available to set up its Secretariat headquarters in the Seychelles. Mme de St. Jorre thanked ICOD for their advisory role and hoped that financial help could also be provided by the Centre. She mentioned the role played by the Forum Fisheries Agency in assisting with the convention and the South-South cooperation which had resulted.

A project to create an Indian Ocean University is being contemplated with the possibility of an Institute of Oceanography or Marine Sciences being located either in the Seychelles or the Comores. Mme de St. Jorre felt that ICOD could play an important advisory role and was hopeful that financial help could be provided for the initial set up. This idea was discussed at a recent meeting of the Heads of States held in Madagascar and there is an impetus to get the project started.

The Seychelles launched their marine environment plan this year with the help and participation of ICOD. The success of the donors' meeting held in Paris in February 1991, where ICOD played a catalyzing role during the roundtable discussions, was hampered by the Gulf War. It is felt that Madagascar, Seychelles and Mauritius all have a very good marine environment development plan. The Seychelles marine environment development plan in particular is being heralded by UNEP and the World Bank as a model plan and it will be presented at the 1992 Brazil Conference on the Environment.

One of the problems encountered by recipient countries when trying to implement a project is the amount of preparation time taken by

funding agencies as donors ask for lots of supplementary information. Mme de St. Jorre felt this was not the case with ICOD.

Work is also ongoing in the Region on the development of human resources development plans. Mauritius have presented their plan to donor agencies in Geneva and the Seychelles are preparing a human resources development plan to be presented in Geneva next year. The latter will be closely linked to the marine environment plan and the general ocean development plan.

Fish stock assessments taken last year have demonstrated that resources were not as plentiful as expected. Statistics are obtained through observers placed on board commercial fishing vessels and through a count of landing catches of artisanal fishing.

The Chairman commented on the growing number of regional activities and how this was becoming the new focus of action between the global and national level.

South Pacific

Philipp Muller noted that a downturn in the Region's economies is seriously affecting government departments of Member countries, particularly in fisheries. Fuel prices are putting a heavy burden on commercial ventures and industrial fisheries. Long-term management and development strategies are no longer the answer to this short-term problem.

The industrial tuna industry is in disruption with the movements of fleets and the opening and closing of canneries. One national tuna fishing company had to be sold to private interests (B.C. Packers) due to mismanagement, a second is tied up and the third company's only hope for survival is through diversification. In artisanal fisheries, there is overexploitation of the resource particularly near urban centres.

In fisheries management, terms and conditions for international foreign fishing access have been standardized, the convention on the prohibition of long drift nets has been implemented, and a licensing system has been coordinated for purse seine fishing. In 1989, 32 licenses had been granted compared to 181 this year. It is feared that oversupply and overcapitalization will seriously affect not only the industry but the Region's ability to earn revenue by access of foreign fishing.

The FFA is trying to get its member countries to ratify the Law of the Sea Convention. Regional, sub-regional, and multi-lateral licensing schemes are being looked at, and a joint reciprocal surveillance and enforcement treaty has been negotiated but remains

to be signed. Other developments include the ongoing negotiation for an extension to the successful US treaty which is in its third year and an interest from the French and Spanish purse seine fleets in establishing an exploratory fishery in the South Pacific.

The Chairman urged Danielle de St. Jorre and Philipp Muller to continue their efforts for the ratification of the Law of the Sea Convention.

West Africa

Moise Mensah explained that he had been summoned to Benin to assist in the process of political change and transfer of power from a military marxist regime to a civilian regime through democratic elections. Since then, countries in the Eastern Central Atlantic region of Africa are thinking in terms of multiparty political systems and there is talk of holding various national conferences to discuss these political changes.

The first steps which Namibia is taking towards a democratic multiparty system are very encouraging, but the country will require a significant amount of external resources based on long term commitment and sustained assistance. Income disparity and uneven distribution of land and marine based resources are creating complex problems. The Namibian government has put a ban on fishing in their Exclusive Economic Zone until a new policy is formulated.

Moise Mensah commented on one problem area for the Region which is availability of information for policy formulation including data collection and analysis capacity.

2. REVIEW OF MINUTES - Board Meeting, 1 & 2 November 1990

Moise Mensah asked that the word President be changed to Prime Minister in his report on West Africa on page 3.

John Vandermeulen commended ICOD on its participation in initiating collaborative regional programs through funding of meetings of eight countries of the Indian Ocean area. He also commented on the summaries of divisional presentations which he felt were very informative.

It was moved by Gastien Godin, seconded by Ellen McLean,

**BD91/1/R2 THAT THE MINUTES OF THE NOVEMBER 1990 BOARD MEETING
BE ADOPTED WITH THE ABOVE-MENTIONED CHANGE.**

Motion passed unanimously.

3. ANNUAL FINANCIAL STATEMENTS

Parliamentary appropriations were reduced to \$12.2M as a result of ICOD's \$100,000 contribution towards efforts to reduce the federal budget deficit. However, Treasury Board allowed \$130,000 to be carried over from Fiscal Year 1990-1991. Total program activities experienced a 32% increase over last year. The budget of the West Africa and Indian Ocean Division increased by 54.4% over the previous year in an effort to attain greater parity between regional divisions.

As the Centre's performance is judged on disbursements rather than commitments, divisions have their own disbursement monitoring system and an overplanning factor of 130% is used to prevent slippage.

The substantial increase in the Finance Division budget described in Schedule C stems in part from a transfer of the Administration function from Human Resources to Finance. In addition, the Division was responsible for the acquisition and implementation of a Local Area Network (LAN) enabling all staff to share databases.

Over the next five years, it is projected that total administration costs (excluding CIDA program funds) will be decreasing from 15.7% down to 14.2% which is well within the guidelines set by the Board. It was moved by Roy Cheeseman, seconded by Ellen McLean,

BD91/1/R3 THAT APPROVAL BE GIVEN TO THE ANNUAL FINANCIAL STATEMENTS FOR THE INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT DATED 31 MARCH 1991.

Motion passed unanimously.

Members of the Board of Directors congratulated ICOD Management and staff for their efforts in keeping administrative costs at an acceptable level.

4. BUSINESS ARISING FROM MINUTES

4. i. ICOD FORUM - SEEKING SUSTAINABLE DEVELOPMENT OF THE OCEANS (#900395) COST INCREASE

The purpose of the Forum is threefold: to contribute to the UNCED 1992 process; to promote dialogue on sustainable development of the oceans; and to provide ICOD with an opportunity for increased leadership in the field of ocean management and development. The Forum will stimulate new thinking pertinent to UNCED and ocean development; examine emerging ideas about environment and economy related to sustainable development; identify successful examples and indicators of sustainable ocean development; and provide recommendations for the development of strategies, policies and

programs for sustainable ocean development.

Forum deliberations will be published for distribution to UNCED (United Nations Conference on Environment and Development) delegates, ICOD target countries, and donor agencies. A background paper is being prepared by Dr. Art Hanson which will review the current concepts of sustainable development related to oceans and the means to measure progress in achieving these objectives. Speeches from the various panel members will be available and a series of reader-friendly newspaper articles on sustainable ocean development are being contemplated.

Day One would consist of open sessions while Day Two would be limited to working groups for speakers and other invited specialists, ICOD Board Members and ICOD staff. A preliminary outline of Day One would include a 'spiritual address' by one of Canada's native leaders. Invitations have been sent to Oscar Arias, former President of Costa Rica, for the keynote address and to the Hon. Monique Landry for the luncheon address. Panel discussions on Sustainable Livelihoods from the Oceans and Integrated Ocean Planning and Management would take place in the afternoon.

An evening public lecture is being planned with panelists from Non-Governmental Organizations such as Greenpeace. This would take place at a university in Halifax and would be directed at the Halifax community, student body and universities.

Day Two will provide in-depth discussions on questions and issues brought forward from Day One. Guidelines will be provided to the four Working Group Chairpersons and Rapporteurs for a more efficient and focused effort.

Direct linkages have been established with the UNCED General Secretariat in Geneva and the Coordinator responsible for the Oceans sector has been invited as a Forum speaker. Briefing notes have been provided for the Canadian delegation to the second Preparatory Committee of UNCED.

Forum proceedings will be published in both official languages and the possibility of translation into Spanish and Portuguese is being reviewed. Follow-up activities are being considered as part of ICOD's ongoing programs.

Concern was expressed over the few confirmations received to date from invited guest speakers and panelists and the lateness in sending out invitations. The Board felt that this might impact on the quality of the input intended for the United Nations Conference. Dr. Art Hanson, who was contacted during the meeting for his views on the feasibility of the project, felt confident that positive replies would arrive within the next two weeks.

A second mailing listing key names and agenda details will be sent out shortly. Sharon Proctor suggested addressing this to the same group of people as key names would make it more attractive for some people to attend.

Paul Henri LeBlond discussed the possibility of placing an article about the Forum in Eco-Decision, a periodical recently launched by the Royal Society of Canada. The magazine is published in French and English, and deals with environment and development issues. It is aimed at Heads of Governments and decision-makers in many countries and would be an excellent advertising vehicle.

Gastien Godin indicated an objection to the format of Day Two whereby only selected participants would be invited. He felt that Day One Forum attendees should also be included as observers on the second day. This concern will be expressed to Art Hanson.

As more replies are expected within the next few weeks, the Board unanimously agreed to postpone a decision on whether to proceed with the Forum on the dates suggested until a meeting of the Executive Committee in July.

In the interim, the Project Summary indicating the details of the cost increase for the Forum (BD91/D04) was approved subject to the forthcoming decision of the Executive Committee on whether or not to proceed.

4. ii. SELECTION OF CANDIDATES FOR THE POSITION OF PRESIDENT - ORDER IN COUNCIL

The President's term was extended for six months to 18 October 1991. This will give the Government an opportunity to review more candidates. The Minister accepted ICOD'S offer of advice on any new candidates and a list of names has been received from the Public Service Commission. After careful review, the Search Committee recommended one candidate from that list. The final decision, however, rests with the Privy Council and the Prime Minister's Office.

4. iii. STATUS OF BOARD MEMBERSHIP

The terms of six Board Members, including the President, will expire this year and the term of Danielle de St. Jorre expired in August of 1990. The Executive Committee met in Ottawa with the Minister in May 1991 and were told that Board Members would be given no advance indication on their being replaced or renewed. The Minister's portfolio has been increased creating a backlog but ICOD was assured that this matter would be resolved during the course of the Summer. The Executive Committee asked that the Minister consider reappointing at least two Members whose terms

have expired in order to maintain continuity on the Board. A recommendation that the private sector be represented was also made.

PRESENTATION BY MR. JIOJI KOTOBALAVU, DIRECTOR, SOPAC

Mr. Kotobalavu thanked Board Members and ICOD Management for this opportunity and he conveyed the gratitude of SOPAC's 14 Member countries for the support which ICOD is providing to his organization. ICOD and CIDA funding make up 30% of SOPAC's cash budget and 20% of all in-kind and cash contributions making Canada the largest single source of support. The Forum Fisheries Agency (FFA) and the South Pacific Applied Geoscience Commission (SOPAC) are the two major recipients of ICOD and CIDA funding in the South Pacific.

SOPAC was formed in 1982 as a UNDP project and as a result of the discovery of crude oil off the Kingdom of Tonga. It was felt that a regional body was needed to identify and assess any mineral resource potential of island countries' nearshore interests. In 1984, the legal status of the project was changed to a self-standing inter-governmental regional organization and in 1986, the financial and technical assistance support base was broadened to gradually phase out UN financial assistance. Looking to the future, the 14 SOPAC member countries have agreed to give the French Territories an associate membership status.

The organization undergoes an annual review of its programs by a panel of international experts who act in the capacity of advisors to SOPAC member countries.

In a broad overview of the region, four other major regional organizations were set up in the South Pacific: the Forum Fisheries Agency (FFA) looking after management and exploitation of commercial fisheries; the South Pacific Commission, involved with rural development, education, inshore fisheries; the University of the South Pacific, a regional university, with programs related to fisheries training; and, the Forum Secretariat, mandated with promoting regional cooperation in trade, telecommunications, and transportation, to name a few.

The South Pacific Coordinating Committee, a consultative group of executive heads of regional organizations, meets once a year to ensure maximum coordination and cooperation between all concerned. The South Pacific Regional Environment Program (SPREP) will be emerging within the next few months from the SPC umbrella and SOPAC will be working very closely with this organization.

SOPAC concentrates its programs on: trying to identify mineral resources within the Exclusive Economic Zone of island countries such as manganese nodules or cobalt in the deep sea and precious

corals, sand and coral aggregates for construction and hydrocarbons in the nearshore; helping with the management and development of coastal areas, such as site studies for hotels, port development, wave energy and coastal erosion; and, providing training through country-based workshops on nearshore minerals, minerals policy, coastal management and coastal mapping and diploma courses at USP. SPREP will increasingly be asked to conduct environmental impact assessments as a component of SOPAC engineering studies.

CIDA has provided technical assistance for deep sea minerals programs and both CIDA and ICOD have provided substantial financial support for coastal zone management and nearshore minerals investigation programs.

ICOD, through the University of the South Pacific, is providing assistance with training programs and Mr. Kotobalavu felt that more emphasis should be placed on training people from small island countries in broadly-based disciplines. It is hoped that within the next two years the certificate level presently offered will be raised to a diploma level. The region is also hoping that ICOD will support degree training at the University of Papua New Guinea. This would maximize use of regional universities, be more cost efficient and the course material would be more relevant to island students. In-country training is more effective at the lower level however out-of-country training at the degree level presents advantages such as establishing new contacts, broadening perspectives and taking advantage of the latest technology.

SOPAC member countries will continue to assist ICOD by accepting trainees from ICOD's other regions of concentration and participating in exchanges of resource persons either providing or receiving relevant training. The development of stronger linkages between regions will permit a sharing of experiences and participation in student exchanges and cross-training.

Following Mr. Kotobalavu's presentation, various questions and comments were raised by Board Members as follows:

- (a) Q: How much would it cost to identify offshore aggregates?
A: About \$70,000 Australian, however the cost for an environmental impact assessment and then future extraction costs would also have to be taken into account.
- (b) Q: How long would normal technical training activities take at SOPAC?
A: Three to six months but SOPAC has a limited capacity to service all of the countries' needs.
- (c) There are advantages for training both within the region and in Canada and other developed countries. Although the immediate need seems to be for lower level training, we must remember the need for exposure to advanced technology.

- (d) It was felt that more information sharing between countries and between regions would be beneficial for all concerned. It was felt that there could be a sharing of training programs which had been developed within the various regions and there should be an exchange of students between regions. ICOD is well placed to help with these types of exchanges.
- (e) It was indicated that the OECS and FFA have already been discussing cooperation and the FFA has assisted in establishing the South West Indian Ocean Tuna Association. These types of exchanges should continue.
- (f) It was pointed out that there has been a lack of educational opportunities in the current French territories of the South Pacific and that ICOD should consider assisting them to prepare for independence. Canada's bilingual nature facilitates such an endeavour.
- (g) Mr. Kotobalavu was asked for his impressions of ICOD's impact within the region. He indicated that ICOD's focus on regional programming and the focus on ocean development were correct. He indicated that ICOD should avoid spreading itself too thin. He felt that the procedures which ICOD used were very good as was its delivery time and he indicated that he has heard nothing but praise for ICOD within the South Pacific.
- (h) Mr. Kotobalavu indicated that ICOD must make a greater effort to get information about its activities to Heads of Governments in the South Pacific. He felt that we should meet with the Canadian delegation before meetings of the South Pacific Forum and become more active in such meetings.

5. TABLING OF MINUTES

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|----|------|---------------------------------------|----------|
| 5. | i. | EXECUTIVE COMMITTEE - 18 JANUARY 1991 | BD91/D06 |
| | ii. | EXECUTIVE COMMITTEE - 17 MAY 1991 | BD91/D07 |
| | iii. | AUDIT AND EVALUATION COMMITTEE | BD91/D08 |
| | | - 3 JUNE 1991 | |

The Minutes were tabled for Board Members' information.

6. PRESIDENT'S REPORT

The nature of activities ICOD has undertaken since its beginnings, the achievements and the future objectives under those activities are:

- 1) Development and refining of strategic policies - Although these policies have been articulated, a review of ICOD's seven themes is being undertaken by consultants to determine

specific niches ICOD might fill. Policy dialogues with staff centered in particular around South-South cooperation, private sector initiatives, new programs and evaluations, and extra-budgetary funding.

- 2) Establishment of programs and delivery mechanisms - A series of programs have been established, ICOD performance evaluations have been carried out and ICOD's presence is being established in the field through the opening of regional offices. The Centre must continue to refine its programs and explore new themes and approaches.
- 3) Protection and expansion of a funding base - ICOD must determine how to seek outside funding while protecting core funding. The Minister has requested that CIDA-funded World Maritime University scholarships be internalized by ICOD at a cost of \$335,000.
- 4) Establishment of an administrative structure - 21 new staff have joined ICOD over the last year. A number of staff changes are still expected within the coming months: the departures of the President and of the Director of the South Pacific and Caribbean Basin Division; the reintegration at Headquarters of the Fiji field representative; and the transfer of Program Officers to both Fiji and Dakar. Annual performance appraisals as well as a job description and classification exercise have just been completed.
- 5) Dissemination of knowledge about ICOD and about ocean development - Latest publications include the Corporate Profile booklet, the list of Approved Project Summaries by Region, the Marine Research Vessel Guide, the Ocean Forum brochure and the updated version of the World Fisheries Map.

One major issue presently facing aid agencies is a general tightening of funds for international development assistance due in part to the recession, the Gulf war recovery, the situation in Eastern Europe and various famines and disasters. The Canadian Government has responded through a \$1.6B cut back in development assistance over the next five years. The Hon. Monique Landry indicated to the Executive Committee in June that Canadian public support for overseas development assistance is very soft and that the oceans sector is not a high priority. She noted that ICOD should make a concerted effort to influence Canadian ODA policy with respect to greater priority and increased resource allocation to the Marine sector.

Philipp Muller added that the ability of small developing countries in the South Pacific to absorb funding has been eroded faster than the ability of donor countries to provide funding. Therefore, using NGO's to facilitate project planning and implementation is even more important than before.

Paul Henri LeBlond referred to the possibility of establishing linkages between the Pacific Science Congress and ICOD and undertook to obtain more information on this association. Philipp Muller noted that meetings of this organization tended to have very little representation from the officials from developing countries and better representation from expatriates.

It was indicated that ICOD should strive to be seen as the recognized reference centre on ocean development and should undertake more international publicity although this takes a lot of time and money. Co-financing of activities was seen as a possible means of assisting with this goal. However, ICOD must also keep its eye on producing credible products to enhance its reputation.

Program Division Presentations

Dr. Carol Amaratunga, Director of the Interregional and Cooperative Activities Division gave an update of the ICOD Training Policy approved by the Board of Directors in November 1990. Several sub-policy areas had been identified and work had been completed on a number of these and was in progress for other activities. A detailed description relating to the activities was provided under the following heading: (1) needs assessment protocol and tools/guidelines; (2) alumni follow-up database; (3) development of scholarship promotion guidelines, recruitment procedures, administrative guidelines for scholarships, evaluation guidelines, etc.; (4) twinning-institutional frameworks; (5) selection procedures for scholars; (6) contractual guidelines for standing offers with Canadian training institutions; (7) scholarship memoranda of agreement; and (8) executing agency guidelines.

François Gilbert, Director of the West Africa and Indian Ocean Division discussed the current steps towards the establishment of democratic governments in many of the countries within his region. On the economic side, funding has become more restricted and commercial banks do not loan money to LDC's anymore at a time when ODA contributions are declining or being re-directed to the Middle East or Eastern Europe. Several conclusions were reached based on this analysis. The division had grown considerably, both in staff and in budget during the previous year (including the opening of the Dakar office). The division was adjusting its strategies to meet current circumstances.

Peter Flewwelling, Director of the South Pacific and Caribbean Basin Division pointed out the historical patterns of ICOD's involvement in the South Pacific and in the Caribbean and the division's involvement with two major CIDA projects, CSPODP in the South Pacific and CFRAMP in the Caribbean. It was felt that in the South Pacific the key issues for 1991/92 would centre around the potential (or lack thereof) of bilateral initiatives, the implementation and mid-term evaluation of CSPODP, the development

of the South Pacific Regional Environmental Program as a separate entity from SPC, and the role of leadership provided by the regional organizations. In the Caribbean Basin, key issues would focus on increased attention to the marine environment; settling outstanding issues relating to financial management at the OECS Fisheries Unit and revitalizing the ICOD program; awaiting the results of a restructuring of the CERMES project at UWI in Barbados and developing the Phase II proposal for that project; and the full start-up of the CARICOM Fishery Resource Assessment and Management Program (CFRAMP) headquartered in Belize.

At the conclusion of these three presentations, Members of the Board raised the following questions or comments:

- (1) Considerable funding was devoted to fisheries. Was there any sign of real impact in that sector?
- (2) At what level of training did scholarships offer the greatest benefit?
- (3) What steps was ICOD taking to transfer training to institutions within the region?
- (4) There is a need to educate national leaders before they will make good decisions for the training of their officials.
- (5) There is a possibility of a University of the Indian Ocean involving Reunion, Madagascar, Mauritius, and the Seychelles. ICOD should monitor this and play an active role.
- (6) ICOD should now consider more involvement in the Indian Ocean Commission as the organization is evolving to be more representative of development country views. It was felt that the IOC was still too dependent on EEC funding.
- (7) The Canadian Ambassador to Morocco had suggested to Gastien Godin during his recent visit to Morocco on ICOD's behalf that ICOD should publicize its success stories and should attempt to deal directly with the leaders of the countries to obtain more support for ICOD programs.
- (8) It was suggested that ICOD projects should be of a longer duration with a mid-term review built in.
- (9) It was suggested that ICOD should be flexible on the issue of counterpart contributions. However, it was noted that the level of counterpart funding is already quite low. It was also suggested that in some projects other donor funding is reported as counterpart funding which is not entirely correct.

7. REPORT OF THE EXECUTIVE COMMITTEE

Points covered during the January and May Executive Committee meetings included the selection of candidates for the position of President, Board and committee membership, the ICOD Forum, the follow-up to the Special Examination Report, the possible update of ICOD's Bylaws, Business Cooperation, and the Corporate Plan. A number of projects were also reviewed and approved.

8. REPORT OF THE AUDIT AND EVALUATION COMMITTEE

Two documents had been presented for information: the Minutes of the Audit and Evaluation Committee dated 3 June 1991 and the Follow-up Report on the ICOD Special Examination.

The Chairperson of the Audit and Evaluation Committee began by focusing on the Follow-up Report of the ICOD Special Examination. She referred Board Members to page 1 dealing with Board Minutes and page 12 dealing with Conflict of Interest. It was recommended that the Secretary to the Board interrupt proceedings to seek clarification of Board matters whenever required so that the Minutes can accurately reflect Board considerations. For Conflict of Interest, it was suggested that this matter be further expanded within the ICOD Bylaws which are under review at the present time.

During a review of other audits presented to the Centre, it was indicated that the delegations of authority within ICOD had been exercised with no apparent breaches in established policy or procedures and this allowed for consideration of higher delegation of authorities within ICOD. An audit of the Finance function had been completed. As the Director of Finance and Administration (Treasurer) normally manages the audit function, the Vice President had been responsible for managing this particular audit including finalization of the Terms of Reference. The results of the audit of the Finance function indicated that this function was being carried out in an effective and efficient manner. Three matters were raised by the Auditor which dealt with Corporate ICOD issues.

This led to a discussion within the Board about the concept of establishing "per diems" during travel status instead of the present methodology which required receipts for hotels and miscellaneous expenses and the utilization of the Treasury Board Travel Policy for meal allowances. After a lengthy discussion on this subject,

It was moved by Pierre Béland and seconded by John Vandermeulen,

BD91/1/R4

THAT THE BOARD ACCEPT THE RECOMMENDATION OF THE AUDITOR FOR PER DIEMS AS THEY APPLY TO THE BOARD AND LEAVES THE QUESTION OF THE EXTENSION OF THIS CONCEPT TO TRAVEL BY STAFF MEMBERS TO THE PRESIDENT'S DISCRETION.

Motion passed with one Member voting against it. (Ellen McLean).

An audit had been conducted of the International Ocean Institute which identified serious problems within the organization and recommended that ICOD should not fund further activities until the main findings of the audit had been addressed by the IOI.

The Internal Audit Plan for 1991-92 was following along the basic

five-year plan with minor variations to meet particular circumstances. It was hoped that the OECS follow-up audit could be accomplished within the scope of the proposed South Pacific AND Caribbean Basin Division audit during the fiscal year. A contingency of \$17,000 has been set aside to conduct follow-up audits as required including, possibly, the International Ocean Institute. If these funds are not to be used for follow-up purposes, they will be used to continue the audit coverage of ICOD's administrative or personnel functions near the end of the fiscal year.

Considerable evaluation activity had taken place during the past year with many abstracts presented to the Audit and Evaluation Committee. Follow-up activities on earlier evaluations were also being monitored. A Lessons Learned methodology had been adopted by ICOD and two Lessons Learned workshops had been completed to date. A desktop evaluation had been completed within the South Pacific and Caribbean Basin Division dealing with four South Pacific projects: PIMRIS, Legal Affairs at FFA, Research Coordination Unit at FFA, and FFA Surveillance. These projects would be covered in a field evaluation during 1991-92. It was agreed that the results of the desktop evaluations would be forwarded to recipients with caveats indicating that a fuller evaluation would take place later including field visits.

The Evaluation Plan for 1991-92 was reviewed and accepted by the Audit Committee. During 1991-92, it was expected that more staff training and Lessons Learned workshops would be held.

A report was presented dealing with an Interdepartmental Program Performance and Measurement Workshop held by ICOD near the end of May. Representatives from CIDA, Treasury Board, and the Office of the Comptroller General attended and papers from British ODA and USAID were reviewed. Another workshop is expected during fiscal year 1991-92 to finalize some of these discussions for incorporation into the Corporate Plan. The workshop was seen as very successful by all participants including those from central agencies.

The report of the Audit and Evaluation Committee was approved by the Board.

9. FINANCIAL REPORT

The Treasurer presented document BD91/D14 providing the financial report for the current fiscal year up to June 1991. As it was still early in the fiscal year, no major comments were made on the report.

The Treasurer discussed the current situation relating to the Federal Government's restraint policy. It was not yet clear which

Government policies would be mandatory for Crown Corporations and which policies would be utilized as guidelines for Crown Corporations. Specifically, the wage restraint program announced earlier may be absorbed in a suggested administrative budget restraint for Crown Corporations rather than dealing directly with salaries which are supposed to remain competitive with the private sector. There is also some uncertainty as to whether ICOD must institute such restraint in fiscal year 1991/92. The Treasurer indicated that ICOD is just one out of fifty-seven Crown Corporations in the same situation attempting to get clarification of the current policies.

Document BD91/D22 was reviewed. In this document, it was indicated that the Minister responsible for CIDA had dealt with the current year budgetary reductions within ODA by transferring financial responsibility for CIDA's World Maritime University scholarship program from CIDA to ICOD (ICOD already has its own WMU scholarship program). ICOD has responded indicating that it accepted this transfer of financial responsibility as its share of the Government's ODA reductions. The paper indicated that the total cost was \$333,000 Cdn.

It was moved by Ellen McLean, seconded by Philipp Muller,

BD91/2/R5

THAT APPROVAL BE GIVEN TO PROJECT #910404 -
WORLD MARITIME UNIVERSITY (WMU) SCHOLARSHIPS
(1991-1993) UP TO A MAXIMUM OF \$333,000
CANADIAN.

Motion approved unanimously.

10. PROJECT PROPOSALS

10. i. TRAINING AT THE UNIVERSITY OF THE SOUTH
PACIFIC; REPUBLIC OF PALAU (#870160)
COST INCREASE

BD91/D16

It was moved by Moise Mensah, seconded by Ellen McLean,

BD91/2/R6

THAT APPROVAL BE GIVEN TO INCREASE THE BUDGET OF
PROJECT #870160 - "TRAINING AT THE UNIVERSITY OF
THE SOUTH PACIFIC; REPUBLIC OF PALAU" - UP TO A
MAXIMUM INCREMENT OF \$30,000 FOR A TOTAL ICOD
CONTRIBUTION OF UP TO \$150,000 CANADIAN.

Motion passed with the abstention from Philipp Muller.

10. ii. DEVELOPMENT OF A CENTRE FOR MARINE
SCIENCES - UWI (#908307)

BD91/D17

It was moved by Philipp Muller, seconded by Danielle de St. Jorre,

BD91/2/R7 THAT APPROVAL BE GIVEN TO INCREASE THE BUDGET OF PROJECT #890307 - "DEVELOPMENT OF A MARINE SCIENCES CENTRE" - UP TO A MAXIMUM INCREMENT OF \$120,000 FOR A TOTAL ICOD CONTRIBUTION OF UP TO \$445,000 CANADIAN.

Motion passed unanimously.

10. iii. ICOD CANADIAN AWARDS PROGRAM (#910400) BD91/D20

It was moved by Gastien Godin, seconded by Paul Henri LeBlond,

BD91/2/R8 THAT PROJECT #860076 BE REPLACED BY PROJECT #910400 - ICOD CANADIAN AWARDS PROGRAM - AND THAT THE UN-COMMITTED BALANCE OF \$1,180,000 REMAINING IN PROJECT #860076 - ICOD FELLOWSHIP PROGRAM - BE ALLOCATED TO THE ICOD CANADIAN AWARDS PROGRAM.

Motion passed unanimously.

10. iv. EXTENSION TO CORAL REEF RESEARCH UNIT BD91/D21
 - MALDIVES (#880247)

Board Members wished to emphasize that this extension did not commit ICOD to the proposed 4-year follow on project. A thorough evaluation is required before such a recommendation could be made.

With these caveats, it was moved by Pierre Béland, seconded by Moise Mensah,

BD91/2/R9 THAT APPROVAL BE GIVEN TO INCREASE THE BUDGET AND CHANGE THE SCOPE OF PROJECT #880274 "CORAL REEF UNIT - MALDIVES" UP TO A MAXIMUM INCREMENT OF \$148,000 FOR A TOTAL ICOD CONTRIBUTION OF UP TO \$414,000 CANADIAN.

Motion passed with the abstention from Danielle de St. Jorre.

11. CORPORATE PLAN AND POLICY ISSUES

A number of different points were raised by the Board relating to the forthcoming Corporate Plan or to Policy Issues in general. A question was raised about the scope and the mandate of technical inputs into ICOD's planning and monitoring processes. It was felt that ICOD should continue to enlarge its funding base through further activities relating to work as an executing agency for other donors.

There was a discussion about the targetting of ICOD's programs, i.e. were they targetted at specific individual groups like fishing communities or were they targetted at the economies of the countries. There was pessimism at the ability to deal in a meaningful way with the large number of groups involved in ocean matters and the difficulty in showing beneficial results in a systematic manner. It was suggested that involvement in grass roots community-based activities would create problems of coverage. The Board agreed that ICOD should be looking at the economic targets and results rather than focus on micro activities.

Noting the jargon of sustainable development, it was suggested that ICOD should look for environmental responsibility in its programming and from its recipients, and should be cognizant of the likely forthcoming focus on "bio-diversity". Philipp Muller indicated that small island countries such as those in the South Pacific do not have the luxury to set aside certain types of developmental activities in favour of environmental considerations. Therefore, ICOD must be practical in how it approaches the subject. An example given was that South Pacific islanders eat dolphin which they believe prevents the dolphin from eating the other fish that they are trying to catch. Danielle de St. Jorre felt that all ICOD projects should have a comment or statement about environmental matters relating to the project activity.

The Chairman suggested that the discussion concerning environmental matters and the targetting of ICOD projects on economic principles rather than grass roots community-based activities should lead ICOD into undertaking more policy research activities. She felt that the ICOD Forum was the beginning of that approach and that ICOD must devote more staff to policy research activities. She felt that such activities should also lead to brochures and other documents available for public relation purposes.

It was suggested that the next Board meeting include a presentation on information databases and sources available to ICOD. This would be discussed further with the Information Resources Officer.

12. ELECTION OF COMMITTEE MEMBERS

It was suggested that under this heading the Board should also consider the manner in which the Vice Chairman is appointed. It was a consensus that the Vice Chairman is appointed by the Board and that this will be done on an annual basis starting in 1992.

It was felt that Members of the Executive Committee should live in relative proximity to Halifax to allow for meetings as required. It was felt that, as in Board matters themselves, there should be a balance between continuity and renewal on the Executive Committee and on the Audit and Evaluation Committee. The following decisions were taken:

- a) Vice Chairmanship - John Vandermeulen would continue in this role for the next year.
- b) The Executive Committee would be comprised of the Chairman and the President as indicated in the Bylaws, and the following elected Members: John Vandermeulen, Roy Cheeseman, and Pierre Béland.
- c) The Audit and Evaluation Committee would be comprised of Ellen McLean (Chairperson), Gastien Godin and Sharon Proctor. Paul LeBlond would be a backup for the Audit and Evaluation Committee should one of the two members up for renewal not be reappointed by the Government.

13. OTHER BUSINESS

13. i. REVISIONS TO ICOD BYLAWS

The first comment dealt with clause XIII - Conflict of Interest. It was felt that Members who have an apparent conflict of interest should indeed leave the room when a decision is taken. It was pointed out that international Members come from governments within the region or from regional institutions. These people bring expertise to the subject matter and should be available for questions and initial comments. It was felt that changes should be made to this clause to make it more precise.

It was suggested that changes be made to clauses VI and VII which deal with the appointment of Members to committees including the possibility of replacements being named on the Audit and Evaluation Committee should a Member leave that committee.

It was suggested that the manner of the appointment of the Vice Chairman be included in the Bylaws. The duties of the Vice Chairman should be indicated in the Bylaws, probably under Section VII.

It was felt that there was a wording problem in section VI, 4C.

Board Members were asked to submit any further suggestions prior to the Executive Committee Meeting likely to be held in September. This would allow for further discussions preparatory to a specific recommendation to amend the Bylaws at the November meeting.

13. ii. SECRETARY TO THE BOARD

On the recommendation of the President,

It was moved by Ellen McLean and seconded by John Vandermeulen,

BD91/1/R10 THAT ICOD COUNSEL DAVID COPP BE NAMED
SECRETARY TO THE BOARD.

Motion passed unanimously.

13. iii. JUNE 1992 BOARD MEETING

In discussing the June 1992 Board meeting, the dates of 11 and 12 June were tentatively suggested as being most appropriate. Members should consult their schedules and advise of any difficulties as soon as possible. Danielle de St. Jorre reminded Members of her standing offer to host a Board meeting in the Seychelles. She was thanked for this offer but Board Members suggested this was a time of restraint within the Canadian Government and it would not be an appropriate sign for ICOD to have a Board meeting overseas at the present time.



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

FAX TRANSMISSION

TO:

Lynn

DATE:

June 24, 1991

FAX NO:

9-494-1216

FROM:

Alex

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT (ICOD)
5670 SPRING GARDEN ROAD, 9TH FLOOR
HALIFAX, NOVA SCOTIA, CANADA
B3J 1H6

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International Centre for Ocean Development
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Activities - Board of Directors
24 - 27 June 1991
St. John's, Nfld

24 & 25 June

All day meetings, Plymouth Room, Hotel Newfoundland, St. John's, Nfld., tel (709) 726-4980, fax (709) 726-2025

24 June, evening

19:00 informal dinner at the Woodstock Colonial Inn, Paradise, Nfld. tel (709) 722-6933

25 June, evening

19:00 informal dinner and Board Members' going-away party for President Gary Vernon - at Roy Cheeseman's country house tel (709) 895-6892

26 June - Telephone messages can be left at the Marine Institute with Ms. Margot Hanlon, tel (709) 778-0461 or at the Hotel

09:00 - 10:00 Institute for Marine Dynamics tour
10:30 - 12:00 Marine Institute tour
12:00 - 13:30 Reception/Buffer at Marine Institute
14:00 - 15:30 Ocean Sciences Centre tour
16:00 - 17:00 Northwest Atlantic Fisheries Centre tour

26 June, evening

19:00 - 21:00 Reception hosted by ICOD at Hotel Newfoundland for Members of Parliament, various institutions and consultants

27 June

09:30 - 12:30 Depart St. John's Harbour on training vessel M.V. Bainir



International Centre for Ocean Development
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CONFIDENTIAL
EC91/4/D02
File: 105

**EXECUTIVE COMMITTEE MEETING
26 SEPTEMBER 1991
HALIFAX, NOVA SCOTIA**

Draft Minutes

PRESENT: Elisabeth Mann Borgese, Chairman
John Vandermeulen, Vice Chairman
Roy Cheeseman
Gary Vernon, President

Garry Comber, Vice President
Chris Barr, Treasurer
David Copp, Secretary
Jeanne-Mance Côté, Administration Officer

ABSENT: Pierre Béland

1. i. CALL TO ORDER

The Chairman called the meeting to order and noted that a quorum was present.

1. ii. ADOPTION OF THE AGENDA

It was moved by Roy Cheeseman, seconded by John Vandermeulen,

EC91/3/R1 THAT THE AGENDA BE ADOPTED AS PRESENTED.

Motion passed unanimously.

**2. REVIEW OF EXECUTIVE COMMITTEE MINUTES OF 16 AND 17 MAY 1991
AND 25 JULY 1991**

Members noted that the Minutes did not, in all cases, reflect the Auditor General's recommendation to use Board Members' names. After discussion, it was agreed to continue with the present

practice of naming individuals only when considered appropriate and to advise the Audit and Evaluation Committee of this decision in case the matter is raised again by the Auditors.

It was moved by Roy Cheeseman, seconded by John Vandermeulen,

**EC91/3/R3 THAT THE MINUTES OF THE 16 AND 17 MAY 1991 AND THE
MINUTES OF THE 26 JULY 1991 EXECUTIVE COMMITTEE
MEETINGS BE ADOPTED AS PRESENTED.**

Motion passed unanimously.

3. BUSINESS ARISING

3. i. SELECTION OF CANDIDATES FOR PRESIDENT

The six-month extension to the President's term granted by the Order in Council would expire on 18 October and no one had yet been selected to take his place. The Minister's Office had taken note of the two candidates whose names had been submitted by the Board of Directors' Selection Committee. These two candidates had since accepted other positions. The President expected an announcement would be made at the next Cabinet meeting on Thursday, 3 October.

3. ii. GAP IN PRESIDENCY

The Executive Committee considered the possibility that the Office of the President might remain vacant for a period following the expiration of the term of Gary Vernon. It was indicated that the President would be given a short contract to allow for an overlap and briefings. This arrangement has been checked with the Privy Council Office and the Treasury Board Secretariat and does not create problems of Post-Employment, Conflict of Interest or propriety.

The following resolution was put forward for the purpose of preserving delegations of authority made by the President and to facilitate the exercise of full executive authority in the Centre, upon the expiration of the term of the President. The President indicated his intention to make a full delegation of his delegable authorities to the Vice President immediately prior to the end of his term of office as President.

It was moved by John Vandermeulen, seconded by Gary Vernon,

EC91/3/R1

THAT, DURING AN ABSENCE OR INCAPACITY OF THE PRESIDENT OR A VACANCY OF THE OFFICE OF PRESIDENT, DELEGATIONS OF AUTHORITY MADE BY THE PRESIDENT SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL AMENDED OR REVOKED BY THE BOARD OR BY AN ACTING PRESIDENT OR A PRESIDENT APPOINTED AS A SUCCESSOR PURSUANT TO THE ICOD ACT.

Motion passed unanimously with the caveats that the Minister of External Relations be so advised and that all Board Members also be advised immediately.

3. iii. BOARD MEMBERSHIP

The President learned from the Minister's office that Mr. Frank Njenga's candidacy will be put forward as a replacement for Mme Danielle de St. Jorre. There is still no word on replacements or reappointments of the other four Members whose terms expired this year.

3. iv. UPDATE ON ICOD FORUM

A document addressing the concerns expressed by Members at their July meeting had been prepared by Dr. Art Hanson and was presented by Carol Amaratunga. Private sector participation has been increased to 25%; the two keynote morning speakers are fully committed; assurances have been given in having the Forum serve as a conduit of information to UNCED; preliminary interest in the Forum has proven satisfactory; and the Forum is within the allotted budget.

Roy Cheeseman asked for a definition of the different types of audience expected. He then said that he felt uncomfortable with the proposed content of the Forum which did not seem to include topics which would generate controversy and public interest. Other Members felt positive about the usefulness and probability of success of the Forum.

4. ADMINISTRATIVE MATTERS

- 4. i. STAFFING ISSUES
- 4. ii. REGIONAL OFFICES

A new Director for the South Pacific Caribbean Division has been appointed. Raymond Clark comes to ICOD from CUSO and has extensive field experience in the South Pacific, the Caribbean and Africa.

Phillip Saunders has returned from Fiji and is now Senior Policy Advisor. ICOD Program Officer Ronald Archer has been chosen to

replace him in Fiji and will be taking up his post in January.

Jacques Langlois, Program Officer with the Interregional and Cooperative Activities Division, has been chosen for the Dakar office and will take up his assignment shortly.

Field office postings are viewed by Program Officers as a step in their career progression. Following the overseas postings, Officers are reintegrated into ICOD and are committed to a minimum stay of one year at ICOD Headquarters.

With the latest senior staff changes, only one member of Senior Management remains on an Executive Interchange or Leave of Absence arrangement. Future hiring practices will take into account Board Members' concerns about short term assignments to senior positions in ICOD. It was suggested that only up to two out of the full complement of eight Senior Managers should be on such short term arrangements.

5. POLICY DISCUSSIONS

5. i. CORPORATE PLAN

This year there will be a shortened version of the Corporate Plan which is now in the drafting stages. Three new corporate thrusts will be highlighted: more emphasis will be placed on Communications to make ICOD better known in Canada; the possible expansion of country eligibility will be reviewed; and the possibility of holding short courses in Marine Affairs in the regions will be explored.

Roy Cheeseman suggested that consideration should be given to lengthening the duration of projects to ensure project sustainability. The Chairman felt that recipient involvement and contributions were very important for sustainability and these conditions should be maintained in the Corporate Plan.

The Vice-Chairman discussed the possibility of enhancing the libraries of institutions and organizations by supplying documents on various technical and oceanographic subjects, as well as marine affairs and miscellaneous other topics. The Chairman reminded Members that ICOD should coordinate such efforts with UNESCO who are already involved in such a program. She also added that ICOD should strive to strengthen its activities in policy research.

Roy Cheeseman also mentioned the idea of preparing videos on different subjects and using them as educational tools when holding regional workshops.

5. ii. UPDATE OF BYLAWS

A revised version of the Bylaws (dated 26 September 1991) was circulated for Members' information and comments. The following changes will be incorporated: 1) The term 'ordinary meeting' would be changed to 'regular meeting' of the Board and a definition provided in section 2.1; 2) Clause 6.5 will be amended to the effect that the Vice Chairman would take over the Chairman's duties in case of absence, illness, etc. of the Chairman; 3) A clause will be added to section 6 indicating that the Executive Committee meets between regular meetings of the Board; 4) Clause 8.5 applying to the Executive Committee should also apply to Section 7, Audit and Evaluation Committee; 5) Under Clause 7.9, the following will be added "or Chairman of the Audit and Evaluation Committee"; 6) Clause 7.15 will be amended to read that, in the absence of the Chairman, the Vice Chairman would be invited to attend Audit and Evaluation Committee meetings (same type of change for clause 8.16).

The revised draft Bylaws will be sent to the Board as a form of overall amendment of the original Bylaws.

A question was raised about clause 16.2 and how a Board Member could be reimbursed for representing the Board at a function. It was indicated that the Chairman would be consulted and the Board Member reimbursed the normal Board honorarium under the provisions of the Order in Council dealing with Board remuneration (P.C. 1989-1263 of 29 June 1989) which uses the phrase "the following fees for attendance at meetings of the Board and any of the Committees thereof or any other work requested by the Board".

5. iii. SECTORAL POLICY PAPERS

A review of ICOD's seven sectoral policy themes was contracted out and five studies have now been completed with recommendations. The Marine Transportation and Ports Management review will be presented at the November Board meeting. The Chairman noted that a lot of information on that topic could be obtained from the Pacem in Maribus conference proceedings which was held in Holland in 1990.

6. FINANCIAL MATTERS

The Balance Sheet to 23 September 1991 was submitted for information. Possible project slippages of up to \$600,000 could increase the Corporate Reserve to \$1,250,000. The South Pacific and Caribbean Division accounts for \$550,000 of that slippage due to the situation with the OECS and the considerable turn-over in staff in South Pacific regional organizations and ICOD staff change-over. Project and financial monitoring need to be tightened up through staff training and holding staff accountable for results.

With a possible reactivation of the OECS program, various staffing actions, and advancing some projects in the pipeline, the projected Corporate Reserve could be reduced to \$550,000. Other ideas are also being discussed on potential programming before the issue is raised with central agencies.

7. OTHER BUSINESS

There was no other business.

The meeting adjourned at 15.25.



International Centre for Ocean Development
Centre international d'exploitation des océans

MEMORANDUM

To: Dr. Ellen McLean
Mr. Gastien Godin
Dr. Sharon Proctor
Mrs. Elisabeth Mann Borgese (ex officio)
Mr. Gary Vernon (ex officio)
Our File: 104.1

From: Christopher Barr
Director of Finance and Administration

Date: November 6, 1991

Re: Audit and Evaluation Committee Meeting

Attached please find the draft agenda for the meeting of the Audit and Evaluation Committee scheduled for November 15, 1991.

You will note that a number of items, relating primarily to the Evaluation function, will be 'carried in' at the time of the meeting. These should be relatively concise reports that will not require preparation by the Committee members.

I look forward to meeting with you on November 15th.

Christopher Barr

CB:pal



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papier recyclé dont 10 p.
100 de fibres post-
consommation



INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

DRAFT AGENDA

AUDIT & EVALUATION COMMITTEE MEETING
November 15, 1991

	<u>Proposed Schedule</u>	<u>Document #</u>	<u>Tab #</u>
1. Call to order; Quorum	0900-0905	---	
2. Review of Minutes of June 3, 1991	0905-0910	AEC91/2/D02	2
3. Financial Audit - Plan for 91-92; presentation by Kevin Potter and John O'Brien of the Auditor General's Office	0910-0930	---	
4. Financial Statements and Forecast as at October 31, 1991 (to be distributed)	0930-0945	AEC91/2/D03	3
5. Internal Audit Matters			
a) Status of Implementation of Recommendations for Preceding Internal Audit Reports	0945-1030		
- Communications Function		AEC91/2/D04	4
- West Africa/Indian Ocean Divisional Audit		AEC91/2/D05	5
- OECS Follow-Up Audit		AEC91/2/D06	6
- International Ocean Institute		AEC91/2/D07	7
COFFEE	1030-1045		
b) South Pacific Audit -	1045-1115	AEC91/2/D08	8
c) Lessons Learned - Internal Audit	1115-1145	AEC91/2/D09	9
d) Update of Internal Audit Plan 1991-92	1145-1200	AEC91/2/D10	10

	<u>Proposed Schedule</u>	<u>Document #</u>	<u>Tab #</u>
LUNCH	1200-1300		
6. Special Examination - Status of Implementation	1300-1330	AEC91/2/D11	11
7. Proposal Re: Integration of Audit & Evaluation	1330-1400	AEC91/2/D12	12
8. Follow-up on Recommendations from Preceding Evaluation Reports	1400-1415	AEC91/2/D13	13
9. Update of 1991/92 Evaluation Plan	1415-1430	AEC91/2/D14	14
10. Proposals for 1992/93 Evaluation Plan	1430-1500	AEC91/2/D15	15
11. Preliminary Findings of South Pacific Evaluation Activities	1500-1545	AEC91/2/D16	16
12. Performance Indicators - Update	1545-1600	AEC91/2/D17	17
13. Next Meeting			
14. Other Business			



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105.1

**AUDIT AND EVALUATION COMMITTEE
HALIFAX, NOVA SCOTIA
3 June 1991**

Draft Minutes

PRESENT WERE: Ellen McLean, Chairperson
Gastien Godin
Sharon Proctor
Gary Vernon, Ex-officio
Garry Comber, Vice President
Chris Barr, Treasurer
Jeanne-Mance Côté, Administration Officer

GUESTS: Kevin Potter, Office of the Auditor General
Ed Cayer, Corporate Management Advisor

1. CALL TO ORDER

The Chairman called the meeting to order and noted that there was a quorum.

2. REVIEW OF MINUTES OF 31 OCTOBER 1990

The Minutes were adopted with suggested minor editorial changes.

3. 1990-91 FINANCIAL AUDIT

3. A. PRESENTATION OF AUDIT REPORT BY THE AUDITOR GENERAL'S STAFF

Kevin Potter from the Office of the Auditor General presented the draft Auditor's Report on the statements of ICOD for 1990-91.

The auditors will be providing an unqualified opinion on ICOD's financial statements.



Over 50% recycled paper
including 10% post-
consumer fibre
Plus de 50 % de
papier recyclé dont 10 %
de fibres post-
consommation

The auditors raised the issue that bank transfers should in all instances have two signatures. Transfers for the US dollar accounts in the South Pacific have been processed with one signature only. Management has agreed to correct this situation forthwith.

Mr. Potter indicated that in all significant respects their examination indicated that the financial statements were in compliance with Part X of the FFA and Regulations pursuant thereto, the International Centre for Ocean Development Act, and the By-Laws of the Centre. Accordingly, no matters falling within the scope of the auditors examination were deemed to be of a nature that would require that the auditors bring them to the attention of Parliament.

3. B. 1990-1991 FINANCIAL STATEMENT PRESENTATION AND APPROVAL

ICOD's Treasurer then presented the financial statements to the Committee.

The major points discussed were as follows:

Balance Sheet

The considerable amount of cash on hand at March 31 was required to address the accounts payable in the amount of \$1.49 million which represented expenditures that had been incurred in the old fiscal year but the bills not actually paid until after March 31.

Statement of Surplus

The first noteworthy item related to the parliamentary appropriation listed at \$12.2 million. The approved appropriation for the fiscal year actually amounted to \$12.3 million. However, during the year the Government had requested all departments, agencies and crown corporations to assist in a cost reduction program, and as a result requested that ICOD relinquish \$40,000 of its budget. Due to the financial circumstances which management foresaw at that particular time, management offered to relinquish an additional \$60,000 for a total of \$100,000 (see note #3 in the statements). Treasury Board has indicated their appreciation of this gesture and has subsequently agreed that the surplus incurred for the fiscal year, amounting to \$186,177, would not lapse but would be carried over to the new fiscal year to address budgetary requirements during that year. It should be noted that the total surplus amounted to 1.5% of the operating budget.

Statement of Operation

Total expenses have increased for 1991 over 1990 by 32%.

Increases were broken down as follows:

West Africa / Indian Ocean Division	+ 54.4%
South Pacific / Caribbean Basin Division	+ 22.9%
Interregional and Cooperative Activities Div.	+ 10%
Corporate Programs	+ 102%
Administrative Services	+ 29%

It was indicated that the 54.4% increase for the WA/IO Division represented an attempt to implement stated Board policy in this respect by augmenting activities in West Africa. It was also explained that, although Administrative Services has increased by 29% over the preceding year, this represented the last stages of the reorganization of the Corporation and that in future years, program costs will increase without proportionate increases in administrative services costs.

The significant increase in costs in Corporate Programs was explained as the Committee reviewed Schedule A which indicated expenditures on Program Evaluation of \$130,951 and Business Cooperation in the amount of \$123,664 where no expenses had been occurred in these two areas in the preceding year. In addition, Policy and Planning costs had increased by \$174,000, primarily as a result of the development of policy papers on ICOD's themes and the establishment of a consultant data base which will provide a wide range of expertise to the Corporation as well as facilitate and improve the consultant selection process. Increased costs totalling \$153,000 were also incurred for Communications and Publications due to a number of undertakings during 1990-91, the most significant of which were the preparations for the 1991 World Fisheries Map, the ICOD Corporate Profile Brochure, and an experimental Radio Coverage Initiative.

On the revenue side, interest and other income had increased above estimated amounts due to the payment by CIDA of administrative overhead related to CFRAMP as well as higher than expected interest revenues.

The Treasurer brought to the Committee's attention the incurrence of a cost amounting to approximately \$45,000 per year relating to differences in exchange rates between our Canadian and South Pacific banks which was incurred to allow the delivery of a very timely financial service to the South Pacific Region. The cost amounted to approximately 2% of project costs for the region. After lengthy discussion, the Committee concluded that this should be viewed as an acceptable cost of doing business in an effective manner in the region, provided that the percentage of project costs represented by this service did not exceed 2%.

One Member indicated that it would be preferable to include

this cost as a part of project budgets. Management indicated that it would pursue this suggestion to determine if there was a practical way in which this could be accomplished.

It was moved by Gastien Godin, seconded by Sharon Proctor,

**AEC91/1/R1 THAT THE COMMITTEE RECOMMEND APPROVAL OF THE
FINANCIAL STATEMENTS BY THE BOARD OF DIRECTORS.**

Motion passed unanimously.

4. INTERNAL AUDIT MATTERS

4. A. STATUS OF IMPLEMENTATION OF RECOMMENDATIONS FOR PRECEDING INTERNAL AUDIT REPORTS PRESENTED TO THE AUDIT AND EVALUATION COMMITTEE

The Committee reviewed follow-up activities undertaken regarding the audits of the Marine Affairs Program, USP/SOPAC, the Communications function, West Africa / Indian Ocean Division and the OECS Follow-Up audit. The information presented indicated that management is undertaking the necessary activities to ensure that the auditor's recommendations and concerns are addressed as quickly as possible.

As was raised later during the meeting relative to the comprehensive audit, the major undertaking which remains to be completed to address several substantive concerns is the completion of the Program and Project Management Manual, a draft of which was released to staff of the Corporation on December 3, 1990. This document is currently under review by the staff and a plan is in place for revising the document in preparation for implementation.

With respect to the OECS Follow-Up audit, the documentation presented and related discussion disclosed that the OECS had made considerable progress in restoring ICOD funds to the appropriate accounts, in addressing the whole core funding issue, and in addressing the accounting problems identified through the audit.

Other than legally binding transactions and support for revamping the accounting system, no funding has been provided to the OECS Fisheries Unit since the last Board Meeting.

Reports from Fisheries Unit staff have indicated that almost all funds had been returned and that guarantees had been received from Member States which would enable the remainder of funds to be returned in the near future as well as insuring that appropriate core funding is provided for the Unit in future.

As mentioned above, a Memorandum of Agreement has been executed between ICOD and the OECS Secretariat in the amount of \$50,000 to

provide support to the Fisheries Unit to develop and implement an appropriate system to provide for a sufficient level of internal control and accountability.

4. B. LESSONS LEARNED

Due to the demands on management and staff since the completion of the most recent audits, the process through which audit findings and recommendations will be internalized by ICOD staff through the Lessons Learned process is planned for September of 1991.

4. C. PRESENTATION OF REMAINING 1990-91 AUDIT REPORTS

Three additional audit reports had been forwarded prior to the meeting to the Committee members. These included the Delegation of Authorities Audit, the audit of the Finance Function at ICOD and the audit of the International Ocean Institute.

Delegation of Authorities

ICOD Program Directors had exercised certain signing authorities for about two years. This audit disclosed that the delegation of authority has resulted in no breeches in established policy or procedures, thereby paving the way for potentially higher delegation of authority levels to ICOD staff.

Finance Function

Since the Director of Finance and Administration also manages the Internal Audit function, the Terms of Reference for the Finance Function audit were completed by the Vice-President. ICOD's internal auditors, Consulting and Audit Canada, then subcontracted the complete audit, including report writing, to a private auditing firm.

The results of the audit of the Finance function at ICOD were extremely positive, indicating that this function was being carried out in an effective and efficient fashion. A few minor issues were raised for management to address, most of which did not actually relate to the Finance function.

The Committee discussed the manner in which travel is managed by ICOD. The auditor had felt that the adoption of a process which would employ established 'per diems' instead of the present methodology based on receipts for hotel and miscellaneous expenses would significantly reduce the amount of staff time and consultant time involved in processing travel claims. Management's point of view was that travel is a function which consumes considerable resources (12% of the administrative budgets) and which is subject to wastage, abuse and indepth scrutiny by government. Management

concluded that it would be unwise to implement a per diem process for staff; however, management indicated that procedures in place have always enabled the utilization of per diems for consultants, provided that contractual documents are written appropriately. It was the Committee's point of view that the Board may wish to have a brief discussion on this issue.

International Ocean Institute

The audit of the International Ocean Institute identified that there are serious problems within the organization and recommended that ICOD should not fund further activities through the Institute until the first five findings of the audit were addressed. The Committee agreed fully with Management's responses to all of the auditor's recommendations.

4. D. UPDATED INTERNAL AUDIT PLAN 1991-92

The Internal Audit Plan for the Corporation for 1991-92 was then presented. The major effort to be undertaken during the current fiscal year will be the audit of the South Pacific / Caribbean Basin Division. It is hoped that the OECS Follow-Up Audit can be accomplished within the scope of the divisional audit.

Approximately \$17,000 has also been set aside for an unspecified audit activity which could be employed to conduct a follow-up audit of the International Ocean Institute, should the organization be prepared for the audit during the current fiscal year. Alternatively, these funds could be employed for audit coverage of either ICOD's administration or the personnel functions, originally planned for years 4 and 5 of the Audit Plan respectively.

It was moved by Sharon Proctor, seconded by Gastien Godin,

**AEC91/1/R2 THAT THE UPDATED INTERNAL AUDIT PLAN FOR 1991-92 BE
ADOPTED.**

Motion passed unanimously.

4. E. REPORT - SPECIAL EXAMINATION FOLLOW-UP

Management presented a lengthy and comprehensive document which showed action taken and follow-up required regarding the Special Examination undertaken by the Auditor General's Office during 1989.

The Committee concluded that, although the entire document should be reviewed by the Board, two issues of specific significance to Board activities should be presented. These items are included on pages 1 and 12 of the Follow-up report.

The item from page 1 related to the auditor's perception that Board Minutes did not clearly indicate decisions taken by the Board nor follow-up required. Management's suggested follow-up to this concern is as follows:

- a) during Board Meetings - ICOD staff, and in particular, the Secretary, may need to interrupt proceedings to seek clarification as to specific direction from the Board. Members will need to state quite clearly what, if any, action is directed by the Board on issues.
- b) following Board Meetings - the Secretary will need to exercise care and diligence in recording decisions, follow-up required, and subsequently ensure that the appropriate personnel are apprised of action required. The documentation of Board resolutions in a clear format and the maintenance of an index of resolutions should facilitate the follow-up process.
- c) Prior to subsequent Board Meetings - ICOD management will have to incorporate Board decisions/directions as a specific performance target of employees, measure performance at regular intervals to ensure that objectives are reached, ensure that documentation is prepared to either table or present to the Board to evidence follow-up and resolution.

It is obvious that the Board will need to be more clear in the future on the outcome of discussions and specific decisions taken to enable the provision of appropriate direction to Management.

The item on page 12 relates to Conflict of Interest. The concern raised by the auditors is as follows:

"Members of the Board of Directors, who have real or apparent conflicts of interest involving proposed projects, do not withdraw from the meeting at the time of voting as called for by the Centre's By-laws. The presence of these Directors during the discussion of such projects could have the effect of inhibiting free and open discussion of important issues. In addition, the names of Members of the Board of Directors who refrain from voting are not listed in the meeting Minutes. The personal integrity of Members of the Board of Directors is not questioned in any way."

The Committee discussed this matter at length and agreed with the auditors. Moreover, the Committee wished to recommend to the Board that, during the review of the By-Laws, provision be made that Board Members withdraw from meetings during, not only the voting, but also discussion of projects and matters related specifically to organizations and institutions with whom they have a direct relationship. The Committee agrees that this will enable more

frank discussions of such matters as well as minimize embarrassment for the Members who may be perceived to be a conflict of interest situation by being present during such discussions.

5. EVALUATION MATTERS

5. A. STATUS OF FOLLOW-UP TO ABSTRACTS PRESENTED IN 1990

A check list of recommendations identified in each of the evaluation abstracts presented in 1990 and ICOD's response was presented to the Committee. Where appropriate, planned or actual completion dates were also provided. The check lists presented dealt with the following evaluations:

International Oceans Institute
 Marine Affairs Program
 Study in Canada Scholarship Program (plus Regional Scholarships)
 World Fisheries Map
 OECS
 CERMES
 Erindale Maritime Boundary Delimitation Course
 - Law of the Sea Advisory Service
 - Delmar
 World Maritime University

The Committee reviewed each seeking clarification of particular points.

In reviewing the IOI check list, some Committee members questioned how training programs could be made more relevant for small island states. The President and Vice-President indicated that some solutions might flow from programs like CERMES or other case studies could be made available to organizations like the IOI. They did point out that the size and unique geographic nature of these countries made quick and easy solutions unlikely.

In reviewing the Marine Affairs Program checklist, Members asked for clarification about the Centre's approach to reinforcing the link between the diploma program and other ICOD projects. The Vice-President indicated that the new Training Policy approved by the Board in November 1990 indicated that a closer link be established between training activities and ICOD projects and programs in our areas of concentration.

Some discussion was held on the efficacy of the Fisheries Map as a development vehicle. The new version of the Fisheries Map adopted the recommendations set out in the evaluation and went further. The new map had been created in an electronic medium which would facilitate updating and exchange and manipulation of the information for other specific purposes.

Some members expressed an interest in getting copies of the OECS Newsletter referred to in the checklist. Questions relating to CERMES which were raised were answered pointing out that the University of the West Indies is taking the necessary activities to deal with the main problems identified in the evaluation report.

5. B. LESSONS LEARNED REPORT

An overview of the development of the Lessons Learned Methodology used by ICOD was provided indicating the link between evaluation, lessons learned and enhanced management. The presentation of the experience both within IRCAD and at the Program Desks reinforced the commitment of the Centre to continue to use the approach. The Committee commended the approach developed by the Centre and expressed its appreciation for the Lessons Learned Report and suggested it be made available to the whole Board for information.

5. C. REPORT ON 1990-91 EVALUATION PLAN

A verbal report covering the Centre's progress in implementing the 1990/91 plan was provided. In particular the report highlighted that the activities undertaken during this Phase coincided with the original evaluation plan set out by ICOD in 1988/89. The report also highlighted :

- the Inter-Agency Performance Measurement Workshop hosted by ICOD (in May 1991),
- the development and testing of new lessons learned methodologies,
- the development of an evaluative document base including abstracts, lessons learned and evaluation reports,
- the completion of the following evaluations :

<u>EVALUATION</u>	<u>SCOPE</u>
* Scholarship Program	In Canada Scholarships Regional Scholarships
* OECS Fisheries Program	21 Projects
* IOI Training	6 Projects
* Communications	World Fisheries Map
* Boundary Delimitation Program	12 Projects
* World Maritime University	11 Projects

- | | |
|--------------------------|------------------|
| * Marine Affairs Program | 4 Projects |
| * CERMES | Graduate Program |

In addition a desk evaluation was conducted of five projects in the South Pacific as follows:

<u>EVALUATION</u>	<u>SCOPE</u>
* Forum Fisheries Agency	Research Coordination Unit
* Forum Fisheries Agency	Legal Affairs Unit
* PIMRIS	Regional Coordination Unit-USP Strengthening Technical Information Services-SOPAC Enhancement of Fisheries Information Handling-FFA

5. D. PRESENTATION OF NEW EVALUATION ABSTRACTS

The following evaluation abstracts were presented:

- PIMRIS
- Legal Affairs, FFA
- Research Coordination Unit, FFA
- FFA Surveillance

5. E. FOLLOW-UP ON EVALUATIONS COMPLETED SINCE LAST REPORT

The Committee reviewed the three "desk-top" evaluations completed since the last meeting of the Audit and Evaluation Committee (see 5.D. above) and highlighted both the advantages and disadvantages of "Desk-Top" Evaluations.

5. F. UPDATED EVALUATION PLAN FOR 1991-92

The Evaluation Committee was presented with the new Evaluation Plan. Staff explained that this Plan represented the end of a three phase strategy for evaluation which was launched in 1988/89.

The 1991-92 Evaluation Workplan has four primary thrusts. These are:

- i) To test and adapt the new evaluation systems as necessary.
- ii) To ensure that findings from completed evaluations form the basis for assessing proposals as well as planning and re-

planning programs and projects.

- iii) To conduct a workplan of new and ongoing evaluations that is responsive to management needs.
- iv) To formulate the Program Performance Systems and incorporate them into the day to day operations of the Centre.

The Committee was also provided with a list of projects and programs, from which would be drawn the evaluations of 91/92. These included :

Corporate

Marine Training Directory
ICOD Newsletter
Short Term Attachments

West Africa/Indian Ocean Program

Related Projects - Maldives

860051 Economically Important Reef Fish
880240 Maldives - Crown of Thorns Starfish
880247 Maldives - Coral Reef Research Unit

Related Projects - Mauritius

860100 Coastal Sand & Coral Removal
870135 Lagoon Health Characteristics
870182 Artemia Salina

Related Projects - Morocco

890276 Fisheries Morocco

Caribbean Basin

900371 Marine Parks & Protected Areas Baseline Study

South Pacific/Caribbean Basin

Completion of PIMRIS evaluation through field visits
Research Coordination Unit, FFA
Legal Affairs, FFA
FFA Surveillance

The Committee was also informed that evaluation activities in 1991/92 would also include activities involving the training of staff, lessons learned seminars and Program Performance and Measurement Workshops. The Centre's Evaluation Manual would also be integrated with the new Program and Project Management Manual. Finally, the ICOD Project Information System may form the basis for the development of ICOD's Corporate Memory System.

5. G. PERFORMANCE INDICATORS SEMINAR REPORT

The Committee was informed about the Inter-Agency Workshop held May 30 and 31, 1991. The Committee was presented with an overview of the Workshop which included the following:

- * Performance measurement systems are required by Managers at all levels as well as Central Agencies.
- * The theoretical base and understanding of performance measurement is established but practical systems, techniques and tools are not well established.
- * The Office of the Comptroller General for Canada (OCG) is responsible for providing overall guidance on the development and use of performance measurement facilities.
- * All aid agencies, as well as other parts of the Canadian Government, are working to develop Performance Measurement Systems.
- * ICOD invited others to a workshop to share its experience and learn from others.
- * USAID, Treasury Board staff, and ICOD contributed documentation to the workshop.
- * OCG, British ODA documents were also reviewed by the workshop group.
- * Participants in the Workshop included :
 - Treasury Board Crown Corporations Analyst
 - Treasury Board External Aid Analyst
 - Office of the Comptroller General, Evaluation Analyst
 - Deputy to the Director-General, CIDA Evaluation & Audit
 - ICOD Managers and Staff

The Workshop was viewed as very successful by all participants. More importantly, ICOD managers believe that the Centre is now in an enhanced position to finalize development of its systems, in time for the preparation of the next Corporate Plan.

The Audit and Evaluation Committee commended the staff for their work in establishing the systems and mechanisms for ongoing evaluation of ICOD programs and projects. They noted that it was gratifying for Board Members to see the product of their efforts in the early years of the Centre and to find out what had happened as a result of their decisions over the years.

6. PROCESS FOR PREPARATION OF REPORT TO THE BOARD

A report will be drafted and made available for the Chairperson by 19 June.

7. NEXT MEETING

The meeting was tentatively scheduled for the week of 21 October subject to selection of new Members for the Committee.

8. OTHER BUSINESS

There was no other business.

IMPLEMENTATION STATUS

RECOMMENDATION

MANAGEMENT RESPONSE

FOLLOW-UP

COMMUNICATION FUNCTION

1.	That the effectiveness of distributing publications be assessed by using a scientific method to determine and objectively evaluate the impact of external communications.	Although ICOD does annually poll mailing list recipients and deletes those who do not respond, management agrees that a formal evaluation should be conducted and intends to act on this recommendation through the 1991-92 Evaluation Plan.	A formal evaluation of publication distribution will be undertaken by June of 1992.
2.	That Senior Management's intentions for preserving ICOD's communication products be documented, communicated through a comprehensive archival policy, and that the policy be monitored to ensure compliance.	Management agrees with this recommendation and will incorporate this undertaking as a part of the 1990-91 administrative workplan.	Although priorities of the Communication function have precluded development to date, a policy on archival of publications will be developed and implemented by June of 1992.

INTERNAL AUDITS 1990-91

NOVEMBER 1991

IMPLEMENTATION STATUS

RECOMMENDATION

MANAGEMENT RESPONSE

FOLLOW-UP

WEST AFRICA / INDIA OCEAN DIVISION

- | | | |
|--|---|--|
| <p>2. That:</p> <ul style="list-style-type: none"> - the file structure policy be definitively communicated to ensure proper management of the WAIO Division Project files, congruent with Central Registry file structure to permit efficient and effective document management; and, - this policy be communicated to the Division staff and monitored to ensure compliance. | <p>Procedures related to the use of the Central Records Centre have been documented and communicated. Efforts are now under way to summarize all procedures issued in the form of a policy/procedure document. This should be accomplished by March 31, 1991.</p> <p>However, it should be recognized that some staff may not have followed the rules for some of the Projects reviewed. For example, the duplicate files maintained by some officers within the West Africa/Indian Ocean Division are not authorized by the Centre. It is management's opinion that effective use of the Records Centre will preclude the need for duplicate files. It is anticipated that the release of an official policy in this respect will eliminate the majority of instances of noncompliance observed by the auditors.</p> | <p>A new classification system has been developed by the Records Officer in consultation with staff. A draft of policy and procedures for the records function has also been prepared for discussion by the Senior Operations Committee. It is anticipated that the policy will be fully implemented prior to March 31, 1992.</p> |
| <p>3. That:</p> <ul style="list-style-type: none"> - a repository of all memos [related to the documentation of project and program management] be prepared; or preferably, - all memos be restructured in the "Program Project Management Manual" in order to ensure the same practices and processes are applied to all Projects; to ensure compliance to ICOD objectives; and, to facilitate efficiency and effectiveness in on the job performance. We have been informed that this Manual is under preparation and should be completed by November, 1990. | <p>Two efforts which have been undertaken corporately within ICOD attempt to address this issue:</p> <p>a) Directives - a mechanism has been established to ensure the capture of all policy and procedure decisions. In addition, this mechanism facilitates the distribution of such information, guarantees an appropriate paper trail for the retrieval of key decisions and ensures review of matters that should ultimately be incorporated into a policy manual within a twelve month period.</p> <p>b) A draft of the program/project management manual referenced in the recommendations should be completed by December 1990.</p> | <p>As indicated in June, a committee of program officers met a number of times and substantially rewrote 5 chapters of the Program/Project Management Manual. Unfortunately, subsequent staff changes and a rather hectic September and October have precluded further activity since August. More chapters will be reviewed in November and December and acceptance of chapters by management will be started in December with publication of the first phase of the manual completed by the end of February 1992. We will also hire a training consultant to start the preparations of training modules based on agreed upon chapters.</p> |

4. That policies be laid down to determine, define and enable measurable assessment of the Program Officers' objectives.

It is our opinion that more complete documentation of objectives will help to ensure top management that Projects approved are managed at the Headquarters level and on site in the same manner by all Program Officers.

It is management's opinion that ICOD is not presently at the stage in its evolution to develop job performance objectives. ICOD is currently in the process of developing job descriptions for each position and as part of the performance appraisal process, an attempt is made to set specific work plan objectives, complete with target dates. Moreover, the Performance Appraisal Process is also currently under review within ICOD.

A set of objectives generic to the Program Officer position(s) will be pursued once adequate job descriptions are in place and the classification issues are settled.

Although some progress has been made on review and revision of the performance appraisal process, the process has not developed as quickly as anticipated or hoped for. The existence of job descriptions will facilitate improvement in performance indicators for staff and the 'Hay Report' generated primarily as a result of the job description process has made a number of suggestions which will be incorporated into the appraisal mechanism prior to the next appraisal process (i.e. April 1992).

INTERNAL AUDITS 1990-91

NOVEMBER 1991

IMPLEMENTATION STATUS

RECOMMENDATION

MANAGEMENT RESPONSE

FOLLOW-UP

OECS FOLLOW-UP AUDITEstablishment of OECS Fisheries Desk

1. That ICOD:

- a) obtain assurances from OECS that the practice of transferring funds will cease, unless with the specific permission of appropriate ICOD management;
- b) reemphasise with the appropriate senior management of OECS the specific purposes for which ICOD funds are provided and confirm with them the precise sanctions that will be applied should funds not be used for their intended purposes;
- c) request the OECS to provide confirmation of the reliability and adequacy of member state funding and intended funding relative to its ongoing viability;
- d) request the OECS to provide evidence/confirmation of member state funding status and changes in the status, that is, what each member state presently owes, when the funds are due and when the funds are paid;
- e) request the OECS to determine the precise amount and nature of the fund deficiencies;
- f) institute a repayment plan, including appropriate sanctions for late payments, based on the amount outstanding;
- g) verify, through on-site financial review and analysis, the progress being made by the OECS in the implementation of these recommendations; and
- h) determine future funding based on the satisfactory response by OECS to these recommendation.

- a) Completed.
- b) Completed. Management will iterate the consequences of misuse of ICOD funds to the Secretariat.
- c) Completed.
- d) Completed.
- e) This is deemed to be an internal OECS Secretariat problem. However, we understand that the Secretariat has done this on their own.
- f) ICOD has pursued an alternative course of action in this respect. All funding other than legally binding obligations have been suspended until all ICOD funds are restored to ICOD accounts.
- g) A follow-up audit is tentatively planned for early fiscal 1991-92 to achieve the intent of this recommendation.
- h) Completed. There is a letter from Mr. Vernon to Dr. Lewis which substantiates action in this regard.

1. In response to the audit and subsequent correspondence from ICOD's president and the responsible officer, the OECS has provided:

- a) written guarantee that ICOD funds will not again be used for unauthorized purposes,
- b) confirmation that all ICOD funds have been reimbursed to ICOD accounts,
- c) a plan of action to correct other items raised through the audit.

The responsible ICOD program officer has continued to monitor and follow-up this matter through both correspondence and site visits.

An audit of the Caribbean Basin program is scheduled for the current fiscal year to verify action in this respect.

2.

That ICOD:

- a) request the OECS to establish the generally accepted books and records for the Fisheries Unit;
- b) require that the books and records be used starting as at July 1, 1990;
- c) establish a deadline, no later than January 31, 1991 for the replacement of the current books and records with the 'new' books and records (the old system will have to be maintained until the new system is up-to-date);
- d) conduct a formal follow-up and financial review of the new system within the first or second month it is operating on a stand alone basis; and
- e) request from the OECS a copy of any management letter the auditor may address to OECS regarding the adequacy of the accounting system.

3.

It is recommended that ICOD request the OECS to provide a detailed plan as to the manner in which the Secretariat intends to provide accounting and administrative support (financial policies and procedures, training, internal audit, etc.,) to the Fisheries Unit as well as a timetable for the implementation of the plan.

a) Completed.

b) Completed.

c) Management agrees in principle that an early resolution of this matter is desirable. However, the Secretariat will require financial assistance to accomplish that objective. Management has agreed to provide assistance to the Secretariat for this purpose; assistance is, however, dependent upon the Secretariat meeting certain obligations, confirmation of which has not yet been received at ICOD, rendering a January 31, 1991 completion date unlikely.

d) Agreed. This review will also be conducted during the follow-up audit to be carried out early in 1991-92.

e) Agreed. Through copy of the audit report to the Secretariat (ie. complete with Management Responses), ICOD will formally request that all management letters be forwarded with the audited statements.

Agreed. Again, through copy of the audit report to the Secretariat, Management will request that the plan be forwarded to ICOD.

2. & 3. The entire OECS is now in the process of developing and implementing a revised, comprehensive financial administrative structure, including a standardized accounting system, using the firm Price Waterhouse, sponsored by USAID.

ICOD has agreed that the funds, as approved by the Board, dedicated to the Fisheries Unit for this purpose can be employed to accomplish system implementation for the Unit.

Depending on the time required by the OECS to implement the revised system, review by ICOD's auditors may be possible during the audit planned for the current fiscal year.

INTERNAL AUDITS 1990-91

NOVEMBER 1991

IMPLEMENTATION STATUS

RECOMMENDATION	MANAGEMENT RESPONSE	FOLLOW-UP
IOI AUDIT		
<p>1. It is recommended that ICOD advise IOI to implement the following changes as a minimal prerequisite to future funding:</p> <ul style="list-style-type: none"> - adopt a common fiscal year for the IOI organization; - produce yearly audited consolidated financial statements; and - have all detailed statements of course costs agree with or be reconciled to the audited financial statements. 	Agreed	<p>1. Funding of all IOI projects has been placed under a moratorium until Recommendation #1, 2, 3, 4 & 5 are in place. Corrective action will be verified through follow-up audit prior to the re-instatement of a working relationship between ICOD and IOI.</p>
<p>2. It is recommended that ICOD obtain assurance that internal controls over IOI's accounting system have been strengthened as a prerequisite to further funding. ICOD should view this as an important ingredient in insuring that its funds are used as intended and financial reports it receives are accurate.</p> <p>Also, as noted above, ICOD should review the value for money implications of IOI Scholarship funding.</p>	Agreed. Once recommendations #1 and 2 are resolved to ICOD's satisfaction, a review will be undertaken of input/outputs relative to IOI programs supported by ICOD in 1991 with a view to ensuring that value is received for dollars spent.	<p>2. IOI has contracted the firm of Touche & Deloitte Services Ltd. to design and implement an accounting structure which is appropriate for the operations of IOI and which addresses the expectations of donors respecting control over project funds.</p>
<p>3. It is recommended that ICOD obtain a definitive legal position on the legal status of IOI and consequently, the legal position ICOD is assuming when contracting with IOI.</p>	Agreed. This matter has been turned over to Legal Counsel for an opinion. The resulting opinion will be forwarded to IOI and the auditors.	<p>3. The IOI has now been incorporated as a legal entity in the Netherlands. The full implications of this will be reviewed during the follow-up audit.</p>
<p>4. It is recommended in the future that ICOD monitor the situation to ensure that ICOD scholarship funding is not used for core funding. Core funding being in place should be a prerequisite to ICOD funding of projects.</p>	Agreed.	<p>4. See #1.</p>
<p>5. The establishment of an appropriate human resource structure by IOI is necessary to resolving some of the problems identified in this report. Therefore, it is recommended that reasonable steps be taken to complete this as a prerequisite to further funding.</p>	Agreed.	<p>5. See #1.</p>
<p>6. It is recommended, to fully carry out its program delivery responsibilities, that ICOD ensures executed agreements are in place to support all expenditures.</p>	Agreed.	<p>6. No further arrangements will be undertaken in the absence of executed agreements.</p>

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| 7. | It is recommended that ICOD encourage IOI to finalize a Headquarters agreement with the Maltese Government. | Although management recognizes that it is necessary for IOI to establish a permanent presence somewhere if it is to be considered by aid organizations as a credible executing agency, it is our opinion that this is a matter that IOI, as an independent organization dealing at arms length with ICOD, must address on their own. | N/A |
| 8. | It is recommended that ICOD encourage IOI to document important aspects of its relationship with Dalhousie University in the form of a written agreement. | Management considers the comments provided respecting Recommendation #7 to apply equally here. | N/A |

November 15, 1991

SOUTH PACIFIC / CARIBBEAN BASIN DIVISION

INTERNAL AUDIT

Consulting and Audit Canada, under contract to ICOD to carry out internal audits, has submitted two drafts of the report on the internal audit of the South Pacific/Caribbean Basin Division, particularly related to the South Pacific program.

Management responded to the first draft critically because it was felt that the presentation had generally missed the mark. In fact, the Executive Summary and interpretation of findings in the body of the report were deemed to be extremely misleading.

Management expended considerable time and effort in analyzing the document, then pointed out a number of internal contradictions, unsupported generalizations and errors in fact to the auditors. The auditors concurred with many of the criticisms and agreed to make an attempt at redrafting the report.

Management has now analyzed the redraft. Although many improvements have been made, the report is still not deemed to be a credible product reflective of the \$52,400 in costs incurred to date by the auditors on this effort.

At this time, management is seriously considering whether this exercise represents "value for money".

The approach to audit by this firm is targeted at government departments where the audit function is carried out to meet a statutory requirement, and not necessarily to provide information which, while critical and difficult to accept in some instances, does identify problems, thereby permitting the development of solutions, and improvement of program delivery.

Management will again arrange a meeting with the auditors to discuss deficiencies. It is hoped that a final report can be forwarded to the members in the near future.



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

MEMORANDUM

To: Dr. Ellen McLean
Mr. Gastien Godin
Dr. Sharon Proctor
Mrs. Elisabeth Mann Borgese (ex officio)
Mr. Gary Vernon (ex officio)

Our File: 220.4

From: Christopher Barr
Director of Finance and Administration

Date: November 6, 1991

Re: Audit - Lessons Learned Workshop

Attached is the report of recommendations derived from the Audit - Lessons Learned Workshop.

Although various members of Senior Management attended segments of the Workshop, these recommendations should be viewed as emanating from staff (i.e. administration and program officers). Accordingly, management will now review the entire report including the recommendations and develop an appropriate course of action for discussion with staff.

The Committee will be apprised of the result of follow-up activities.

Christopher Barr

CB:pal

cc: G. A. Comber



Over 50% recycled paper
including 10% post-
consumer fibre
Plus de 50 p. 100 de
papier recyclé dont 10 p.
100 de fibres post-
consommation

November 1991

LESSONS LEARNED WORKSHOP - INTERNAL AUDIT

Recommendations:

1. Wherever and whenever possible, ICOD should work with existing financial systems of recipient organizations in order to extract the reports ICOD requires.
2. ICOD should be actively involved in developing methods of inter-agency cooperation which can lessen the compliance burdens on recipients - i.e. dovetailing of reporting demands, streamlined procedures, possible joint audits (and evaluations - see next recommendation) with other donors.
3. ICOD should explore the option of conducting audits and evaluations at the same time. Obviously, there would have to be clear mandates separating the scope of each party (auditors and evaluators), and probably separate reporting of findings, recommendations and conclusions.
4. A measurement of risk associated with the financial capabilities of recipients should be built into the pre-project initiation process. Staff should have the ability to determine at the front end of a project the level of financial sophistication of the recipient and determine acceptable financial reporting standards and accountability commensurate with the risks that ICOD is willing to accept based upon geographic and programmatic priorities of the Corporation. Clearly this will require some form of risk assessment instrument and training of staff to carry out the assessment.
5. Staff require a professional development program which would provide them with the ability to assess the financial status of recipients, identify recipients' needs re financial infrastructure building and apply ongoing, consistent analysis of financial reports from recipients.
6. ICOD can assist its partners in the development of financial infrastructure. There could be some inclusion of training funds for the partner. Perhaps ICOD could provide assistance through a site visit from a divisional AO.
7. MOA's should not front load funds to a project/program for the sake of budgetary expediency.

8. There should be a review of existing standards in MOA's to ensure that ICOD is not establishing expectations that cannot be fulfilled - i.e. some of the above recommended ideas should be built into future MOA's and perhaps some items should be removed.
9. Internal audits should be fully discussed with staff from all divisions; staff could have valuable input into how findings are handled and also assist in developing an ICOD response. A "Lessons Learned" process whereby all front line staff are involved after each internal audit would encourage cross pollination of ideas and ensure lessons are internalized.
10. It is recommended that there be a full meeting of program staff and senior management on the issue of encouraging a "Spirit of Partnership". At the same time, discussions could take place on how to operationalize the issues and ideas raised during the course of this workshop.
11. There is a need to define the expected level of financial monitoring; to determine the expected balance of staff time between compliance issues and the ongoing development of new projects.
12. Staff time and overall staff resources level may have to be re-examined in light of any increased demands due to compliance issues or the implementation of compliance recommendations contained in this report.

November 15, 1991

UPDATE OF INTERNAL AUDIT PLAN

The Internal Audit Plan attached is unchanged since the June meeting. Some modification may, however, be required by January, 1992.

As described in the 'Status of Implementation' for the OECS Follow-up Audit, the Fisheries Unit is in the midst of implementing a revised financial structure and accounting system consistent with the USAID sponsored changes taking place within the remainder of the OECS. It is management's intention at this time to proceed with the audit of the Caribbean Basin (i.e. the second phase to the internal audit of the South Pacific/Caribbean Basin Division) irrespective of whether or not the changeover has been completed by the Fisheries Unit. In terms of the operations of the Unit, the audit would be able to verify the return of misappropriated ICOD funds and hopefully report on the design and implementation of the revised system, although probably not the operation of that system. Management has recently come under criticism by the auditors for allowing recipients to force delays in planned audit activities and it is our opinion that it would be inappropriate to allow the Fisheries Unit to force delays beyond the current fiscal year. On the down side, the relevancy of the audit would be somewhat diminished in the absence of a 'thorough' audit of this, the major recipient of ICOD funds to date in the Caribbean.

Although management intends to proceed with the audit, as indicated in the foregoing, we did wish to make the Committee aware of the constraints and of the 'possibility' of a change in plans should overwhelming reasons for not doing the audit be presented by the division or recipients.

The second matter which still cannot be predicted with any accuracy relates to the IOI follow-up audit. There is a moratorium on the funding of IOI projects until problems identified through the audit are resolved and verified through a follow-up audit. IOI management obviously has an interest in having a follow-up audit scheduled as soon as possible. However, ICOD management has cautioned IOI representatives of the danger of proceeding to a follow-up audit in the absence of satisfactory resolution of the problems identified through the audit.

As a result, the contingency within the audit plan has not yet been allocated. By January of 1992, decisions must be taken to pursue the follow-up audit of the IOI or substitute the audit of a corporate program.

If it is the wish of the Committee, a succinct interim report on the resolution of these matters can be provided to the members in January.

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

5.0 INTERNAL AUDIT PLAN

Proposed Timing and Resource Requirements

Annual Schedule (cont'd)

Year 3 - 1991/92 Fiscal Year Audit Activity

<u>Audit</u>	<u>Description</u>	<u>Estimated Cost</u>
1.	South Pacific-Caribbean Basin Division	
	Internal audit of activities as described in Schedule 1. The audit covers Headquarters and visits to the South Pacific and Caribbean Basin to audit both ICOD Projects and Regional Organizations.	
	105 days effort	\$ 60,660
	Travel	<u>17,750</u>
		<u>\$ 78,410</u>
2.	Audit Management and Liaison	6 days effort
		<u>\$ 4,800</u>
3.	Unspecified Audit Activity	
	23 days effort	\$ 13,110
	Travel	<u>3,680</u>
		<u>\$ 16,790</u>
	TOTAL ANNUAL AUDIT COST	<u>\$100,000</u>

Note: FFA (Forum Fisheries Agency) was moved from Year 2 and is included in the above South Pacific - Caribbean Basin Division Audit.

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

5.0 INTERNAL AUDIT PLAN

Proposed Timing and Resource Requirements

Annual Schedule (cont'd)

Year 4 - 1992/93 Fiscal Year Audit Activity

<u>Audit</u>	<u>Description</u>	<u>Estimated Cost</u>
1.	Interregional and Cooperative Activities Division	
	Internal audit of activities as described in Schedule 1. Internal project audit and on-site visit with the projects administered by the following recipients considered:	
	World Maritime University	
	University of the West Indies	
	University of Toronto	
	72 days effort	\$ 43,200
	Travel	<u>12,000</u>
		<u>\$ 55,200</u>
2.	Follow Up on Year 2 Coverage	10 days effort
		<u>\$ 6,000</u>
3.	Administration	30 days effort
		<u>\$ 18,000</u>
4.	Consultant Selection and Contracting	20 days effort
		<u>\$ 16,000</u>
5.	Audit Management and Liaison	6 days effort
		<u>\$ 4,800</u>
	TOTAL ANNUAL AUDIT COST	<u>\$100,000</u>

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

5.0 INTERNAL AUDIT PLAN

Proposed Timing and Resource Requirements

Annual Schedule (cont'd)

Year 5 - 1993/94 Fiscal Year Audit Activity

<u>Audit</u>	<u>Description</u>	<u>Estimated Cost</u>
1.	Executive Office Division	
	Includes interaction with, and functioning of, Board and Subcommittees.	
	50 days effort	<u>\$ 30,000</u>
2.	Personnel	
	40 days effort	<u>\$ 24,000</u>
3.	Legal	
	30 days effort	<u>\$ 18,000</u>
4.	Follow Up on Year 3 Coverage	
	10 days effort	<u>\$ 6,000</u>
5.	Audit Management and Liaison	
	6 days effort	<u>\$ 4,800</u>
6.	Unspecified Audit Activity	
	29 days effort	<u>\$ 17,200</u>
	TOTAL ANNUAL AUDIT COST	<u>\$100,000</u>

ICOD SPECIAL EXAMINATION - FOLLOW-UP REPORT

NOVEMBER 1991

CATEGORY / REPORTED DEFICIENCIES	CRITERIA	BACKGROUND / CONCERNS	ACTION TAKEN / FOLLOW-UP REQUIRED

HUMAN RESOURCE MANAGEMENT			
Roles, responsibilities and accountability relationships.	<p>* Roles, responsibilities and accountability relationships should be clearly defined, delineated and communicated.</p>	<p><u>Board</u></p> <p>1. Minutes do not clearly indicate decisions nor need to follow up.</p>	<p>This matter was discussed by the Board in June of 1991 and there was agreement that greater precision would be accorded the matter.</p>
Roles, responsibilities and accountability relationships.		<p><u>Staff</u></p> <p>1. No up-to-date, complete job description/list of duties for most positions.</p>	<p><u>Staff</u></p> <p>1. The internal review of ICOD's classification system including the development of job descriptions is progressing to a conclusion.</p> <p>ICOD went through an exercise of recording employee activities and duties and hired Hay Consultants to review this information and provide us with descriptions and classification recommendations.</p> <p>The Hay recommendations were received in April and underwent an extensive internal review. The descriptions were sent to all staff with key identification information removed so as not to bias staff comments. Staff comments are currently being incorporated in revised descriptions which are in an advance stage of completion.</p> <p>The documentation will be reviewed by Senior Management prior to December 31, 1991.</p> <p>Implementation will be phased in over the current and next fiscal year.</p>
<p>For many significant functions the Centre has not clearly defined and/or communicated the expected roles, responsibilities and accountability relationships for its employees. Job descriptions did not exist, were outdated or had not been communicated.</p> <p>For the important program activities of program development, project approval and project monitoring and control, approved policies and procedures were either not available or had not been clearly communicated to program staff. The Centre is in the process of developing a program policy manual; however, progress on the manual was not sufficiently advanced to be considered during the examination.</p>		<p>2. Most important processes not documented to indicate role and responsibilities, eg. project approval process, project monitoring.</p> <p>3. Role of program officers is unclear concerning project development and monitoring.</p> <ul style="list-style-type: none">- Project approval criteria are not clearly communicated to staff.- Project development and monitoring guidelines do not exist.- There is no orientation for new P.O.'s.	<p>2. & 3. As indicated in June, a committee of program officers met a number of times and substantially rewrote 5 chapters of the Program/Project Management Manual. Unfortunately, subsequent staff changes and a rather hectic September and October have precluded further activity since August. More chapters will be reviewed in November and December and acceptance of chapters by management will be started in December with publication of the first phase of the manual completed by the end of February 1992. We will also</p>

CATEGORY / REPORTED DEFICIENCIES

CRITERIA

BACKGROUND / CONCERNS

ACTION TAKEN / FOLLOW-UP REQUIRED

hire a training consultant to start the preparations of training modules based on agreed upon chapters.

- * Conflict of interest guidelines should exist and be adhered to, to prevent real or apparent conflict of interest in the allocation of projects and funds.
- * The Centre's conflict of interest guidelines should be communicated to and accepted by staff and the Board of Directors. Consultants should be required to report any real or apparent conflict of interest with respect to each assignment.

Conflict of Interest

Members of the Board of Directors, who have real or apparent conflicts of interest involving proposed projects, do not withdraw from the meeting at the time of voting as called for by the Centre's by-laws. The presence of these Directors during the discussion of such projects could have the effect of inhibiting free and open discussion of important issues. In addition, the names of members of the Board of Directors who refrain from voting are not listed in the meeting minutes. The personal integrity of Members of the Board of Directors is not questioned in any way.

Board

1. Considering existing government guidelines, procedures followed are inadequate.

2. Minutes do not clearly indicate that conflict of interest situation has been avoided when a project proposal is to be approved for a recipient institution closely/directly linked to a Board member (foreign or Canadian).

- Government guidelines: Governor in Council appointments in Crown Corporations, PCO, 1987; conflict of Interest and Post-Employment code for Public Office Holders, Office of the Assistant Deputy Registrar General, 1985.
- Those members may appear to be taking part in the decision making process.
- Although those members have been instructed not to vote, the abstention(s) noted in the Minutes do not specify who abstained from the vote.
- By their presence during the discussion, those members may be inhibiting the frank and free discussion desired and may be the target of

Board

1. & 2. Draft by-laws which address this matter have been prepared for consideration by the Board in November of 1991.

CATEGORY / REPORTED DEFICIENCIES

CRITERIA

BACKGROUND / CONCERNS

ACTION TAKEN / FOLLOW-UP REQUIRED

potential accusations of favoritism.

* Information on ICOD's programs and the pertinent administrative rules and procedures should be available to potential recipients.

1. The availability of University training programs and scholarships was not widely known about other than at the educational institutions. Other organizations, many of whom could be the source and main beneficiaries of the trained students, were not aware of the programs that ICOD sponsors.

1. During the time period under review the Study in Canada Program (project # 860076) and the regional scholarships (project # 860025) were placed under a moratorium in order to review their performance. Following a comprehensive evaluation, a new training policy was adopted by the Board in November 1990 to bring scholarship programs more in line with regional programming, thus significantly changing the manner in which nominations for ICOD scholarships will be made. A set of detailed guidelines or sub policies relating to recruitment and scholarship promotion have now been developed, approved and implemented.

BILATERAL/REGIONAL GLOBAL DEVELOPMENT PROGRAMS:

* Project terms and conditions should be documented, including evidence of acceptance by the recipient, prior to commencement.

1. Monitoring and control of projects is left up to the individual project officers. With the lack of clear guidance in this area project officers have interpreted their responsibilities differently.

1. Project monitoring guidelines have been developed by program officers and are currently under review by management. It is hoped that guidelines will be implemented prior to the close of the current fiscal year.

* Projects should be appropriately monitored and controlled.

* Procedures to measure and report program effectiveness should be in place.

1. The examination revealed that the Centre has made plans for program effectiveness systems but to date nothing has been done to bring these plans into effect.

1. To date, extensive discussions have taken place with Central Agencies on the matter of Performance Indicators. In addition, other donors, both within and outside Canada have been contacted and queried to obtain guidance in this respect.

November 15, 1991

AUDIT & EVALUATION COMMITTEE

Subject:

Integration of Audit & Evaluation Function

Recommendation:

That the audit and evaluation functions be integrated in terms of management, planning, conduct of field work and reporting.

Background:

Although the audit and evaluation functions have been coordinated since inception from the perspective of the Board of Directors, through the Audit and Evaluation Committee, the two sets of activities have been planned, managed, implemented and reported independently within ICOD.

The audit function has heretofore been managed by the Director of Finance and Administration whereas the evaluation function has been managed by ICOD's Corporate Management Advisor.

Certain economies can be achieved by combining these functions. More importantly, the impacts of both activities can be enhanced through closer coordination of the functions.

Integration could lead to:

- a) reduction of ICOD staff time required in briefing consultants;
- b) less interruption for recipients;
- c) elimination of any duplication in coverage between the two functions;
- d) closer coordination of analytical resources to test efficiency and effectiveness, and;
- e) more specialized assistance to auditors and evaluators and easier access to each other.

The Director General of CIDA's Audit and Evaluation Division summarized what he envisaged as the positive outcome in amalgamating and integrating the two groups as a transfer of the "rigor" of the audit function to the evaluators and the "deductive reasoning" of the evaluators to the audit function. During a telephone discussion on this matter, he went on to say that he considers "audit/evaluation as a perfect fit, with both functions following along the same continuum" and that particularly for an organization the size of ICOD, such a move would make sense. CIDA is in the process of amalgamating the

two responsibilities, but has pulled up short of integrating the two functions, except on an experimental basis. The reason given for the hesitancy to fully integrate the conduct of the activities of audit/evaluation was the size of CIDA. (The document attached provides a comprehensive picture of the status of this issue within CIDA.)

Discussions with the Regional Director for the Office of the Auditor General, Kevin Potter, were somewhat supportive of the idea, although non-committal, consistent with most if not all discussion with the A.G.'s office. He indicated that ACOA and Veteran's Affairs has followed a similar pattern with respect to those two functions. Agriculture Canada has also integrated the two functions.

At the time of presentation of this concept to the Audit and Evaluation Committee, management has not yet expended the resources to work out the details of the manner in which this amalgamation / integration would be accomplished at ICOD. In fact, if the concept were approved, it is clear that we would need to proceed on a 'phase-in' basis, given that different areas of responsibility have undergone audit and evaluation during the history of ICOD and that there exist divergences in current plans for each of the two functions.

Nonetheless, management offers the following plan of action for implementing the recommendation at the beginning of this document, should the Committee recommend approval of the concept to the Board and the Board so agree:

PLAN OF ACTION

1. Derive a comprehensive Audit/Evaluation Policy for ICOD.
2. Establish management of the two functions within one unit with appropriate resources.
3. Develop a timetable for integration of the two functions.
4. Establish an internal committee with members from management and program officers to act as an advisory committee in:
 - a) preparation of audit/evaluation plans (i.e. 5 year and annual)
 - b) development of appropriate scope, methodology and terms of reference for each audit/evaluation, including financial audits as required
 - c) composition of a team capable of carrying out each evaluation/audit
 - d) review of audit/evaluation reports
 - e) preparation of management responses/follow-up activities associated with each audit/evaluation
 - f) internalization of findings and corrective action by ICOD and its staff (i.e. lessons learned)
 - g) review of documentation submitted to the Audit & Evaluation Committee of the Board of Directors
 - Audit/Evaluation Plans
 - Reports
 - Follow-up Activities
 - Lessons Learned
5. Review the results after one to one and a half years of operating to assess whether or not this revised structure/process is achieving results intended and make recommendations to Audit & Evaluation Committee to continue or make further modifications to the process.



INTEGRATION OF CORPORATE MANAGEMENT SYSTEMS STUDIES,
INTERNAL AUDIT AND EVALUATION FUNCTIONS

APRIL 23rd, 1991

INTEGRATION OF CORPORATE MANAGEMENT SYSTEMS STUDIES,
INTERNAL AUDIT AND EVALUATION FUNCTIONS

TABLE OF CONTENT

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ANNEXES

1. Treasury Board Requirements
2. Audit and Evaluation Mandate by Functions
3. Audit, Corporate Management and Evaluation Products
4. Present organizational charts of CMS\IAD\PED
5. Organizational charts of options considered

INTERNAL AUDIT AND EVALUATION ORGANIZATIONAL INTEGRATION

1. PURPOSE

The purpose of this document is to submit to the Audit and Evaluation Committee a proposal for the organizational integration of the review/studies functions of the Corporate Management Systems Division of the Comptroller's Branch and the functions of the Internal Audit Division with the functions of the Program Evaluation Division of Policy Branch.

This document provides the context of the decision to integrate these functions, proposes the mandate and responsibilities of the new Audit and Evaluation Division, considers key organizational factors and organizational options. A proposed structure and implementation plan are submitted for review and decision by the A&E Committee.

2. CONTEXT

During the recent President's Retreat, a decision was made to integrate the above mentioned functions within the same organizational division administratively located in Policy Branch. This decision was announced as an interim restructuring, pending the results of the Strategic Review being conducted by SECOR.

One of the factors that accelerated these changes was the Government's decision to reduce the number of management positions and total salary costs in all Federal departments and agencies. CIDA was instructed to provide central agencies with an implementation plan by the end of March.

As part of the implementation plan, it was decided to reduce management positions by deleting the positions of Director of Corporate Management Systems Division, Director General of Internal Audit Division and Director of Audit Operations. In order to comply with the obligation of reducing the Agency salary costs, instructions were given to slim down the new organization to its essential complement, in the hope of limiting the number of person/years required. This was not an easy task since present p/y allocations already are de facto the result of a significant p/y erosion over the years, as shown in the following table:

	<u>Previous Allocation</u>		<u>Present P/Y</u>
	(year)	(number)	(number)
Internal Audit	1981	25*	15
Program Evaluation	1985	15*	11
Corporate Systems	1989	9	4
Total		<u>49</u>	<u>30</u>

* Specific Treasury Board approval given, with OCG support.

3. MANDATE AND FUNCTIONS

3.1 Central Agencies Policies

In the Federal government context, internal audit is defined by Treasury Board policy as:

"the systematic, independent review and appraisal of all departmental operations including administrative activities, for the purpose of advising management as to the efficiency, economy and effectiveness of the internal management practices and control."

Under this definition, the role of audit has expanded from its traditional emphasis on attest (financial) and accountability (compliance) audits to reviews of the management framework (comprehensive audit), with the traditional role remaining part of the wider definition.

Program evaluation is defined as:

"the periodic, independent and objective review and assessment of a program to determine in light of present circumstances, the adequacy of its objectives, its design and its results both intended and unintended".

In many departments, the evaluation function is used more broadly and operates at different levels. Some Evaluation Divisions provide a management consultancy type role. Treasury Board has not defined a formal policy and definition for Corporate Management Review.

The Office of the Comptroller General has undertaken a recent revision of central agency policy for both the Internal Audit and Program Evaluation, in order to adapt the functions to Public Service 2000.

Under these revisions, it remains government policy that each deputy head will:

- . establish and maintain internal auditing as an independent departmental appraisal function that assesses the management framework applicable to all departmental operations. Internal auditing will provide assurance and counsel on the adequacy and effective implementation of the management framework, primarily to the deputy head but also to members of management;
- . periodically evaluate and report on the continued relevance, performance and cost-effectiveness of programs and will on that basis reconfirm, improve or discontinue program activities.

Parallel summaries of the Treasury Board/Office of the Comptroller General policies and standards for the Internal Audit and Program Evaluation functions are provided in Annex 1.

3.2 PRESENT MANDATES

Following are the mandates approved by the President's Committee for the Internal Audit and Program Evaluation functions at CIDA:

CIDA AUDIT POLICY (1982)

"... THE SYSTEMATIC, INDEPENDENT REVIEW AND APPRAISAL OF ALL AGENCY OPERATIONS FOR THE PURPOSE OF ADVISING MANAGEMENT AS TO THE EFFICIENCY, ECONOMY AND EFFECTIVENESS OF INTERNAL MANAGEMENT POLICIES, PRACTICES AND CONTROLS.

The primary role of Internal Audit is to assist the President in his control of the Agency, by providing assurance that operations are well managed or by identifying weaknesses in management policies, practices and controls and identifying opportunities for improvement.

A further equally important role is to assist all levels of management in the discharge of their responsibilities by furnishing them with objective analyses and recommendations concerning the state of efficiency, economy and effectiveness in their respective areas of responsibility.

CIDA EVALUATION POLICY (1982)

EVALUATION IS DEFINED AS A " PROCESS WHEREBY THE EFFECTIVENESS, IMPACT AND VALIDITY OF AID MEASURES IMPLEMENTED BY CIDA ARE OBJECTIVELY AND INDEPENDENTLY MEASURED, TAKING INTO ACCOUNT THE EFFICIENCY OF THE MEANS USED TO PRODUCE THE RESULTS."

The objective of evaluation is to provide an unbiased and rational basis for making decisions about current and future projects, programs, policies and procedure. Specifically:

- . to help determine and enhance the effectiveness of Canadian aid delivered by the Agency;
- . to enrich the Agency's knowledge of development; and
- . to enhance the management of operations and accountability in the context of limited resources.

Evaluation Division is responsible:

- . for the evaluation function in the Agency;
- . for conducting corporate evaluations and project-level impact evaluations;
- . for providing technical support to operational branches;
- . for ensuring Canadian representation at international conferences dealing with evaluation, including the DAC Expert Group on Aid Evaluation; and
- . for ensuring the dissemination of evaluation findings both within the Agency and externally.

CORPORATE MANAGEMENT SYSTEMS (1990)

In the summary of the job description of the Director, CMS, it is stated that he is accountable for:

- . for the planning and development of Agency management systems, and developing the processes and practices required by senior management;
- . for the identification of problems, and the recommendation of appropriate solutions; and
- . for ensuring the establishment of management systems and policies that are integrated, comprehensive, efficient and

effective, to support the Agency in the delivery of its ODA Program.

3.3 NEW MANDATE FOR THE AUDIT & EVALUATION DIVISION

Taking into account the elements contained in the existing CIDA audit & evaluation policies together with the study portion of the Corporate Management Systems function the new integrated mandate of the Audit & Evaluation Division could be summarized as follows:

- . TO PROVIDE INDEPENDENT CORPORATE INFORMATION TO THE PRESIDENT AND SENIOR MANAGEMENT THROUGH THE PROVISION OF ASSURANCE AND COUNSEL ON THE ADEQUACY OF THE MANAGEMENT FRAMEWORK AND AGENCY COMPLIANCE TO IT, AND THROUGH THE CONDUCT OF INTEGRATED AUDITS/EVALUATIONS/STUDIES AT CORPORATE, PROGRAM, INSTITUTION, PROJECT, ODA ACTIVITIES AND SYSTEMS LEVELS;
- . TO FURNISH TO THE PRESIDENT AND SENIOR MANAGEMENT, THROUGH EVALUATION STUDIES AND CORPORATE ANALYSES, PERTINENT INFORMATION ON PROGRAM ACCOUNTABILITY, RELEVANCE, RESULTS, EFFECTIVENESS, EFFICIENCY, ECONOMY AND ON SYSTEMIC PRACTICES TO BE USED FOR THE IMPROVEMENT OF PROGRAM RATIONALE, DESIGN, RESOURCE ALLOCATIONS AND DELIVERY;
- . TO MANAGE THE AGENCY EVALUATION AND REVIEW SYSTEM AND PROVIDE TECHNICAL SUPPORT TO THE OTHER RESPONSIBILITY CENTRES, TO ENSURE THE DISSEMINATION OF FINDINGS AND LESSONS LEARNED, AND TO ASSIST ALL LEVELS OF MANAGEMENT IN THE DISCHARGE OF THEIR RESPONSIBILITIES BY FURNISHING THEM WITH OBJECTIVE ANALYSES AND RECOMMENDATIONS CONCERNING THE STATE OF EFFICIENCY, ECONOMY AND EFFECTIVENESS IN THEIR RESPECTIVE AREAS OF RESPONSIBILITY; AND
- . TO ENSURE PROPER REPORTING TO CENTRAL AGENCIES ON THE AUDIT AND EVALUATION FUNCTIONS AND FOLLOW-UP REQUIREMENTS AND TO ASSUME RESPONSIBILITY FOR OFFICIAL DOMESTIC AND INTERNATIONAL LIAISON FOR AUDIT AND EVALUATION MATTERS.

3.4 AUDIT, CORPORATE REVIEW AND EVALUATION FUNCTIONS

In Annex 2, the functions of the Audit and Evaluation Division are described in greater details. The following main points summarize the mandate in an operational way:

- 1- PRODUCTION OF AUDITS
- 2- PRODUCTION OF EVALUATIONS
- 3- PRODUCTION OF CORPORATE ANALYSES AND REVIEWS
- 4- RESPONSIBILITY FOR THE MANAGEMENT OF THE AGENCY EVALUATION AND REVIEW SYSTEM
- 5- CANADIAN REPRESENTATION TO INTERNATIONAL A&E MEETINGS AND CIDA'S REPRESENTATION IN A&E MATTERS

An indicative list of the various products of the Audit and Evaluation Division is tabled in Annex 3.

4. KEY FACTORS IN DESIGNING THE NEW ORGANIZATIONAL STRUCTURE

4.1 Response to Agency decision-making needs

It is expected that the Audit function must provide the President with an independent opinion and include in its universe all CIDA operations and the management framework. This may be achieved through a cyclical work plan covering all of the above according to a schedule that would be timely for significant strategic corporate decisions to be taken by senior management. Overlapping with the Auditor General's work would be avoided, and audits commissioned by other Agency responsibility centres in collaboration with the A&E Division could be used as a proxy. Complementarity and integration (where possible) of results of evaluation products would be sought at corporate, program, institutional, project and function levels. An effort will be made to provide senior management with second-tier corporate products that would summarize organizational and program trends, identify systemic causes of performance constraints and propose alternatives for improvement.

Hence person/year allocations would be shifted from the traditional project level activities in favour of program, systemic and corporate levels.

4.2 Support to other Agency Responsibility Centres

Institutional and project level evaluations are quite decentralized in CIDA. The A&E Division would continue to provide functional management through the network of Branch evaluation coordinators and liaison officers, by preparing the Consolidated Evaluation Plan and Annual Reports, by providing norms and standards, by managing the standing offers for evaluators, by providing ad hoc advisory expertise, by performing meta-evaluations and by facilitating the dissemination of evaluation results and training. The same endeavour would be provided for audits commissioned by other Responsibility Centres thus leaving program management with the option of proceeding with an audit and/or an evaluation according to their management needs.

Corporate integration and reporting would be achieved through the process of the yearly consolidated audit and evaluation plan and report.

Hence some person/years have to be dedicated to the support function with ad hoc consultants accomplishing specific tasks and assignments for the Branch A&E coordinators. Audit and evaluation standards would be provided by the A&E Division. Strict norms and compliance to them are necessary in the selection of consultants, including the Ministerial instruction for an exclusion clause. Program funding is assumed for all these activities.

4.3 Professionalism and Visibility

It is necessary to maintain the visibility and credibility of the central audit and evaluation functions which will aim to provide independent quality products serving senior management needs through reliable and credible analysis and timely, useful recommendations. The A&E Division's workplan will be reviewed by the A&E Committee and approved by the President.

Hence the person/year complement must suffice to cover as first priority the multi-year cyclical audit and evaluation plan. Specific requests by Management will be accommodated according to remaining persons/year availability.

Because of the minimum level of the person/year complement, staffing must be done primarily utilizing professionally trained auditors and evaluators. This does not exclude the possibility of SAPP assignments for the purpose of career enhancement and for recruiting people with program experience within the A&E team.

4.4 Public Service 2000

The spirit of Public Service 2000 which demands more flexibility and accountability poses some challenge to the audit function. The function needs to be oriented toward the assurance of, and counsel on, the adequacy of the management framework in a different cultural environment without totally setting aside the rigor of compliance audits. The evaluation function has to serve the President better in measuring program results, identifying alternatives for improved delivery and serving as a key feedback mechanism for resource allocation purposes.

The emphasis of PS 2000 on service to clients requires that the A&E Division changes its frequently perceived image of intruder-inspector into one of useful corporate servant and counsel. The usefulness of the products of the A&E Division will be a major indicator in this approach.

Delaying and management by results are two means of operationalizing the PS2000 emphasis on accountability and performance of the A&E Division.

4.5 Staff Reduction

Recent government decisions put strong pressures on the Agency to cut management positions and reduce the Agency's total salary level. In operational terms, this translates in deleting positions both at the executive and professional levels.

Hence the structuring of the new A&E Division must take into consideration that only one management position is available and that person/years need be freed up. An indicator of 20% of the present establishment was provided.

Earlier formal Treasury Board submissions had set the person/year allocations for Internal Audit at 25 and Program Evaluation at 15. Present allocations are respectively 15 and 11. With the deletion of the two management positions, the establishment is now at 24 for the two Divisions. A 20% downsizing of the present establishment represents freeing up of 2.4 person/years. Noteworthy is that no claim is made for any of the 4 person/years presently allocated to the Corporate Management Systems Division.

In other words, adding together the recent person/year allocations prior to the cuts for the CMS/IA/PE Divisions, the downsizing results in a reduction from 30 to 21 P/Ys. If one returns to the original P\Y allocation for the audit and Evaluation Divisions, excluding CMS, the gradual erosion is from 40 down to 21.

4.6 Contribution, Contracts Audits and Special Investigations

It was decided that Contribution and Contracts Audits will remain the full responsibility of the Comptroller and remain within his organization. It was also decided that special investigations, financial (fraud) audits, will be the full responsibility of the Comptroller and that the A&E Division will not provide the investigation services that were provided in the past by the Internal Audit Division.

Hence the position FI-4 Director, Internal Financial Audit would be moved from the Internal Audit Division establishment to the Comptroller's Branch together with its person/year and incumbent.

4.7 Treasury Board & Comptroller General's requirements

Various key factors in official government policy need to be taken into consideration in any new structure, for example, the role of internal audit and program evaluation, their scope independence and special reporting relationships to the Deputy Head, staff characteristics and the objectivity of the products. Annex 1. lists all these requirements.

4.8 Contracting out

The downsizing detailed above has important implications for completion of the workplan of the new A&E Division. The role of most audit and evaluation staff will have to move more towards management of audit and evaluation studies and there will be a need for greater contracting out of assignments. Erosion of the p/y establishment means a greater dependence on funds to contract out specific assignments and it is assumed that there will a sufficient budget available to do this.

However, in order to ensure the relevance of the functions to address the Agency's needs, one cannot rely totally on outside expertise. Consultants do not have the detailed knowledge of the organization and often their products must be adapted to CIDA's requirements. It is also Treasury Board policy that the opinion expressed to management must be that of the Director General and not that of the consultant.

4.9 Use of Corporate Memory

The Program Evaluation Division set up a very effective Evaluation Corporate Memory. Its success led the Group of Experts on Aid Evaluation of the OECD Development Assistance Committee to duplicate it for international evaluation coordination and information exchange.

Because of its success in CIDA, the Evaluation Corporate Memory has expanded into a central data base for the agency serving multi-corporate use. In light of this, Policy Branch decided to move the responsibility for the Corporate Memory from the Program Evaluation Division (YPE) to the Corporate Information Division (YIR) as of April 1st 1991. Also for the first time Corporate Memory is appearing on the Informatics budget and is now managed through a DSS\ITSD multi-year contract. Corporate Memory now has a significant role at the core of CIDA's informatics structure and information management strategy.

It is hoped that the new managers of the Corporate Memory, (particularly if eventually it should be moved within the Comptroller's Branch) remember its origins. Hence the A&E Division should remain a Centre with a prime interest in the Corporate Memory. It is also assumed that Corporate Memory will keep its vital role as custodian and disseminator of all evaluation reports and electronic abstracts.

5. ORGANIZATIONAL OPTIONS

For information purposes, the present organizational charts of the Corporate Management Systems Division, the Internal Audit Division and the Program Evaluation Division may be found in Annex 4. —

In line with the requirements of Central Agencies for visible audit and evaluation organizations, and the various criteria mentioned above, there are limited organizational options. Most other government departments have three or four management positions, namely a Director-General, and a manager audit, manager evaluation and in some cases a manager special studies. Because of the need to cut senior establishment positions, this option was not considered. (Under the same P\Y constraints a number of other departments are proceeding with the integration of their audit and evaluation functions.)

In the spirit of PS 2000 and the criteria to delayer and give greater responsibilities to managers, it is understood that AS7s are to be given more responsibility and accountability for their products and performance in their professional work areas. Their performance will be appraisal by results achieved.

In the options proposed, the bulk of the P\Ys have been dedicated to the production of audits, evaluation and corporate studies, keeping to a strict minimum the P\Ys allocated to administrative and support activities. Also, consolidation of divisional administrative support functions was possible and this led to one P/Y saving.

There are common features to all three options presented. They concern the Corporate Analyses Unit and the Corporate Support Unit.

The Corporate Analyses unit will be tasked with the responsibility of providing Senior Management with bullet executive analyses and alternatives for follow-up. It will provide trend analyses, diagnosis of systemic causes of aid delivery constraints and furnish meta-audit and meta-evaluation feedback. It will be concerned with institutional learning at the corporate level. It will be a main client of the Corporate Memory. As Primary Centre of Interest for the Corporate Memory, it will manage the Audit & Evaluation module of Corporate Memory as well as the DAC Evaluation Inventory. It will be charged with the responsibility of setting up effective cooperation with IDRC and ICOD and networking with universities on lessons learned from evaluations done on development assistance and its delivery.

The Corporate Support unit will manage the Agency Evaluation and Review System. It entails many activities such as preparing the Agency Yearly Consolidated Annual Plan and Report, providing expert advice to the Branch Audit and Evaluation Coordinators, managing the standing offers for the Audit and Evaluation consultants, undertaking project impact and institutional evaluations and audits, providing audit and evaluation standards to the Branches and conducting quality control activities. In addition, this unit will be responsible for all administrative duties of the Audit and Evaluation Division which include the preparation of the Multi-year Plan, the Annual Report, budget management, workplan control and all administrative systems.

In light of the above there are three possible options:

- . matrix management of professional staff:
- . functional methodological supervision by chief senior officers;
- . full accountability of AS7 managers to the Director General;

5.1 Matrix Management

(See Exhibit 5 - Option 1)

The first option is to assign audits/evaluations/corporate studies to Managers who in turn would work with divisional staff, Agency staff and external resources to fulfil their mandate.

This option is currently used by one department. However, in this department there are also three managers under the Director General to ensure that the process works. While the model is seen as promising for the integration of the audit and evaluation

functions at the operational level, preliminary feedback is that this approach is particularly challenging and that efficiency depends on a very disciplined project matrix framework, flexible staff and a strong team spirit. The option presented, without heads of audit and evaluation, implies that the Director General would have to directly manage all the staff. This is not feasible.

Without heads of audit and evaluation, this option was considered potentially detrimental to the subordinate professional staff because they would not benefit from systematic supervision. This option may limit the delegation of substantive responsibilities to AS6 officers and thus limit their opportunities to acquire gradual experience in managing complex audits and evaluations. In the context of greater accountability, AS7s may be less inclined to delegate in a matrix framework.

5.2 Functional Supervision

(See Exhibit 5 - Option 2)

A second option is to have the Director General delegate to a senior audit officer and a senior evaluation officer the responsibility for functional supervision of audit and evaluation respectively; in other words to have a chief auditor and a chief evaluator.

In order to do this, it is necessary for one trained senior auditor and one trained senior evaluator to take the role of methodological advisor\supervisor with the purpose of enhancing and maintaining rigor and quality and completion of the audit and evaluation work programs. In practical terms, this means that the person in this position would allocate part of his/her time to work directly with the other auditors and evaluators respectively and provide methodological guidance on behalf of the Director General when assignment workplans and draft reports are being prepared. Individual managers would still be fully accountable for their products.

This option is the most attractive for the Director General because it means that he can deputize the quality assurance functions and be only concerned with polishing finished products, Such an option would normally operate with the audit and evaluation functional supervisors being more highly graded than other managers. Classification Service is of the view that the classification of the other AS7 would be jeopardized if full methodological responsibility were not maintained in each AS7 position. In addition, functional supervision with likely inputs in the peer performance appraisals presents the potential for staff relation problems.

5.3 Full Manager Accountability to the Director General

(See Exhibit 5 - Option 3)

A third option is to have all AS7 managers reporting directly to the Director-General. In the context of the new Audit & Evaluation Division, this would mean 9 managers reporting to the Director General. While in some organizations this span of control may be acceptable, the complexity and variety of work which will be carried out by the new Division makes this option a demanding one for the Director General.

It is intended that the Director General will manage by results. Therefore, under this option each manager would be fully accountable for how they proceed with studies assigned to them and would be expected to produce methodologically rigorous and high quality outputs. The Director General's involvement would focus on the mandate of the study and the output to be submitted to senior management. The Director General will not have the time to provide detailed guidance on the implementation of individual studies and would only become involved in providing direction on substantive issues. It is expected that individual managers would get general assistance from their peers, particularly from the managers of audit methodology and evaluation methodology.

In this option, the Managers, Audit Methodology and Evaluation Methodology would be responsible for the development of guidelines and standards to be implemented by the Audit and Evaluation teams and for the provision of methodological advice to the Corporate support unit. They would also ensure domestic and international liaison on methodology development.

5.4 Option Proposed

The third option in which all AS7s are accountable to the Director General for the outputs of specific tasks and roles assigned to them is recommended. Under this option the Director General would rely on Methodological Managers to provide technical expertise and support to audit and evaluation managers.

6. IMPLEMENTATION PLAN

Since only 5 of the 21 positions have to be updated and reclassified, the implementation of the integration can move ahead as soon as the President will authorize the new structure.

Many gains can be obtained by immediate integration of the 1991-92 workplan and resources. Also, all positions presently with an incumbent can be accommodated within the new structure. Hence new staffing requirements will be minimal.

The following steps to setting up the new Audit and Evaluation Divisions are proposed:

- Step 1 Approval of organizational structure by A&E Committee and the President - April 1991
- Step 2 Confirmation of present staff in existing positions - April 1991
- Step 3 First Audit And Evaluation Division Staff meeting - April 1991
- Step 4 Announcement to CIDA staff - April 1991
- Step 5 Staffing of AS6 Audit vacancies - April 1991
- Step 6 Interviews for the CR5 competition - May 1991
- Step 7 Audit and Evaluation Retreat - May 1991
- Step 8 Update of the 1991-92 Audit & Evaluation workplan for submission to the Audit & Evaluation Committee - May 1991
- Step 9 Updating of job descriptions for each position - May 1991
- Step 10 Formal classification of new positions - June 1991
- Step 11 Submission of the Agency Consolidated Audit and Evaluation Plan for 1991 and Consolidated Report for 1990 - June 1991
- Step 12 Staffing (through deployment) of Corporate Analysis positions - August 1991
- Step 13 Integrate the Corporate Analysis functions as part of the operation of the Audit and Evaluation Division - September 1991

7. RECOMMENDATIONS

In light of the agencies audit, evaluation and corporate analyses needs and the criteria established for setting up a new Division, the following recommendations are proposed:

- 7.1 It is recommended that the third organizational option - Full Manager Accountability to the Director General be approved by the Audit and Evaluation Committee.
- 7.2 It is recommended that the Audit and Evaluation Committee approve the implementation plan.
- 7.3 It is recommended that the 21 positions of the Audit and Evaluation Division be staffed as soon as possible and not later than September 1st 1991.
- 7.4 In order to maintain an appropriate reporting level within the Agency and avoid a perceived downgrading of the status of the head of the audit and evaluation functions, it is recommended that the title Director General be retained.
- 7.5 In light of the staff reduction, it is recommended that the Director General of Audit and Evaluation Division reviews the annual audit workplan and the annual evaluation workplan in order to integrate them for greater resource optimization and for the purpose of assigning priorities. The revised integrated plan is to be submitted to the Audit and Evaluation Committee in May 1991.
- 7.6 It is recommended that the Director General review the new structure for Audit, Evaluation and Corporate Analyses after two year to assess its efficiency and effectiveness in meeting agency needs and report findings to the Audit and Evaluation Committee.

ANNEX 1

TREASURY BOARD REQUIREMENTS

Source:

Standards for Internal Audit
(TB\CG - 1982)

Guide on the Program Evaluation
Function (TB\CG - 1981)

Role:

1. Departments shall have an independent internal audit function that carries out a systematic review and appraisal of all departmental operations for the purpose of advising management as to the efficiency, economy and effectiveness of internal management policies, practices and controls.

1.1 Program evaluation in federal departments and agencies should involve the systematic gathering of verifiable information on a program and demonstrable evidence on its results and cost-effectiveness.

Its purpose should be to periodically produce credible, timely, useful and objective findings on programs appropriate for resource allocation, program improvement and accountability.

Scope:

2. The scope of internal audit shall encompass all aspects of a department's operations. The internal auditor assesses and expresses an opinion upon:

a) The design, development implementation and operation of all systems, procedures, processes and controls, including computer-based systems;

b) The reliability and adequacy of information available for decision-making and for accountability purposes;

1.2 The evaluation of programs should be concerned with all of the basic issues:

Program Rationale:

(Does the program make sense?)

Impacts and Effects:

(What has happened as a result of the program?)

Objectives Achievement:

(Has the program achieved what was expected?)

Alternatives:

(Are there better ways of achieving the results?)

c) The extent to which available information is utilized in the decision making process;

d) The adequacy of protection -afforded public funds and assets; and

e) The extent of compliance with legislative, central agency and departmental directions.

Frequency:

3. All major systems, functions and organizational units performing significant responsibilities should be examined within a period not exceeding three to five years.

4.1 Departments and agencies should develop formal plans for evaluating all of their programs. TB policy is programs should be evaluated on a periodic basis. While the policy suggests a 3-5 year cycle, it is recognized that in some cases a longer time frame may be required, depending on the nature and maturity of the programs.

Plans:

12. A long-term plan of the activities of the audit group shall be prepared and documented to ensure that the organization's audit policy is met efficiently and effectively.

13. An annual schedule of of planned audit assignments shall be prepared and submitted to the deputy head for approval.

The process can be divided into four phases:
-describe the total audit responsibility in terms of manageable audit units;

4.3 The deputy head must finally set the priorities for evaluation, both for the long term and the annual plans.

4.4 The departmental program evaluation plan should include two parts -the departmental long-term program plan consisting of the departmental program evaluation profile (the individual component profiles and an explanation of the overall departmental component structure) and the program evaluation schedule indicating when each component is to be evaluated over the evaluation cycle; and
-the annual program evaluation plan indicating in more detail the

-evaluate and rank the audit units in order of priority using as criteria: size of the audit unit, risk of loss, special considerations, major changes, previous internal audits and work performed by other auditors (ex:AG), known desires of Senior Management (The internal auditor must ensure, however, that in meeting these requests, the internal audit function does not become part of the line management, not of the system of internal control.);
-prepare a long-term plan;
-prepare an annual schedule of the audit work.

specific evaluation activities to be undertaken in the next 12-18 months. The reasons for excluding any component from the long-term plan should be documented. Evaluation plans should reflect the priorities and concerns of the department, its minister and of the central agencies. Plans should be submitted to the OCG for review.

Reporting Relationship:

4. The head of internal audit group should report to the deputy head.

3.4 In organizing for program evaluation, the responsibilities managing the function should be assumed by one, or at most two, persons. One of these persons, the departmental manager for program evaluation, should report either directly to the deputy head or to the next senior departmental officer accountable for program evaluation - the second person in this case - who in turn reports directly to the deputy head.

Committees

5. There should be an audit committee chaired by the deputy head, composed of executives whose attributes assure the provision of sound and objective counsel to the deputy head.

3.1 It will frequently be desirable to establish a senior management evaluation committee, and program evaluation advisory committees for individual studies.

Integration of Activities:

6. All internal audit activities shall be integrated to eliminate overlapping and duplication of work, and to contribute to the efficiency of internal auditing within the department.

2.1 The Program evaluation should be an integral part of the management review and monitoring function in departments and agencies, providing input into planning and budgeting.

The review and monitoring function of a deputy head involves at least three complementary processes:

- program evaluation;
- internal audit, and
- other management review and information processes (including financial reporting performance measurement, and quality review.)

3.4 The departmental program evaluation unit should have a close working relationship with internal audit and corporate planning units to ensure effective coordination among these activities, but a separate organizational unit for program evaluation should be formed.

Staff:

Group Characteristics:

No specific standard as to size and composition of the audit organization is possible, because this will vary from department to department and will be affected by a number of interrelated factors:

- the nature of the department
- the size (employees & budget and assets)
- the adequacy of controls
- the complexity and
- the extent of delegated authority.

5.1 The personnel carrying out evaluations of programs should have an appropriate mix of analytical, methodological and project management skills, techniques and experience.

Individual Characteristics:

- A mix of skills and disciplines is required;
- Trained in the fundamentals of auditing;
- Expertise in most functional areas including finance, planning, personnel, administration, official languages, etc.;
- A good understanding of the operations being reviewed.

10. The internal audit group should be of sufficient size and possess the skills necessary to carry out its mandate.

11. The internal audit group and the individual auditor should have a common obligation to develop and maintain professional skills through training.

7. Where audit agents are used, there should be a written agreement with each agent that specifies audit objectives, audit scope, reporting relationships, the authority of the auditors, and the rights of the department to examine audit documentation.

18. Staff engaged in audits should be subject to adequate supervision.

Policy:

8. The deputy head shall promulgate an audit policy which specifies the responsibility and authority of the audit group, outlines the scope and frequency of audit, and authorizes access to all departmental information necessary for the fulfillment of its mandate.

5.1 Each individual evaluator should have basic analytical skills and some knowledge of the program area, be able to take an independent view of the program, be able to establish credibility with senior management as well as line managers.

5.2 Consultants should be used in evaluation work as appropriate but should be closely managed. When consultants are used, terms of reference for studies and resulting recommendations are still the responsibility of the departmental manager of program evaluation.

3.1 Each department and agency should have a program evaluation policy, compatible with TB Policy (1977-47) which sets out the department's approach to evaluation outlining the evaluation organization, and roles, responsibilities, authorities and accountabilities of those involved, evaluation procedure and acting on findings, and general level of resources for evaluation.

The policy should specify the responsibilities of auditees and the internal audit committee vis-a-vis the audit process.

3.2 The responsibilities of the deputy head (Table 3.1) and of the management of the evaluation function (Table 3.2) should be clearly delineated in the policy.

Objectivity:

9. Members of the internal audit group should execute each aspect of assigned audit work in a manner which is, and is perceived to be, objective.

5.1.2 The independence of the evaluators is essential to the production of objective, credible evaluation work.

Process:

14. Every audit assignment should be properly planned.

6.1 The conduct of program evaluations should comprise 3 distinct phases: the evaluation assessment (pre-evaluation planning); and the evaluation study itself (data collection, analysis and reporting) and the decision-making based on findings and recommendations of the study.

15. Performance: There should be sufficient study and evaluation of the operational and management systems, procedures, processes and controls as a basis for conducting the detailed review and tests required to identify and disclose weaknesses and inefficiencies.

6.2 An adequate evaluation assessment, with appropriate deputy head involvement, which seriously considers all the basic issues, should be undertaken...to determine the appropriate focus and approach.

16. Each auditor should exercise due care in the performance of the audit.

6.3 Any evaluation study undertaken should produce objective and credible findings, i.e. evidence and conclusions on each evaluation issue.

17. Sufficient valid and relevant evidence should be obtained and documented to support the content of audit reports.

19. All audit work should be subject to a properly planned and documented review process conducted by the appropriate level of qualified supervisory staff.

Reports:

20. A written report shall be issued to appropriate officials of the department or agency at the conclusion of every audit assignment. The report must be timely, accurate, clearly stated, complete yet concise, and recommend corrective action.

21. A report shall be submitted to the deputy head at least annually on audit coverage, major findings, significant unresolved recommendations and any other matters requiring the deputy head's attention.

Consultations:

22. Audit findings and recommendations should be discussed with relevant officials prior to issuing the report and their comments included in the report, as appropriate.

Follow-up:

23. The internal audit group should assess whether appropriate follow-up action has been taken on the implementation of audit recommendations and it should report inadequate action.

6.4 A final report should be prepared for each evaluation assessment study and evaluation undertaken. Reports should be credible and useful and keep separate the evidence, conclusions and recommendations. Reports should be reviewed by all concerned parties.

3.2 At the end of each evaluation study, the deputy head responsibilities is to assess the findings and recommendations and decide on appropriate implementation action and to approve the program evaluation report for release.

3.3 The process for carrying out program evaluation should ensure adequate participation of appropriate program or line managers.

6.5 Once decisions are taken as a result of evaluation findings and recommendations, departments and agencies should ensure that appropriate follow-up are taken and reported on to the deputy head.

ANNEX 2

AUDIT CORPORATE ANALYSES AND EVALUATION

Mandate by Main Functions

The roles of Audit, Evaluation and Corporate Analyses can be summarized in an integrated fashion by the following functions:

1. PRODUCTION OF AUDITS AIMING AT ASSURANCE OF ADEQUATE MANAGEMENT FRAMEWORK AS WELL AS COMPLIANCE TO IT.
 - Provide the President\Senior Vice-President with independent opinion on the Agency's management policies, practices and controls with the purpose of identifying opportunities for improvement of the management and delivery of Development Assistance;
2. PRODUCTION OF EVALUATIONS OF RATIONALE, IMPACT AND EFFECTIVENESS OF PROGRAMS TAKING INTO ACCOUNT THE EFFICIENCY OF THE MEANS USED TO PRODUCE THE RESULTS.
 - Conduct for the President\Senior Vice-President independent, objective and credible evaluations of policies, strategies, programs, projects, activities, delivery instruments and systems with the intent of measuring results achieved and proposing alternatives for enhancing them.
3. PRODUCTION OF ANALYSES OF CORPORATE ISSUES REQUIRING SENIOR MANAGEMENT'S ATTENTION.
 - Drawing on audits, evaluation studies, Central agencies & CIDA commissioned studies, Corporate Memory, DAC Evaluation Inventory, Development research results, IDRC and World Bank reports etc, prepare executive analytical papers bringing at the attention of the President\Senior Vice-President, strategic corporate issues and trends affecting CIDA's mandate, policies, programs, accountability for Aid delivery, management risks, systemic constraints and compliance with CIDA's management philosophy and framework.

4. RESPONSIBILITY FOR THE MANAGEMENT OF THE AGENCY
EVALUATION & REVIEW SYSTEM.

- 4.1 When the A&E Division performs its audits, evaluations and corporate analyses, it assists responsibility centers at all levels within CIDA by furnishing them with objective analyses and recommendations concerning their state of efficiency, economy and effectiveness, in addition of providing them with an independent view on the rationale, impact, effects and effectiveness of the programs they manage.
- 4.2 In addition, the A&E Division has the responsibility of managing the Agency audit and evaluation system in compliance with the requirements of the Auditor General and the Comptroller General. The system entails both the production of studies done by the A&E Division as well as audits and evaluation commissioned by the other Agency responsibility centers. The Director General of A&E Division is accountable to the Senior Vice-President for ensuring the quality of audits and evaluations of activities, processes and products emerging from the Agency Evaluation and Review System.
- 4.3 In order to provide other CIDA responsibility centers (RCs) with functional direction, A&E Division
- a) produces A&E policies, Standards, Guidelines, Handbooks, an Agency Annual Plan covering all audits & evaluations,
 - b) provides methodological support to Agency RCs, mostly by means of pre-screened specialized consultants under standing offer arrangements containing a special exclusion clause to prevent conflict of interest,
 - c) manages the Agency Evaluation & Review Network mostly through the A&E Coordinators Group, RCs liaison consultants and the A&E Newsletter,
 - d) develops and updates the A&E training modules,
 - e) manages the Audit & Evaluation modules of Corporate Memory and of the DAC Inventory.
- 4.4 In fulfillment of the Comptroller General's requirements the A&E Division prepares a Multiyear Audit Plan and a Multiyear Evaluation Plan as well as an Annual Audit Plan and an Annual Evaluation Plan and Report for the activities performed by the A&E Division and the Agency.

5. ENSURES CANADIAN REPRESENTATION TO INTERNATIONAL A&E MEETINGS AND CIDA'S REPRESENTATION IN A&E MATTERS

- 5.1 The A&E Division represents Canada at development assistance international meetings and conferences on audit & evaluation. Noteworthy is the fact that for the next three years, the A&E Director General is the Chairman of the Development Assistance Committee (DAC) Expert Group on Evaluation.
- 5.2 The A&E Director General is also expected to attend the meetings of Directors of Internal Audit and Directors of Program Evaluation regularly convened by the Comptroller General.
- 5.3 The A&E Division staff is active in many professional associations.
- 5.4 In all matters of audit and evaluation, the A&E Division is the Agency representative to Treasury Board and the Comptroller General and assists the Vice-President Comptroller in liaising with the Auditor General.

ANNEX 3

AUDIT, EVALUATION & CORPORATE MANAGEMENT PRODUCTS

<u>Project Level</u> <u>Institution Level</u>	<u>Program Level</u>	<u>Corporate Level</u>
CMS	CMS	CMS Management studies Organization studies Systems studies
IAD	IAD	IAD
Project Audit	Responsibility Center Audits	Functional Audits
Financial Audits	Country program Audits	Trend Analysis Work Instruments Audits
Institution Audits	Follow-up to Audits	Mgt Framework Audits Risk Management Audits
YPE	YPE	YPE
Project Eval. Pj. Impact Eval. Institutional Eval.	Program Evaluations Multi-Donor Multi- lateral Inst. Eval CPR Evaluations Program Evaluation Frameworks	Thematic Evaluations Sectoral Evaluations Decentralization Eval. Systemic Evaluations

Program Branch Support

IAD

Technical and advisory support for audits commissioned by other Agency Branches.

YPE

Agency Annual Evaluation Plan
Technical and advisory support for decentralized project and institutional evaluations
Technical support to other institutions (ICOD, ACCT)
Evaluation Coordinators networking & support
Evaluation Guides
Dissemination
Training

Policy, Planning and Administration

IAD

Agency Multiyear Audit Plan
Agency Annual Plan & Report

Audit Policy Review
Audit norms and guidelines

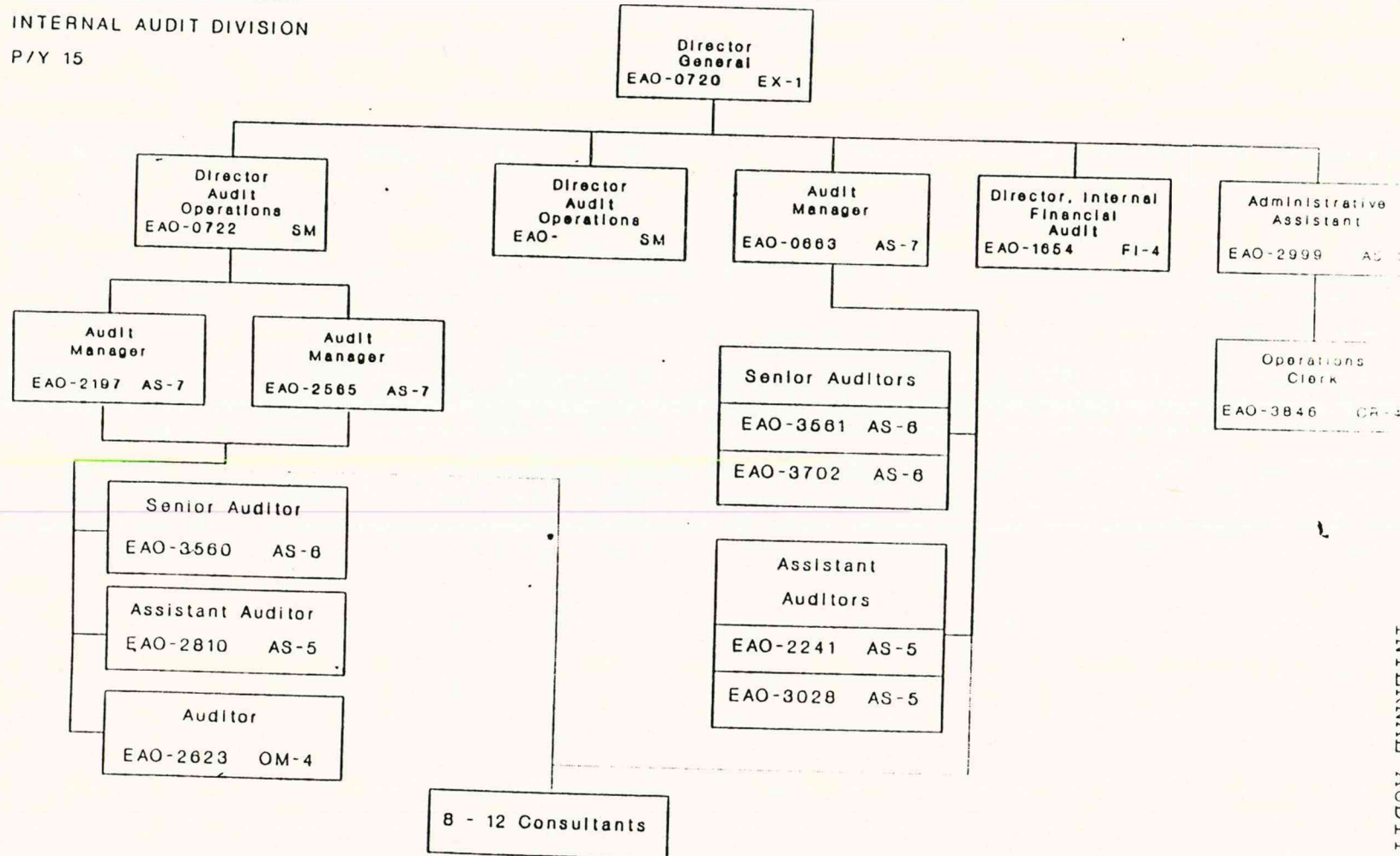
Audit workplan and Budget
Standing Offers
A&E Committee Secretariate

YPE

Agency Multiyear Evaluation Plan
Agency Annual Plan & Report
YPE Annual Plan & Report
Evaluation Policy Review
Evaluation norms & guidelines
Evaluation Handbooks
Evaluation workplan & Budget
Standing Offers
DAC Evaluation Group Chairmanship

EXHIBIT ONE EXISTING ORGANIZATION

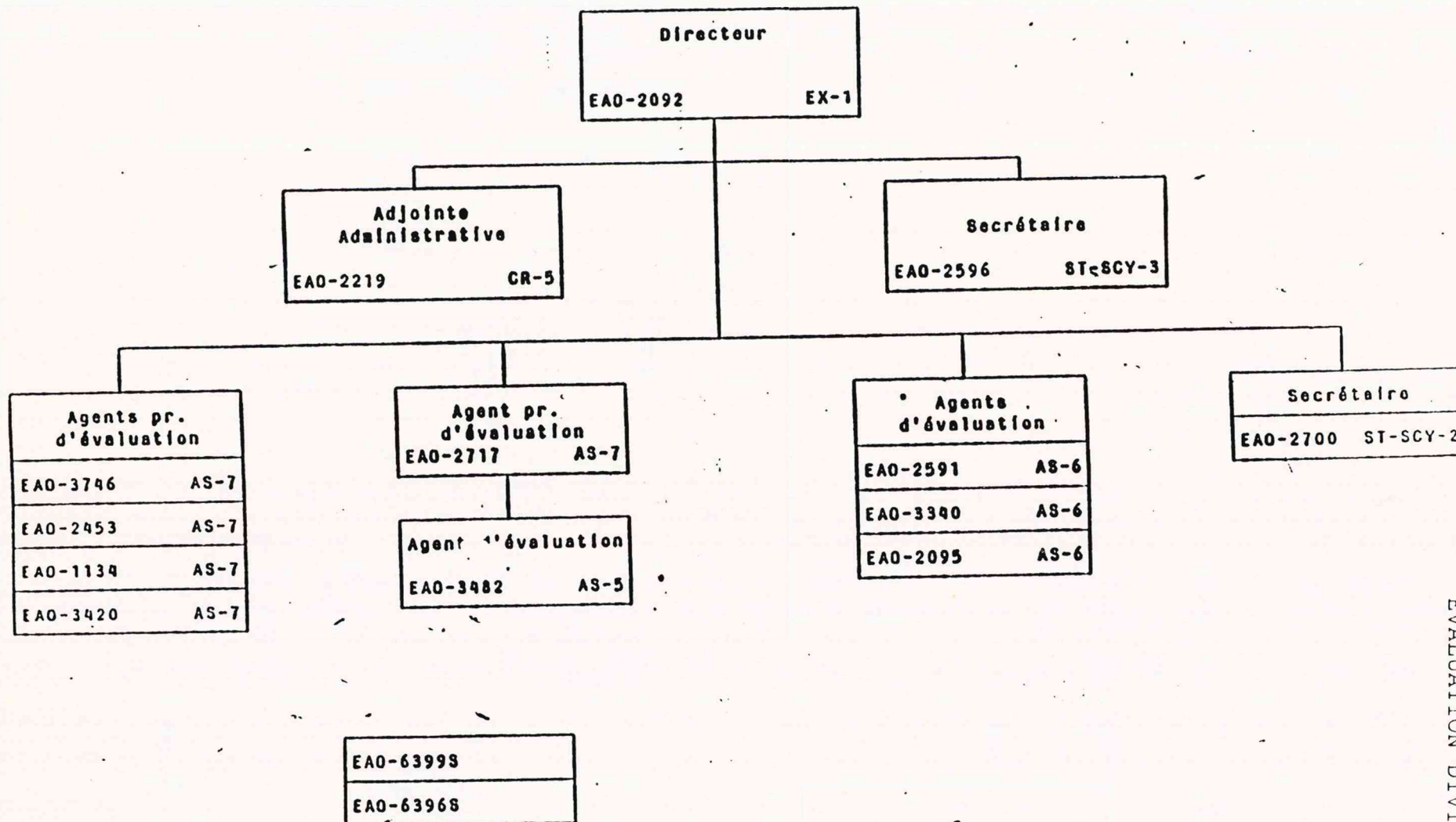
COMPTROLLER'S BRANCH
INTERNAL AUDIT DIVISION
P/Y 15



APRIL 1991

PRESENT ORGANIZATION CHART
INTERNAL AUDIT DIVISION

ANNEX 4



Janvier 1991

JKL 20.11.91

PRESENT ORGANIZATION CHART
EVALUATION DIVISION

ANNEX 4

PRESENT ORGANIZATION CHART FINANCIAL SYSTEMS AND OPERATIONS

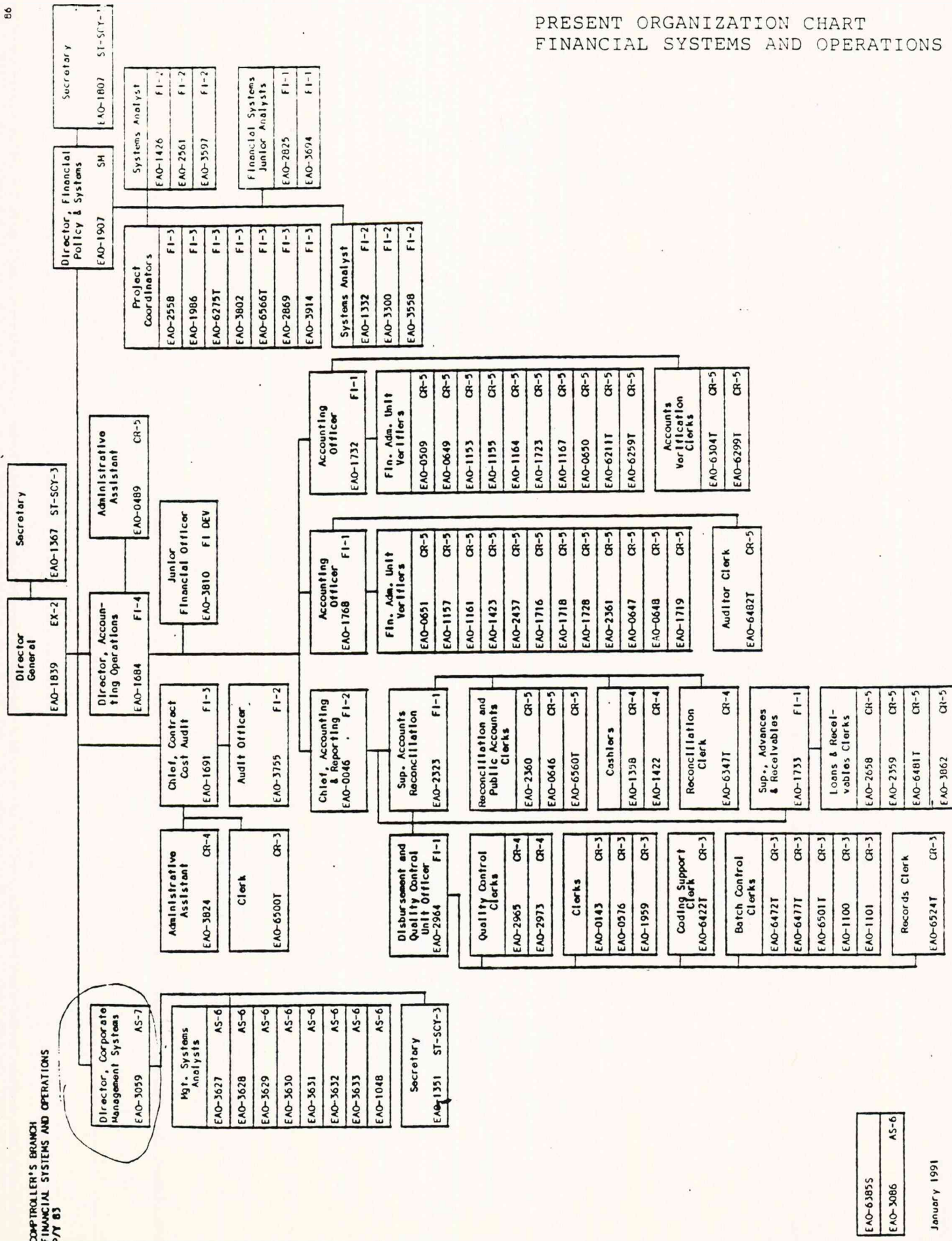
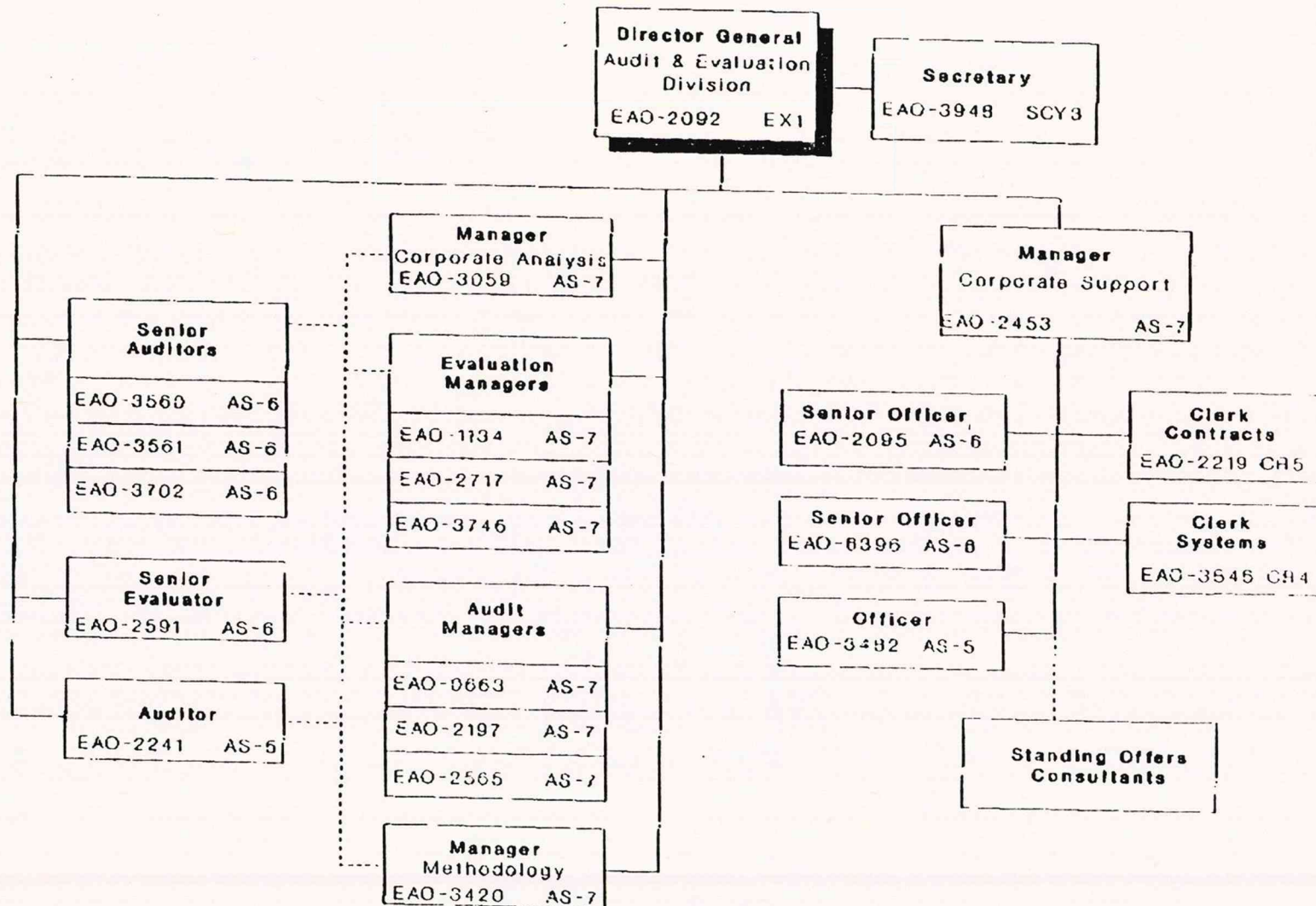


EXHIBIT 8 PROPOSED ORGANIZATION - OPTION

(DRAFT ONLY)

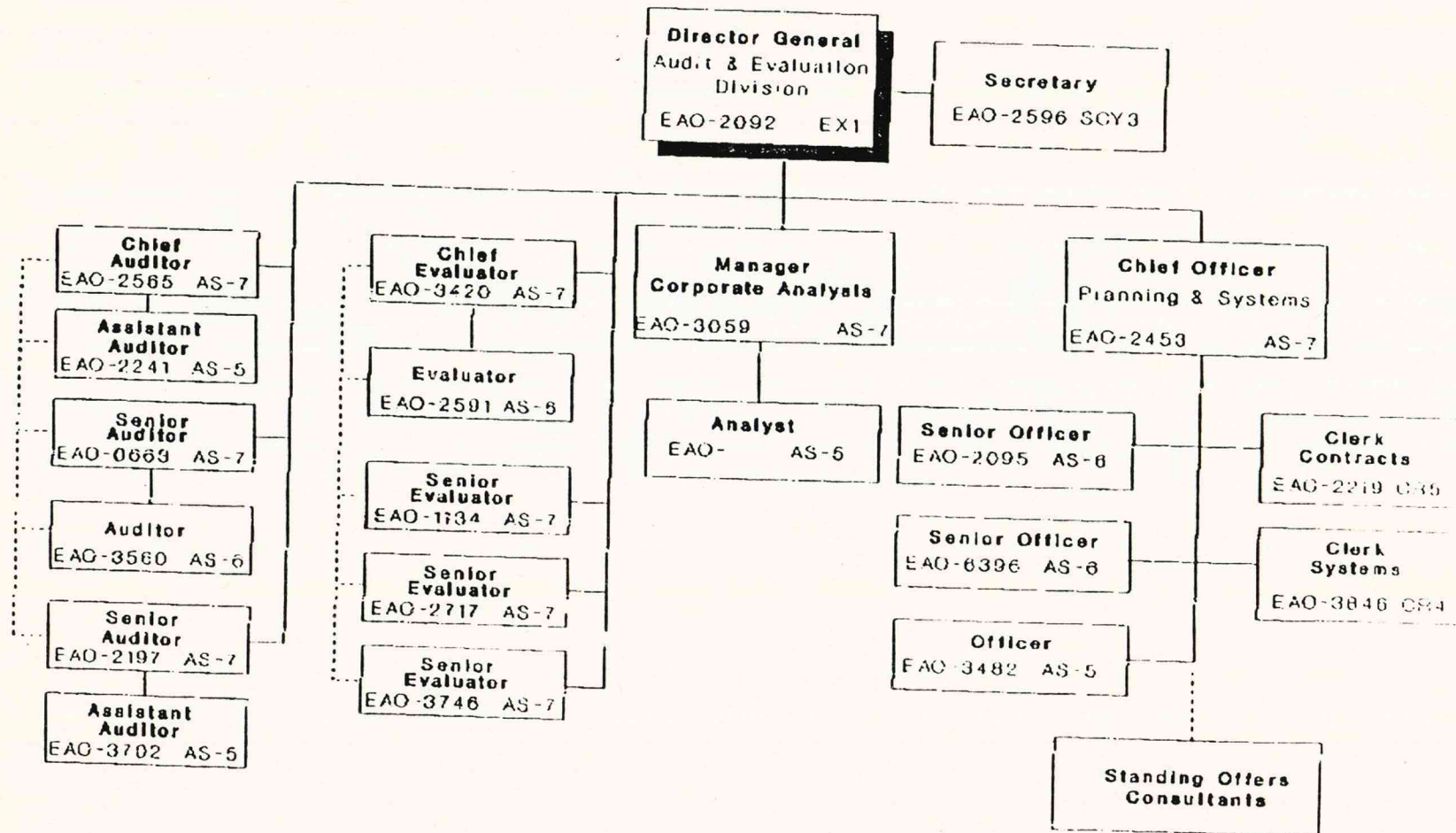


PROPOSED ORGANIZATION-OPTION 1

ANNEX 5

EXHIBIT 5 PROPOSED ORGANIZATION - OPTION 2

(DRAFT ONLY)

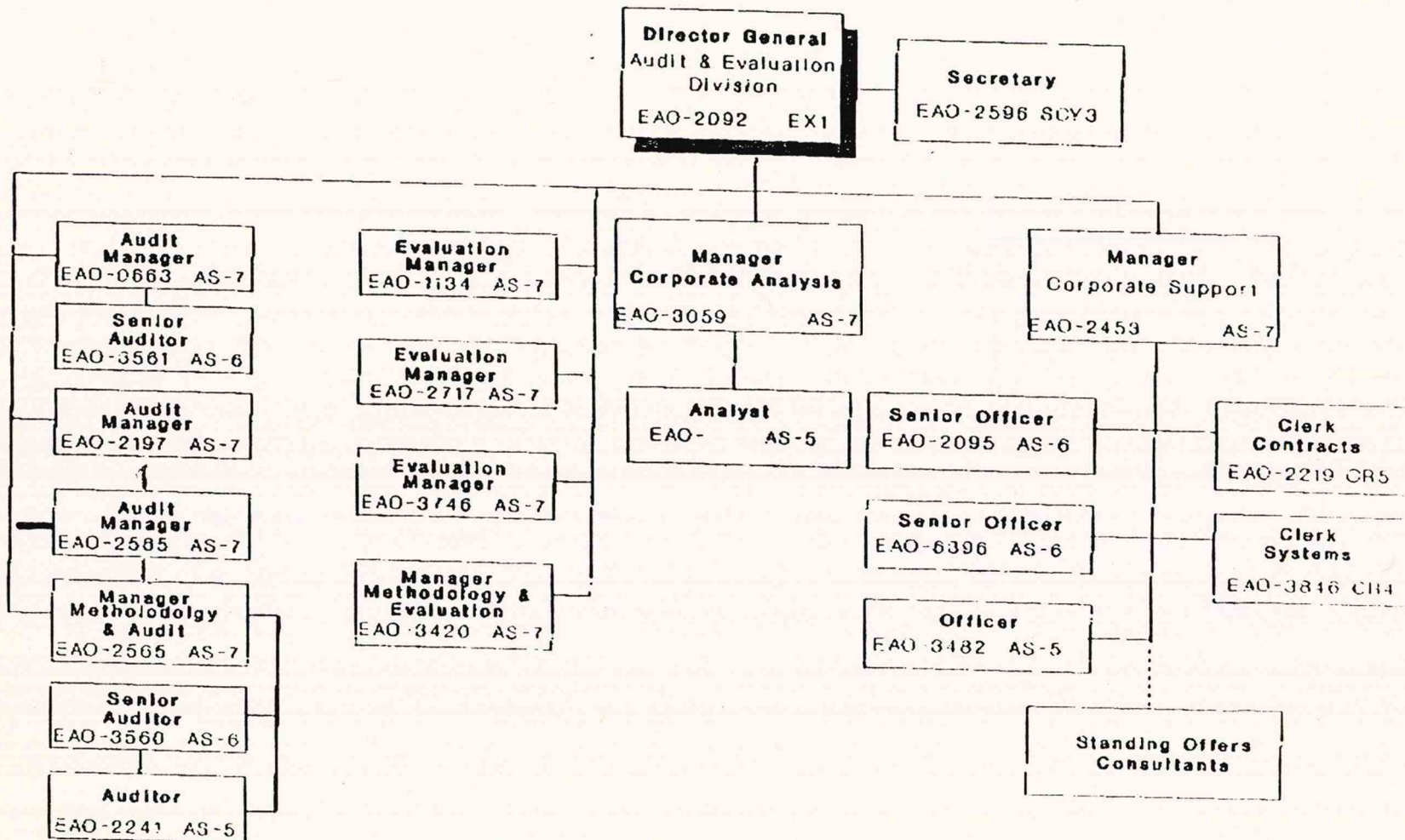


PROPOSED ORGANIZATION-OPTION 2

ANNEX 2

EXHIBIT 5 PROPOSED ORGANIZATION - OPTION 3

(DRAFT ONLY)



PROPOSED ORGANIZATION-OPTION 3





Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

BD91/2/D01
File: 104

Draft Agenda
Meeting of Board of Directors
18 & 19 November 1991
Halifax, Nova Scotia

	<u>Proposed Schedule/ Presenters</u>	<u>Document #</u>	<u>Tab #</u>
<u>18 November</u>			
1. i. Call to Order, Quorum Introduction of President	09:00-09:15 (Chairman)	---	
ii. Adoption of Agenda	09:15-09:20	BD91/2/D01	1
iii. Comments by International Directors	09:20-09:50		
iv. Miscellaneous			
2. REVIEW OF MINUTES OF 24 & 25 JUNE 1991 ANNUAL BOARD MEETING	09:50-10:00	BD91/2/D02	2
COFFEE BREAK	10:00-10:15		
3. BUSINESS ARISING FROM MINUTES	10:15-11:00		3
i. ICOD Forum Agenda - Seeking Sustainable Development of the Oceans (to be distributed)		BD91/2/D15	
ii. Status of Board Membership		Verbal	
iii. Miscellaneous			
PRESENTATION TO THE BOARD (Speaker to be confirmed)	11:00-12:30		

	<u>Proposed Schedule/ Presenters</u>	<u>Document #</u>	<u>Tab #</u>
LUNCH	12:30-13:30		
4. TABLING OF MINUTES	13:30-13:45		4
i. Executive Committee 25 July 1991		BD91/2/D03	
ii. Executive Committee 26 September 1991		BD91/2/D04	
5. PRESIDENT'S REPORT	13:45-15:15 President	Verbal	5
i. Overview			
ii. Policy			
iii. Programs			
iv. Administration			
v. Finance			
vi. Information			
vii. Issues Arising from President's Report			
viii. Documents (to be tabled at meeting)			
Projects Approved Under Delegated Authority		BD91/2/D07	
Cost Increases Approved Under Delegated Authority		BD91/2/D08	
List of ICOD Contracts		BD91/2/D09	
List of Scholarship Recipients		BD91/2/D10	

	<u>Proposed Schedule/ Presenters</u>	<u>Document #</u>	<u>Tab #</u>
ix. Presentation on Information Systems		Verbal	
x. Miscellaneous			
COFFEE BREAK	15:15-15:30		
6. REPORT OF THE EXECUTIVE COMMITTEE	15:30-16:00	Verbal	6
7. REPORT OF THE AUDIT AND EVALUATION COMMITTEE	16:00-16:30	Verbal	7
8. FINANCIAL REPORT (to be distributed)	16:30-17:00 Director of Finance		8
i. Consolidated Balance Sheet		BD91/2/D11	
ii. Statement of Operations		BD91/2/D12	
iii. Miscellaneous			
<u>19 November</u>			
9. CORPORATE PLAN AND POLICY ISSUES (to be distributed)	09:00-12:00 COFFEE BREAK 10:00-10:15		9
i. Corporate Plan		BD91/2/D13	
ii. Divisional Presentations		Verbal ICOD Directors	
iii. Marine Transportation and Ports Management Policy Paper		BD91/2/D14	

Proposed
Schedule/
Presenters

Document #

Tab #

iv. Miscellaneous

LUNCH

12:00-13:00

10. PROJECT PROPOSALS

13:00-13:30

10

11. OTHER BUSINESS

13:30-14:30

11

i. Revisions of ICOD By-Laws

BD91/2/D05

ii. Banking Resolution

BD91/2/D06

iii. Date of June 1992 Board
Meeting

Verbal

iv. Delegation of Presidential
Authority

BD91/2/D18

v. Date and location of
November 1992 Board
Meeting

Verbal

vi. Miscellaneous



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

TAB 2

1

25 November 1991

CONFIDENTIAL

File: 104

BOARD OF DIRECTORS MEETING
HALIFAX, NOVA SCOTIA
18 & 19 NOVEMBER 1991
DRAFT MINUTES

PRESENT: John Vandermeulen, Vice-Chairman
Pierre Béland
Roy Cheeseman
Gastien Godin
Paul Henri LeBlond
Ellen McLean
Moise Mensah
Philipp Muller
Sharon Proctor
Nicole Senécal
Gary Vernon, President
Garry Comber, Vice-President
Chris Barr, Treasurer
David Copp, Secretary
Jeanne-Mance Côté, Administration Officer

ABSENT: Elisabeth Mann Borgese
Danielle de St. Jorre

GUESTS: Allan M. Farmer, President Designate
Carol Amaratunga
Raymond Clark
François Gilbert
Phillip Saunders
Bridget Turner

1. i. CALL TO ORDER

The Vice-Chairman would chair the meeting in the absence of the Chairman. The meeting was called to order. The Chairman pro tem welcomed all Board Members and introduced Mr. Allan M. Farmer who would assume the Presidency on 25 November. Mr. Farmer stated that he had followed ICOD's history and development and that he looked forward to working towards a continued growth.



Over 50% recycled paper
including 10% post-
consumer fibre
Plus de 50 p. 100 de
papier recyclé dont 10 p.
100 de fibres post-
consommation.

1. ii. ADOPTION OF THE AGENDA

In relation to a suggestion to add an item to the Agenda, the President advised Paul LeBlond that the responsibility for suggesting Canadian representation on the Board of IOCARIBE lies with the Canadian Member for IOI.

It was moved by Roy Cheeseman, seconded by Pierre Béland,

BD91/2/R1 THAT THE AGENDA BE ADOPTED AS PRESENTED.

Motion carried unanimously.

1. iii. COMMENTS FROM INTERNATIONAL DIRECTORS

West Africa

A Ministerial Conference on Fisheries Cooperation among African States bordering the Atlantic Ocean was held in July 1991. Several problem areas were given priority in terms of regional cooperation on project proposals ie. Fisheries management and development; Fisheries industrial systems development; Fisheries legislation; Control and surveillance of fishing activities; and the establishment of a maritime databank. Participants to the meeting approved and signed a Draft Regional Convention on Fisheries Cooperation Among African States Bordering the Atlantic Ocean.

ICOD was well represented at the meeting and was commended for its contribution to Fisheries development in the region and appreciation was expressed for ICOD's assistance in organizing a seminar on Research and Fisheries Management in May/June 1991 in Casablanca. The Ministerial Conference asked ICOD to provide further assistance to the regional cooperation projects especially in connection with: the inventory of capacity and needs of the States of the region in the field of fish stock assessment; the establishment of a sub-regional register of fishing vessels, and; the training of observers on fishing vessels.

The Regional Convention on Fisheries Cooperation among African Countries Bordering the Atlantic Ocean represents an important political step forward in fisheries development in the Central Eastern Atlantic Zone. Signatories recognized for the first time in a binding document that rational management and sustainable development of fisheries in the region cannot take place without the harmonization of fisheries policies and the coordination of related activities.

The following salient points were addressed by the Convention:

- o access to fish resources in waters within the jurisdiction of other member countries;

- o emphasis on conservation issues through quota systems, joint regulations, and means of preserving the resource base;
- o complementarity of efforts in capacity building through training, data collection, research, surveillance, and control activities;
- o need to protect artisanal fisheries and emphasis on the nutritional dimension of fisheries;

The Convention, headquartered in Morocco, has established a Regional Fisheries Development Fund to cover its operational costs and eventually finance programs and projects.

Once the Dakar Convention is ratified, African countries bordering the Atlantic Ocean will have an instrument to address some of the key issues of UNCED's Agenda 21, namely: coastal development; management of living marine resources; marine pollution prevention and control strategies; capacity building; legal instruments, and; international institutions.

Mr. Mensah concluded his remarks by stating that he hoped ICOD would closely monitor and support efforts made by African countries within the framework of the Convention.

Caribbean Basin

The Organisation of Eastern Caribbean States (OECS) is now consolidating the various initiatives undertaken in the fisheries sector during the last few years. A legislative framework was established to ensure proper management and exploitation of the Exclusive Economic Zone (EEZ). The OECS is now implementing and managing the regulations which evolved from the legislative framework. Surveillance of the EEZ is conducted through collaboration of the Fisheries Unit and the regional security system (ie Coast Guard).

While some progress in fish production and marketing was made possible in the Windward Islands through assistance from Japan with the building of storage facilities and marketing opportunities, little progress was made in the Leeward Islands. The last two years have seen an increase in fish production but most countries of the OECS require a modern system of marketing to be able to export the catch. A team made up of representatives from the Agricultural Diversification Unit, the Export Development Unit and the Fisheries Unit put on an exhibition in England on fish production from OECS countries with encouraging results.

A number of people in various categories have undergone training in the institutional administration enhancement program supported by the Fisheries Unit. There has also been additional fishermen's training.

At the CARICOM level, the Caribbean Fisheries Resources and Management Program (CFRAMP) is just getting off the ground. A series of ministerial meetings were held in September and October to ensure that proper management arrangements were being put in place. A program review and technical committee meeting will be held in St. Vincent in January 1992. Staff from the Fisheries Unit became concerned with the possibility of duplication but the Ministers of Agriculture and Fisheries have met recently to ensure complementarity in the activities being carried out.

Caribbean Community countries have agreed on the need for cooperation on access to the Exclusive Economic Zone which, subdivided into sub-zones, becomes more difficult to manage and control.

An increased awareness about marine and coastal environment issues has led the Fisheries Unit and the Legal Unit to start cooperation on the development of harmonized legislation for the marine environment. The OECS has signed an agreement with USAID for an extensive six-year project on cooperation and protection of coastal and land environment. Concerns over the effects of global warming on islands of the Caribbean are also shared with countries in other areas of the world.

Financial difficulties of larger countries such as Jamaica, Guyana, Trinidad and Barbados are impinging on the University of the West Indies (UWI). The University is trying to reformulate a system whereby cooperation and research can take place across the region as a whole.

Major concerns of CARICOM countries are the uncertainty of the international climate, the effects of a European single market on agricultural economies, and the capacity of Caribbean islands to enter the North American free trade agreement. These external factors, coupled with domestic difficulties, make it imperative to clearly identify and support select institutions such as UWI which are trying to develop and implement systems of research.

Venezuela and Columbia have expressed an interest in entering into a relationship with the Caribbean community and discussions will begin with Venezuela on maritime agreements.

Vaughan Lewis reported that the results of a study undertaken after a 1987-88 decrease in fish production indicated that this was a transitory phenomenon. The present increase in fish stock is viewed as a return to the catch levels prior to 1987-88 and a complete stock assessment study is planned under the Caribbean Fishery Resources Assessment and Management Program.

The Chairman pro tem asked about the economic feasibility for developing countries to start linking the concepts of environment and development. Moise Mensah stated that survival is the primary

concern of developing countries and that developed countries are telling LDCs to exploit their resources in a way that is not damaging to everyone's common future.

Vaughan Lewis added that governments are now much more receptive towards protection of the environment. Whereas a short time ago, it would have been relatively easy to build hotels on the seashore, it is now very difficult to start a major project without an environmental impact study. The pressure on our non-renewable environment means we have to show more concern on the preservation of existing resources.

Nicole Senécal felt that incremental costs, which developing countries will experience when asked to participate in major international conventions on environmental issues such as global warming and the ozone layer, must be alleviated through financial support from developed countries.

South Pacific

Major changes in the leadership of South Pacific organizations and institutions are underway. Philipp Muller was selected to head SOPAC and was replaced at the Forum Fisheries Agency by Sir Peter Kinilorea. Jioji Kotobalavu has been chosen to start the Joint Commercial Commission between the South Pacific Forum countries and the United States. The South Pacific Regional Environment Program (SPREP) has been given autonomy from the SPC and is moving its headquarters to Apia in Western Samoa.

Poor management of the purse seine fishery in the Western Pacific continues to create problems. Declining prices due to oversupply are reducing opportunities for involvement in commercial or industrial fishing. This downturn has led to the closing of one national company, a second was forced to diversify, and a third is experiencing financial difficulties.

Canada has become the 15th signatory to the Wellington drift-net convention in the South Pacific and it is believed that the moratorium on drift net fishing will be extended by one year on a global basis.

On the political scene, instability has marred the governments of Papua New Guinea, Vanuatu and the Solomon Islands. Fiji, on the other hand, seems stable and prosperous and elections have been scheduled for March 1992.

USP will take over control of the Ocean Resources Management Program (ORMP) from the University of the South Pacific. The Women in Fisheries Program is up and running at the South Pacific Commission (SPC) and a dedicated network of surveillance for illegal fishing, narcotics, search and rescue, quarantine and

relief from disasters will be implemented over the coming year.

1. iv. CIDA STUDY

Nicole Senécal distributed a summary of the Strategic Management Review undertaken at the request of the Minister for External Relations and International Development to evaluate CIDA's ability to meet the challenges of the 1990s. The SECOR Group is making presentations to all CIDA field representatives and will also brief outside partners throughout Canada. It is expected that comments on the report and views on how to implement its recommendations will then be made to the Minister by CIDA staff and outside partners toward the end of March 1992.

The main findings of the report center around the Agency's organization, its efficiency, and international comparisons. Problems were identified by SECOR, however solutions have been left up to CIDA and its outside partners.

The message emanating from the report is to go back to the initial development mandate. CIDA's programs have lost their focus because they are dispersed in 150 countries around the world and in a great number of sectors in each country. Over the last ten years, CIDA'S operating costs have escalated. Employee wages and benefits account for half of the increase, and one third can be attributed to the use of outside consultants and ministerial support since 1984.

Compared with other similar international donors, CIDA has the widest mandate and its leverage is diminishing due to its wide dispersion.

The complex and cumbersome management was explained as a necessary response to stakeholder pressures. CIDA has developed a compartmentalized management structure and systems with a resulting loss of strategic direction. The reaction to prudence and probity criticism has led to a risk avoidance syndrome reducing efficiency and effectiveness. When coupled with lapsing budgets and broad coverage, the result is an Agency increasingly occupied with managing process rather than development.

The overall diagnosis from the SECOR Group is that, although relatively well adapted to its present context, CIDA'S ability to meet its mandate in the future to remain relevant in the Third World and to ensure its durability and credibility with Canadians, is threatened. Therefore, a transformation through questioning and repositioning the Agency's scopes of activities, governance, structure and systems will be required.

SECOR has suggested that CIDA become a knowledge-based Agency mainly concerned with strategic and policy analysis. The Agency

would also be responsible for monitoring and evaluating its programs but implementation would be handed over to non-governmental organizations or the private sector.

The first conclusion reached by the report would be for CIDA to either reduce the scope of its mandate in proportion to the availability of its human and monetary resources or maintain its mandate but increase the level of resources.

The second conclusion reflects on the need for CIDA to focus its energy on the development of strategic skills and abilities which will have major implications on the Agency's culture, systems, philosophy, management practices, and employee profile.

The third observation is that CIDA's accountability, as understood and interpreted by the Auditor General, is relatively large and constraining. Measures must be undertaken which would limit the resulting pernicious effects and reduce the Agency's vulnerability.

A debate is ongoing at the Public Accounts Committee between CIDA, the Auditor General and the MPs to change the Terms of Reference of this constraining accountability.

Moise Mensah stated that CIDA has a very strong reputation in the Third World and that this is based partly on its wide scope and its flexibility in dealing with a wide variety of programs. By being too restrictive, CIDA might focus on issues or problem areas not relevant to Third World countries. Secondly, Mr. Mensah pointed to the essential link between program management and policy analysis and noted that the Agency needs a strong internal capacity to implement programs and must also build developing country expertise. He suggested that it is also very important for ICOD to build policy and implementation capacities.

Gary Vernon replied that ICOD has tried to strike a balance between policy definition and internal program and project management capacity.

Nicole Senécal was asked about the future of Official Development Assistance in Canada. She replied that any substantial increase in financial assistance to the Soviet Union and Eastern Europe would be at the expense of the ODA budget. However, the Department of Finance had said that any major support toward the Soviet Union's balance of payment would not come from the ODA budget.

Questions on the usefulness of the report and its impact on ICOD from a restructuring at CIDA would be answered at the June Board meeting by Nicole Senécal.

2. REVIEW OF MINUTES OF 24 & 25 JUNE 1991 ANNUAL BOARD MEETING

A minor change on page 7, second line would now read: "Sharon Proctor suggested re-addressing this to the....".

On page 2, second to last paragraph would now end with "...Brazil Conference on Environment and Development".

On page 10, Item 6, the first paragraph would now read: "ICOD's activities can be grouped under five headings and the latest developments under these headings are as follows:"

On page 3, penultimate paragraph, the last line would read as follows: "revenue by agreements for access of foreign fishing."

On page 5, first line of first paragraph of Item 4.i. should now read: "The purpose of the Forum is threefold: to promote dialogue on sustainable development of the oceans; to provide ICOD with an opportunity for increased leadership in the field of ocean management and development; and, to contribute to the UNCED 1992 process".

It was moved by Ellen McLean, seconded by Pierre Béland,

**BD91/2/R2 THAT THE MINUTES OF THE JUNE 1991 BOARD MEETING BE
ADOPTED AS AMENDED.**

Motion passed unanimously.

3. BUSINESS ARISING FROM MINUTES

**3. i. ICOD FORUM AGENDA - SEEKING SUSTAINABLE DEVELOPMENT OF
THE OCEANS - BD91/2/D15**

A draft program was circulated and the Chairman pro tem went over the agenda of the two-day event.

3. ii. STATUS OF BOARD MEMBERSHIP

No decisions would be taken until after this Board Meeting. The Government was ready to act on a replacement for Danielle de St. Jorre whose term expired in 1990. In 1991, the terms of six Members expired, including that of the President, and the Government was asked to strike a balance between continuity and new membership. ICOD is awaiting advice and decisions. In 1992, four terms come up for renewal including that of the Chairperson who has indicated she would not seek renewal. Board Member's concerns over these delays have been expressed through correspondence with the Minister and the Privy Council Office.

3. iii. TRAVEL POLICY

The wording under 3.3.2 Air Transportation would now read:
"Whenever practical, air ..".

It was moved by Roy Cheeseman, seconded by Pierre Béland,

BD91/2/R3 TO ADOPT THE BOARD TRAVEL POLICY AS AMENDED ABOVE.

Motion passed unanimously.

4. TABLING OF MINUTES

- | | | | |
|----|-----|---|------------|
| 4. | i. | EXECUTIVE COMMITTEE - 25 JULY 1991 | BD91/2/D03 |
| 4. | ii. | EXECUTIVE COMMITTEE - 26 SEPTEMBER 1991 | BD91/2/D04 |

The Minutes were tabled for Board Members' information.

5. PRESIDENT'S REPORT

5. i. OVERVIEW

To cover any possible hiatus between the departure of Gary Vernon and the arrival of the new President, the Executive Committee passed a resolution confirming that any delegations of authority effected by the President would remain in force during a vacancy in the office of the President. The President indicated that it was his intention to delegate additional authorities to the Vice-President as deemed required during the possible hiatus between Presidents.

The President reviewed the history of ICOD. The first stage consisted of the development of a policy framework, a track record of projects and internal administrative procedures. This is largely completed. In its second stage, two key areas will help to ensure the survival of ICOD: building a constituency locally, regionally, nationally and politically, and greater involvement of the private sector. Gary Vernon felt that Allan Farmer would be a good spokesperson for ICOD and wished him every success.

5. ii. POLICY

The Corporate Plan and the first of a series of policy papers, Marine Transportation and Ports Management, would be presented under Item 9.

5. iii. PROGRAMS

ICOD Directors would give presentations on their respective areas followed by a question period. A more concerted approach to evaluations and audits has been taken and ICOD has tried to strike a balance between the demands of the Auditor General and the needs of developing countries. The situation with the OECS has been resolved satisfactorily and funding is to resume shortly. A CIDA/IDRC/ICOD tripartite meeting is expected to take place in March 1992 in Vancouver to enhance the profile of the oceans sector and to look at program cooperation.

5. iv. ADMINISTRATION

The South Pacific and Caribbean Basin Division has a new Director, the Fiji Field Representative has been replaced with an ICOD Program Officer and the Dakar Office has also been manned with a Program Officer from West Africa and Indian Ocean Division.

Job descriptions have been written and a Hay classification review has uncovered salary anomalies. The classification structure will rationalize the pay structure and some salaries will be readjusted. The new classification system allows for better career growth and professional development within the Centre.

Government policy has changed ICOD's approach to the annual cost of living increase. The 3% Cost Of Living Adjustment planned for this Fiscal Year is based on the Government guidelines for Crown Corporations and is 2.2% below the inflation rate for Halifax. Nicole Sénécal cautioned that the 0%-3% Government policy may also be applied to private sector enterprises contracted by CIDA and that ICOD should be prepared to defend their 3% increase. It was suggested that ICOD management take the government policy into consideration and that this subject be discussed at further with Government officials. Roy Cheeseman asked that it be noted in the Minutes that the criterion for benefits and wages is not necessarily that of the Public Service.

5. v. FINANCE

Program slippages of up to one million dollars have been identified and \$825,000 has been reallocated to new programming. ICOD is still interested in attracting outside funding and Roger Pearson of CCIFTD has been hired to study the issue and recommend an approach.

5. vi. INFORMATION

Background documentation was available for Board Members' information.

5. vii. MISCELLANEOUS

- i) The President Designate commented that ICOD was established on a solid foundation and that he would work on lifting its profile through emphasis on joint ventures with the private sector, other donor agencies, NGOs and governments. He wanted to maintain a harmonious organization with a good flow of information and was not afraid to take risks and venture into new territory. He would rely on Board Members' expertise in their areas and was open to suggestions and constructive criticism.

PRESENTATION ON INFORMATION SYSTEMS

The Information Resource Officer gave a presentation on the different external and in-house information databases available to ICOD staff, students and the general public.

6. REPORT OF THE EXECUTIVE COMMITTEE

Members were referred to the Minutes of the last two meetings under Item IV. It was commented that these accurately reflected the tenor of those meetings. The next meeting was scheduled for January 1992.

7. REPORT OF THE AUDIT AND EVALUATION COMMITTEE

Issues included on the Agenda were: the 1991-92 Financial Audit Plan presented by representatives of the Office of the Auditor General; Financial Statements and Forecast as of 31 October 1991; Status of Implementation for Preceding Internal Audit Reports; South Pacific and Caribbean Basin Audit; Lessons Learned - Internal Audits; Update of the 1991-92 Internal Audit Plan; Special Examination; Proposed Integration of the Audit and Evaluation Function; Follow-up on Recommendations from Preceding Evaluation Reports; Update of the 1991-92 Evaluation Plan; Proposals for the 1992-93 Evaluation Plan; Preliminary Findings of South Pacific Evaluation Activities; and, an Update on Performance Indicators.

Paul LeBlond asked for the meaning of a performance indicator. The Vice-President replied that Central Agencies and ICOD wanted to be able to measure the effectiveness and impact of its programs. Moise Mensah suggested that this important topic be discussed as a special agenda item at a future meeting of the Board of Directors. Philipp Muller added that this issue was very important and particularly relevant to implementation in the field and asked if ICOD could prepare a draft document to be circulated to Board Members.

8. FINANCIAL REPORT

The Treasurer presented the Balance Sheet and noted that cash flow forecasts were more accurate than in past years. CIDA cash advances were also more representative of CSPODP and CFRAMP program needs. To-date, 34% of the total estimated revenues of \$13.8M had been expended. When possible slippages of between \$500,000-825,000 were identified early in the Fiscal Year, Managers were asked to come up with viable proposals and ICOD management is hoping that the \$13.8M will be fully spent.

9. CORPORATE PLAN AND POLICY ISSUES

9. i. CORPORATE PLAN

The Five-Year Plan for 1992-1997 differed from previous ones in that it would be presented to Treasury Board in a more refined, condensed form. Sub-section 3.3 on Operational Structure was restated and reorganized; Sub-section 4.3 on Corporate Assessment was added as were new principles on Non-Capital Assistance, Flexibility and Trickle Funding under Sub-section 5.2.1; Section 6 was restructured to allow for shorter divisional components and Sub-section 6.1.3 was added to reflect new initiatives and directions for 1992/93.

The 30% figure used in the Non-capital assistance Operating Principle on page 9 was questioned. To reflect the Board's original discussion, it was agreed to change the sentence to read "...limited to one third of project costs on any project."

A proposal for reclassification of the Central American countries of Guatemala, Honduras, Panama and El Salvador as secondary focus was tabled. Members asked for more information on the justification of this request and it was agreed that staff would prepare a short document which would be presented in the afternoon.

PROGRAM DIVISION PRESENTATIONS

Interregional and Cooperative Activities - Carol Amaratunga gave an overview of the division's current activities and programs and the potential future direction. The two key functions of IRCAD are 1) the coordination and implementation of ICOD's training policy; and 2) the management of corporate functions related to training, education and alumni follow-up.

75% of IRCAD's program budget is spent on Management and Sectoral Training Programs, while Institutional Capacity Enhancement Programs and Public Education Programs account for 10 and 15% respectively.

The Division will continue to explore, test and refine approaches for strengthening the training capacity of regional educational institutions; human resource development will be supported through the promotion of public education and public participation projects and the production of marine education materials; and, the coordination and promotion of ICOD project-related publications and human resource development databases to third world countries and other donors will be enhanced.

The Ocean Forum can be seen one of ICOD's first public education projects. A Forum Report, to be translated into several languages, will be sent to the UNCED delegates in Brazil. With the collaboration of the United Nations Association of Canada, ICOD is exploring the possibility of using this document in pilot educational activities for Canadian schools. John Vandermeulen suggested that the Forum or parts of it be exported to recipient countries. Nicole Senécal felt that ICOD should participate in Canada's development week whose theme will be sustainable development.

Future directions for IRCAD will also include: a market assessment study to determine other donor agencies' interest in having ICOD undertake marine sector training on their behalf; the improvement of training tools and techniques; updating institutional capacity assessments; and, a review of better ways to conduct regional needs assessments.

Moise Mensah asked how the general public could be educated on sustainable growth. Carol Amaratunga replied that ICOD was offering development training to upgrade skills and knowledge-based training through universities. She added that, to reach a wider audience, more emphasis has to be placed on values education to help: 1) raise people's awareness about the environment, 2) change their value base and personal habits and 3) adopt new practices and lifestyles. This informal training could be done using the different media such as radio, television and videos.

IRCAD has drafted a public education paper which will be presented to ICOD Senior Management for discussion. This paper could serve as a framework for all divisions in giving a conceptual appreciation for informal education.

West Africa and Indian Ocean - François Gilbert told Members that program activities are gradually reaching parity with those of the South Pacific and Caribbean Basin Division. The Dakar regional office is in place and the Division's \$3,450,00 current year budget represents a 32% increase over last year.

As no strong regional organizations exist in West Africa, ICOD is reinforcing, at the bilateral level, the capacities of target countries to ensure better management of marine resources at the

sub-regional and regional levels. The Director enumerated the different ICOD recipient countries and the level of ICOD financial assistance in each for both West Africa and the Indian Ocean.

At the regional level, the Division actively supports the Port Management Association of West and Central Africa, the Ministerial Conference on Fisheries in West Africa and the Western Indian Ocean Tuna Organization. The Division will monitor the activities of the following organizations: the Indian Ocean Marine Affairs Cooperation (IOMAC), the Indian Ocean Commission (IOC), la Commission sous-régionale des pêches (CSRP), the South African Development Coordination Conference (SADCC), and the Inter-governmental Agency for Drought and Development.

The following are the major sectoral themes of ICOD in West Africa involvement at the present time: Fisheries Management and Development, Integrated Ocean Management, Marine Transportation and Ports Management. Coastal Zone Management and Development as well as Mariculture are being explored.

Fisheries Management and Development, Marine Environment and Conservation, Coastal Zone Development and Management are the major themes in the Indian Ocean and pilot projects on oyster and shrimp farming are ongoing in Mariculture.

The Division consults with IRCAD on projects which have training components and, whenever possible, a Women in Development component is also incorporated into projects. Most short-term attachments are now built into projects and are done through executing agencies. Two regional seminars were held in Morocco and were very successful; another one is planned for Kenya in February.

Due to internal upheavals within those countries which make it difficult for ICOD to operate, a succession of self-contained, short-term initiatives have been developed, to fit into a long-term framework. To counter unforeseen circumstances resulting in slippage, the Division maintains an overplanning margin of up to 30%.

Target countries in those two regions have great needs but limited planning and absorptive capacity, therefore efforts will be made, through the use of consultants, to develop project proposals and extend their absorptive capacity. The Division will also try to streamline administrative requirements and multi-year projects and programs will be planned to give recipients an opportunity to take over projects.

Gastien Godin asked about ICOD's position vis-à-vis the Ministerial Conference in Morocco and François Gilbert stated that ICOD supports all the priorities identified by the Conference but that work would be done at different levels ie. at the Conference level or at the regional level. Countries belonging to the Ministerial

Conference signed a convention in July and have asked recognition from the United Nations Secretariat and all multi-lateral donors.

Moise Mensah congratulated ICOD and, in particular, the West Africa and Indian Ocean Division for the quality of programs in West Africa and the opening of the Dakar office. He also mentioned the area of fish stock assessment which he hoped ICOD would follow up on.

South Pacific and Caribbean Basin - The new Director, Raymond Clark, told Members that although the two regions were very different historically, culturally, and politically they shared similar problems such as communication, individual country vulnerability and environmental issues.

ICODE's major recipients in the Caribbean Basin are universities, research centres and regional organizations which are all inter-related. ICOD is involved with: the development of information and networking, institution building and training.

ICODE must remain flexible but consistent in its approach and must ensure that appropriate mechanisms are in place to monitor its programs. Mutual accountability on the part of recipient organizations and ICOD is required and there is a constant need to review and clarify our relationship with those organizations. Depending on ICOD's staffing and financial resources and also on the overall strategy, ICOD should consider adding Central America as an area of secondary focus.

In the South Pacific, various regional organizations act as the vehicle for ICOD work. The joint CIDA/ICODE project touches on all sectoral themes with a priority on integrated ocean management. A major evaluation of the program by CIDA will take place shortly. Work in the region must be consolidated and a framework strategy developed to clearly indicate ICOD's future direction.

ICODE has a very high profile in the region and is a good vehicle for developing Canadian expertise in the aid field. A recent ICOD evaluation has nevertheless pointed out a number of weaknesses which will be addressed by the Division.

Key questions for the Division in both the South Pacific and Caribbean regions are how to: involve recipients in the planning process; develop effective review and monitoring processes; respond quickly to a changing environment within the regions and; simplify the administrative accountability. All recipients are experiencing problems with staffing, training, planning and decision making which ICOD must strive to help them resolve. The Division must develop policies which not only address short-term problems, but which fit into the overall strategy and are effective in the long term.

Philipp Muller asked how the ICOD Suva office related to ICOD programs and was told that, at present, it was strictly a representational, information and consultation body and that all decisions would be made through the Halifax Head Office.

Vaughan Lewis suggested that part of the responsibility of the Senior Policy Advisor should be to keep monitoring ongoing projects so as to have an understanding of problems as they arise. He also pointed out that the problems which were experienced with CERMES arose out of a bureaucratic system in the University and were not typical to the region.

Pierre Béland asked about ICOD's reputation in the regions. Vaughan Lewis stated that the programs of the ICOD-supported Fisheries Unit are undoubtedly leading the Caribbean in terms of the establishment of surveillance zones, fisheries zones, training and legislation. ICOD has obtained substantial successes with its programs and must now manage and sustain those programs.

As many changes had occurred within the South Pacific region, the Chairman pro tem asked that an update be given to Members of the Executive Committee at their next meeting.

Noting the different questions from the Board Members on the new operating principles, and the request by Ellen McLean that the Executive Committee, at its January meeting, review the Chapters in the Corporate Plan dealing with Operational Plans of each Program Division,

It was moved by Ellen McLean, seconded by Paul LeBlond,

BD91/2/R4 **THAT THE CORPORATE PLAN BE APPROVED IN PRINCIPLE
AND BE SUBMITTED TO THE EXECUTIVE COMMITTEE AT ITS
JANUARY 1992 MEETING.**

Motion passed unanimously.

9. ii. MARINE TRANSPORTATION AND PORTS MANAGEMENT POLICY PAPER

Phillip Saunders told Members that the new Policy Unit would assume responsibility for policy and planning, the development of Corporate Plans and Sectoral policy papers and the provision of policy-related research to support program planning. It would also be responsible for program policy matters relating to program delivery and will take over the evaluation function. Part of its mandate will also include the development of the management information system, Business Cooperation, the Information Resources Centre and the Secretariat function with the Project Review process.

The Marine Transportation and Ports Management Policy Paper was

submitted for consideration and Board Members recommended caution in making it a policy paper which would make it too rigid. It was agreed that at the June Board meeting discussions would be held on such sectoral papers which would have been submitted to the Board.

10. PROJECT PROPOSALS

10. i. SCHOLARSHIPS - MASTER OF MARINE MANAGEMENT AND MAITRISE EN GESTION DE L'ENVIRONNEMENT MARIN (#900348) BD91/2/D16

Approval in principle was given by the Board at its June 1990 meeting for a five-year continuation for Marine Affairs scholarships, this time at the Masters' degree level. Although the UQAR Masters' Degree program has not yet received approval within the Quebec University system, ICOD had received assurances from the Vice-Rector that it looked positive. Moise Mensah asked that a profile of the qualifications required by applicants be supplied to Board Members.

It was moved by Moise Mensah, seconded by Sharon Proctor,

BD91/2/R5 THAT FINAL APPROVAL BE GIVEN TO PROJECT #900348 - SCHOLARSHIPS - MASTER OF MARINE MANAGEMENT AND MAITRISE EN GESTION DE L'ENVIRONNEMENT MARIN - TO A MAXIMUM ICOD CONTRIBUTION OF CAN \$2,250,000.

10. ii. ICOD RESEARCH FELLOWSHIPS FOR CANADIANS (#910414) BD91/2/D20

Although this project was within the President's financial approval it was deemed necessary to submit it to the Board as this represents a new direction for ICOD. Scholarship funding for Canadians would enhance ICOD's profile with Canadians and help build a cadre of Canadian professionals able to work in international development assistance.

It was moved by Ellen McLean, seconded by Paul LeBlond,

BD91/2/R6 THAT FINAL APPROVAL BE GIVEN TO PROJECT #910414 - ICOD RESEARCH FELLOWSHIPS FOR CANADIANS - UP TO A MAXIMUM ICOD CONTRIBUTION OF CAN \$210,000.

Motion passed unanimously.

10. iii. INSTITUTIONAL SUPPORT: SUB-REGIONAL TRAINING CENTRE - WEST AFRICA (#910415) BD91/2/D19

The Institut maritime du Québec will review and adapt the

the Executive Committee at its January 1992 meeting.

11. OTHER BUSINESS

11. i. REVISIONS OF ICOD BY-LAWS

BD91/2/D05

A revised set of By-laws had been prepared for approval, incorporating the changes suggested by Members of the Board. As a result of the Special Examination, it was pointed out that the Conflict of Interest Clause required clarification.

It was moved by Paul LeBlond, seconded by Pierre Béland,

BD91/2/R9

THAT THE CONFLICT OF INTEREST CLAUSE 16.1 REVISION OF THE ICOD BY-LAWS BE AMENDED READ AS FOLLOWS: "DURING THE CONSIDERATION OF ANY PROPOSED APPROPRIATION OF FUNDS OR RESOURCES OF THE CENTRE TO A PROPOSED BENEFICIARY, BY THE BOARD OR BY A COMMITTEE THEREOF, ANY DIRECTOR WHO IS DIRECTLY OR INDIRECTLY CONNECTED WITH THE PROPOSED BENEFICIARY, SHALL INDICATE HIS RELATIONSHIP WITH THE PROPOSED BENEFICIARY, SHALL REFRAIN FROM VOTING ON SUCH APPROPRIATION, AND SHALL WITHDRAW FROM THE MEETING DURING DISCUSSION OF THE QUESTION AND AT THE TIME THE VOTE IS TAKEN, UNLESS THE BOARD REQUESTS THE PRESENCE OF THAT DIRECTOR FOR THE PURPOSE OF DISCUSSION OF SPECIFIC ISSUES, FOLLOWING WHICH THAT DIRECTOR SHALL WITHDRAW FROM THE MEETING UNTIL AFTER THE VOTE HAS BEEN TAKEN, BUT SUCH A WITHDRAWAL SHALL BE DEEMED NOT TO AFFECT THE EXISTENCE OF A QUORUM."

Motion passed unanimously.

Ellen McLean reminded Members that this clause applied equally to Canadian and international Members.

It was moved by Ellen McLean, seconded by Roy Cheeseman,

BD91/2/R10

THAT THE BY-LAWS OF THE CENTRE, EFFECTIVE ON THE 27TH DAY OF JUNE 1985 BY BOARD RESOLUTION BD85/2/R3, AND ALL AMENDMENTS THERETO, BE REPEALED, AND THAT THE BY-LAWS APPENDED TO THIS RESOLUTION BE APPROVED AS THE BY-LAWS OF THE CENTRE, AND THAT THIS RESOLUTION SHALL BE EFFECTIVE AS OF THE 20TH DAY OF NOVEMBER 1991.

Motion passed unanimously.

The approved document would be sent for translation and the French version distributed to Members. The Chairman pro tem directed the

Secretary to transmit copies of the By-Laws to Treasury Board and to the Minister responsible for ICOD.

It was agreed by Members of the Board that contractual arrangements with the President Designate be discussed at a Sub-Committee level comprised of Nicole Senécal, Ellen McLean and John Vandermeulen.

As the Chairman pro tem had to leave early, it was moved by Gastien Godin, seconded by Philipp Muller,

BD91/2/R11 THAT ELLEN MCLEAN ACT AS CHAIRMAN PRO TEM FOR THE REST OF THE MEETING.

Motion passed unanimously.

The proposal to reclassify the Central American countries of Guatemala, Honduras, Panama and El Salvador as secondary focus was revisited. The reclassification would allow more integration and coordination of programs especially in fisheries management and also greater flexibility to pursue investigations and project development across the region.

It was moved by Paul LeBlond, seconded by Pierre Béland,

BD91/2/R12 THAT THE CENTRAL AMERICAN COUNTRIES OF GUATEMALA, HONDURAS, PANAMA AND EL SALVADOR BE CLASSIFIED AS SECONDARY FOCUS COUNTRIES TO ALLOW FOR REGIONAL PROGRAMS, AS APPROPRIATE.

Motion passed with Roy Cheeseman opposed.

11. ii. BANKING RESOLUTION

BD91/2/D06

It was moved by Pierre Béland, seconded by Sharon Proctor,

BD91/2/R13 THAT THE FORM OF BANKING RESOLUTION WHICH IS ATTACHED AS ANNEX A IS HEREBY APPROVED WITH RESPECT TO THE DOMESTIC ACCOUNTS OF THE HEAD OFFICE OF ICOD AND THAT THE BANKING RESOLUTION BD88/2/R8, DATED THE 30TH DAY OF NOVEMBER 1988, BE REVOKED, EFFECTIVE UPON THE FILING OF THIS RESOLUTION WITH THE BANK OF NOCA SCOTIA.

Motion passed unanimously.

11. iii. DATE OF JUNE 1992 BOARD MEETING

Members agreed to meet on 11 and 12 June 1992 in Halifax.

11. iv. DATE AND LOCATION OF NOVEMBER 1992 BOARD MEETING

Members agreed to meet on 12 and 13 November. Philipp Muller commented that, should the meeting be held in the South Pacific, ICOD would receive a lot of assistance from regional organizations with meeting facilities, administrative support, etc. After a short discussion on the possibility of holding the November meeting in one of ICOD's regions of concentration, Members asked that a cost comparison be prepared and submitted to the Executive Committee at its January 1992 meeting. It was also the consensus of the Board that the Executive Committee look into the possibility of holding the Board Meeting in the South Pacific at the invitation of Philipp Muller.

11. v. MISCELLANEOUS

a) It was moved by Paul LeBlond, seconded by Sharon Proctor,

**BD91/2/R14 THAT THE CORPORATE SEAL, AN IMPRESSION OF WHICH
APPEARS IN THE MARGIN OF THIS RESOLUTION BE
APPROVED AS THE CORPORATE SEAL OF THE CENTRE.**

Motion passed unanimously.

b) It was moved by Roy Cheeseman, seconded by Nicole Senécal,

**BD91/2/R15 THAT THE EXECUTIVE COMMITTEE OF THE BOARD MAY
APPROVE UP TO TWO ANCILLARY CORPORATE SEALS OF THE
CENTRE UPON SUCH CONDITIONS OF CUSTODY AND USE AS
THE EXECUTIVE COMMITTEE MAY SPECIFY.**

Motion passed unanimously.

c) Vaughan Lewis expressed his personal thanks and appreciation and that of the OECS Secretariat to Gary Vernon for his assistance in the Caribbean.

The meeting adjourned at 15.15.



International Centre for Ocean Development
Centre international d'exploitation des océans

EC91/4/D01
File: 105

International Centre for Ocean Development
Draft Agenda
Executive Committee Meeting
20 January 1992
Halifax, Nova Scotia

<u>Schedule</u>	<u>Document</u> <u>#</u>	<u>Time</u>
1. CALL TO ORDER -		0900-0905
Quorum, Adoption of the Agenda	EC91/4/D01	
2. MINUTES		0905-0915
Review of Executive Committee Minutes of 21 September 1991	EC91/4/D02	
Tabling of Board Meeting Minutes of 18 & 19 November 1991 (to be distributed)	EC91/4/D03	
3. BUSINESS ARISING		0915-1015
i. ICOD Forum - Evaluation (to be distributed)	EC91/4/D04	
<i>Pierre</i> ICOD Forum - Rio Earth Summit (to be distributed)	EC91/4/D05	
ii. Status of Board Membership	Verbal	
iii. Tabling of By-laws	EC91/4/D06	
iv. President's Contract	Verbal	
v. Miscellaneous		
COFFEE BREAK		1015-1030
4. ADMINISTRATIVE MATTERS		1030-1115
i. Update on Regional Offices	Verbal	
ii. Date of June Board Meeting	Verbal	
iii. Cost/Out-of-town Board Meeting	EC91/4/D07	
iv. Approval of Ancillary Seals	EC91/4/D08	
v. Miscellaneous		

VI
VII
VIII } *Consultant*
IX } *John*
X



<u>Schedule</u>	<u>Document</u> <u>#</u>	<u>Time</u>
5. POLICY DISCUSSIONS		1115-1415
i. Business Cooperation Program (to be distributed)	EC91/4/D09	
ii. Corporate Plan	EC91/4/D10	
iii. Miscellaneous		
(LUNCH		1200-1300)
6. PRESIDENT'S REPORT		1415-1500
i. Staffing and Organizational Issues	Verbal	
ii. Communications	Verbal	
iii. Miscellaneous		
COFFEE BREAK		1500-1515
7. FINANCIAL MATTERS		1515-1530
i. Balance Sheet and Statement of Operations (to be distributed)	EC91/4/D11	
ii. Miscellaneous		
8. PROJECT PROPOSALS		1530-1600
i. Research Coordination Unit; Phase II (#910412)	EC91/4/D12	
ii. OECS Fisheries Monitoring, Control and Surveillance Enhancement Project (#910420)	EC91/4/D13	
iii. Marine Resource and Environ- mental Management Program (#910421)	EC91/4/D14	
IV NHU		
9. OTHER BUSINESS		1600-1615
i. Miscellaneous		

SUMMARY OF PRELIMINARY FINDINGS IN THE EVALUATION OF THE ICOD OCEAN FORUM, SEEKING SUSTAINABLE DEVELOPMENT OF THE OCEANS

Rationale of the Forum

The International Centre for Ocean Development (ICOD), deriving its mandate from Bill C-22, An Act to establish the International Centre for Ocean Development and to amend the Financial Administration Act, has the overall objective to *initiate, encourage and support* cooperation between Canada and the developing countries in the field of ocean resource development. This is enacted primarily through the development, sponsorship and provision of programs that contribute directly to the improved management and utilization of ocean resources in these countries. ICOD's growing experience, recognized capability and established linkages with target countries and development agencies encourage and demand a more visible role in international policy issues related to oceans and ocean development.

The undertaking of the ICOD Ocean Forum, *Seeking Sustainable Development of the Oceans*, served ICOD's explicit mandate and demonstrated its ability to effectively explore new directions and lead new initiatives on topics critical to ocean development. Even more challenging was the choice of a topic so nascent in established theory and applications. The issue of sustainable development is inextricably linked to the mandate of ICOD and like donor agencies. It is very appropriate that ICOD act as a leader in this area and assist in bringing oceans to the core of discussions on sustainable development and developing a new vision of sustainable ocean development. This Forum was a huge undertaking initiated by the Board of Directors following the 1988 forum on ocean development, *The Contribution of the Ocean and Ocean Development to Wealth and Welfare with Particular Reference to the Developing Countries*. It required the concerted efforts and energies of the Board, the Working Committee and Forum Secretariat to bring it to fruition.

Forum Survey Results

Fifty-eight of the nearly 300 participants, panelists and workshop members responded to the Ocean Forum Feedback Questionnaire which was included in the information package to registrants at the Forum. In addition, 30 individuals were interviewed *in situ* to obtain informed critiques of the Forum and its content. Generally respondents were supportive of the intent of the Forum but made strong recommendations on program design for future fora. The Forum was commended for providing a fraternal environment for intellectual exchange, and the development of linkages with interested constituents and agencies. The principal criticism was that the program design was too burdensome for a two day conference and that the heavy program did not allow for interactive discussions and formalized exchange of views. Although reactions were varied, as indicated below, as to whether or not ICOD and the Forum had achieved its goals, all of those interviewed or responding to the questionnaire realized the benefit of the effort and encouraged future fora. In addition, a considerable number of respondents felt that ICOD staff could have played a greater role within the Forum by bringing the experience of ICOD to the discussions.

In summary, the findings of the survey were as follows:

1. 40 of 52¹ respondents agreed or strongly agreed that the arrangements and management of the event were satisfactory.

Key recommendations included:

- A larger role for ICOD staff in the programme.
- Greater time allowed for the Forum or a reduced program.
- Need for increased observer participation rather than lengthy presentations.

2. 39 of 51 respondents agreed or strongly agreed that the Forum contributed to a wider appreciation of the crucial role of the oceans in global sustainable development.

Key comments included:

- The scope should be broadened to include all dimensions of ocean utilization not just fisheries.
- Failed in clearly articulating the overall prominence that oceans should take in sustainable development.

3. 35 of 49 respondents agreed or strongly agreed that the Forum contributed to their understanding of the need for sustainable development by promoting a broad dialogue on key issues.

Key comments included:

- The Forum forced the participants to focus on the key issues, to look at solutions, mechanisms and agencies.
- The Forum succeeded in narrowing a very elusive topic.
- Expectations for the Forum were too high.

4. 26 of 45 respondents agreed or strongly agreed that the Forum contributed to their understanding of the need for sustainable development by providing increased opportunity for ICOD leadership in the field of ocean development. 16 of the respondents were neutral.

Key comments included:

- This may have been the most substantive outcome at least within the Canadian context.
- Will certainly allow for ICOD to present a position to UNCED.
- ICOD brought in lots of "experts" but audience was not exposed to ICOD's leadership in ocean development.
- That was not clear - if ICOD is a leader, then we should have seen ICOD examples.
- ICOD facilitated networking, but leadership in terms of conference results and their use\impact was not shown, at least at the close of the conference.

5. 25 of 46 respondents agreed or strongly agreed that the Forum contributed to their understanding of the need for sustainable development by explaining what is meant by sustainable development of the oceans. 15 were neutral.

Key comments included:

¹(not all respondents completed every question)

- Good general understanding was given.
- Discussions too broad.
- Too much focus on fisheries.
- Did not increase level of knowledge for those reasonably informed on the subject.

6. 27 of 51 respondents agreed or strongly agreed that the Forum contributed to their understanding of the need for sustainable development by describing the linkage between the economy and the environment in the practical implementation of sustainable development principles? 16 were neutral.

Key comments included:

- More in-depth case studies would have been helpful.
- Too much time spent on restating the obvious.
- D. Runnall's presentation was excellent.

7. 22 of 46 respondents agreed or strongly agreed that the Forum contributed to their understanding of the need for sustainable development by providing indicative policies, programs and institutions required to promote sustainable development of the oceans? 14 were neutral.

Key comments included:

- Partly. Women's role in promoting sustainable development was well highlighted in the afternoon panel and evening session.
- This was totally lacking from the meeting.
- Provided in only an anecdotal way.

8. 33 of 45 respondents agreed or strongly agreed that they met their objectives in attending the Forum.

In addition respondents were asked:

- * To identify Forum highlights that made a positive contribution to sustainable ocean development.

Comments included:

- Building a stronger ocean constituency in Canada may have been the most tangible outcome.
- Timing of Forum was good as we are trying to recognize the changing development paradigm and our role in it.
- Interaction - relationships between developed/developing countries.
- Clyde Wells was excellent choice for key note speaker (3).
- Runnalls (3),² McInnes (2), Barcena (2) Turnbull (1) Hansen (1) were highlights.
- ICOD activities should be highlighted.
- More clear recognition of realities of socio - economic disparities (north/south) and how this affects sustainable development of oceans.
- Personal contacts were most valuable element.

²(indicates number of times noted in responses)

- Tone was set by Knockwood & Vandermeulen. The first morning sessions focused in following that tone and raised the expectations. Afternoon sessions were a disappointment.
 - The workshop idea was excellent - next time organize it around actual cases of development of marine resources.
- * *Whether they had opportunities to meet with ICOD staff?* Comments included:
- My government has had close collaborations with ICOD - very good co-operation and understanding.
 - Meeting staff was helpful, but more time for networking would be useful.
 - It would have been useful to have had ICOD staff make a brief presentation on ICOD's regional programmes and their contribution to sustainable ocean development. This might be possible in the future?
- * *Whether there was a need for similar conferences?* Comments included:
- Conference useful for interested parties but future conferences should ensure shorter but more individual papers (speakers).
 - Having speakers from a wide range of countries, economies, cultures was excellent - made two days worthwhile.
 - Try to have in Halifax each year or alternating years (2).
 - Try to involve UNDP and FAO as joint sponsors.
 - Future ones should be less grand, better organized.
 - Yes, in Quebec and in French.
 - Canada as a "neutral" nation should take the lead.
 - Good first step - but mix of scientists, economists, politicians could be better. Need concrete plan of action.
 - Oceans Forum in 1994 on how to implement sustainable development.

ACHIEVEMENT OF OBJECTIVES

The stated objectives of the forum to which the Secretariat and Steering Committee worked were:

- to provide an effective forum on sustainable ocean resources development to contribute directly to the 1992 United Nations Conference on Environment and Development (UNCED) Earth Summit;
- to promote a wider dialogue on key issues related to sustainable development;
- to provide ICOD with an opportunity for increased leadership in the field of ocean development; and
- to increase knowledge levels of ICOD staff and partners

Effectiveness of the Forum to Contribution to the UNCED Earth Summit Process

The Forum's direct contribution to the 1992 UNCED Earth Summit was tangible and immediate. Two documents, a one page summary document *Critical Ocean Issues for the Earth Summit*, and a four page document *Intervention to UNCED, Governments and Development Organizations*. The documents recognize the efforts for the UNCED Earth Summit but highlight the omissions related to oceans in the draft materials for the Earth Charter and Agenda 21 and the urgency of bringing oceans to the centre of the Earth Summit discussions.

It is the intention of the Forum Steering Committee and Secretariat to circulate these publications to all participants of the Earth Summit in Rio and to all those persons interested in the Forum and, in general, in the subject of sustainable development.

The true measure of the contribution of the Forum will be the impact this intervention has in the positioning of oceans on the Earth Summit agenda.

Wider Dialogue on Sustainable Development

The constituency for an Ocean Forum on sustainable development was at best difficult to define at the outset of the planning process as the subject is of relevance and interest to a vast cross-section of the public and private sectors. A wide net was cast in the solicitation process and the event was fully subscribed.

The following provides a breakdown of the 238 observer/participants at the Ocean Forum.

Organization	Number	% of Total
1. ICOD and CIDA Staff	37	15%
2. Government (Canada)	40	17%
3. Government (International)	9	4%
4. Board of Directors	5	1%
5. Academic (Canada)	44	18%
6. Academic (International)	4	1%
7. Private Sector (International)	57	24%
8. Students	20	8%
9. NGO (Canada)	14	6%
10. NGO (International)	3	1%
11. Other	5	1%

The Canadian private sector accounted for the largest group participating at the Forum. The vast majority of this group were consultants primarily from Atlantic Canada. This significant expression of interest by the private sector did serve one of the stated objectives of the Forum to initiate a wider dialogue on the subject of sustainable development. In addition, the inclusion of such a large consulting contingent clearly demonstrates the interest of this community in being involved in the activities of ICOD in the ocean realm. While this not stated as an objective of the Forum, this type of activity does serve to meet that aspect of the ICOD mandate to initiate and encourage cooperation between the private sector in Canada and its target countries.

Federal and Provincial government and Canadian academics made up the second and third largest groups in attendance. The number of international representatives appears understated but the does not reflect the international component of the speakers and workshop members.

Increased Leadership in the Field of Ocean Development

The objectives of making a contribution to the UNCED process and increasing the leadership role of ICOD in the field of ocean development are very closely related for the Forum. There is no doubt that the contribution to the UNCED process in the form of the two publications (and the proceedings at a later date) will clearly demonstrate the lead role that ICOD is taking in bringing oceans to its rightful and appropriate position on the agenda for sustainable development. In addition the Forum was an opportunity to promote ICOD in its primary activities of the development, sponsorship and provision of programs that contribute directly to the improved management and utilization of ocean resources. Most of the respondents to the Forum feedback questionnaire felt that ICOD had not taken full advantage of the opportunity to promote ICOD itself.

This aspect of profile building could have been achieved by:

- introductory remarks that highlighted the role of ICOD and its objectives for the Forum;
- The inclusion of ICOD projects as examples of sustainable development.

In Summary

It is the general consensus that the Forum was a qualified success. Most of the participants did consider it a worthwhile endeavour in terms of their personal objectives and agendas. The Forum could have been more than it was but was hindered by a series of factors that will be addressed in full in the evaluation report.

The already existing evidence of the success of the Forum is compelling:

- the request by External Affairs to repeat the Forum in RIO;
- the participants almost unanimous support for a repeat of the Forum on ocean related matters; and
- the quality of the documents submitted to UNCED.

TAB 3.1.

13 January 1992
EC91/4/DO5

REPORT ON THE OCEAN FORUM

1. The Ocean Forum was held at the World Trade and Convention Centre, Halifax on November 20 - 21, 1991. It was attended by over 300 resource users and experts drawn from 25 countries including 19 developing countries. Atlantic Canada was well represented at the Forum. Following the Forum a one page summary document and a four page background paper were prepared (copies attached). The final Forum proceedings are, presently, under preparation and it is expected to be ready for release at the New York Prepcom in March 1992.

2. The feedback on the Forum has been very favourable. Ms. Alicia Barcena, Principal Officer Oceans, Coastal Areas and Living Marine Resources, UNCED Geneva, confirmed the usefulness of the summary documents for UNCED purposes. Encouraged by the success of the Forum, officials from the Department of External Affairs invited ICOD to organise an Ocean Forum at the Global Forum in Rio. The Ottawa based inter-departmental committee and its sub-committees on UNCED have also indicated that the documents are very relevant and useful in the context of Agenda 21 on the oceans. Further, favourable verbal comments have been received from donor agencies such as the World Bank and UNDP as well as Canadian government departments: Department of Fisheries and Oceans, and Environment Canada.

3. The evaluation of the Halifax Ocean Forum is presently underway. In this process, ICOD staff who participated in the Forum have been consulted for their feedback. The consultants have also reviewed the responses of Forum participants to their questionnaire and their report is expected shortly.

4. Follow up initiatives are envisaged at the following events:

- a) New York PrepCom: March 2 - April 3, 1992
- b) Rio Summit/Global Forum: June 1 -12 , 1992

ICOD is presently taking steps for its participation as part of Team Canada at these events. The plan is to participate in the New York PrepCom and also to provide the summary documents as well as the final proceedings to all delegations. ICOD's plan to organise an Ocean Forum at the Rio Summit/Global Forum will be announced at the PrepCom thereby giving advance notice to delegation members about the event.

The objectives of an Ocean Forum in Rio would be:

- a) to focus the attention of UNCED delegates and Global Forum '92 participants, including the media on the critical ocean issues and recommendations emerging from ICOD's Ocean Forum in Halifax, in the context of Agenda 21 on the oceans;
- b) to strengthen the profile and voice of oceans at the Earth Summit and the Global Forum, and to raise the awareness of the oceans as a critical component in sustainable development;
- c) to enhance the profile and leadership of ICOD as an agency dedicated to ocean development with particular reference to small island states and to strengthen its position for post-UNCED ocean development initiatives and programming opportunities including collaboration with other donor agencies and the private sector as appropriate.

An ICOD team headed by Mr. Allan M. Farmer, met with Mr. John Bell, Special Advisor to the Secretary of State for External Affairs in Ottawa on 6 January to consider the proposal for ICOD to hold an Ocean Forum in Rio. At this meeting, ICOD was encouraged to go ahead and organise its Ocean Forum in Rio as part of the Global Forum. (The Global Forum and the Earth Summit are parallel events in Rio, the latter attended by official UNCED delegations). Accordingly, ICOD has taken steps to reserve conference facilities, hotel rooms, and exhibition space in Rio. Further, a Forum Secretariat has been set up as part of IRCAD at ICOD to undertake the planning and preparations for the event.

A Project Summary on the Ocean Forum in Rio has been prepared (copy attached).



International Centre for Ocean Development
Centre international d'exploitation des océans

CONFIDENTIAL
EC91/4/D07

COST COMPARISON - BOARD MEETING

(includes airfare, accommodation, per diem and honorarium)

HALIFAX

(2 days of meetings + 2 days Forum)

\$50,000 Some Bus. Class, some Excursion fares
(Board Members only)

VANCOUVER

(2 days of meetings + 2 days of visits)

\$55,000 Excursion fares (up to 9 ICOD staff)
\$77,000 Business Class

DAKAR

(2 days of meetings + 2 days of visits to Guinea
Bissau)

\$ 87,000 Excursion fares (up to 6 ICOD staff)
\$134,000 Business Class

FIJI

(2 days of meetings)

\$ 75,500 Excursion fares (up to 6 ICOD staff)
\$120,400 Business Class



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INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Resolution of the Executive Committee

Ancillary Corporate Seals

BE IT RESOLVED, as a resolution of the Executive Committee of the Board of Directors pursuant to Board Resolution BD91/2/15

THAT the corporate seals, impressions of which appear in the margin of this resolution be approved as ancillary corporate seals of the Centre, and that such ancillary corporate seals shall be lodged in the custody of the Secretary for use under the direction of an Executive Officer of the Centre or of such other member of the staff of the Centre as the President or the Vice-President may designate, in the execution of documents where the principal corporate seal of the Centre may not be conveniently used.

DATED at Halifax, Nova Scotia, this th day of January 1992.

David A. Copp
Secretary

25 March 1992



BD92/1/D01
File: 106

Special Meeting of the Board of Directors

26 March 1992

Hull, Québec

DRAFT AGENDA

	Document	Tab
26 March 1992		
1. Convening (10:00 a.m.)		
(a) Call to Order Waiver of Notice Quorum Guests		
(b) Adoption of Agenda	BD92/1/D01	1
(c) Confirmation of Board Membership	BD92/1/D02	2
(d) Miscellaneous		
2. Tabling of Minutes		
(a) Board of Directors 18-19 November 1991	BD92/1/D03	3
(b) Executive Committee 20 January 1992	BD92/1/D04	4
3. Dissolution of ICOD		
(a) Report of the Executive (verbal)	BD92/1/D05 BD92/1/D06	5 6
(b) Legal Authority for Winding Up	BD92/1/D07	7
(c) ICOD General Severance Package	BD92/1/D08 BD92/1/D09 BD92/1/D10 BD92/1/D11	8 9 10 11

		BD92/1/D12	12
		BD92/1/D13	13
		BD92/1/D14	14
(d)	Senior Management Severance Package	BD92/1/D15	15
		BD92/1/D16	16
(e)	Asset Disposal on Winding Up	BD92/1/D17	17
(f)	Financial Winding Up Plan	BD92/1/D18	18
(g)	Miscellaneous		
4.	Financial Report		
(a)	Financial Projection to 31 March 1992	BD92/1/D19	19
(b)	Miscellaneous		
5.	Other Business		
(a)	Constitution of Executive Committee		
(b)	Constitution of Audit and Evaluation Committee		
(c)	Miscellaneous		
6.	Conclusion		
(a)	Date and Location of Annual Meeting of the Board		
(b)	Date and Location of next Meeting of the Board		
(c)	Adjournment		

P.C. 1992-379
27 February, 1992

HIS EXCELLENCY THE GOVERNOR GENERAL IN
COUNCIL, on the recommendation of the Minister for
External Relations, hereby approves the
termination of the appointment made by the
Minister for External Relations of each of the
persons listed in the schedule hereto as a
director of the Board of Directors of the
International Centre for Ocean Development.

SCHEDULE

Frank X. Njenga

Gastien Godin

Pierre Béland

Ellen McLean

Sharon Proctor

J.H. Vandermeulen

Vaughan A. Lewis

Moise Mensah

D.A. Phillip Muller

Paul Henri LeBlond

Herb Davis



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

TAB 2

1

25 November 1991

CONFIDENTIAL

File: 104

BOARD OF DIRECTORS MEETING
HALIFAX, NOVA SCOTIA
18 & 19 NOVEMBER 1991
DRAFT MINUTES

PRESENT: John Vandermeulen, Vice-Chairman
Pierre Béland
Roy Cheeseman
Gastien Godin
Paul Henri LeBlond
Ellen McLean
Moise Mensah
Philipp Muller
Sharon Proctor
Nicole Senécal
Gary Vernon, President
Garry Comber, Vice-President
Chris Barr, Treasurer
David Copp, Secretary
Jeanne-Mance Côté, Administration Officer

ABSENT: Elisabeth Mann Borgese
Danielle de St. Jorre

GUESTS: Allan M. Farmer, President Designate
Carol Amaratunga
Raymond Clark
François Gilbert
Phillip Saunders
Bridget Turner

1. i. CALL TO ORDER

The Vice-Chairman would chair the meeting in the absence of the Chairman. The meeting was called to order. The Chairman pro tem welcomed all Board Members and introduced Mr. Allan M. Farmer who would assume the Presidency on 25 November. Mr. Farmer stated that he had followed ICOD's history and development and that he looked forward to working towards a continued growth.



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1. ii. ADOPTION OF THE AGENDA

In relation to a suggestion to add an item to the Agenda, the President advised Paul LeBlond that the responsibility for suggesting Canadian representation on the Board of IOCARIBE lies with the Canadian Member for IOI.

It was moved by Roy Cheeseman, seconded by Pierre Béland,

BD91/2/R1 THAT THE AGENDA BE ADOPTED AS PRESENTED.

Motion carried unanimously.

1. iii. COMMENTS FROM INTERNATIONAL DIRECTORS

West Africa

A Ministerial Conference on Fisheries Cooperation among African States bordering the Atlantic Ocean was held in July 1991. Several problem areas were given priority in terms of regional cooperation on project proposals ie. Fisheries management and development; Fisheries industrial systems development; Fisheries legislation; Control and surveillance of fishing activities; and the establishment of a maritime databank. Participants to the meeting approved and signed a Draft Regional Convention on Fisheries Cooperation Among African States Bordering the Atlantic Ocean.

ICOD was well represented at the meeting and was commended for its contribution to Fisheries development in the region and appreciation was expressed for ICOD's assistance in organizing a seminar on Research and Fisheries Management in May/June 1991 in Casablanca. The Ministerial Conference asked ICOD to provide further assistance to the regional cooperation projects especially in connection with: the inventory of capacity and needs of the States of the region in the field of fish stock assessment; the establishment of a sub-regional register of fishing vessels, and; the training of observers on fishing vessels.

The Regional Convention on Fisheries Cooperation among African Countries Bordering the Atlantic Ocean represents an important political step forward in fisheries development in the Central Eastern Atlantic Zone. Signatories recognized for the first time in a binding document that rational management and sustainable development of fisheries in the region cannot take place without the harmonization of fisheries policies and the coordination of related activities.

The following salient points were addressed by the Convention:

- o access to fish resources in waters within the jurisdiction of other member countries;

- o emphasis on conservation issues through quota systems, joint regulations, and means of preserving the resource base;
- o complementarity of efforts in capacity building through training, data collection, research, surveillance, and control activities;
- o need to protect artisanal fisheries and emphasis on the nutritional dimension of fisheries;

The Convention, headquartered in Morocco, has established a Regional Fisheries Development Fund to cover its operational costs and eventually finance programs and projects.

Once the Dakar Convention is ratified, African countries bordering the Atlantic Ocean will have an instrument to address some of the key issues of UNCED's Agenda 21, namely: coastal development; management of living marine resources; marine pollution prevention and control strategies; capacity building; legal instruments, and; international institutions.

Mr. Mensah concluded his remarks by stating that he hoped ICOD would closely monitor and support efforts made by African countries within the framework of the Convention.

Caribbean Basin

The Organisation of Eastern Caribbean States (OECS) is now consolidating the various initiatives undertaken in the fisheries sector during the last few years. A legislative framework was established to ensure proper management and exploitation of the Exclusive Economic Zone (EEZ). The OECS is now implementing and managing the regulations which evolved from the legislative framework. Surveillance of the EEZ is conducted through collaboration of the Fisheries Unit and the regional security system (ie Coast Guard).

While some progress in fish production and marketing was made possible in the Windward Islands through assistance from Japan with the building of storage facilities and marketing opportunities, little progress was made in the Leeward Islands. The last two years have seen an increase in fish production but most countries of the OECS require a modern system of marketing to be able to export the catch. A team made up of representatives from the Agricultural Diversification Unit, the Export Development Unit and the Fisheries Unit put on an exhibition in England on fish production from OECS countries with encouraging results.

A number of people in various categories have undergone training in the institutional administration enhancement program supported by the Fisheries Unit. There has also been additional fishermen's training.

At the CARICOM level, the Caribbean Fisheries Resources and Management Program (CFRAMP) is just getting off the ground. A series of ministerial meetings were held in September and October to ensure that proper management arrangements were being put in place. A program review and technical committee meeting will be held in St. Vincent in January 1992. Staff from the Fisheries Unit became concerned with the possibility of duplication but the Ministers of Agriculture and Fisheries have met recently to ensure complementarity in the activities being carried out.

Caribbean Community countries have agreed on the need for cooperation on access to the Exclusive Economic Zone which, subdivided into sub-zones, becomes more difficult to manage and control.

An increased awareness about marine and coastal environment issues has led the Fisheries Unit and the Legal Unit to start cooperation on the development of harmonized legislation for the marine environment. The OECS has signed an agreement with USAID for an extensive six-year project on cooperation and protection of coastal and land environment. Concerns over the effects of global warming on islands of the Caribbean are also shared with countries in other areas of the world.

Financial difficulties of larger countries such as Jamaica, Guyana, Trinidad and Barbados are impinging on the University of the West Indies (UWI). The University is trying to reformulate a system whereby cooperation and research can take place across the region as a whole.

Major concerns of CARICOM countries are the uncertainty of the international climate, the effects of a European single market on agricultural economies, and the capacity of Caribbean islands to enter the North American free trade agreement. These external factors, coupled with domestic difficulties, make it imperative to clearly identify and support select institutions such as UWI which are trying to develop and implement systems of research.

Venezuela and Columbia have expressed an interest in entering into a relationship with the Caribbean community and discussions will begin with Venezuela on maritime agreements.

Vaughan Lewis reported that the results of a study undertaken after a 1987-88 decrease in fish production indicated that this was a transitory phenomenon. The present increase in fish stock is viewed as a return to the catch levels prior to 1987-88 and a complete stock assessment study is planned under the Caribbean Fishery Resources Assessment and Management Program.

The Chairman pro tem asked about the economic feasibility for developing countries to start linking the concepts of environment and development. Moise Mensah stated that survival is the primary

concern of developing countries and that developed countries are telling LDCs to exploit their resources in a way that is not damaging to everyone's common future.

Vaughan Lewis added that governments are now much more receptive towards protection of the environment. Whereas a short time ago, it would have been relatively easy to build hotels on the seashore, it is now very difficult to start a major project without an environmental impact study. The pressure on our non-renewable environment means we have to show more concern on the preservation of existing resources.

Nicole Senécal felt that incremental costs, which developing countries will experience when asked to participate in major international conventions on environmental issues such as global warming and the ozone layer, must be alleviated through financial support from developed countries.

South Pacific

Major changes in the leadership of South Pacific organizations and institutions are underway. Philipp Muller was selected to head SOPAC and was replaced at the Forum Fisheries Agency by Sir Peter Kinilorea. Jioji Kotobalavu has been chosen to start the Joint Commercial Commission between the South Pacific Forum countries and the United States. The South Pacific Regional Environment Program (SPREP) has been given autonomy from the SPC and is moving its headquarters to Apia in Western Samoa.

Poor management of the purse seine fishery in the Western Pacific continues to create problems. Declining prices due to oversupply are reducing opportunities for involvement in commercial or industrial fishing. This downturn has led to the closing of one national company, a second was forced to diversify, and a third is experiencing financial difficulties.

Canada has become the 15th signatory to the Wellington drift-net convention in the South Pacific and it is believed that the moratorium on drift net fishing will be extended by one year on a global basis.

On the political scene, instability has marred the governments of Papua New Guinea, Vanuatu and the Solomon Islands. Fiji, on the other hand, seems stable and prosperous and elections have been scheduled for March 1992.

USP will take over control of the Ocean Resources Management Program (ORMP) from the Forum Fisheries Agency. The Women in Fisheries Program is up and running at the South Pacific Commission (SPC) and a dedicated network of surveillance for illegal fishing, narcotics, search and rescue, quarantine and

relief from disasters will be implemented over the coming year.

1. iv. CIDA STUDY

Nicole Senécal distributed a summary of the Strategic Management Review undertaken at the request of the Minister for External Relations and International Development to evaluate CIDA's ability to meet the challenges of the 1990s. The SECOR Group is making presentations to all CIDA field representatives and will also brief outside partners throughout Canada. It is expected that comments on the report and views on how to implement its recommendations will then be made to the Minister by CIDA staff and outside partners toward the end of March 1992.

The main findings of the report center around the Agency's organization, its efficiency, and international comparisons. Problems were identified by SECOR, however solutions have been left up to CIDA and its outside partners.

The message emanating from the report is to go back to the initial development mandate. CIDA's programs have lost their focus because they are dispersed in 150 countries around the world and in a great number of sectors in each country. Over the last ten years, CIDA'S operating costs have escalated. Employee wages and benefits account for half of the increase, and one third can be attributed to the use of outside consultants and ministerial support since 1984.

Compared with other similar international donors, CIDA has the widest mandate and its leverage is diminishing due to its wide dispersion.

The complex and cumbersome management was explained as a necessary response to stakeholder pressures. CIDA has developed a compartmentalized management structure and systems with a resulting loss of strategic direction. The reaction to prudence and probity criticism has led to a risk avoidance syndrome reducing efficiency and effectiveness. When coupled with lapsing budgets and broad coverage, the result is an Agency increasingly occupied with managing process rather than development.

The overall diagnosis from the SECOR Group is that, although relatively well adapted to its present context, CIDA'S ability to meet its mandate in the future to remain relevant in the Third World and to ensure its durability and credibility with Canadians, is threatened. Therefore, a transformation through questioning and repositioning the Agency's scopes of activities, governance, structure and systems will be required.

SECOR has suggested that CIDA become a knowledge-based Agency mainly concerned with strategic and policy analysis. The Agency

would also be responsible for monitoring and evaluating its programs but implementation would be handed over to non-governmental organizations or the private sector.

The first conclusion reached by the report would be for CIDA to either reduce the scope of its mandate in proportion to the availability of its human and monetary resources or maintain its mandate but increase the level of resources.

The second conclusion reflects on the need for CIDA to focus its energy on the development of strategic skills and abilities which will have major implications on the Agency's culture, systems, philosophy, management practices, and employee profile.

The third observation is that CIDA's accountability, as understood and interpreted by the Auditor General, is relatively large and constraining. Measures must be undertaken which would limit the resulting pernicious effects and reduce the Agency's vulnerability.

A debate is ongoing at the Public Accounts Committee between CIDA, the Auditor General and the MPs to change the Terms of Reference of this constraining accountability.

Moise Mensah stated that CIDA has a very strong reputation in the Third World and that this is based partly on its wide scope and its flexibility in dealing with a wide variety of programs. By being too restrictive, CIDA might focus on issues or problem areas not relevant to Third World countries. Secondly, Mr. Mensah pointed to the essential link between program management and policy analysis and noted that the Agency needs a strong internal capacity to implement programs and must also build developing country expertise. He suggested that it is also very important for ICOD to build policy and implementation capacities.

Gary Vernon replied that ICOD has tried to strike a balance between policy definition and internal program and project management capacity.

Nicole Senécal was asked about the future of Official Development Assistance in Canada. She replied that any substantial increase in financial assistance to the Soviet Union and Eastern Europe would be at the expense of the ODA budget. However, the Department of Finance had said that any major support toward the Soviet Union's balance of payment would not come from the ODA budget.

Questions on the usefulness of the report and its impact on ICOD from a restructuring at CIDA would be answered at the June Board meeting by Nicole Senécal.

2. REVIEW OF MINUTES OF 24 & 25 JUNE 1991 ANNUAL BOARD MEETING

A minor change on page 7, second line would now read: "Sharon Proctor suggested re-addressing this to the....".

On page 2, second to last paragraph would now end with "...Brazil Conference on Environment and Development".

On page 10, Item 6, the first paragraph would now read: "ICOD's activities can be grouped under five headings and the latest developments under these headings are as follows:"

On page 3, penultimate paragraph, the last line would read as follows: "revenue by agreements for access of foreign fishing."

On page 5, first line of first paragraph of Item 4.i. should now read: "The purpose of the Forum is threefold: to promote dialogue on sustainable development of the oceans; to provide ICOD with an opportunity for increased leadership in the field of ocean management and development; and, to contribute to the UNCED 1992 process".

It was moved by Ellen McLean, seconded by Pierre Béland,

BD91/2/R2 THAT THE MINUTES OF THE JUNE 1991 BOARD MEETING BE ADOPTED AS AMENDED.

Motion passed unanimously.

3. BUSINESS ARISING FROM MINUTES

3. i. ICOD FORUM AGENDA - SEEKING SUSTAINABLE DEVELOPMENT OF THE OCEANS - BD91/2/D15

A draft program was circulated and the Chairman pro tem went over the agenda of the two-day event.

3. ii. STATUS OF BOARD MEMBERSHIP

No decisions would be taken until after this Board Meeting. The Government was ready to act on a replacement for Danielle de St. Jorre whose term expired in 1990. In 1991, the terms of six Members expired, including that of the President, and the Government was asked to strike a balance between continuity and new membership. ICOD is awaiting advice and decisions. In 1992, four terms come up for renewal including that of the Chairperson who has indicated she would not seek renewal. Board Member's concerns over these delays have been expressed through correspondence with the Minister and the Privy Council Office.

3. iii. TRAVEL POLICY

The wording under 3.3.2 Air Transportation would now read:
"Whenever practical, air ..".

It was moved by Roy Cheeseman, seconded by Pierre Béland,

BD91/2/R3 TO ADOPT THE BOARD TRAVEL POLICY AS AMENDED ABOVE.

Motion passed unanimously.

4. TABLING OF MINUTES

- | | | | |
|----|-----|---|------------|
| 4. | i. | EXECUTIVE COMMITTEE - 25 JULY 1991 | BD91/2/D03 |
| 4. | ii. | EXECUTIVE COMMITTEE - 26 SEPTEMBER 1991 | BD91/2/D04 |

The Minutes were tabled for Board Members' information.

5. PRESIDENT'S REPORT

5. i. OVERVIEW

To cover any possible hiatus between the departure of Gary Vernon and the arrival of the new President, the Executive Committee passed a resolution confirming that any delegations of authority effected by the President would remain in force during a vacancy in the office of the President. The President indicated that it was his intention to delegate additional authorities to the Vice-President as deemed required during the possible hiatus between Presidents.

The President reviewed the history of ICOD. The first stage consisted of the development of a policy framework, a track record of projects and internal administrative procedures. This is largely completed. In its second stage, two key areas will help to ensure the survival of ICOD: building a constituency locally, regionally, nationally and politically, and greater involvement of the private sector. Gary Vernon felt that Allan Farmer would be a good spokesperson for ICOD and wished him every success.

5. ii. POLICY

The Corporate Plan and the first of a series of policy papers, Marine Transportation and Ports Management, would be presented under Item 9.

5. iii. PROGRAMS

ICOD Directors would give presentations on their respective areas followed by a question period. A more concerted approach to evaluations and audits has been taken and ICOD has tried to strike a balance between the demands of the Auditor General and the needs of developing countries. The situation with the OECS has been resolved satisfactorily and funding is to resume shortly. A CIDA/IDRC/ICOD tripartite meeting is expected to take place in March 1992 in Vancouver to enhance the profile of the oceans sector and to look at program cooperation.

5. iv. ADMINISTRATION

The South Pacific and Caribbean Basin Division has a new Director, the Fiji Field Representative has been replaced with an ICOD Program Officer and the Dakar Office has also been manned with a Program Officer from West Africa and Indian Ocean Division.

Job descriptions have been written and a Hay classification review has uncovered salary anomalies. The classification structure will rationalize the pay structure and some salaries will be readjusted. The new classification system allows for better career growth and professional development within the Centre.

Government policy has changed ICOD's approach to the annual cost of living increase. The 3% Cost Of Living Adjustment planned for this Fiscal Year is based on the Government guidelines for Crown Corporations and is 2.2% below the inflation rate for Halifax. Nicole Senécal cautioned that the 0%-3% Government policy may also be applied to private sector enterprises contracted by CIDA and that ICOD should be prepared to defend their 3% increase. It was suggested that ICOD management take the government policy into consideration and that this subject be discussed at further with Government officials. Roy Cheeseman asked that it be noted in the Minutes that the criterion for benefits and wages is not necessarily that of the Public Service.

5. v. FINANCE

Program slippages of up to one million dollars have been identified and \$825,000 has been reallocated to new programming. ICOD is still interested in attracting outside funding and Roger Pearson of CCIFTD has been hired to study the issue and recommend an approach.

5. vi. INFORMATION

Background documentation was available for Board Members' information.

5. vii. MISCELLANEOUS

- i) The President Designate commented that ICOD was established on a solid foundation and that he would work on lifting its profile through emphasis on joint ventures with the private sector, other donor agencies, NGOs and governments. He wanted to maintain a harmonious organization with a good flow of information and was not afraid to take risks and venture into new territory. He would rely on Board Members' expertise in their areas and was open to suggestions and constructive criticism.

PRESENTATION ON INFORMATION SYSTEMS

The Information Resource Officer gave a presentation on the different external and in-house information databases available to ICOD staff, students and the general public.

6. REPORT OF THE EXECUTIVE COMMITTEE

Members were referred to the Minutes of the last two meetings under Item IV. It was commented that these accurately reflected the tenor of those meetings. The next meeting was scheduled for January 1992.

7. REPORT OF THE AUDIT AND EVALUATION COMMITTEE

Issues included on the Agenda were: the 1991-92 Financial Audit Plan presented by representatives of the Office of the Auditor General; Financial Statements and Forecast as of 31 October 1991; Status of Implementation for Preceding Internal Audit Reports; South Pacific and Caribbean Basin Audit; Lessons Learned - Internal Audits; Update of the 1991-92 Internal Audit Plan; Special Examination; Proposed Integration of the Audit and Evaluation Function; Follow-up on Recommendations from Preceding Evaluation Reports; Update of the 1991-92 Evaluation Plan; Proposals for the 1992-93 Evaluation Plan; Preliminary Findings of South Pacific Evaluation Activities; and, an Update on Performance Indicators.

Paul LeBlond asked for the meaning of a performance indicator. The Vice-President replied that Central Agencies and ICOD wanted to be able to measure the effectiveness and impact of its programs. Moise Mensah suggested that this important topic be discussed as a special agenda item at a future meeting of the Board of Directors. Philipp Muller added that this issue was very important and particularly relevant to implementation in the field and asked if ICOD could prepare a draft document to be circulated to Board Members.

8. FINANCIAL REPORT

The Treasurer presented the Balance Sheet and noted that cash flow forecasts were more accurate than in past years. CIDA cash advances were also more representative of CSPODP and CFRAMP program needs. To-date, 34% of the total estimated revenues of \$13.8M had been expended. When possible slippages of between \$500,000-825,000 were identified early in the Fiscal Year, Managers were asked to come up with viable proposals and ICOD management is hoping that the \$13.8M will be fully spent.

9. CORPORATE PLAN AND POLICY ISSUES

9. i. CORPORATE PLAN

The Five-Year Plan for 1992-1997 differed from previous ones in that it would be presented to Treasury Board in a more refined, condensed form. Sub-section 3.3 on Operational Structure was restated and reorganized; Sub-section 4.3 on Corporate Assessment was added as were new principles on Non-Capital Assistance, Flexibility and Trickle Funding under Sub-section 5.2.1; Section 6 was restructured to allow for shorter divisional components and Sub-section 6.1.3 was added to reflect new initiatives and directions for 1992/93.

The 30% figure used in the Non-capital assistance Operating Principle on page 9 was questioned. To reflect the Board's original discussion, it was agreed to change the sentence to read "...limited to one third of project costs on any project."

A proposal for reclassification of the Central American countries of Guatemala, Honduras, Panama and El Salvador as secondary focus was tabled. Members asked for more information on the justification of this request and it was agreed that staff would prepare a short document which would be presented in the afternoon.

PROGRAM DIVISION PRESENTATIONS

Interregional and Cooperative Activities - Carol Amaratunga gave an overview of the division's current activities and programs and the potential future direction. The two key functions of IRCAD are 1) the coordination and implementation of ICOD's training policy; and 2) the management of corporate functions related to training, education and alumni follow-up.

75% of IRCAD's program budget is spent on Management and Sectoral Training Programs, while Institutional Capacity Enhancement Programs and Public Education Programs account for 10 and 15% respectively.

The Division will continue to explore, test and refine approaches for strengthening the training capacity of regional educational institutions; human resource development will be supported through the promotion of public education and public participation projects and the production of marine education materials; and, the coordination and promotion of ICOD project-related publications and human resource development databases to third world countries and other donors will be enhanced.

The Ocean Forum can be seen one of ICOD's first public education projects. A Forum Report, to be translated into several languages, will be sent to the UNCED delegates in Brazil. With the collaboration of the United Nations Association of Canada, ICOD is exploring the possibility of using this document in pilot educational activities for Canadian schools. John Vandermeulen suggested that the Forum or parts of it be exported to recipient countries. Nicole Senécal felt that ICOD should participate in Canada's development week whose theme will be sustainable development.

Future directions for IRCAD will also include: a market assessment study to determine other donor agencies' interest in having ICOD undertake marine sector training on their behalf; the improvement of training tools and techniques; updating institutional capacity assessments; and, a review of better ways to conduct regional needs assessments.

Moise Mensah asked how the general public could be educated on sustainable growth. Carol Amaratunga replied that ICOD was offering development training to upgrade skills and knowledge-based training through universities. She added that, to reach a wider audience, more emphasis has to be placed on values education to help: 1) raise people's awareness about the environment, 2) change their value base and personal habits and 3) adopt new practices and lifestyles. This informal training could be done using the different media such as radio, television and videos.

IRCAD has drafted a public education paper which will be presented to ICOD Senior Management for discussion. This paper could serve as a framework for all divisions in giving a conceptual appreciation for informal education.

West Africa and Indian Ocean - François Gilbert told Members that program activities are gradually reaching parity with those of the South Pacific and Caribbean Basin Division. The Dakar regional office is in place and the Division's \$3,450,00 current year budget represents a 32% increase over last year.

As no strong regional organizations exist in West Africa, ICOD is reinforcing, at the bilateral level, the capacities of target countries to ensure better management of marine resources at the

sub-regional and regional levels. The Director enumerated the different ICOD recipient countries and the level of ICOD financial assistance in each for both West Africa and the Indian Ocean.

At the regional level, the Division actively supports the Port Management Association of West and Central Africa, the Ministerial Conference on Fisheries in West Africa and the Western Indian Ocean Tuna Organization. The Division will monitor the activities of the following organizations: the Indian Ocean Marine Affairs Cooperation (IOMAC), the Indian Ocean Commission (IOC), la Commission sous-régionale des pêches (CSRP), the South African Development Coordination Conference (SADCC), and the Inter-governmental Agency for Drought and Development.

The following are the major sectoral themes of ICOD in West Africa involvement at the present time: Fisheries Management and Development, Integrated Ocean Management, Marine Transportation and Ports Management. Coastal Zone Management and Development as well as Mariculture are being explored.

Fisheries Management and Development, Marine Environment and Conservation, Coastal Zone Development and Management are the major themes in the Indian Ocean and pilot projects on oyster and shrimp farming are ongoing in Mariculture.

The Division consults with IRCAD on projects which have training components and, whenever possible, a Women in Development component is also incorporated into projects. Most short-term attachments are now built into projects and are done through executing agencies. Two regional seminars were held in Morocco and were very successful; another one is planned for Kenya in February.

Due to internal upheavals within those countries which make it difficult for ICOD to operate, a succession of self-contained, short-term initiatives have been developed, to fit into a long-term framework. To counter unforeseen circumstances resulting in slippage, the Division maintains an overplanning margin of up to 30%.

Target countries in those two regions have great needs but limited planning and absorptive capacity, therefore efforts will be made, through the use of consultants, to develop project proposals and extend their absorptive capacity. The Division will also try to streamline administrative requirements and multi-year projects and programs will be planned to give recipients an opportunity to take over projects.

Gastien Godin asked about ICOD's position vis-à-vis the Ministerial Conference in Morocco and François Gilbert stated that ICOD supports all the priorities identified by the Conference but that work would be done at different levels ie. at the Conference level or at the regional level. Countries belonging to the Ministerial

Conference signed a convention in July and have asked recognition from the United Nations Secretariat and all multi-lateral donors.

Moise Mensah congratulated ICOD and, in particular, the West Africa and Indian Ocean Division for the quality of programs in West Africa and the opening of the Dakar office. He also mentioned the area of fish stock assessment which he hoped ICOD would follow up on.

South Pacific and Caribbean Basin - The new Director, Raymond Clark, told Members that although the two regions were very different historically, culturally, and politically they shared similar problems such as communication, individual country vulnerability and environmental issues.

ICOD's major recipients in the Caribbean Basin are universities, research centres and regional organizations which are all inter-related. ICOD is involved with: the development of information and networking, institution building and training.

ICOD must remain flexible but consistent in its approach and must ensure that appropriate mechanisms are in place to monitor its programs. Mutual accountability on the part of recipient organizations and ICOD is required and there is a constant need to review and clarify our relationship with those organizations. Depending on ICOD's staffing and financial resources and also on the overall strategy, ICOD should consider adding Central America as an area of secondary focus.

In the South Pacific, various regional organizations act as the vehicle for ICOD work. The joint CIDA/ICOD project touches on all sectoral themes with a priority on integrated ocean management. A major evaluation of the program by CIDA will take place shortly. Work in the region must be consolidated and a framework strategy developed to clearly indicate ICOD's future direction.

ICOD has a very high profile in the region and is a good vehicle for developing Canadian expertise in the aid field. A recent ICOD evaluation has nevertheless pointed out a number of weaknesses which will be addressed by the Division.

Key questions for the Division in both the South Pacific and Caribbean regions are how to: involve recipients in the planning process; develop effective review and monitoring processes; respond quickly to a changing environment within the regions and; simplify the administrative accountability. All recipients are experiencing problems with staffing, training, planning and decision making which ICOD must strive to help them resolve. The Division must develop policies which not only address short-term problems, but which fit into the overall strategy and are effective in the long term.

Philipp Muller asked how the ICOD Suva office related to ICOD programs and was told that, at present, it was strictly a representational, information and consultation body and that all decisions would be made through the Halifax Head Office.

Vaughan Lewis suggested that part of the responsibility of the Senior Policy Advisor should be to keep monitoring ongoing projects so as to have an understanding of problems as they arise. He also pointed out that the problems which were experienced with CERMES arose out of a bureaucratic system in the University and were not typical to the region.

Pierre Béland asked about ICOD's reputation in the regions. Vaughan Lewis stated that the programs of the ICOD-supported Fisheries Unit are undoubtedly leading the Caribbean in terms of the establishment of surveillance zones, fisheries zones, training and legislation. ICOD has obtained substantial successes with its programs and must now manage and sustain those programs.

As many changes had occurred within the South Pacific region, the Chairman pro tem asked that an update be given to Members of the Executive Committee at their next meeting.

Noting the different questions from the Board Members on the new operating principles, and the request by Ellen McLean that the Executive Committee, at its January meeting, review the Chapters in the Corporate Plan dealing with Operational Plans of each Program Division,

It was moved by Ellen McLean, seconded by Paul LeBlond,

BD91/2/R4 **THAT THE CORPORATE PLAN BE APPROVED IN PRINCIPLE
AND BE SUBMITTED TO THE EXECUTIVE COMMITTEE AT ITS
JANUARY 1992 MEETING.**

Motion passed unanimously.

9. ii. MARINE TRANSPORTATION AND PORTS MANAGEMENT POLICY PAPER

Phillip Saunders told Members that the new Policy Unit would assume responsibility for policy and planning, the development of Corporate Plans and Sectoral policy papers and the provision of policy-related research to support program planning. It would also be responsible for program policy matters relating to program delivery and will take over the evaluation function. Part of its mandate will also include the development of the management information system, Business Cooperation, the Information Resources Centre and the Secretariat function with the Project Review process.

The Marine Transportation and Ports Management Policy Paper was

submitted for consideration and Board Members recommended caution in making it a policy paper which would make it too rigid. It was agreed that at the June Board meeting discussions would be held on such sectoral papers which would have been submitted to the Board.

10. PROJECT PROPOSALS

10. i. **SCHOLARSHIPS - MASTER OF MARINE MANAGEMENT AND MAITRISE EN GESTION DE L'ENVIRONNEMENT MARIN (#900348)** BD91/2/D16

Approval in principle was given by the Board at its June 1990 meeting for a five-year continuation for Marine Affairs scholarships, this time at the Masters' degree level. Although the UQAR Masters' Degree program has not yet received approval within the Quebec University system, ICOD had received assurances from the Vice-Rector that it looked positive. Moise Mensah asked that a profile of the qualifications required by applicants be supplied to Board Members.

It was moved by Moise Mensah, seconded by Sharon Proctor,

BD91/2/R5 **THAT FINAL APPROVAL BE GIVEN TO PROJECT #900348 - SCHOLARSHIPS - MASTER OF MARINE MANAGEMENT AND MAITRISE EN GESTION DE L'ENVIRONNEMENT MARIN - TO A MAXIMUM ICOD CONTRIBUTION OF CAN \$2,250,000.**

10. ii. **ICOD RESEARCH FELLOWSHIPS FOR CANADIANS (#910414)** BD91/2/D20

Although this project was within the President's financial approval it was deemed necessary to submit it to the Board as this represents a new direction for ICOD. Scholarship funding for Canadians would enhance ICOD's profile with Canadians and help build a cadre of Canadian professionals able to work in international development assistance.

It was moved by Ellen McLean, seconded by Paul LeBlond,

BD91/2/R6 **THAT FINAL APPROVAL BE GIVEN TO PROJECT #910414 - ICOD RESEARCH FELLOWSHIPS FOR CANADIANS - UP TO A MAXIMUM ICOD CONTRIBUTION OF CAN \$210,000.**

Motion passed unanimously.

10. iii. **INSTITUTIONAL SUPPORT: SUB-REGIONAL TRAINING CENTRE - WEST AFRICA (#910415)** BD91/2/D19

The Institut maritime du Québec will review and adapt the

the Executive Committee at its January 1992 meeting.

11. OTHER BUSINESS

11. i. REVISIONS OF ICOD BY-LAWS

BD91/2/D05

A revised set of By-laws had been prepared for approval, incorporating the changes suggested by Members of the Board. As a result of the Special Examination, it was pointed out that the Conflict of Interest Clause required clarification.

It was moved by Paul LeBlond, seconded by Pierre Béland,

BD91/2/R9

THAT THE CONFLICT OF INTEREST CLAUSE 16.1 REVISION OF THE ICOD BY-LAWS BE AMENDED READ AS FOLLOWS: "DURING THE CONSIDERATION OF ANY PROPOSED APPROPRIATION OF FUNDS OR RESOURCES OF THE CENTRE TO A PROPOSED BENEFICIARY, BY THE BOARD OR BY A COMMITTEE THEREOF, ANY DIRECTOR WHO IS DIRECTLY OR INDIRECTLY CONNECTED WITH THE PROPOSED BENEFICIARY, SHALL INDICATE HIS RELATIONSHIP WITH THE PROPOSED BENEFICIARY, SHALL REFRAIN FROM VOTING ON SUCH APPROPRIATION, AND SHALL WITHDRAW FROM THE MEETING DURING DISCUSSION OF THE QUESTION AND AT THE TIME THE VOTE IS TAKEN, UNLESS THE BOARD REQUESTS THE PRESENCE OF THAT DIRECTOR FOR THE PURPOSE OF DISCUSSION OF SPECIFIC ISSUES, FOLLOWING WHICH THAT DIRECTOR SHALL WITHDRAW FROM THE MEETING UNTIL AFTER THE VOTE HAS BEEN TAKEN, BUT SUCH A WITHDRAWAL SHALL BE DEEMED NOT TO AFFECT THE EXISTENCE OF A QUORUM."

Motion passed unanimously.

Ellen McLean reminded Members that this clause applied equally to Canadian and international Members.

It was moved by Ellen McLean, seconded by Roy Cheeseman,

BD91/2/R10

THAT THE BY-LAWS OF THE CENTRE, EFFECTIVE ON THE 27TH DAY OF JUNE 1985 BY BOARD RESOLUTION BD85/2/R3, AND ALL AMENDMENTS THERETO, BE REPEALED, AND THAT THE BY-LAWS APPENDED TO THIS RESOLUTION BE APPROVED AS THE BY-LAWS OF THE CENTRE, AND THAT THIS RESOLUTION SHALL BE EFFECTIVE AS OF THE 20TH DAY OF NOVEMBER 1991.

Motion passed unanimously.

The approved document would be sent for translation and the French version distributed to Members. The Chairman pro tem directed the

Secretary to transmit copies of the By-Laws to Treasury Board and to the Minister responsible for ICOD.

It was agreed by Members of the Board that contractual arrangements with the President Designate be discussed at a Sub-Committee level comprised of Nicole Senécal, Ellen McLean and John Vandermeulen.

As the Chairman pro tem had to leave early, it was moved by Gastien Godin, seconded by Philipp Muller,

BD91/2/R11 THAT ELLEN MCLEAN ACT AS CHAIRMAN PRO TEM FOR THE REST OF THE MEETING.

Motion passed unanimously.

The proposal to reclassify the Central American countries of Guatemala, Honduras, Panama and El Salvador as secondary focus was revisited. The reclassification would allow more integration and coordination of programs especially in fisheries management and also greater flexibility to pursue investigations and project development across the region.

It was moved by Paul LeBlond, seconded by Pierre Béland,

BD91/2/R12 THAT THE CENTRAL AMERICAN COUNTRIES OF GUATEMALA, HONDURAS, PANAMA AND EL SALVADOR BE CLASSIFIED AS SECONDARY FOCUS COUNTRIES TO ALLOW FOR REGIONAL PROGRAMS, AS APPROPRIATE.

Motion passed with Roy Cheeseman opposed.

11. ii. BANKING RESOLUTION

BD91/2/D06

It was moved by Pierre Béland, seconded by Sharon Proctor,

BD91/2/R13 THAT THE FORM OF BANKING RESOLUTION WHICH IS ATTACHED AS ANNEX A IS HEREBY APPROVED WITH RESPECT TO THE DOMESTIC ACCOUNTS OF THE HEAD OFFICE OF ICOD AND THAT THE BANKING RESOLUTION BD88/2/R8, DATED THE 30TH DAY OF NOVEMBER 1988, BE REVOKED, EFFECTIVE UPON THE FILING OF THIS RESOLUTION WITH THE BANK OF NOCA SCOTIA.

Motion passed unanimously.

11. iii. DATE OF JUNE 1992 BOARD MEETING

Members agreed to meet on 11 and 12 June 1992 in Halifax.

11. iv. DATE AND LOCATION OF NOVEMBER 1992 BOARD MEETING

Members agreed to meet on 12 and 13 November. Philipp Muller commented that, should the meeting be held in the South Pacific, ICOD would receive a lot of assistance from regional organizations with meeting facilities, administrative support, etc. After a short discussion on the possibility of holding the November meeting in one of ICOD's regions of concentration, Members asked that a cost comparison be prepared and submitted to the Executive Committee at its January 1992 meeting. It was also the consensus of the Board that the Executive Committee look into the possibility of holding the Board Meeting in the South Pacific at the invitation of Philipp Muller.

11. v. MISCELLANEOUS

a) It was moved by Paul LeBlond, seconded by Sharon Proctor,

BD91/2/R14 THAT THE CORPORATE SEAL, AN IMPRESSION OF WHICH
APPEARS IN THE MARGIN OF THIS RESOLUTION BE
APPROVED AS THE CORPORATE SEAL OF THE CENTRE.

Motion passed unanimously.

b) It was moved by Roy Cheeseman, seconded by Nicole Senécal,

BD91/2/R15 THAT THE EXECUTIVE COMMITTEE OF THE BOARD MAY
APPROVE UP TO TWO ANCILLARY CORPORATE SEALS OF THE
CENTRE UPON SUCH CONDITIONS OF CUSTODY AND USE AS
THE EXECUTIVE COMMITTEE MAY SPECIFY.

Motion passed unanimously.

c) Vaughan Lewis expressed his personal thanks and appreciation and that of the OECS Secretariat to Gary Vernon for his assistance in the Caribbean.

The meeting adjourned at 15.15.



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

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EXECUTIVE COMMITTEE MEETING
20 JANUARY 1992
HALIFAX, NOVA SCOTIA

Draft Minutes

PRESENT: Elisabeth Mann Borgese, Chairman
John Vandermeulen, Vice Chairman
Pierre Béland
Allan M. Farmer, President

Garry Comber, Vice President
David Copp, Secretary
Jeanne-Mance Côté, Administration Officer

GUEST: Roy Cheeseman, Observer

1. i. CALL TO ORDER

The Chairman called the meeting to order, extended a special welcome to the President and noted that a quorum was present. Roy Cheeseman, whose term had just ended, had been invited to attend the meeting as an observer.

1. ii. ADOPTION OF THE AGENDA

The following items were added to the agenda: 3.i. Document for Rio Conference; 4.vi. Consultant Selection; 4.vii. Corporate memory for Board Members; 4.viii. Meeting with Board Members from other Crown Corporations; 4.ix. Board Members' involvement as advisors to ICOD; 4.x. Major problems within ICOD and how they're communicated to Board Members; and 4.x. World Maritime University.

It was moved by John Vandermeulen, seconded by Allan Farmer,

EC91/4/R1 THAT THE AGENDA BE ADOPTED AS AMENDED.

Motion passed unanimously.



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2. MINUTES

REVIEW OF EXECUTIVE COMMITTEE MINUTES OF 21 SEPTEMBER 1991

Members were told that Frank Njenga and Herb Davis had just been appointed to the Board to replace Danielle de St. Jorre and Roy Cheeseman whose terms had expired. Moise Mensah's term had been extended for an additional three years. The Orders in Council along with the curriculum vitae of the new Members would be sent to all Board Members.

John Vandermeulen asked that the President be given a copy of the Board Members' profile which had been prepared for the Hon. Monique Landry.

Roy Cheeseman expressed his congratulations to John Vandermeulen and all ICOD staff who had helped organize a very successful ICOD Forum.

It was moved by Allan Farmer, seconded by John Vandermeulen,

EC91/4/R2 THAT THE MINUTES OF THE 21 SEPTEMBER 1992 EXECUTIVE
COMMITTEE MEETING BE ADOPTED AS PRESENTED.

Motion passed unanimously.

TABLING OF BOARD MEETING MINUTES OF 18 & 19 NOVEMBER 1991

Page 5, 3rd paragraph, John Vandermeulen commented that ICOD could look into funding target country participation in major international environment conventions.

Page 5, South Pacific, John Vandermeulen suggested that organizations charts on the various regional organizations ICOD deals with be prepared for the new Board Members.

Page 11, last paragraph, A draft document on the implementation of performance indicators at the program level would be distributed to Members for the June Board meeting.

3. BUSINESS ARISING

3. i. ICOD FORUM - EVALUATION

Members commented that some replies to the survey carried out by the firm of Coopers & Lybrand were not very explicit while other replies seemed to contradict the general findings of the firm. ICOD staff had also been asked to fill out the evaluation questionnaires and Management felt that this could bias the findings. These comments would be passed on to Coopers & Lybrand.

Pierre Béland inquired as to whether ICOD could fund the translation into French of a document which had been co-written by 30 scientists. The document provided background materials for marine conservation strategies to be distributed at the Rio Earth Summit.

Members commented that this could open the door to a deluge of similar demands from other organizations. Pierre Béland was asked to find out if any Canadian scientists had participated in this exercise and, if so, in what percentage. The Director of Inter-regional and Cooperative Activities would ask Alicia Barcena's advice on whether this document would be of value to Earth Summit participants.

3. ii. ICOD OCEAN FORUM AT THE EARTH SUMMIT EC91/4/D05
 - AN INTERVENTION TO UNCED, GOVERNMENTS,
 AND DEVELOPMENT ORGANIZATIONS ON CRITICAL
 ISSUES, JUNE 1992 (#910423)

John Vandermeulen asked that the following changes be made to the Report on the Ocean Forum: item 1., last sentence: "The final report on the Forum is presently under...". Item 4., second sentence: "The plan is to attend the New York..."

Following the ICOD Ocean Forum in November 1991, External Affairs recommended ICOD participation to the Earth Summit in Rio. This would: focus attention on the critical ocean issues and recommendations identified at the Halifax Forum; identify initiatives and programming opportunities for sustainable development of the oceans; raise awareness of the role of oceans in global sustainable development and; enhance the profile and leadership of ICOD in ocean development.

John Vandermeulen and Roy Cheeseman felt that this was a major departure for ICOD and that it should be discussed at the full Board. However, in view of the time required to prepare the Forum which was to be held in June 1992,

It was moved by John Vandermeulen, seconded by Pierre Béland,

EC91/4/D3

THAT APPROVAL BE GIVEN TO PROJECT #910423 - ICOD OCEAN FORUM AT THE EARTH SUMMIT, UP TO AS MAXIMUM ICOD CONTRIBUTION OF CAN \$191,819 SUBJECT TO THE CONDITION THAT THE APPROVAL SHALL NOT CONSTITUTE APPROVAL OF A POLICY OF ICOD WITH RESPECT TO SUPPORT, ON AN ONGOING BASIS, FOR PARTICIPATION BY THE CENTRE IN GLOBAL ENVIRONMENTAL PROGRAMS, MEETINGS AND CONFERENCES.

Motion passed unanimously.

3. iii. STATUS OF BOARD MEMBERSHIP

As the Government intended to replace all Members who had served two terms on the Board, Executive Committee Members were asked to appoint Paul LeBlond to the Audit and Evaluation Committee. This would ensure a quorum would be maintained in the event that both Sharon Proctor and Ellen McLean were replaced.

It was moved by John Vandermeulen, seconded by Pierre Béland,

EC91/4/R4

THAT AS A RESOLUTION OF THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS PURSUANT TO SECTION 7.5 OF THE BY-LAWS, DIRECTOR PAUL HENRI LEBLOND BE APPOINTED TO ANY VACANCY WHICH MAY OCCUR ON THE AUDIT AND EVALUATION COMMITTEE BY REASON OF THE EXPIRY WITHOUT RE-APPOINTMENT OF THE TERM OF OFFICE AS DIRECTOR OF A MEMBER OF THAT COMMITTEE BETWEEN THE DATE OF THIS RESOLUTION AND THE NEXT ELECTION OF MEMBERS OF THE AUDIT AND EVALUATION COMMITTEE BY THE BOARD, SUCH APPOINTMENT TO BE FOR THE UNEXPIRED TERM OF OFFICE OF THE FORMER MEMBER.

Motion passed unanimously.

The President told Members that he would like to bring in observers on the Board, possibly from other donor agencies, to enhance ICOD's network and its effectiveness. Benefits could be derived from this expanded network and formal links and exchanges established. Members asked that a discussion paper on the subject be prepared for submission to the June Board Meeting.

3. iv. TABLING OF BY-LAWS

EC91/4/D06

The By-Laws were tabled for information.

3. v. PRESIDENT'S CONTRACT

John Vandermeulen had been charged by the Board to discuss and negotiate the terms of ancillary items to the contract with the President. This had been done, the contract was being drawn up and it would be sent for signature by the Chairman of the Board.

4. ADMINISTRATIVE MATTERS

4. i. UPDATE ON REGIONAL OFFICES

Jacques Langlois, ICOD's field representative in Dakar had sent a brief note on the two months since he had taken up his post. Ronald Archer, the Fiji field representative, would take up his

duties in Suva on 23 January 1992.

Discussions took place on the role of the Ottawa Office vis-à-vis government departments and other donor agencies.

4. ii. DATE OF JUNE BOARD MEETING

Because of the presence of the Chairman, the President and the Vice-President at the Rio Summit in June, it was agreed to postpone the Board Meeting to 22 and 23 June 1992. Board Members would be advised of the date change.

4. iii. COST COMPARISON OF OUT-OF-TOWN BOARD MEETINGS

EC91/4/D07

After discussing the practicality of holding Board Meetings overseas, and reviewing the financial costs in doing so,

It was moved by John Vandermeulen, seconded by Allan Farmer,

EC91/4/R5 THAT THE 12 AND 13 NOVEMBER 1992 BOARD MEETING BE HELD IN VANCOUVER, B.C.

Motion passed with Pierre Béland against it.

The President was asked to look into the possibility of Board Members travelling to ICOD's regions of concentration as functional observers.

4. iv. ANCILLARY SEALS

It was moved by John Vandermeulen, seconded by Pierre Béland,

EC91/4/R6 THAT THE CORPORATE SEALS, IMPRESSIONS OF WHICH APPEAR IN THE MARGIN OF THIS RESOLUTION, BE APPROVED AS ANCILLARY CORPORATE SEALS OF THE CENTRE, AND THAT SUCH ANCILLARY CORPORATE SEALS SHALL BE LODGED IN THE CUSTODY OF THE SECRETARY FOR USE UNDER THE DIRECTION OF AN EXECUTIVE OFFICER OF THE CENTRE OR OF SUCH OTHER MEMBER OF THE STAFF OF THE CENTRE AS THE PRESIDENT OR THE VICE-PRESIDENT MAY DESIGNATE, IN THE EXECUTION OF DOCUMENTS WHERE THE PRINCIPAL CORPORATE SEAL OF THE CENTRE MAY NOT BE CONVENIENTLY USED.

Motion passed unanimously.

The Secretary was directed to affix the ancillary seals to the resolution after correction of defects by the manufacturer.

4. v. CONSULTANT SELECTION

The process of identification was not yet complete with an estimated 2000 replies already received and another 2000 expected. A Consultant Relations and Registration Unit was being put together for the selection of appropriate experts. John Vandermeulen commented that, although some Board Members were part of a huge network of experts, they were very seldom called upon by ICOD to suggest names.

4. vi. CORPORATE MEMORY FOR BOARD MEMBERS

John Vandermeulen commented that it was becoming increasingly difficult for Members to remember what projects the Board had approved in the past and inquired about a 'Corporate Memory for Board Members'. Other Members felt that the Board should not get involved in the details of running the Centre but rather in its philosophy and direction.

4. vii. MEETINGS WITH BOARD MEMBERS FROM OTHER CROWN CORPORATIONS

The President had dealt with this item under his proposition for Observers to the Board.

4. viii. BOARD MEMBERS' INVOLVEMENT AS ADVISORS TO ICOD

John Vandermeulen asked about the role that Board Members could play to further assist Program Officers in dealing with projects. The President assured him that Board Members' expertise would be utilized at every occasion.

4. ix. MAJOR PROBLEMS AND HOW THEY ARE COMMUNICATED TO BOARD MEMBERS

John Vandermeulen felt that the situation which had been uncovered during the South Pacific evaluation had been kept from the Board and asked Management that this not be repeated. The President made a commitment to Members that major problems would be discussed with the Chairperson.

Phillip Saunders has returned from Fiji and is now Senior Policy Advisor. ICOD Program Officer Ronald Archer has been chosen to replace him in Fiji and will be taking up his post in January.

Jacques Langlois, Program Officer with the Interregional and Cooperative Activities Division, has been chosen for the Dakar office and will take up his assignment shortly.

Field office postings are viewed by Program Officers as a step in

their career progression. Following the overseas postings, Officers are reintegrated into ICOD and are committed to a minimum stay of one year at ICOD Headquarters.

With the latest senior staff changes, only one member of Senior Management remains on an Executive Interchange or Leave of Absence arrangement. Future hiring practices will take into account Board Members' concerns about short term assignments to senior positions in ICOD. It was suggested that only up to two out of the full complement of eight Senior Managers should be on such short term arrangements.

4. x. WORLD MARITIME UNIVERSITY

John Vandermeulen asked that a report be prepared on ICOD's activities at WMU, the monies spent and the benefits to date. The President was scheduling a visit to England for February and intended to meet with the Head of the International Maritime Organization to discuss WMU.

5. POLICY DISCUSSIONS

5. i. BUSINESS COOPERATION

A report on Business Cooperation was submitted for discussion. Fostering joint ventures and increasing private sector involvement are major commitments on the part of the federal government and ICOD has been asked to initiate programs in line with the Official Development Assistance strategies.

Management indicated an intention to spend up to \$500,000 within the current fiscal year on development of the ICOD Business Cooperation Program and initial program activities.

Before recommending approval of this proposal, the following conditions were stated:

1. Transfer of ~~appropriate~~ technology to a developing country.
2. Meaningful participation by the developing country.
3. Benefit (i.e. technology transfer) to developing country's marine or ocean-related resources.
4. Assistance in management capability of developing country's marine or ocean-related resources.

Although all conditions might not be satisfied in every activity proposal, at least two of the above elements would be required in approvable activities.

It was moved by John Vandermeulen, seconded by Elisabeth Mann Borgese,

EC91/4/R7 THAT ICOD'S PRESIDENT INITIATE PRIVATE SECTOR PROGRAMS IN LINE WITH THE ODA STRATEGIES OF THE GOVERNMENT OF CANADA AND WITHIN THE AUTHORITIES OF THE PRESIDENT AND THE RESOURCES OF THE CENTRE AND THAT THE PRESIDENT PREPARE A REPORT AND RECOMMENDATIONS TO THE BOARD FOR CONSIDERATION AT ITS NEXT ANNUAL MEETING. THIS WOULD FORM THE BASIS FOR SUBSEQUENT SUBMISSION TO THE MINISTER FOR ADDITIONAL FUNDING TO SUPPORT AN EXPANDED BUSINESS COOPERATION PROGRAM.

Motion passed unanimously.

DEPARTURE OF ROY CHEESEMAN

A short presentation was made to Roy Cheeseman by the Chairman who, on behalf of the Board of Directors and ICOD staff, expressed thanks to Mr. Cheeseman for his contribution. In turn, Mr. Cheeseman congratulated the President on his appointment and wished him success. He also paid tribute to Gary Vernon and thanked the Chairman, ICOD staff and all Board Members. He enjoyed his years as a Board Member and his association with ICOD and would be happy to contribute in any way in the future.

5. ii. CORPORATE PLAN

The following suggestions were made:

Page 9, Item 5, Title should be changed

Page 15, Item 6.2.1, the section on Staff of the SPCBD was confusing and needed rewriting

Page 17, No projects were shown under sectoral theme Coastal Development and Management yet page 18, Planned Program 1992/93, reads "...the sectoral focus will continue to emphasize...Coastal Development and Management...".

Page 21, Item iii), Add a sentence "It is anticipated that this will be resolved within this Fiscal Year."

Page 23, Table 4, There seems to be an imbalance between the sectoral themes.

Page 30, Table 7, Coastal Management and Development is not a sectoral theme yet coastal erosion is one of the largest problems of the coastal states of West Africa.

Page 31, Item vii) should be Item i) as this is one of the major problems in the region.

Page 36, second paragraph, "Based on its increasing familiarity with the countries of the region,..". This sentence is very powerful and should be used in ICOD brochures.

It was moved by Pierre Béland, seconded by John Vandermeulen,

EC91/4/R8 THAT THE CORPORATE PLAN BE APPROVED WITH THE ABOVE CHANGES.

Motion passed unanimously.

6. PRESIDENT'S REPORT

6. i. STAFFING AND ORGANIZATIONAL ISSUES

The President advised Members that he intended to change the status of six term positions to permanent positions and that another four new positions were to be created.

6. ii. COMMUNICATIONS

In order to enhance ICOD's profile, seminars would be organized in the Atlantic provinces, Québec and British Columbia.

6. iii. MISCELLANEOUS

- a) The Hon. Monique Landry would be visiting Halifax to launch the start of Development Week and a reception was being organized by ICOD aboard the CSS Hudson.
- b) A person who did not possess qualifications specified by ICOD had been hired to replace the Director of the ICOD-funded CERMES project at the University of the West Indies. UWI would be advised that the funding from ICOD for the position would be available only for a qualified incumbent.

7. FINANCIAL STATEMENTS

The Treasurer went over the Financial Statements with Members and explained that ICOD was in a situation comparable to that of last year at the same time.

8. PROJECT PROPOSALS

Members commented that the Project Summaries were very lengthy and that the abstracts should be simplified and state concisely the substance of the projects.

8. i. RESEARCH COORDINATION UNIT; PHASE II EC91/4/D12

It was moved by John Vandermeulen, seconded by Pierre Béland,

EC91/4/R9 THAT FINAL APPROVAL BE GIVEN TO PROJECT #910412 -
"RESEARCH COORDINATION UNIT; PHASE II" - TO A
MAXIMUM ICOD CONTRIBUTION OF CAN \$728,400.

Motion passed unanimously.

8. ii. OECS FISHERIES MONITORING, CONTROL AND EC91/4/D13
SURVEILLANCE

It was moved by John Vandermeulen, seconded by Pierre Béland,

EC91/4/R10 THAT FINAL APPROVAL BE BE GIVEN TO PROJECT #910420
- OECS FISHERIES MONITORING, CONTROL AND
SURVEILLANCE - TO A MAXIMUM ICOD CONTRIBUTION OF
CAN \$570,000.

Motion passed unanimously.

8. iii. MARINE RESOURCE AND ENVIRONMENTAL EC91/4/D14
MANAGEMENT PROGRAM

It was moved by John Vandermeulen, seconded by Pierre Béland,

EC91/4/R11 THAT FINAL APPROVAL BE GIVEN TO PROJECT #910421 -
MARINE RESOURCE AND ENVIRONMENTAL MANAGEMENT
PROGRAM - TO A MAXIMUM ICOD CONTRIBUTION OF CAN
\$1,460,000.

Motion passed unanimously.

9. OTHER BUSINESS

As there was no other business, the meeting was adjourned.

CHAPTER 4: SUPPLEMENTARY INFORMATION

A. STREAMLINING GOVERNMENT

This section describes the organizations and functions being wound up or otherwise consolidated into other organizations to achieve savings in administrative overhead and other efficiencies in program delivery, and to avoid duplication.

The Canadian Institute for International Peace and Security

The end of the Cold War has been marked by a period of transition, uncertainty and instability in many parts of the world. As always, Canadian foreign policy must be informed by the best possible analysis of international events, including research and analysis done outside government. This was one of the purposes behind the creation, some seven years ago, of the Canadian Institute for International Peace and Security.

The need to husband resources, however, has led the government to reconsider how this function of independent analysis and research can best and most efficiently be performed. The government has concluded that Canada can no longer afford a separate government-funded institute for this purpose, when other sources of independent foreign policy research and analysis are available in the universities and elsewhere. Moreover, other programs of support to independent research exist elsewhere in government. Accordingly, *the Canadian Institute for International Peace and Security will be wound up. Any necessary continuing resources will be transferred to the Department of External Affairs.*

The Law Reform Commission

Since its creation in 1971, the Law Reform Commission has played a useful role in co-ordinating non-governmental research on legal issues and in providing independent advice to the Minister of Justice. The Commission has done useful work on a wide range of issues, including family and administrative law, and amendments to the Criminal Code.

The government has concluded that these functions can be adequately fulfilled by assigning responsibility for commissioning non-governmental research to the Department of Justice, and by having the Minister and Department seek the views of researchers and practitioners in universities and elsewhere. *The Law Reform Commission will be wound up and any necessary continuing resources transferred to the Department of Justice.*

The Enterprise Cape Breton Corporation

The Enterprise Cape Breton Corporation (ECBC) was created in 1987 from the Industrial Development Division of Cape Breton Development Corporation (DEVCO). Its mandate has been to promote industrial development on Cape Breton, with a particular focus on broadening the industrial base of the region outside the traditional coal and steel industries.

This is essentially a localized expression of the more general mandate of the Atlantic Canada Opportunities Agency (ACOA). *To eliminate overlap and duplication and to streamline administration, ECBC will be folded into ACOA.*

The Canadian Commercial Corporation

The Canadian Commercial Corporation (CCC) was created in 1946 to assist in the development of trade with other countries. Until 1978, the Corporation functioned effectively as a part of the Department of Supply and Services (DSS) and its predecessors. The Corporation's role as a contracting agency in support of Canadian exporters and government to government procurement can be resumed by the Department of Supply and Services. Accordingly, legislation will be introduced to wind up CCC; its functions will be absorbed by DSS.

Emergency Preparedness Canada

Emergency Preparedness Canada (EPC) was created in 1988. Prior to that time, the organization was part of the Department of National Defence.

EPC's functions in relation to planning and co-ordinating civil emergency preparedness remain essential. Separate organizational status, however, is not necessary to the effective fulfilment of these functions. *Accordingly, EPC will be folded back into DND where its functions will be continued but at lower cost in administrative overhead.*

International Development

Canada has an enviable record in international development. Current federal spending in this area totals over \$3.1 billion per year. These funds are dispensed principally by the Canadian International Development Agency, increasingly through non-governmental organizations and the private sector.

The International Centre for Ocean Development

The International Centre for Ocean Development (ICOD) was established in 1983 with a mandate to support co-operation with developing countries in ocean resource development. Important though it is, this role does not require an organization distinct from Canada's major aid agency. *Accordingly, ICOD will be wound up and any necessary program resources transferred to CIDA.*

The International Development Research Centre

The International Development Research Centre (IDRC) was created by Act of Parliament in 1970 with a mandate to support research into the problems of developing regions. IDRC has a well-deserved international reputation for excellence in research. *The government will introduce legislation to change the IDRC's legal status to that of a departmental corporation. This will bring its administrative regime into conformity with that of the rest of the public service, while maintaining the Centre's distinctive research function and its international board.*

The Veterans Land Administration

The Veterans Land Administration (VLA) was created after the Second World War to provide loans and other assistance to veterans. Before lending was terminated in 1977, more than 140,000 veterans benefited from loans under the program. *The VLA will be wound up and the Department of Veterans Affairs will take steps to have the remaining portfolio of loans administered in an appropriate and economical fashion, while ensuring the interests of veterans are fully respected.*

The Patent Appeal Board, the Trade Marks Opposition Board and the Copyright Board

The Patent Appeal Board makes recommendations to the Commissioner of Patents on appeals of patent applications; the Trade Marks Opposition Board exercises authority delegated from the Registrar of Trade Marks to resolve trade mark disputes. Both are part of the Department of Consumer and Corporate Affairs. The Copyright Board is an independent tribunal responsible for fixing royalties for the re-transmission of TV and radio signals, and for resolving disputes over copyright royalties.

These three functions lend themselves well to integration in a single new board, to be called the Intellectual Property Tribunal, which will be created as an independent, arm's-length body by legislation that will be brought forward for introduction in the House.

The RCMP External Review Committee and the RCMP Public Complaints Commission

Both agencies were created in 1986. The RCMP External Review Committee reviews internal grievances and appeals by members of the RCMP; the RCMP Public Complaints Commission provides a third-party mechanism for the review of complaints from outside the Force over the conduct of a member of the RCMP.

These analogous functions can be better and more efficiently carried out by a single, independent body. This was, in fact, the option originally recommended in the 1976 report that led to the creation of the two agencies. Legislation will be introduced to give effect to this approach.

The Petroleum Monitoring Agency

The Petroleum Monitoring Agency was established in 1982 under the *Energy Monitoring Act*. Since then, it has performed a useful service to both government and industry by analyzing confidential reports from industry on the state of supplies and pricing. *This could be done at lower cost if the function were rolled into the Department of Energy, Mines and Resources. Legislation will be introduced to this end.*

The Privacy Commissioner and the Information Commissioner

Both offices were created in 1983, on the premise that separate offices were the best means of ensuring proper attention to the public's rights to access and to privacy. Since then, the two Commissioners have enjoyed common administrative support.

The government will introduce legislation to combine the two offices. This will allow for even greater administrative efficiency. More importantly from a public policy point of view, it will encourage a balancing of interests between the two objectives of privacy and access to information. This balancing becomes increasingly necessary as Canada moves away from a "single-interest" approach in a wide range of policy and program areas.

The Agricultural Products Board

The Agricultural Products Board was created in 1951. Over the years, it has provided an important service in stabilizing markets for agricultural commodities.

*This function, however, can be carried out on the basis of an amended *Agricultural Products Co-operative Marketing Act*, with the continued support of the Department of Agriculture. Legislation will, therefore, be introduced to wind up the Agricultural Products Board.*

The Procurement Review Board

The Procurement Review Board (PRB) was established under the *Canada-U.S. Free Trade Agreement Implementation Act* of 1988. It serves as an independent authority for reviewing government procurement decisions of a particular size. *However, this quasi-judicial function need not be exercised by a special purpose agency. Rather, it can be better carried out by the Canadian International Trade Tribunal (CITT) which is already involved in the resolution of international trade disputes and well-equipped to assume this additional responsibility. Legislation will be introduced to wind up the PRB and have its functions carried out by the CITT.*

The Science Council of Canada

The Science Council has played a useful role since its creation in 1966 in providing advice to government and in stimulating research and debate on issues of science policy. In the intervening years, other advisory mechanisms, both inside and outside government, have developed, including the National Advisory Board on Science and Technology which is a broadly representative body of prominent Canadians, chaired by the Prime Minister and including a number of ministers.

Resources in support of science must be rationalized to provide as much to researchers as possible and to minimize spending on overhead. *Accordingly, the government has decided that the Science Council should be wound up, and legislation to this effect will be introduced in the House.*

The Demographic Review Secretariat

The Secretariat is a unit in the Department of National Health and Welfare that performs and co-ordinates research on national demographic trends relevant to the programs of the Department. *The Secretariat will be wound up and, as necessary, these functions can be carried out elsewhere in government, or in the private sector.*

Canadian National (West Indies) Steamships Ltd.

The impending resolution in the spring of 1992 of a long-standing dispute over payment of foreign debts to this Crown corporation means that it can now be wound up as provided in the Crown Corporations Dissolution Authorization Act.

The Economic Council of Canada

The Economic Council was created by statute in 1963 with a mandate to provide independent advice to the government on matters related to the growth of Canada's economy. The Council has performed a valuable service over the years, but at this time of restraint, the government has had to carefully assess priorities for the limited funding available for arm's-length research and advice.

In the years since the creation of the Council, there has been a considerable growth in the number and quality of organizations and individuals outside government conducting independent research on economic issues. This includes foundations, private sector organizations and researchers in universities. *Accordingly, legislation will be introduced to wind up the Economic Council.*

The Pay Research Bureau

The Pay Research Bureau was established in 1957 and transferred to the Public Service Staff Relations Board when the latter was created in 1967. The Bureau carries out research

and surveys on rates of pay, benefits and conditions of employment in the public service and in the private sector, to assist in the collective bargaining process.

The need for high-quality, objective information to assist both unions and management can be better met by contract to the private sector. Accordingly, the Pay Research Bureau will be wound up.

The Canada Council, the Social Sciences and Humanities Research Council and International Cultural Programs

Notwithstanding the pressures of restraint, the government has continued to provide significant levels of funding for the arts and the humanities, recognizing the vital role of Canadian culture in fostering a vigorous and unified nation.

To further strengthen support for artistic and scholarly work by Canadians, and to enhance Canada's capacity to project our national personality and the fruits of our culture abroad, the government will combine the Social Sciences and Humanities Research Council with the Canada Council.

The new agency will have a broader mandate that will include responsibility for international cultural programs and international academic relations from the Department of External Affairs.

Canadian Race Relations Foundation

The Canadian Race Relations Foundation is an element of the government's Japanese-Canadian redress package. Legislation to create the Foundation has been passed by Parliament, but not yet proclaimed.

The government is firmly committed to the goals of improved inter-racial understanding and social harmony that are the objectives behind the creation of the Foundation. When fiscal circumstances permit, the CRRF legislation will be proclaimed and the planned \$24 million in statutory funding, including \$12 million on behalf of the Japanese-Canadian community, will be allocated to this purpose.

Canadian Heritage Languages Institute

The Canadian Heritage Languages Institute will have a mandate to preserve and enhance the use of heritage languages (i.e., languages other than English and French) across Canada. Legislation to create the Institute has been passed by Parliament but not yet proclaimed.

When fiscal circumstances permit, the government is prepared to proclaim the Canadian Heritage Languages Institute Act.

The Sentencing and Conditional Release Commission

For some time, the government has been preparing for the creation of a new, small agency whose purpose would be to promote better understanding of the relationship between sentencing and conditional release. This enterprise, though highly worthwhile, cannot be afforded under present fiscal circumstances. *Accordingly, the government will not proceed with the creation of a new Sentencing and Conditional Release Commission.*

The Co-operative Energy Corporation (CO-ENERCO)

CO-ENERCO is a publicly traded corporation in which the government currently holds a 32.5 per cent interest through a holding company, the Co-operative Energy Corporation (CEC), which is jointly owned with 37 co-operatives.

There is no public policy reason for continued government ownership of CO-ENERCO. Both the co-operative shareholders of CEC and the public shareholders of CO-ENERCO would benefit from a capital restructuring needed to facilitate the sale of the government's interest. *When this can be accomplished in a manner that does not harm the interests of minority shareholders, the government will sell its shares in CO-ENERCO.*

The Dosimetry Services Unit

This is a small unit in the Department of National Health and Welfare that provides radiation monitoring services to workers across the country. This function can be performed just as well outside government, with appropriate assurances of privacy of information and service standards. *Accordingly, the government will take steps to find a buyer and privatize the unit, while ensuring privacy and maintaining quality of service.*

The Cape Breton Development Corporation (DEVCO), the Royal Canadian Mint and the Blainville Motor Vehicle Test Centre

The government will conduct a review to determine whether it would be appropriate and practical to privatize these facilities.

A number of ministerial advisory councils, which have either fulfilled their purposes or can no longer be afforded, will also be wound up and, where necessary, legislation will be introduced to do so. These include:

International Aviation Advisory Task Force and Committee

The Committee was set up to review the international dimension of Canadian carriers' rights. With the submission of its report in 1991, the Committee's work has been completed and it will be wound up.

National Advisory Committee on Development Education

The Committee was formed in 1988 to advise the Minister for External Relations on the best ways to involve Canadian non-governmental organizations in educating Canadians about international development issues. The Committee has submitted several reports to the Minister and many of its recommendations have been acted upon. With its objectives now largely fulfilled, it can be wound up.

Canadian Environmental Advisory Council

The Council was established in 1972 to provide independent advice to the Minister of the Environment. Since then, other sources of advice to the government on sustainable development have emerged, including the National Round Table on the Environment and the Economy. Accordingly, the Council will be wound up.

Canada Employment and Immigration Advisory Council

The Council is a statutory body established in 1977 to advise the Minister of Employment and Immigration on the Department's policies and programs. This function has now been superseded by the broader consultative structure of the Canadian Labour Force Development Board. Corresponding consultative mechanisms exist on the Immigration side of the Department. As there is no longer a need for a single statutory advisory committee, it will be wound up.

Advisory Committee on Lay Members of the Competition Tribunal

The Committee was established in 1986 as part of the establishment of the Competition Tribunal. With Canada's competition regime now mature and well-functioning, there is no longer a need to maintain a separate statutory advisory committee.

Advisory Committee on La Francophonie

The Committee was established in 1990 to advise the then-Minister of Communications on his responsibilities in relation to La Francophonie. With the transfer of that responsibility to the Minister for External Relations, there is no longer a need for a separate advisory committee and associated departmental support.

Advisory Committee on Le Musée de la Nouvelle France

The Committee was established in 1990 and has provided useful advice to the Minister of Communications on resource and other issues related to a possible museum in Quebec City. The Committee is no longer required and will be wound up.

Communications Research Centre Advisory Committees (three existing committees to be integrated into one)

Until now, the government's Communications Research Centre near Ottawa has had a separate private sector advisory committee for each of its three functions – communications technology, components and devices, and broadcast technology. With the decision to establish the CRC as a distinct "institute" within DOC, the three advisory committees will be combined into one.

Montreal Science and Technology Museum Advisory Committee

The Committee was established in 1990 to provide advice to the Minister of Communications on issues related to the proposed Museum. Considerations of fiscal restraint require that the Committee be wound up.

Advisory Committee for Le Musée des arts du spectacle vivant (de la scène)

The Committee was established in 1990 to advise the Minister of Communications on issues related to the proposed Museum in Montreal. Considerations of fiscal restraint require that it be wound up.

Marine Advisory Board on Research and Development

The Board was created in the mid-1980s to advise the Coast Guard on marine research and development projects. Although the Board has done useful work, broader fiscal restraint has diminished the amount of R&D to be done in this area and there is thus no longer a need for a separate advisory committee.

B. PERSONAL INCOME TAX MEASURES

This section describes the personal income tax initiatives announced in this budget. They will lower tax burdens for Canadians, introduce a new child tax benefit, and provide additional benefits to Canadians with disabilities, students and home buyers. Changes will also be made to treat common-law couples the same as married couples.

These measures are summarized in Table 4.1. Together they will reduce taxes paid by individual Canadians by \$7.5 billion over the next five years.

C-63

Third Session, Thirty-fourth Parliament,
40-41 Elizabeth II, 1991-92

THE HOUSE OF COMMONS OF CANADA

BILL C-63

An Act to dissolve or terminate certain corporations and
other bodies

First reading, March 10, 1992

C-63

Troisième session, trente-quatrième législature,
40-41 Elizabeth II, 1991-92

CHAMBRE DES COMMUNES DU CANADA

PROJET DE LOI C-63

Loi portant dissolution de sociétés et organismes

Première lecture le 10 mars 1992

THE MINISTER OF FINANCE

LE MINISTRE DES FINANCES

THE HOUSE OF COMMONS OF CANADA

CHAMBRE DES COMMUNES DU CANADA

BILL C-63

PROJET DE LOI C-63

An Act to dissolve or terminate certain corporations and other bodies

Loi portant dissolution de sociétés et organismes

Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Sa Majesté, sur l'avis et avec le consentement du Sénat et de la Chambre des communes du Canada, édicte :

CANADA EMPLOYMENT AND IMMIGRATION ADVISORY COUNCIL

CONSEIL CONSULTATIF CANADIEN DE L'EMPLOI ET DE L'IMMIGRATION

References

1. (1) Every reference to the Canada Employment and Immigration Advisory Council in any deed, contract or other document executed by the Council in its own name shall, unless the context otherwise requires, be read as a reference to Her Majesty in right of Canada.

5 1. (1) Sauf indication contraire du contexte, « Sa Majesté » remplace, dans les contrats, actes et autres documents signés par le Conseil consultatif canadien de l'emploi et de l'immigration sous son nom, la mention qui y est faite de celui-ci.

5 Mentions
remplacées

Closing out
affaires

(2) The Minister of Employment and Immigration may do and perform all acts and things necessary for and incidental to closing out the affairs of the Canada Employment and Immigration Advisory Council.

10 (2) Le ministre de l'Emploi et de l'Immigration peut prendre toutes les mesures nécessaires ou liées à la liquidation du Conseil consultatif canadien de l'emploi et de l'immigration.

10 Liquidation

R.S., c. U-1

2. Section 111 of the *Unemployment Insurance Act* is repealed and the following substituted therefor:

15 2. L'article 111 de la *Loi sur l'assurance-chômage* est abrogé et remplacé par ce qui suit :

15 L.R., ch. U-1

Reports

20 111. All reports, recommendations and submissions required to be made under this Act to the Governor in Council, whether by the Commission or otherwise, shall be submitted through the Minister.

20 111. Tous les rapports, exposés et recommandations devant être présentés en vertu de la présente loi au gouverneur en conseil par la Commission ou toute autre personne ou organisme, le sont par l'intermédiaire du ministre.

Rapports

Repeal of R.S.,
c. C-4

25 3. The *Canada Employment and Immigration Advisory Council Act* is repealed.

25 3. La *Loi sur le Conseil consultatif canadien de l'emploi et de l'immigration* est abrogée.

Abrogation de
L.R., ch. C-4

CANADIAN INSTITUTE FOR INTERNATIONAL
PEACE AND SECURITYINSTITUT CANADIEN POUR LA PAIX ET LA
SÉCURITÉ INTERNATIONALES

Definitions

"Her Majesty"
« Sa Majesté »"Institute"
« Institut »"Minister"
« ministre »Institute
dissolvedRights and
obligations
transferred

References

Closing out
affairsCommence-
ment of legal
proceedingsContinuation of
legal proceed-
ings

R.S., c. A-1

4. In sections 5 to 7,
"Her Majesty" means Her Majesty in right
of Canada;
"Institute" means the Canadian Institute for
International Peace and Security;
"Minister" means the Secretary of State for
External Affairs.

5. The Institute is hereby dissolved.

6. (1) All rights and property held by or
in the name of or in trust for the Institute and
all obligations and liabilities of the Institute
are deemed to be rights, property, obligations
and liabilities of Her Majesty;

(2) Every reference to the Institute in any
deed, contract or other document executed by
the Institute in its own name shall, unless
the context otherwise requires, be read as a
reference to Her Majesty.

(3) The Minister may do and perform all
acts and things necessary for and incidental
to closing out the affairs of the Institute.

7. (1) Any action, suit or other legal pro-
ceeding in respect of an obligation or liability
incurred by the Institute, or by the Minister
in closing out the affairs of the Institute, may
be brought against Her Majesty in any court
that would have had jurisdiction if the
action, suit or proceeding had been brought
against the Institute.

(2) Any action, suit or other legal proceed-
ing to which the Institute is party pending in
any court on the coming into force of this
section may be continued by or against Her
Majesty in the like manner and to the same
extent as it could have been continued by or
against the Institute.

8. Schedule I to the *Access to Information
Act* is amended by striking out, under the
heading "Other Government Institutions",
the following:

Canadian Institute for International Peace
and Security

4. Les définitions qui suivent s'appliquent
aux articles 5 à 7.

« Institut » L'Institut canadien pour la paix et
la sécurité internationales.

5 « ministre » Le secrétaire d'État aux Affaires
extérieures.

« Sa Majesté » Sa Majesté du chef du
Canada.

5. L'Institut est dissous.

6. (1) Les droits et les biens de l'Institut, ceux
qui sont détenus en son nom ou en
fiducie pour lui, ainsi que ses obligations et
engagements, sont réputés être ceux de Sa
Majesté.

(2) Sauf indication contraire du contexte, « Sa
Majesté » remplace, dans les contrats,
actes et autres documents signés par l'Insti-
tut sous son nom, la mention qui y est faite
de celui-ci.

(3) Le ministre peut prendre toutes les
mesures nécessaires ou liées à la liquidation
de l'Institut.

7. (1) Les procédures judiciaires relatives
aux obligations contractées ou aux engage-
ments pris soit par l'Institut, soit lors de la
liquidation de celui-ci par le ministre, peu-
vent être intentées contre Sa Majesté devant
la juridiction qui aurait eu compétence pour
connaître des procédures intentées contre
l'Institut.

(2) Sa Majesté prend la suite de l'Institut,
au même titre et dans les mêmes conditions
que celui-ci, comme partie dans les procédu-
res judiciaires en cours lors de l'entrée en
vigueur du présent article et auxquelles l'Ins-
titut est partie.

8. L'annexe I de la *Loi sur l'accès à
l'information* est modifiée par suppression,
sous l'intertitre « Autres institutions fédé-
rales », de ce qui suit :

Institut canadien pour la paix et la sécurité
internationales

Définitions

« Institut »
"Institute"5 « ministre »
"Minister"« Sa Majesté »
"Her Majesty"

Dissolution

10 Transfert des
droits et
obligations15 Mentions
remplacées

20 Liquidation

Procédures
judiciaires
nouvelles

30

Procédures
judiciaires en
cours

L.R., ch. A-1

40

Institut canadien pour la paix et la sécurité internationales

R.S., c. F-11;
R.S., c. 46(1st
Suppl.), s. 7

9. Subsection 85(1) of the *Financial Administration Act* is repealed and the following substituted therefor:

Exempted
Crown
corporations

85. (1) Divisions I to IV do not apply to the Bank of Canada, the Canada Council, the Canadian Broadcasting Corporation, the Canadian Film Development Corporation, the Canadian Wheat Board, the International Development Research Centre or the National Arts Centre Corporation.

Canadian Institute for International Peace and Security

9. Le paragraphe 85(1) de la *Loi sur la gestion des finances publiques* est abrogé et 5 remplacé par ce qui suit :

L.R., ch. F-11;
L.R., ch. 46(1^{er}
suppl.), art. 7

Exemption

85. (1) Les sections I à IV ne s'appliquent pas à la Banque du Canada, au Centre de recherches pour le développement international, à la Commission canadienne du blé, au Conseil des Arts du Canada, à la Corporation du Centre national des Arts, à la Société de développement de l'industrie cinématographique canadienne ni à la Société Radio-Canada.

R.S., c. P-21

10. The schedule to the *Privacy Act* is amended by striking out, under the heading "*Other Government Institutions*", the following:

Canadian Institute for International Peace and Security

Institut canadien pour la paix et la sécurité internationales

10. L'annexe de la *Loi sur la protection des renseignements personnels* est modifiée par suppression, sous l'intertitre « *Autres institutions fédérales* », de ce qui suit :

Institut canadien pour la paix et la sécurité internationales

Canadian Institute for International Peace and Security

R.S., c. P-36

11. Part I of Schedule I to the *Public Service Superannuation Act* is amended by striking out the following:

Canadian Institute for International Peace and Security

Institut canadien pour la paix et la sécurité internationales

11. La partie I de l'annexe I de la *Loi sur la pension de la fonction publique* est modifiée par suppression de ce qui suit :

Institut canadien pour la paix et la sécurité internationales

Canadian Institute for International Peace and Security

Repeal of R.S.,
c. C-18

12. The *Canadian Institute for International Peace and Security Act* is repealed.

12. La *Loi sur l'Institut canadien pour la paix et la sécurité internationales* est abrogée.

ECONOMIC COUNCIL OF CANADA

CONSEIL ÉCONOMIQUE DU CANADA

Definitions

"Council"
• *Conseil* •

"Her Majesty"
• *Sa Majesté* •

"Minister"
• *ministre* •

13. In sections 14 to 16, "Council" means the Economic Council of Canada;

"Her Majesty" means Her Majesty in right of Canada;

"Minister" means the Minister of Industry, Science and Technology.

13. Les définitions qui suivent s'appliquent aux articles 14 à 16.

« *Conseil* » Le Conseil économique du Canada.

« *ministre* » Le ministre de l'Industrie, des Sciences et de la Technologie.

« *Sa Majesté* » Sa Majesté du chef du Canada.

Définitions

• *Conseil* •
• *"Council"*

• *ministre* •
• *"Minister"*

• *Sa Majesté* •
• *"Her Majesty"*

Council
dissolved

14. The Council is hereby dissolved.

Rights and
obligations
transferred

15. (1) All rights and property held by or in the name of or in trust for the Council and

14. Le Conseil est dissous.

15. (1) Les droits et les biens du Conseil, ceux qui sont détenus en son nom ou en

Dissolution

Transfert des
droits et
obligations

all obligations and liabilities of the Council are deemed to be rights, property, obligations and liabilities of Her Majesty.

fiducie pour lui, ainsi que ses obligations et engagements, sont réputés être ceux de Sa Majesté.

References

(2) Every reference to the Council in any deed, contract or other document executed by the Council in its own name shall, unless the context otherwise requires, be read as a reference to Her Majesty.

(2) Sauf indication contraire du contexte, 5 « Sa Majesté » remplace, dans les contrats, actes et autres documents signés par le Conseil sous son nom, la mention qui y est faite de celui-ci.

Mentions
remplacées 5

Closing out
affairs

(3) The Minister may do and perform all acts and things necessary for and incidental to closing out the affairs of the Council.

(3) Le ministre peut prendre toutes les 10 mesures nécessaires ou liées à la liquidation 10 du Conseil.

Liquidation

Commence-
ment of legal
proceedings

16. (1) Any action, suit or other legal proceeding in respect of an obligation or liability incurred by the Council, or by the Minister in closing out the affairs of the Council, may be brought against Her Majesty in any court that would have had jurisdiction if the action, suit or proceeding had been brought against the Council.

16. (1) Les procédures judiciaires relatives aux obligations contractées ou aux engagements pris soit par le Conseil, soit lors de la liquidation de celui-ci par le ministre, peu- 15 vent être intentées contre Sa Majesté devant la juridiction qui aurait eu compétence pour connaître des procédures intentées contre le Conseil.

Procédures
judiciaires
nouvelles

Continuation of
legal proceed-
ings

(2) Any action, suit or other legal proceeding to which the Council is party pending in any court on the coming into force of this section may be continued by or against Her Majesty in the like manner and to the same extent as it could have been continued by or 20 against the Council.

(2) Sa Majesté prend la suite du Conseil, 20 au même titre et dans les mêmes conditions que celui-ci, comme partie dans les procédures judiciaires en cours lors de l'entrée en vigueur du présent article et auxquelles le Conseil est partie. 25

Procédures
judiciaires en
cours

R.S., c. A-1

17. Schedule I to the *Access to Information Act* is amended by striking out, under the heading "*Other Government Institutions*", the following:

17. L'annexe I de la *Loi sur l'accès à l'information* est modifiée par suppression, sous l'intertitre « *Autres institutions fédérales* », de ce qui suit :

L.R., ch. A-1

Economic Council of Canada

Conseil économique du Canada 30

Conseil économique du Canada

Economic Council of Canada

R.S., c. F-11

18. Schedule II to the *Financial Administration Act* is amended by striking out the following:

18. L'annexe II de la *Loi sur la gestion des finances publiques* est modifiée par suppression de ce qui suit :

L.R., ch. F-11

Economic Council of Canada

Conseil économique du Canada 35

Conseil économique du Canada

Economic Council of Canada

R.S., c. M-13

19. Schedule III to the *Municipal Grants Act* is amended by striking out the following:

19. L'annexe III de la *Loi sur les subventions aux municipalités* est modifiée par suppression de ce qui suit :

L.R., ch. M-13

Economic Council of Canada

Conseil économique du Canada 40

Conseil économique du Canada

Economic Council of Canada

R.S., c. P-21

20. The schedule to the *Privacy Act* is amended by striking out, under the heading "*Other Government Institutions*", the follow- 45 ing:

20. L'annexe de la *Loi sur la protection des renseignements personnels* est modifiée par suppression, sous l'intertitre « *Autres institutions fédérales* », de ce qui suit : 45

L.R., ch. P-21

Economic Council of Canada

Conseil économique du Canada

R.S., c. P-35

21. Part II of Schedule I to the Public Service Staff Relations Act is amended by striking out the following:

Economic Council of Canada

Conseil économique du Canada

R.S., c. P-36

22. Part I of Schedule I to the Public Service Superannuation Act is amended by striking out the following:

Economic Council of Canada

Conseil économique du Canada

Repeal of R.S., c. E-1

23. The Economic Council of Canada Act is repealed.

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Definitions

"Centre"
• Centre •

"Her Majesty"
• Sa Majesté •

"Minister"
• ministre •

Centre dissolved

Rights and obligations transferred

References

Closing out affairs

Commencement of legal proceedings

24. In sections 25 to 27,

"Centre" means the International Centre for Ocean Development;

"Her Majesty" means Her Majesty in right of Canada;

"Minister" means the Minister for External Relations.

25. The Centre is hereby dissolved.

26. (1) All rights and property held by or in the name of or in trust for the Centre and all obligations and liabilities of the Centre are deemed to be rights, property, obligations and liabilities of Her Majesty.

(2) Every reference to the Centre in any deed, contract or other document executed by the Centre in its own name shall, unless the context otherwise requires, be read as a reference to Her Majesty.

(3) The Minister may do and perform all acts and things necessary for and incidental to closing out the affairs of the Centre.

27. (1) Any action, suit or other legal proceeding in respect of an obligation or liability incurred by the Centre, or by the Minister in closing out the affairs of the Centre, may be brought against Her Majesty

Conseil économique du Canada

Economic Council of Canada

21. La partie II de l'annexe I de la Loi sur les relations de travail dans la fonction publique est modifiée par suppression de ce qui suit :

Conseil économique du Canada

Economic Council of Canada

22. La partie I de l'annexe I de la Loi sur la pension de la fonction publique est modifiée par suppression de ce qui suit :

Conseil économique du Canada

Economic Council of Canada

23. La Loi sur le Conseil économique du Canada est abrogée.

CENTRE INTERNATIONAL D'EXPLOITATION DES OCÉANS

24. Les définitions qui suivent s'appliquent aux articles 25 à 27.

« Centre » Le Centre international d'exploitation des océans.

« ministre » Le ministre des Relations extérieures.

« Sa Majesté » Sa Majesté du chef du Canada.

25. Le Centre est dissous.

26. (1) Les droits et les biens du Centre, ceux qui sont détenus en son nom ou en fiducie pour lui, ainsi que ses obligations et engagements, sont réputés être ceux de Sa Majesté.

(2) Sauf indication contraire du contexte, « Sa Majesté » remplace, dans les contrats, actes et autres documents signés par le Centre sous son nom, la mention qui y est faite de celui-ci.

(3) Le ministre peut prendre toutes les mesures nécessaires ou liées à la liquidation du Centre.

27. (1) Les procédures judiciaires relatives aux obligations contractées ou aux engagements pris soit par le Centre, soit lors de la liquidation de celui-ci par le ministre, peuvent être intentées contre Sa Majesté devant

L.R., ch. P-35

L.R., ch. P-36

Abrogation de
L.R., ch. E-1

Définitions

• Centre •
"Centre"

• ministre •
"Minister"

• Sa Majesté •
"Her Majesty"

Dissolution

Transfert des
droits et
obligations

Mentions
remplacées

Liquidation

Procédures
judiciaires
nouvelles

in any court that would have had jurisdiction if the action, suit or proceeding had been brought against the Centre.

la juridiction qui aurait eu compétence pour connaître des procédures intentées contre le Centre.

Continuation of legal proceedings

(2) Any action, suit or other legal proceeding to which the Centre is party pending in any court on the coming into force of this section may be continued by or against Her Majesty in the like manner and to the same extent as it could have been continued by or against the Centre.

(2) Sa Majesté prend la suite du Centre, au même titre et dans les mêmes conditions que celui-ci, comme partie dans les procédures judiciaires en cours lors de l'entrée en vigueur du présent article et auxquelles le Centre est partie.

Procédures judiciaires en cours

R.S., c. F-11

28. Part I of Schedule III to the *Financial Administration Act* is amended by striking out the following:

International Centre for Ocean Development
Centre international d'exploitation des océans

28. La partie I de l'annexe III de la *Loi sur la gestion des finances publiques* est modifiée par suppression de ce qui suit :

Centre international d'exploitation des océans
International Centre for Ocean Development

L.R., ch. F-11

Repeal

29. The *International Centre for Ocean Development Act*, chapter 17 of the 1st Supplement to the Revised Statutes of Canada, 1985, is repealed.

29. La *Loi sur le Centre international d'exploitation des océans*, chapitre 17 du 1^{er} supplément des Lois révisées du Canada (1985), est abrogée.

Abrogation

LAW REFORM COMMISSION OF CANADA

COMMISSION DE RÉFORME DU DROIT DU CANADA

References

30. (1) Every reference to the Law Reform Commission in any deed, contract or other document executed by the Commission in its own name shall, unless the context otherwise requires, be read as a reference to Her Majesty in right of Canada.

30. (1) Sauf indication contraire du contexte, « Sa Majesté » remplace, dans les contrats, actes et autres documents signés par la Commission de réforme du droit du Canada sous son nom, la mention qui y est faite de celle-ci.

Mentions remplacées

Closing out affairs

(2) The Minister of Justice may do and perform all acts and things necessary for and incidental to closing out the affairs of the Law Reform Commission.

(2) Le ministre de la Justice peut prendre toutes les mesures nécessaires ou liées à la liquidation de la Commission de réforme du droit du Canada.

Liquidation

R.S., c. A-1

31. Schedule I to the *Access to Information Act* is amended by striking out, under the heading "*Other Government Institutions*", the following:

Law Reform Commission of Canada
Commission de réforme du droit du Canada

31. L'annexe I de la *Loi sur l'accès à l'information* est modifiée par suppression, sous l'intertitre « *Autres institutions fédérales* », de ce qui suit :

Commission de réforme du droit du Canada
Law Reform Commission of Canada

L.R., ch. A-1

R.S., c. P-21

32. The schedule to the *Privacy Act* is amended by striking out, under the heading "*Other Government Institutions*", the following:

Law Reform Commission of Canada

32. L'annexe de la *Loi sur la protection des renseignements personnels* est modifiée par suppression, sous l'intertitre « *Autres institutions fédérales* », de ce qui suit :
Commission de réforme du droit du Canada

L.R., ch. P-21

	<i>Commission de réforme du droit du Canada</i>	<i>Law Reform Commission of Canada</i>	
R.S., c. P-35	33. Part I of Schedule I to the <i>Public Service Staff Relations Act</i> is amended by striking out the following:	33. La partie I de l'annexe I de la <i>Loi sur les relations de travail dans la fonction publique</i> est modifiée par suppression de ce qui suit :	L.R., ch. P-35
	Law Reform Commission of Canada <i>Commission de réforme du droit du Canada</i>	Commission de réforme du droit du Canada <i>Law Reform Commission of Canada</i>	5
Repeal of R.S., c. L-7	34. The <i>Law Reform Commission Act</i> is 10 repealed.	34. La <i>Loi sur la Commission de réforme du droit</i> est abrogée.	Abrogation de L.R., ch. L-7
	SCIENCE COUNCIL OF CANADA	CONSEIL DES SCIENCES DU CANADA	
Definitions	35. In sections 36 to 38,	35. Les définitions qui suivent s'appli- 10	Définitions
"Council" « Conseil »	"Council" means the Science Council of Canada;	« Conseil » Le Conseil des sciences du Canada.	« Conseil » "Council"
"Her Majesty" « Sa Majesté »	"Her Majesty" means Her Majesty in right 15 of Canada;	« ministre » Le ministre de l'Industrie, des Sciences et de la Technologie.	« ministre » "Minister"
"Minister" « ministre »	"Minister" means the Minister of Industry, Science and Technology.	« Sa Majesté » Sa Majesté du chef du Canada.	« Sa Majesté » "Her Majesty"
Council dissolved	36. The Council is hereby dissolved.	36. Le Conseil est dissous.	Dissolution
Rights and obligations transferred	37. (1) All rights and property held by or 20 in the name of or in trust for the Council and all obligations and liabilities of the Council are deemed to be rights, property, obligations and liabilities of Her Majesty.	37. (1) Les droits et les biens du Conseil, ceux qui sont détenus en son nom ou en 20 fiducie pour lui, ainsi que ses obligations et engagements, sont réputés être ceux de Sa Majesté.	Transfert des droits et obligations
References	(2) Every reference to the Council in any 25 deed, contract or other document executed by the Council in its own name shall, unless the context otherwise requires, be read as a reference to Her Majesty.	(2) Sauf indication contraire du contexte, 25 « Sa Majesté » remplace, dans les contrats, actes et autres documents signés par le Conseil sous son nom, la mention qui y est faite de celui-ci.	Mentions remplacées
Closing out affairs	(3) The Minister may do and perform all 30 acts and things necessary for and incidental to closing out the affairs of the Council.	(3) Le ministre peut prendre toutes les 30 mesures nécessaires ou liées à la liquidation du Conseil.	Liquidation
Commencement of legal proceedings	38. (1) Any action, suit or other legal proceeding in respect of an obligation or liability incurred by the Council, or by the 35 Minister in closing out the affairs of the Council, may be brought against Her Majesty in any court that would have had jurisdiction if the action, suit or proceeding had been brought against the Council.	38. (1) Les procédures judiciaires relatives aux obligations contractées ou aux engage- 35 ments pris soit par le Conseil, soit lors de la liquidation de celui-ci par le ministre, peuvent être intentées contre Sa Majesté devant la juridiction qui aurait eu compétence pour connaître des procédures intentées contre le 40 Conseil.	Procédures judiciaires nouvelles
Continuation of legal proceedings	(2) Any action, suit or other legal proceeding to which the Council is party pending in any court on the coming into force of this	(2) Sa Majesté prend la suite du Conseil, 40 au même titre et dans les mêmes conditions que celui-ci, comme partie dans les procédu-	Procédures judiciaires en cours

	<i>Commission de réforme du droit du Canada</i>	<i>Law Reform Commission of Canada</i>	
R.S., c. P-35	33. Part I of Schedule I to the <i>Public Service Staff Relations Act</i> is amended by striking out the following:	33. La partie I de l'annexe I de la <i>Loi sur les relations de travail dans la fonction publique</i> est modifiée par suppression de ce qui suit :	L.R., ch. P-35
	Law Reform Commission of Canada <i>Commission de réforme du droit du Canada</i>	Commission de réforme du droit du Canada <i>Law Reform Commission of Canada</i>	5
Repeal of R.S., c. L-7	34. The <i>Law Reform Commission Act</i> is 10 repealed.	34. La <i>Loi sur la Commission de réforme du droit</i> est abrogée.	Abrogation de L.R., ch. L-7
	SCIENCE COUNCIL OF CANADA	CONSEIL DES SCIENCES DU CANADA	
Definitions	35. In sections 36 to 38,	35. Les définitions qui suivent s'appli- 10	Définitions
"Council" • <i>Conseil</i> •	"Council" means the Science Council of Canada;	« Conseil » Le Conseil des sciences du Canada.	• Conseil • "Council"
"Her Majesty" • <i>Sa Majesté</i> •	"Her Majesty" means Her Majesty in right 15 of Canada;	« ministre » Le ministre de l'Industrie, des Sciences et de la Technologie.	• ministre • "Minister"
"Minister" • <i>ministre</i> •	"Minister" means the Minister of Industry, Science and Technology.	« Sa Majesté » Sa Majesté du chef du Canada.	• Sa Majesté • "Her Majesty"
Council dissolved	36. The Council is hereby dissolved.	36. Le Conseil est dissous.	Dissolution
Rights and obligations transferred	37. (1) All rights and property held by or 20 in the name of or in trust for the Council and all obligations and liabilities of the Council are deemed to be rights, property, obligations and liabilities of Her Majesty.	37. (1) Les droits et les biens du Conseil, ceux qui sont détenus en son nom ou en 20 fiducie pour lui, ainsi que ses obligations et engagements, sont réputés être ceux de Sa Majesté.	Transfert des droits et obligations
References	(2) Every reference to the Council in any 25 deed, contract or other document executed by the Council in its own name shall, unless the context otherwise requires, be read as a reference to Her Majesty.	(2) Sauf indication contraire du contexte, « Sa Majesté » remplace, dans les contrats, 25 actes et autres documents signés par le Conseil sous son nom, la mention qui y est faite de celui-ci.	Mentions remplacées
Closing out affairs	(3) The Minister may do and perform all 30 acts and things necessary for and incidental to closing out the affairs of the Council.	(3) Le ministre peut prendre toutes les mesures nécessaires ou liées à la liquidation 30 du Conseil.	Liquidation
Commence-ment of legal proceedings	38. (1) Any action, suit or other legal proceeding in respect of an obligation or liability incurred by the Council, or by the 35 Minister in closing out the affairs of the Council, may be brought against Her Majesty in any court that would have had jurisdiction if the action, suit or proceeding had been brought against the Council.	38. (1) Les procédures judiciaires relatives aux obligations contractées ou aux engage- 35 ments pris soit par le Conseil, soit lors de la liquidation de celui-ci par le ministre, peu- vent être intentées contre Sa Majesté devant la juridiction qui aurait eu compétence pour connaître des procédures intentées contre le 40 Conseil.	Procédures judiciaires nouvelles
Continuation of legal proceed-ings	(2) Any action, suit or other legal proceed- ing to which the Council is party pending in any court on the coming into force of this	(2) Sa Majesté prend la suite du Conseil, 40 au même titre et dans les mêmes conditions que celui-ci, comme partie dans les procédu-	Procédures judiciaires en cours

section may be continued by or against Her Majesty in the like manner and to the same extent as it could have been continued by or against the Council.

res judiciaires en cours lors de l'entrée en vigueur du présent article et auxquelles le Conseil est partie.

R.S., c. A-1

39. Schedule I to the Access to Information Act is amended by striking out, under the heading "Other Government Institutions", the following:

Science Council of Canada

Conseil des sciences du Canada

39. L'annexe I de la Loi sur l'accès à l'information est modifiée par suppression, sous l'intertitre « Autres institutions fédérales », de ce qui suit :

Conseil des sciences du Canada

Science Council of Canada

L.R., ch. A-1

R.S., c. F-11

40. Schedule II to the Financial Administration Act is amended by striking out the following:

Science Council of Canada

Conseil des sciences du Canada

40. L'annexe II de la Loi sur la gestion des finances publiques est modifiée par suppression de ce qui suit :

Conseil des sciences du Canada

Science Council of Canada

L.R., ch. F-11

R.S., c. M-13

41. Schedule III to the Municipal Grants Act is amended by striking out the following:

Science Council of Canada

Conseil des sciences du Canada

41. L'annexe III de la Loi sur les subventions aux municipalités est modifiée par suppression de ce qui suit :

Conseil des sciences du Canada

Science Council of Canada

L.R., ch. M-13

R.S., c. P-21

42. The schedule to the Privacy Act is amended by striking out, under the heading "Other Government Institutions", the following:

Science Council of Canada

Conseil des sciences du Canada

42. L'annexe de la Loi sur la protection des renseignements personnels est modifiée par suppression, sous l'intertitre « Autres institutions fédérales », de ce qui suit :

Conseil des sciences du Canada

Science Council of Canada

L.R., ch. P-21

R.S., c. P-35

43. Part II of Schedule I to the Public Service Staff Relations Act is amended by striking out the following:

Science Council of Canada

Conseil des sciences du Canada

43. La partie II de l'annexe I de la Loi sur les relations de travail dans la fonction publique est modifiée par suppression de ce qui suit :

Conseil des sciences du Canada

Science Council of Canada

L.R., ch. P-35

R.S., c. P-36

44. Part I of Schedule I to the Public Service Superannuation Act is amended by striking out the following:

Science Council of Canada

Conseil des sciences du Canada

44. La partie I de l'annexe I de la Loi sur la pension de la fonction publique est modifiée par suppression de ce qui suit :

Conseil des sciences du Canada

Science Council of Canada

L.R., ch. P-36

Repeal of R.S.,
c. S-5

45. The Science Council of Canada Act is repealed.

45. La Loi sur le Conseil des sciences du Canada est abrogée.

Abrogation de
L.R., ch. S-5

COMING INTO FORCE

ENTRÉE EN VIGUEUR

Coming into
force

46. This Act or any provision thereof shall come into force on a day or days to be fixed by order of the Governor in Council.

46. La présente loi ou telle de ses dispositions entre en vigueur à la date ou aux dates fixées par décret du gouverneur en conseil.

Entrée en
vigueur

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CONFIDENTIAL

MEMORANDUM

To: **President**

File: **12031.5**

cc: Vice-President

From: **Counsel** 

Date: 25 March 1992

Re: **Legal Authority for Winding Up of ICOD**

In response to your request, the following sets out a preliminary analysis of the question of the existence of legal authority for the winding up of the Centre.

ICOD is incorporated by Act of Parliament as a non-agency Crown Corporation which is not subject to directions from the responsible Minister. Although the Centre is obligated to perform the usual reporting functions of parent Crown Corporations pursuant to the Financial Administration Act, no particular power is vested in the Treasury Board to directly affect the fundamental operations of the Centre as mandated by its statute.

The tabling of the Budget in February, 1992, would stand as a declaration of a policy of the Government of Canada that ICOD be dissolved and that responsibility for its operations be vested in the Canadian International Development Agency. The corporate status of ICOD is such that the implementation of such a policy is not directly within the executive authority of Cabinet, but rather, requires that Parliament enact legislation to dissolve ICOD and, of equal importance, to enable administration of a winding up process prior to dissolution.

Surprisingly, the omnibus legislation to dissolve the organizations named in the Budget, Bill C-63, tabled 10 March 1992, does not provide for a statutory direction to the Board of Directors of ICOD or an authority to the management to take decisions which would support the winding up process. In principle, such

decisions would be inconsistent with the continuance of ICOD as required by the ICOD act and previous resolutions of the Board of Directors.

Bill C-63 contains the following subsection 26(3):

The Minister [for External Relations] may do and perform all acts and things necessary for and incidental to closing out the affairs of the Centre.

However, that provision will not be in force until enactment of Bill C-63 and proclamation for that specific provision by the Governor in Council. The provision appears to enable the Minister to deal matters requiring finalization after dissolution and not the administration of winding up the Centre prior to dissolution.

The most recent inquiries by Counsel indicate that Bill C-63 is not on a "fast track" to passage. Although it may receive second reading within the next two weeks, progress after that stage is unclear. No clear indication is available from the Department of Finance as to the passage of the Budget through the parliamentary process prior to the recess of the House of Commons on 23 June 1992.

There is obviously great practical sense in close communications between ICOD management and the CIDA coordinator tasked with the winding up process to prepare to execute the dissolution and transfer of operations in an orderly manner. However, the direction of the policies and the management of ICOD remains vested with the Board of Directors.

In the opinion of Counsel, there exists no legal instrument which authorizes the management of ICOD to take any material step, and particularly any irreversible step, to implement the winding up of the affairs of the Centre. The ICOD Act provides a statutory mandate for the existence and corporate objects of the Centre. Until that Act is repealed or amended, or until a legal authority having priority over the Act is applied, the Board of Directors has a statutory duty which is defined under the current provisions of the Act.

It follows that it is imperative that the Board be convened at the earliest date to consider its response to the announced intention of Government to dissolve ICOD. With the consent of the three directors now in office, a meeting could be convened on summary notice pursuant to the By-Laws.

It is neither recommended nor suggested that a course of action be considered by the Board which would intentionally obstruct the lawful implementation of a policy of Government. It is clear, however, that the closing out of ICOD and the termination of staff and other contractual relationships will create exposure to material liabilities. The circumstances of the winding up and the actions of ICOD

officials may well be considered in subsequent litigation. It is therefore critical that the legal authority to effect the cessation of the operation of the Centre demonstrably be present. At this point, Counsel is unable to find such authority.

Some matters, such as the direction of the Board with respect to a general severance package for ICOD staff, could be proceeded with by conditional resolution, subject to the coming into force of winding up legislation or the identification of a legal authority capable of authorizing the closure of the Centre.

Because of the truncation of the Board to three members, care must also be exercised with respect to the maintenance of a quorum of the Board and the avoidance of actual or apparent conflicts of interest in the conduct of meetings of the Board.

Finally, it must be expressly stated that Counsel, as a member of ICOD management staff, is personally affected by any dissolution to be undertaken. It is therefore appropriate that the ICOD and the Board of Directors retain outside Counsel to advise with respect to any decision which may be taken as to the question of legal authority to implement the winding up of ICOD. ICOD Counsel would have a critical role providing information to outside counsel and in the discussion of issues, but the responsibility for retaining and instructing outside counsel should be taken directly by the President.

DAC.dc

attach (X)



Statement re General Severance Package

1. ICOD will develop a General Severance Package for ICOD Staff, which will be immediately submitted to Treasury Board for approval.
2. An ICOD employee who resigns from ICOD after 24 February 1992 will be entitled to full benefits under the General Severance Package.
3. If an ICOD employee resigns to accept employment with the Public Service of Canada, the benefits under the General Severance Package to which that employee is entitled may be reduced or denied, unless the General Severance package does not include a priority consideration of ICOD staff for employment in the Public Service of Canada.
4. If an ICOD employee who is employed subject to a leave of absence from the Public Service of Canada returns to employment with the Public Service of Canada under the terms of the leave of absence, that employee will not be entitled to benefits under the General Severance Package. Such employee will be reimbursed for relocation expenses incurred in the return to employment in accordance with usual ICOD policy.



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

March 9, 1992

Our File/Notre Référence

Your File/Votre Référence

Ms. Danielle Wetherup
Vice-President
Professional Services Branch
Canadian International Development Agency
200 Promenade du Portage
Hull, Quebec
K1A 0G4

Dear Ms. Wetherup:

Re: ICOD General Severance Package

The preparation of a proposal for a General Severance Package for ICOD staff has been completed in accordance with your request of 26 February 1992 during our meetings in Halifax.

The proposed package, which is enclosed, has taken into consideration the Workforce Adjustment Directive and other severance packages which have been adopted by other crown corporations of the Government of Canada.

It is important to note that all efforts of Senior Management have been directed to developing a general severance package available to all support and professional employees for submission to the Treasury Board of Canada at the earliest date. The consideration of a Senior Management Severance Package will now be undertaken and will be completed by Thursday, March 12, 1992.

The General Severance Package has had consultative input from ICOD staff at all levels. The proposal as submitted has been reviewed by ICOD staff at large. It is the belief of Senior Management of ICOD that the approval of the General Severance Package in its present form would result in its acceptance by the great majority, or almost all, of the support and non-management professional staff of ICOD.

It is the firm opinion of Senior Management that the immediate availability of a severance package which would be accepted by the staff of ICOD is vital to avoid the costly and difficult litigation of many claims for wrongful dismissal and is also essential to ensure the orderly transfer of the substantial program activities of ICOD and the effective administration of the winding up of corporate service activities within the Centre.

.../2



9th Floor, 5670 Spring Garden Road
Halifax, Nova Scotia
Canada B3J 1H6

5670, chemin Spring Garden 9^e étage
Halifax (Nouvelle-Écosse)
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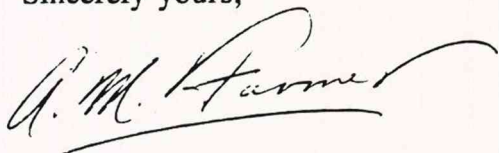
A Background Statement has been enclosed for the purpose of providing a concise summary of the corporate history of ICOD, with emphasis upon facts which support approval of the General Severance Package. Consideration of the General Severance Package without reference to the Background Statement could seriously impair the decision making process.

It is clear from the number of issues which have been dealt with in the proposed package and the circumstances referred to in the Background Statement that the employees of ICOD and their families will suffer greatly as a result of decision announced in the recent Budget. In my view, there is a substantial responsibility to ensure that all possible assistance be extended to them to help them in their recovery from this event. To do otherwise would, in many cases, lead to personal tragedy.

Having regard to these considerations, I specifically request that an opportunity be afforded to ICOD Management to make representations to Treasury Board Officials in the course of the presentation and discussion of the ICOD General Severance Package.

The proposed package has my full support as well as that of the senior managers of ICOD. I ask that it receive similar endorsement by you and your Agency as a case for special consideration by Treasury Board, based on the particular circumstances of the winding up of the Centre.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "A. M. Farmer", with a long, sweeping horizontal line extending to the right.

Allan M. Farmer
President

AMF/ad
Enclosures



CONFIDENTIAL

BACKGROUND STATEMENT

Proposal for ICOD General Severance Package

The proposed General Severance Package which accompanies this Background Statement was prepared by ICOD management at the direction of the CIDA representative charged with administering the dissolution of ICOD.

This Background Statement is intended to provide a concise history of the facts material to the review of General Severance Package, together with an analysis of relevant issues.

Central to the analysis of issues is the conclusion that the actions of the Government of Canada in establishing, funding and supporting the planned growth of ICOD constituted a reasonable basis for reliance by new and existing staff of the Centre. Most individual employees of the Centre did so rely as to the stability of ICOD as a continuing institution of Government. As a direct result of that reliance, their financial and employment interests have been exposed to most serious injury.

The International Centre for Ocean Development (ICOD) was incorporated by Act of Parliament as a Crown Corporation in February 1985. The principal objective of ICOD is to provide development assistance to developing coastal and small island countries to improve the management and use of their ocean resources in a sustainable manner. The creation of the Centre honoured an international commitment by Canada to make material contribution to the needs of the developing nations in that sector. It was hoped that such a contribution would encourage adoption of the United Nations Convention on the Law of the Sea by developing nations. As the substance of that convention has now become accepted as binding international law, Canada has greatly extended its zone of control of marine resources of immense value.

ICOD works in seventy-one countries around the world and its target countries fall into the category of least developed nations. Programs are being supported in the following regions: the Caribbean Basin, South Pacific, South and West Indian Ocean, and West Africa. In 1991, program activities in Central America were commenced.



ICOD programming has followed a policy of strengthening international regional authorities and increasing the profile of Canada within those organizations. ICOD is in the unique position of being a Canadian agency dedicated solely to donor assistance in the oceans and marine sectors. The Centre has built up a very positive reputation by delivering a high visibility Canadian development assistance to recipients and in sectors where assistance alternatives have not been available.

Funding of the Centre after the initial two fiscal periods was based on multi-year corporate plans developed in consultation with, and approved by, the Government of Canada.

The commitment of Government to official development assistance in ocean development and marine resource management through the focus of a specialized agency was reconfirmed. ICOD received dramatic increases in funding through Parliamentary appropriations, summarized as follows:

Fiscal Year Ending	Appropriation (millions of dollars)
1986	1.1 ¹
1987	4.0 ¹
1988	6.4
1989	8.0
1990	10.1
1991	12.2
1992	13.3

Note 1 - drawn and expended

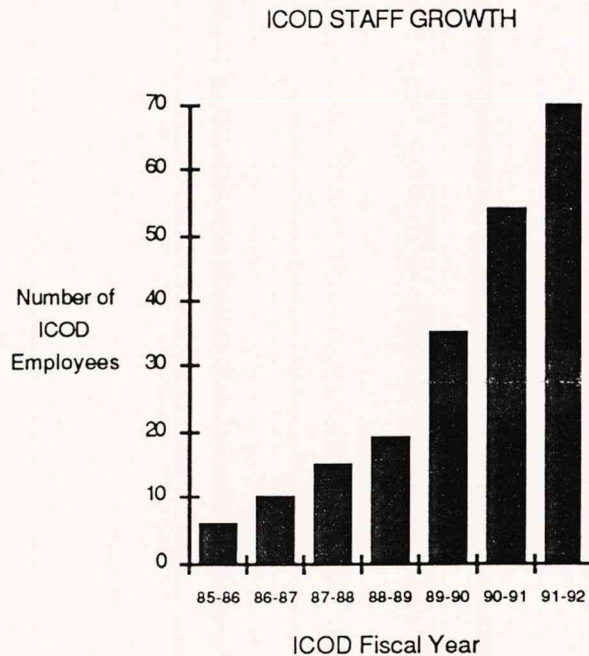
As late as December 1991, the Treasury Board of Canada communicated that projected Parliamentary appropriations for the five year period commencing with Fiscal Year 1992-93 would exceed sixty-nine million dollars.

The expenditure of these large budgetary increases in accordance with the statutory mandate of ICOD required an equally dramatic increase in program activities. In 1989, complete reorganization of the corporate structure of ICOD was undertaken and was focussed on the creation of geographic program divisions. The necessity of program planning and project design activities to maintain the delivery of effective programs resulted in the program officer complement of staff more than doubling in the reorganization process. To achieve the proper administration of the expanded funding and meet the



requirements of the Financial Administration Act, full corporate service units were created as Human Resources, Office of Counsel and Financial Services.

The following chart illustrates the growth of ICOD staff through this period:



There is a dearth of organizations in Atlantic Canada engaged in the programming and design of international development projects. Because of this fact, and the requirement to implement projects in both official languages, it was usually necessary to relocate new program staff to Halifax. In the two-year period immediately preceding the direction to dissolve, there were 31 hirings in staffing to the level of 70. Eight of these were relocated to Halifax from outside Atlantic Canada. In the six-month period immediately preceding the direction to dissolve, there were 11 personnel hired, of whom 5 were relocated to Halifax from outside Atlantic Canada. Expenses of \$447,000 were incurred for relocation and related advertising in the three year period ending 31 March 1992.

It is a particularly troubling aspect of the winding up of ICOD that most of the professional level bilingual staff of ICOD were relocated to Halifax from long standing residence in communities in the province of Québec. These personnel, who include many of those most recently hired, have experienced significant cultural dislocation in addition to the other stresses of moving. They must now face reintegrating into a difficult employment market from a considerable



distance and a probability that acceptable work opportunities in the near term may occur only outside their native province.

The process of hiring continued as a priority action to the date of the Budget speech on 24 February 1992.

The larger workforce resulted in additional requirements for office premises, with the result that the head office lease was re-negotiated on several occasions. Office space was more than doubled and the lease secured by extending the term. During the period from June 1989 to March 1991, ICOD spent \$234,131 on leasehold improvements in the Halifax office.

In 1991, an administrative arrangement was signed by the Canadian International Development Agency, designating ICOD as the executing agency for the Caribbean Fisheries Resource Assessment and Management Program. This project is an eight-year commitment under which ICOD assumed responsibility to CARICOM and its member states for the delivery of a total Canadian funding contribution of 17.4 million dollars. It includes a commitment on the part of CARICOM and CARICOM member states to support the project with a contributions valued at 2.25 million dollars.

Also, in late 1991, ICOD opened and staffed a field office in Dakar, Sénégal, in recognition of increased requirements for program support in the West Africa region.

Following the convening of the Ocean Forum by ICOD in late November 1991, the Department of External Affairs invited ICOD to organize and present a second session at the Global Forum in conjunction with the UNCED conference in Rio de Janeiro in June 1992.

In November 1991, a new President of the Centre was appointed by Order in Council to a five-year term and with a new mandate to take new directions for ICOD, including business cooperation and other private sector initiatives. In the first Board committee meeting in late January 1992, approval was voiced for the President's plans to establish additional full-time permanent staff positions to support new initiatives to emphasise business cooperation projects and enable the Centre to establish leadership as a centre of management in the field of ocean development and marine resource management.

The February 1992 budget announcement that the operations of ICOD would be immediately wound up was completely unanticipated by both staff and management. The information presented to ICOD management and staff immediately following the announcement indicated that the process of dissolution would proceed as quickly as possible, that all programs of ICOD would be



transferred to other agencies for execution and that it was extremely unlikely that employment positions in Halifax or elsewhere would be made available through Government.

The decisions implemented through the Budget constitute an abrupt and absolute reversal of Government policy supporting the role of ICOD as the principal element of Canadian official development assistance in the ocean development and marine resource management sector.

Critically important is the blunt fact that many ICOD staff took fundamental and irrecoverable decisions in their lives founded on trust that the sustained growth of ICOD and statements from official sources could not lead to the termination which has occurred. The result was that unacceptable financial and occupational risks were unknowingly assumed by both new and incumbent ICOD staff.

The emotional shock and demoralizing potential of this event to the staff of ICOD were greatly magnified by the suddenness of the process and the fact that all previous indicators confirmed that no fundamental policy decision was under consideration by Government. In result, ICOD staff members have been deeply prejudiced in their ability to meet personal financial obligations and recover the potential of individual career paths.

Employees who accepted offers to join ICOD left homes in areas of greater prosperity, spouses resigned from secure jobs, children were dislocated from schools and neighbourhoods. In this context, it should be noted that the conventional terms of employment for new staff who were relocated required a written commitment by the employee to work for ICOD for not less than three years to gain full entitlement to reimbursement of relocation expense. These decisions were justified by employees through faith in the commitment of the Government of Canada to international development in the ocean sector and the evident confidence of the Government in the ability of ICOD to fulfill its mandate to the credit of all Canadians.

By way of illustration of the situations in which individual ICOD employees have been placed, the following are noted:

- A young professional staff member started employment less than two months ago sold a home in the Province of Québec, took his children from their school in mid-term and has been unable to obtain approval for a job transfer for his wife, who left secure employment. Because of legal obligations to do so, he closed the purchase of a new house in Halifax the day after the Budget speech. His wife and children arrived three days later.



- A professional woman resigned from a stable position in Montréal, and without the support of family or friends in Halifax, came with ICOD. The Budget was released on her second day of employment while she was still in temporary hotel accommodations.

The information which is now becoming available indicates that a substantial majority of ICOD employees and their families are likely to suffer exceptional hardship in termination.

The special circumstances of ICOD are such that some ICOD staff members may never fully regain the vitality of their economic position and professional career.

It must be stated that, based on all available information and representations with officials of Government, the managers of ICOD had full confidence in the stability and continued existence of the Centre. In the recruitment of potential employees for ICOD staff positions, these beliefs were communicated.

Given the irreparable personal consequences which flow from cases such as these, it is clear that the fullest possible compensation must be considered in any general settlement.

The components of the proposed ICOD General Severance Package have been designed to take into consideration the Workforce Adjustment Directive applicable the Public Service, while meeting the unique set of circumstances which affect ICOD staff. Reference has been made to a number of severance packages and termination settlement agreements in the federal Crown Corporation sector.

The particulars of the General Severance Package give fair recognition to the large number of major adverse factors which ICOD staff face at the present time. These include the following:

- The winding up of ICOD is a total facility closure.
- The substance of the closure is that the employment of all ICOD staff has been lost in order that the operations of ICOD may be "contracted out" from the public sector.
- Prospects for reasonable alternative local employment are poor for all terminated staff by reason of the extremely depressed regional economic conditions of Atlantic Canada.



- The professional program staff of ICOD faces extreme difficulty in opportunities for re-employment without distant relocation because the Centre is the sole undertaking in Atlantic Canada which provides material employment the programming and planning of international development activities.

Alone, each of these factors justifies an increase from the base level in compensation for termination of employment. In combination, they constitute a compelling basis for fairness in settlement as a special case.

The approval of the proposed ICOD General Severance Package would significantly mitigate the impact on staff of the closure of ICOD. Such an approval would present a reasonable alternative to staff and suggest that the present crisis need not be faced without the understanding support of the central agencies of the Government of Canada.

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

PROPOSAL
for
GENERAL SEVERANCE PACKAGE



9 March 1992

Halifax, Nova Scotia

ICOD GENERAL SEVERANCE PACKAGE

1.0 INTERPRETATION

- 1.1 The General Severance Package is intended to ensure a fair and equitable settlement for staff of the International Centre for Ocean Development (ICOD) in responding to termination of employment. The provisions of the General Severance Package will be interpreted for the benefit of ICOD employees. In the case of doubt, the issue will be resolved in favour of the employee.

2.0 DEFINITIONS

- 2.1 In this General Severance Package,

- (a) "Creditable Service" means any period of service with an organization other than ICOD, where;
 - (i) The employee resigned such service without compensation in respect of the resignation for the purpose of taking employment with ICOD; and,
 - (ii) The period of service was recognized by pensionable service under the Public Service Superannuation Act or the transfer of pensionable service as pensionable service under the Public Service Superannuation Act.
- (b) "ICOD employee" includes any person entitled to benefits under the General Severance Package;
- (c) "Notice Period" means a period of time, expressed in months, allocated to each ICOD employee and commencing immediately after the last day of work of that employee;
- (d) "Repatriation" means the removal of an ICOD employee who was relocated to the Halifax area for the purpose taking employment with ICOD, and includes the removal of the dependents and household furnishings of the employee;



- (e) "Termination Advice" means a written notification to an individual ICOD employee, stating the date of commencement of the Notice Period and length of Notice Period of that employee;
- (f) "Termination Date" means:
 - (i) the date of commencement of Notice Period of an employee who has elected the lump sum option;
 - (ii) the date of expiry of the Notice Period for an employee who has elected the salary continuation option; and,
 - (iii) the date of conversion from salary continuation option to lump sum option for an employee who has elected to change options.

3.0 **ELIGIBILITY**

- 3.1 The following are eligible for benefits under the General Severance Package:
 - (a) all ICOD staff of indeterminate status;
 - (b) ICOD staff term appointments of more than one year duration; and,
 - (c) contract employees with prior reasonable expectations of renewed terms or expressed intention by the President to the Executive Committee of the Board of Directors approving conversion of positions occupied by these individuals to full-time employment.
- 3.2 An ICOD employee who resigns from ICOD after February 24, 1992 will be entitled to full benefits under the General Severance Package.
- 3.3 An ICOD employee on a leave of absence from ICOD is eligible for benefits under the General Severance package, effective as at the date of Termination Advice and calculated on the salary of that employee at the time of commencement of the leave of absence.
- 3.4 The benefits of the General Severance Package will be available to a part-time ICOD employee, and, where based on salary, will be calculated on actual income of that employee as at Termination Date.



- 3.5 An ICOD employee on disability is entitled to benefits under the General Severance Package together with retention of disability status and maintenance of disability benefits, subject to the rules governing such benefits.

4.0 **PRORATING**

- 4.1 In all cases, benefits for fractional periods of service will be paid on a prorated basis in respect of the fractional period.

5.0 **TERMINATION ADVICE**

- 5.1 An ICOD employee will be entitled to receive a Termination Advice not less than one month prior to the commencement date of the Notice Period of that employee.

6.0 **METHOD OF CALCULATION**

- 6.1 Benefits based on the salary of an ICOD employee will be calculated on the salary of that employee as at the Termination Date.

7.0 **EFFECT OF COMMENCEMENT OF NOTICE PERIOD**

- 7.1 An ICOD employee is entitled to payment of the Notice Period benefit upon the commencement of the Notice Period of that employee.
- 7.2 An ICOD employee is not required to work after the commencement of the Notice Period of that employee.

8.0 **NOTICE PERIOD**

- 8.1 The Notice Period benefit of an ICOD employee is a payment in the amount of the salary of that employee for the duration of the the Notice Period.



8.2 The length of the Notice Period is the sum of the following periods:

- (a) One month for each year of ICOD service; and,
- (b) Two weeks for each year of Creditable Service.

8.3 The minimum Notice Period is seven months.

9.0 SEPARATION

9.1 An ICOD employee is entitled to payment of the Separation benefit on the Termination Date of that employee.

9.2 The Separation benefit of an ICOD Employee is a payment in the amount of the salary of that employee for a period calculated as follows:

Two weeks for each year of ICOD service.

9.3 The minimum period for calculation of the Separation benefit is two weeks.

10.0 OPTIONS

10.1 An ICOD employee for each of the Notice Period benefit and the Separation benefit may exercise one of the following two options:

- (a) Salary Continuation Option; or,
- (b) Lump Sum Option.

10.2 An employee who elects the salary continuation option will stay on the payroll, contribute to superannuation, and continue to benefit from the ICOD contribution to superannuation and insurance plans available from the ICOD for the entire period of the option.

10.3 An employee who elects the lump sum payment will no longer be on the payroll and all participation in the group pension and insurance programs will cease, subject to the provision of the Health and Life Insurance benefit.

10.4 An employee who has elected the salary continuation option may, during the period of that option, elect to convert to the lump sum option, in which



case the unpaid balance of the benefit will be paid in accordance with the lump sum option.

11.0 OUTPLACEMENT COUNSELLING

- 11.1 To assist ICOD employees in responding to the impact of termination of employment, ICOD will provide the following benefit:

Outplacement services will be provided by independent external specialists to assist staff in securing alternative employment. Such services will contain such components as preparation of *curricula vitae*, assistance with interview techniques, counsel with job search and marketing methods as well as career and skill assessment. Commitments made by ICOD in this regard prior to approval of the General Severance Package will be honoured.

12.0 RE-EMPLOYMENT INTERVIEW

- 12.1 ICOD will reimburse an ICOD employee who travels to specific employment interviews within Canada not later than the end of Fiscal Year 1992-93, for travel and accommodation costs which are not reimbursed by the prospective employer. Such reimbursement will be in accordance with usual Treasury Board travel policy and will not exceed a total amount of \$1,500 for any one employee.

13.0 REPATRIATION

- 13.1 Repatriation will be deemed to be ICOD requested.
- 13.2 An ICOD employee will be eligible for the Repatriation benefit for repatriation prior to the end of Fiscal Year 1992-93.
- 13.3 ICOD will reimburse an ICOD employee for the cost of repatriation to the place of residence of that employee at the time of hiring by ICOD. Such reimbursement will be in accordance with usual Treasury Board relocation policy.
- 13.4 An ICOD employee entitled to the Repatriation benefit may elect to be relocated to another place in lieu of repatriation, in which case ICOD will reimburse relocation costs up to the amount of the Repatriation benefit of



that employee. Such reimbursement will be in accordance with usual Treasury Board relocation policy.

14.0 RELOCATION

- 14.1 Relocation, for the purpose of the Relocation benefit, will be deemed to be ICOD requested.
- 14.2 An ICOD employee will be eligible for the Relocation benefit for relocation prior to the end of Fiscal Year 1992-93.
- 14.2 ICOD will reimburse an ICOD employee for the cost of relocation from the Halifax area where the employee is relocating for the purpose of taking employment or contract work for a period longer than one year and such cost is not reimbursed by the new employer. Such reimbursement will be in accordance with usual Treasury Board relocation policy.

15.0 PRINCIPAL RESIDENCE LOSS PROTECTION

15.1 If:

- (a) an ICOD employee receiving the Repatriation benefit sells a principal residence which was purchased in relocating to take up employment with ICOD; or,
- (b) an ICOD employee receiving the Relocation benefit sells a principal residence by reason of the relocation,

ICOD will pay to the employee any amount by which the purchase price of the principal residence exceeds the selling price.

- 15.2 If an ICOD employee, by reason of income reduction attributable to the termination of employment with ICOD, sells a principal residence, ICOD will pay to the employee any amount by which the purchase cost exceeds the net proceeds of sale.
- 15.3 To qualify for the Principal Residence Loss Protection benefit, the sale of the principal residence must be in a *bona fide* arms length transaction after exposure to the market for a reasonable period of time through a multiple listing service of a licensed realtor and the purchase and sale agreement must be entered into not later than the end of the Fiscal Year 1992-93.

16.0 TERMINATION OF LEASE LOSS PROTECTION

- 16.1 If an ICOD employee, by reason of income reduction attributable to the termination of employment with ICOD, incurs financial loss in the termination of a lease of premises occupied as a principal residence or the vacation or subleasing of such premises, ICOD will pay to the employee the amount of such loss.
- 16.2 To the qualify for the Termination of Lease Loss Protection benefit, claim must be made by the employee prior to the end of the Fiscal Year 1992-93.

17.0 HEALTH AND LIFE INSURANCE

- 17.1 ICOD will provide to ICOD employees, at no cost to the employees, a one year extension to PSMIP, GSMIP, Dental and Life Insurance benefits following Termination Date, subject to the rules governing such benefits.

18.0 COUNSELLING

- 18.1 ICOD will arrange and pay for the provision to ICOD employees of appropriate financial and tax counselling up to the Termination Date of the the ICOD employee requiring such counselling.
- 18.2 ICOD will arrange and pay for the provision to ICOD employees of appropriate family and psychological counselling for up to the end of the Fiscal Year 1992-93.
- 18.3 ICOD will reimburse an ICOD employee for the cost of individual legal advice in an amount not to exceed \$350.

19.0 RE-TRAINING

- 19.1 ICOD will pay for or reimburse an ICOD employee up to \$750 for short term training.
- 19.2 ICOD will reimburse an ICOD employee for the cost of tuition fees and books up to the amount of \$3,000 for medium and long term training which will facilitate re-employment of the employee.

- 19.3 To qualify for the Re-Training benefit, a re-training program must be commenced not later the end of the Fiscal Year 1992-93.

20.0 EXCEPTIONAL CIRCUMSTANCES

- 20.1 Where the particular circumstances of an ICOD employee result in exceptional hardship attributable to the termination of employment ICOD may, on a discretionary basis, pay an Exceptional Circumstance allowance to, or for the benefit of, that employee.
- 20.2 Decisions to pay an amount in respect of exceptional hardship pursuant to this section will be made by a majority of a panel composed of one member appointed by ICOD senior management staff, one member appointed by ICOD staff other than senior management and an independent third member appointed by those two members.
- 20.3 Circumstances which may result in exceptional hardship include, but are not limited to:
- (a) expenses resulting from, or incurred to avoid the dislocation of, ICOD employee dependents enrolled in educational programs;
 - (b) loss of spousal income resulting from the relocation of an ICOD employee to the Halifax area, or the repatriation of an ICOD employee from the Halifax area;
 - (c) expenses reasonably incurred by an ICOD employee as a result of termination of employment, which are not otherwise reimbursable under the General Severance Package and which it would be unfair for the employee to bear without assistance;
- 20.4 The Exceptional Circumstance allowance will not exceed an amount of \$10,000 in respect of any one employee and will be limited to a total amount not exceeding \$150,000 in respect of all employees.
- 20.5 To qualify for an Exceptional Circumstance allowance, a request must be submitted by an employee not later than the end of the Fiscal Year 1992-93.



APPENDIX A

SEPARATE EMPLOYER TERMINATION PACKAGE (SETP)

- . Employees to be individually notified of their termination date, and, in lieu of notice, given up to six months Termination Pay. In all but exceptional cases, this termination date will coincide with the date of receipt of the letter.
- . Employees who subsequently accept employment (or enter into a contractual arrangement) resulting in pay received from the Consolidated Revenue Fund will be obliged to re-imburse the Receiver-General a pro-rated portion of the Termination Pay already received.
- . In exceptional cases the services of some employees may be required beyond the general termination date applicable to the agency's employees. In these circumstances, a date of termination would be mutually agreed between employee and employer, and the Termination Pay would be paid out on this date of termination.
- . Staff eligible for an immediate annuity or allowance under the PSSA will receive an additional benefit of one week pay per year of pensionable service up to a maximum of 15 weeks, upon retirement, except where the employee has obtained continuous employment with another employer covered by the PSSA.
- . On termination, employees will receive their regular entitlement of severance pay, pay for unused vacation and return of PSSA contributions, if eligible.
- . Persons on contract and term employees should be terminated in accordance with the terms of the contract or term.
- . The employer is encouraged to provide external career and out-placement services and EAP assistance during the 6 month period following termination.



Department of Finance and Treasury Board of Canada
Ministère du Trésor et du Budget du Canada

Crown Corporations
Directorate

Direction générale des
sociétés d'État

CONFIDENTIAL

Ottawa, Canada
K1A 0G5

March 13, 1992

Mme. Danielle Wetherup
Vice-President
Canadian International
Development Agency
Place du Centre
200 Promenade du Portage
Hull, Quebec
K1A 0G4

Dear Mme. Wetherup:

I am writing to respond to the ICOD severance package proposal presented to Treasury Board officials on March 10, 1992. We appreciated the opportunity you provided to meet ICOD management and listen to their rationale for developing the proposal. We commend the efforts of ICOD management and employees in trying to develop a comprehensive and equitable package during this difficult period.

In the letter from the Secretary of the Treasury Board addressed to the President of CIDA, parameters for development of a severance package (SETP), approved by Treasury Board Ministers, were identified. It is expected by Treasury Board Ministers that ICOD's package would comply with the parameters. Our review of the ICOD proposal has led us to identify areas which are outside the parameters of SETP which accordingly will need to be modified.

We find the following proposals consistent with the guidelines sent to you:

1) ICOD's determination of full-time employees.
Employees who have indeterminate status or have been deemed to have indeterminate status (we understand that no more than 3 people qualify under the deemed status) are eligible for the package. Others on term or contract should be treated according to the conditions of their term or contract.

Canada

2) Employees on disability, leave of absence, and job-sharing. These employees are considered full-time employees and should be treated as such.

3) Provision for outplacement service for employees. We propose that the outplacement service should include a provision to broker the employees to find jobs. Retraining, re-employment interviews, and relocation provisions should also be provided through the outplacement service (see #8). The service should be made available up to six months post-termination date.

4) Prorating of benefits (in terms of days). In consideration of the relatively short life of ICOD, this should apply, but only for severance payments.

5) Method of calculation. Benefits should be based on the salary of an ICOD employee at termination date.

Proposals inconsistent with the guidelines are as follows:

1) Notice period. Notice period should be up to a maximum of six months, not a minimum of seven months.

2) Termination advice. Only payment in respect of the notice period is allowed; "termination advice" is not.

3) Separation benefit. The benefit should be calculated based on the government practice of two weeks for the first year of ICOD service and one week for each successive year of ICOD service; it should not be two weeks of salary for each year of ICOD service. We allow for the prorating provision (see #4 above).

4) Payout of separation benefit and termination pay. There should be only one option for payout in order to meet the government's objective of a quick wind-up: lump-sum. PPB advises that this payout method would not jeopardize the claim for UI benefits.

5) Repatriation package. Repatriation packages are not allowed. The purpose of those elements of the

separation package beyond termination and severance benefits is to ease the transition for employees between jobs. It is not to repatriate people since it was their choice to move to Halifax. Consequently, relocation allowances should be tied to specific jobs offers outside of Halifax (see #8).

6) Principal residence loss and protection/termination of lease loss protection. The federal government only provides this benefit as an inducement to move an employee from one part of the country to another to work for the government. It does not apply to those employees who move as a result of dissolution. The dissolution of ICOD does not qualify for this benefit.

7) Other. Health and life insurance continuation and reimbursement of legal expenses are not allowed under the principles of SETP.

8) Costs for retraining/relocation/re-employment interview (RRR). In order to better provide opportunities to find jobs, we would agree that RRR shall be provided as part of the outplacement service. These benefits would be provided for up to six months post-termination date. We propose that CIDA would oversee the administration of the outplacement services with the following set of guidelines:

Retraining - to be provided if it will contribute to job placement (cap of \$3,000/employee)

Relocation - to be provided to the place of new employment (cap of \$15,000/employee)

Re-employment interview - to be provided to assist employees to travel to job interviews (cap of \$2,000/employee)

9) Exceptional circumstances. Every dissolution causes particular hardships, which we all regret. We propose dealing with these cases through the notice-related termination benefits (see #1), relocation (see #8), and retraining (see #8) provisions. However, no special allowance has been provided for under SETP and should not be provided by ICOD.

10) Management package. Management is not entitled to a package different from that available to ICOD's other employees.

11) Clawback provision. This principle in SETP must be included in any ICOD severance package if it is to be accepted by Treasury Board. We will discuss with you the implications of this provision in its implementation.

We hope this clarifies the issue on acceptance of a ICOD severance package by the Treasury Board. Please feel free to contact us on any of the above particular points.

Yours sincerely,

Douglas Patriquin



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

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Our File/Notre Référence

File: 8000

Your File/Votre Référence

March 20, 1992

The Honourable Monique Landry, M.P.
Minister of External Relations and
International Development
Place du Centre
200 Promenade du Portage
Hull, Québec
K1A 0A6

Dear Minister:

My deep concerns with the consequences of the Treasury Board Secretariat actions with respect to the terms of severance for ICOD staff require that I raise a number of issues with you directly. I request your assistance in ensuring a just and fair settlement for ICOD staff whose lives and careers have been critically impacted by the Government's decision to dissolve ICOD.

When Danielle Wetherup, the Coordinator named by the Government, visited ICOD on February 27, she requested that ICOD management prepare a general severance package for ICOD staff which would then be submitted to Treasury Board for their approval. After consultation with representatives from all levels of staff, the ICOD Proposal for General Severance Package dated March 9, 1992 was developed, which I have subsequently presented to you (copy attached as Annex C). This proposal represents intense work by a task group in ICOD and was discussed in full meetings of the staff on at least three occasions. ICOD staff retained, at their own cost, legal counsel (recognized regionally as an expert in employment law) to advise them on this matter.

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Fax/Télécopieur: (902) 426-1599

It must be emphasized that the ICOD General Severance Package is not a "wish list" from staff, and was not put forward as a bargaining platform for the opening of negotiations. Discussions within ICOD resulted in the staff representatives agreeing to withdraw substantial initial severance claims. The resulting package is reasonable, has regard to precedents in the federal public sector and provides equitable assistance to meet the needs of terminated staff. The package has been accepted by ICOD Management as being appropriate. Management believes that the terms of the package as presented would enable an orderly winding up process to take place and relieve the Government of the potential for litigation and adverse public incidents attributable to the liquidation of ICOD.

Between the time of Mme Wetherup's visit to ICOD and the submission of the ICOD General Severance Package on March 9, it appears to us that Treasury Board officials decided that they would prepare one overall severance package to be applied to the 46 government organizations affected by the Budget. The Separate Employer Termination Package (SETP), (attached as Annex A) was received by CIDA on March 9, the same day that they received the final version of the ICOD General Severance Package. At the time of its receipt by CIDA, the Treasury Board document was a proposal which had not been reviewed by Treasury Board Ministers. The SETP was subsequently approved by the Treasury Board on March 12. CIDA then received a response to the ICOD General Severance Package from the Treasury Board Secretariat on Friday, March 13 (attached as Annex B).

It is obvious to all concerned that the ICOD General Severance Package was not presented to Ministers for their review. This is most unfortunate in view of the commitments made directly to ICOD staff by the CIDA Coordinator speaking on behalf of the Government on February 27. Furthermore, the SETP proposed by Treasury Board officials to the Treasury Board is a blanket package clearly designed for the agencies which are located in Ottawa. It has no regard to the fact that ICOD is located outside of Central Canada and that special considerations must be brought to bear when Government actions adversely affect the employees of such an organization.

Treasury Board officials have now indicated that due to the passage of the Separate Employer Termination Package by Treasury Board Ministers on March 12, all agency separation packages must be dealt with under the umbrella of the seven points contained in the SETP. We assume that the seven points of the SETP have been drafted to allow for flexible interpretations. Otherwise, this would unfairly deny any recognition of special circumstances such as those which are applicable in the case of ICOD. A Background Statement (attached as Annex D) was presented with the ICOD General Severance Package which outlined very clearly facts which could be used effectively in support of claims in litigation, with the potential for adverse political consequences. Particularly, the following are critical:

1. Representations were made to staff and candidates for staff positions as to the continuation of employment and the stability of the Centre;
2. Terminated staff will be placed in a regional economy which is depressed far below that of Central Canada (Atlantic regional unemployment is 14% and the average income is two-thirds that of the average Canadian income);
3. Local employment prospects of staff in the international development sector are virtually non-existent;
4. The dissolution of ICOD is a total facility closure; and,
5. It could appear that the winding up of ICOD is being undertaken in such a manner that the work of the Centre will be "contracted out" by CIDA, without reference to the contracting out provisions of the Government's workforce adjustment directive.

The Honourable Monique Landry, M.P.

March 20, 1992

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I believe that few, if any, terms of the ICOD General Severance Package are truly inconsistent with SETP. However, some additional factors could go a long way towards a) mitigating against the difficulties which ICOD staff will be encountering; b) reducing the incidence of litigation arising from the dissolution of ICOD and; c) giving credibility to the Government in its stated goal of dealing with the staff in a humane fashion.

Specifically, Management would like to bring to your attention four provisions contained in the ICOD General Severance Package which were not accepted by Treasury Board officials in their letter of March 13. Further, we will refer to three other points within their letter, to which we take exception.

Of paramount importance is the evident intention of the Treasury Board Secretariat to cut off benefits to ICOD staff not later than six months after termination date. The ICOD General Severance Package recognized the importance of providing for benefits to be claimed within the Fiscal Year 1992-93. A realistic view of the current employment market in Atlantic Canada, or at the national level, must lead to the conclusion that some ICOD staff will be unable to find suitable positions in the first six months. It is then that their needs will be greatest for the support benefits which the Secretariat approach would deny them. As the Secretariat concedes that the administration of the package by CIDA past the termination date is feasible, the imposition of a six-month deadline is arbitrary and unreasonable and should be extended to the end of the 1992/93 Fiscal Year.

The second matter deals with Repatriation (ICOD clause # 13). We consider that employees who were relocated to Halifax at ICOD expense to undertake jobs for ICOD should be repatriated to their original city, if they so desire. The Treasury Board Secretariat has agreed to a Relocation provision when an employee finds a job, but not to the Repatriation provision for the purposes of restoring them to the community environment which they were induced to leave to join ICOD. Also, based on advice, I am satisfied that terminated employees are generally entitled to claim expenses incurred in relocating to centres where the probability of finding a suitable job is greater. Therefore, management is at a loss to understand the Treasury Board Secretariat's position on this matter. We can only assume that they have chosen not to consult lawyers knowledgeable in this area, as all of our consultations have indicated that the Secretariat's view is not sustainable.

The aforementioned attitude on the part of Treasury Board officials is all the more disconcerting given the fact that we developed a fully functional bilingual Crown Corporation in Halifax, which required the movement of a number of francophones from their culture to live in Halifax (1/2 of ICOD's relocations were for Francophones). Therefore, the provision that these people could only be relocated if they have a job suggests that if they are not successful in finding employment within six months, they must remain unemployed within an anglophone culture. This could lead to great embarrassment having regard to the current national debate on constitutional matters.

Given the existence of a Relocation provision for those who find employment, I believe that the Repatriation provision would only apply to 5 or 6 employees.

The third provision to which we take exception is the refusal to deal with Principal Residence Loss/Termination of Lease Loss Protection (ICOD clauses # 15 and 16). Because of our growth pattern and the commitments made by the Government up until February 25th, Management induced many people to join ICOD who sold homes in their original location and bought homes in Halifax right up to the day of the budget. It is quite possible that any home purchased within the last two or three years could suffer a loss in value. It is also quite possible that employees who have lived in the Halifax area previously, but who depend upon their salary to pay their mortgage or rent, may lose their home as a result of unemployment. We believe these two provisions might apply to between 4 and 8 employees. The explanation of the Treasury Board Secretariat as to why they would not agree to this appears to be indefensible. To state that there are provisions in Federal Government regulations dealing with loss of home, but these only apply when an employee is being moved by the Government from one employment location to another and does not apply to the dissolution of a Crown Corporation, lacks a sense of basic decency. It could result in public ridicule.

The fourth provision that was rejected is the Exceptional Circumstances clause (ICOD # 20) which was inserted in the ICOD General Severance Package to deal with a limited number of particularly difficult financial situations. We have a number of documented examples of the difficulties which some employees will encounter with the dissolution of

The Honourable Monique Landry, M.P.

March 20, 1992

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ICOD. These documents have been offered to Treasury Board officials. Precedents have been established in this area with respect to the closure by AECL of the Port Hawkesbury heavy water plant. In that case, the corporation purchased outright the homes of employees who wished to relocate elsewhere and placed the proceeds in a fund for the benefit of those who remained in Cape Breton, which was subsequently paid as a lump sum of \$25,000 per employee. We were suggesting the establishment of a \$150,000 fund to deal with such exceptional cases, with a maximum of \$10,000 per employee. I believe that this is a sound provision which the Government should accept as it allows the Government to respond to the most needy cases. If staff are able to obtain employment quickly, then presumably very little of this fund would be drawn down. The administration of the fund could be under the direct supervision of CIDA as the agency responsible for the dissolution of ICOD. This, we feel, is a reasonable option. This is an option which gives the Government the flexibility to deal humanely with particularly difficult cases.

As I mentioned, there are three other aspects of the Treasury Board Secretariat's response of March 13 that we find unreasonable.

In respect to the Separate Employer Termination Package, it indicates that terminated employees would receive the usual severance benefit provided by the responsible employer. In the ICOD General Severance Package proposal (clause #9), ICOD staff would receive severance of two weeks per year of ICOD service. However, when the Treasury Board replied to that proposal on March 13, they indicated that ICOD should follow the Government practice of two weeks severance for the first year of service and one week of severance for each year thereafter. We had explained that ICOD was a very young organization and that the vast majority of people had worked for ICOD for less than three years. In fact, on reviewing the statistics, it turns out that 47 employees have worked for ICOD for three years or less and only 19 have worked for ICOD for more than three years. We therefore felt, in view of the shortness of service, that two weeks per year of ICOD service was appropriate. We do not understand why the Treasury Board is attempting to insist that we follow Government practice when: a) ICOD is a non-agency Crown Corporation; b) the period of service for employees is so short

compared to normal severance in the Government with people of long-standing service; and c) the ICOD provision was acceptable under the Separate Employer Termination Package approved by Ministers. The Treasury Board Secretariat response on this point can only be regarded as inconsistent with the Government's intent to provide fair and equitable treatment to staff.

The second provision to which I wish to draw your attention relates to Relocation (ICOD clause #14). As indicated earlier, the Treasury Board officials have suggested that relocation when a job offer is involved, is acceptable under "outplacement services". They have, however, imposed a ceiling of \$15,000 per employee move. There is no cap contained in the established Treasury Board Relocation Guidelines which ICOD has always followed in the past, and which was suggested as the policy in the ICOD General Severance Package. The Relocation policy includes real estate and lawyers fees not to mention the cost of the move itself. \$15,000 is a totally inadequate figure for an average size family. However, if we were moving a single individual, \$15,000 would be adequate. We believe that the origin of this figure was based on discussions between ICOD officials and Treasury Board officials on Tuesday, March 17 wherein the Treasury Board officials asked ICOD officials what the average cost of a move was. It was indicated that the average cost was \$15,000. How that could lead to a \$15,000 ceiling is incomprehensible.

If ICOD must work within the seven points of the Separate Employer Termination Package, and given the Treasury Board Secretariat's flexibility in considering relocation, retraining and re-employment interviews as part of outplacement services, we believe it fitting that the provisions referred to above also be placed under the category of "outplacement services". Further, the Treasury Board had offered to have outplacement services which include "the provision to broker jobs for employees". It is our estimate that this form of placement service would cost between \$250,000 and \$500,000. We believe that this provision is unnecessary as adequate placement services are available which would not necessarily involve costs to the employee or ICOD. In addition, we expect employees to actively seek jobs through the normal public and governmental channels.

The Honourable Monique Landry, M.P.

March 20, 1992

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The amount of \$250,000 to \$500,000 which the Treasury Board has offered for the above service can be better applied to improving the real value to ICOD staff of the provisions referred to in this correspondence. It is our belief that all five of our points can be accommodated within the amount which would have to be spent to meet the suggestion of the Treasury Board to provide outplacement services which includes job searching.

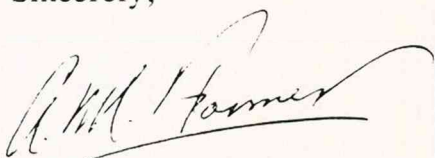
Finally, the Treasury Board Secretariat rejected, without explanation or comment, the possibility of a severance package specifically for ICOD management. It is important to recognize that the managers of ICOD delivered to me a proposal, which was a group offer from all senior managers, made for the purpose of immediately settling all issues of severance. I hope it is not suggested that the Treasury Board believes that the entitlement of senior executives, especially those who have left careers of long standing to join ICOD, is no different on termination from that of the most junior support staff. Whether or not, the settlement terms of severance for the senior managers is considered as part of a general severance package, I strongly urge that it is in the best interest of the work of ICOD and of the Government that the matter be negotiated to a conclusion as soon as possible. I trust that an appropriate authority will respond to the offer from the senior managers as quickly as possible.

It is the opinion of ICOD management that the points raised herein make ^{eminent} imminent sense and are defensible both from the point of view of the Government and from the point of view of ICOD. We believe that with these changes there would be general acceptance amongst ICOD employees, and that the dissolution of ICOD could then proceed in an orderly fashion, with a minimum of negative publicity for the Government.

Management requests that you will lend your support for the fair and equitable treatment of employees who have worked so diligently for ICOD over the last several years, as well as for those employees who had faith in what ICOD stood for and in the Government's commitment to ICOD and made career decisions which have now jeopardized their financial well-being.

Thank you for your consideration of this matter.

Sincerely,



Allan M. Farmer
President

The Senior Managers
of
The International Centre for Ocean Development

WITHOUT PREJUDICE

13 March 1992

Delivered by Hand

Mr. A. M. Farmer
President
International Centre for Ocean Development
5670 Spring Garden Road, 9th Floor
Halifax, Nova Scotia
B3L 1H6

Dear Mr. President:

Re: Senior Management Severance Package

With the intention of facilitating the settlement of severance matters arising from the pending dissolution of ICOD, the senior managers of the Centre have reached a consensus with respect to a proposed Senior Management Severance Package.

A copy of the proposal, dated 12 March 1992, is attached for your consideration and transmittal to the CIDA administrator for review and approval. Obviously, this matter will be further referred to Treasury Board. It is specifically requested that representatives of the senior managers receive the right to present the proposal directly to Treasury Board officers at an appropriate decision-making level. The procedure of direct representation to Treasury Board has been followed in the case of the ICOD General Severance Package.

The submission of a collateral severance package for ICOD senior managers is necessitated by the well recognized common law principle that executives at senior levels are entitled to substantially longer periods of salary as compensation upon dismissal than junior levels and support staff levels. This principle recognizes the fact that reasonable opportunities for re-employment are far fewer for senior managers than junior staff. Consequently, re-employment is a longer process and often involves significant impairment of career.

The Background Statement prepared for the ICOD General Severance Package is attached and is relied on in support of the Senior Management Severance Package.

The detrimental consequences arising from the pending dismissal from employment, are aggravated by the fact that most ICOD senior managers were induced to leave long service at responsible levels in stable public service to take employment with the Centre. In one instance, a professional law practice which had been maintained for more than thirteen years was abandoned.

Fundamental, and practically irreversible career decisions were taken by ICOD managers in accepting offers, founded on representations made by ICOD and information communicated from responsible Government officials as to the stability of the Centre and the existence of solid policy support for its continuation.

During employment and in the course of generally worsening economic conditions, ICOD senior managers declined valuable career opportunities and foreclosed other options in the reasonable belief that the Centre would not be terminated in the summary manner which is now occurring.

For ICOD senior managers with professional specialization in international development assistance, it is unlikely that reasonable re-employment opportunities currently exist.

There is a substantial likelihood that any available re-employment would be at a lower level with reduction of income and potential for advancement.

Under these circumstances, the injury to financial position and careers of the senior managers will be of an enduring nature.

It must be emphasized that the nature of the dismissal of ICOD staff is to enable the work of the Centre to be contracted out.

After full review of these issues it is the conclusion of the senior managers that the most probable entitlement for compensation is salary equivalent to a period from twelve to eighteen months. Therefore the proposal limits the total of notice and severance to that range and provides for calculation based on individual periods of service.

Other provisions in the General Severance Package have been adjusted on a reasonable basis, with the object of providing an equitable degree of assistance to senior managers to meet the difficult challenge of re-employment.

At this monent, the management of ICOD is fully engaged in maintaining the operational capability to properly administer approximately 150 projects

affecting 71 nations in the developing world. At the same time the demanding process of concluding the 1991-92 fiscal year end and the preparation of the wind-up plan for the entire Centre is being undertaken. The managers of ICOD, as all other staff, face family and personal financial responsibilities with the uncertainties arising from the immediate dissolution of the Centre and termination of employment.

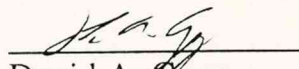
In the view of the senior managers, the immediate resolution of both the General Severance Package for all staff and the Senior Management Package is crucial to minimize distraction from these important activities within ICOD.

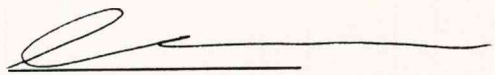
The Vice-President has indicated that he will be bound by the terms of the Senior Management Severance package upon its acceptance and is in support of this submission. However, as he is Chief Operating Officer of the Centre, he has not participated in the development of the package and has not personally reviewed this correspondence.

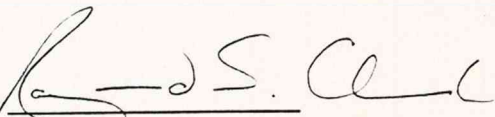
It is our hope that the Senior Management Severance Package will be received as the best effort of your managers to achieve a fair and efficient comprehensive settlement which would be in the best interest of the Centre and would recognize its obligations to the senior management staff.

We trust that you will support approval of this package and would ask that you note that it is open for acceptance by communication in writing received by the undersigned not later than 27 March 1992.

Yours very truly,

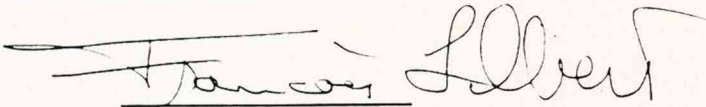

David A. Copp
Secretary and Counsel


Chris Barr
Treasurer and Director of Finance and Administration


Raymond Clark
Director, South Pacific and Caribbean Basin Division

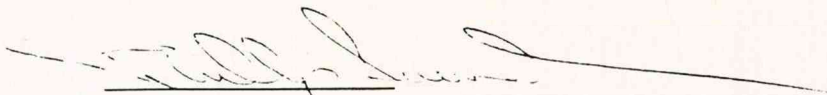


Ian Glasgow
Director of Human Resources



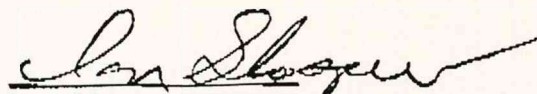
François Gilbert
Director, West Africa and Indian Ocean Division

Carol Amaratunga
Director, Interregional and Cooperative Activities Division

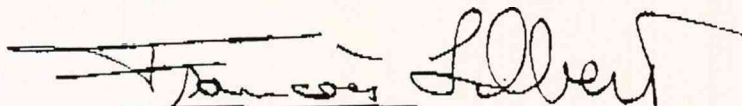


Phillip Saunders
Senior Policy Advisor

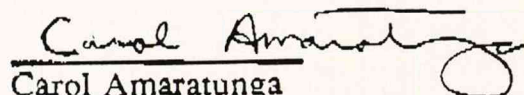
Attach (2)



Ian Glasgow
Director of Human Resources

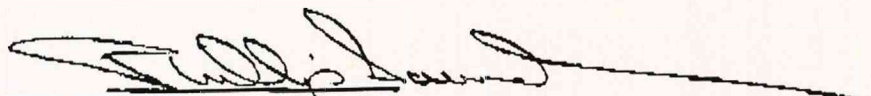


François Gilbert
Director, West Africa and Indian Ocean Division



13/3/92

Carol Amaratunga
Director, Interregional and Cooperative Activities Division



Phillip Saunders
Senior Policy Advisor

Attach (2)

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

PROPOSAL

for

SENIOR MANAGEMENT SEVERANCE PACKAGE

PRESENTED WITHOUT PREJUDICE

13 March 1992

Halifax, Nova Scotia

ICOD SENIOR MANAGEMENT SEVERANCE PACKAGE

1.0 APPLICATION OF ICOD GENERAL SEVERANCE PACKAGE

- 1.1 Except as expressly stated in the Senior Management Severance Package, all provisions of the ICOD General Severance Package, proposal dated 9 March 1992, shall be deemed to be included in, and form an integral part of, the Senior Management Severance Package.

2.0 DEFINITIONS

- 2.1 In this Senior Management Severance Package,

"ICOD Senior Management employee" means any person entitled to benefits under the Senior Management Severance Package.

3.0 ELIGIBILITY

- 3.1 Section 3.1 of the General Severance Package shall not apply to the Senior Management Severance Package.
- 3.2 The incumbents of the following ICOD management staff positions and offices shall be eligible for benefits under the Senior Management Severance Package:
- (a) Vice-President;
 - (b) Secretary and Counsel;
 - (c) Treasurer and Director of Finance and Administration;
 - (d) Director of Human Resources;
 - (e) Director, South Pacific and Caribbean Division;

- (f) Director, West Africa and Indian Ocean Division (subject to election to resign without return to service from leave of absence from the Canadian International Development Agency);
- (g) Director, Interregional and Cooperative Activities Division; and,
- (h) Senior Policy Advisor.

4.0 MINIMUM NOTICE PERIOD

4.1 Section 8.3 of the General Severance Package shall not apply to the Senior Management Severance Package.

4.2 The minimum Notice Period is ten months.

5.0 NOTICE PERIOD AND SEVERANCE PERIOD LIMITATIONS

5.1 The minimum total of the Notice Period and the period for calculation of the Severance benefit is twelve months.

5.1 The maximum total of the Notice Period and the period for calculation of the Severance benefit is eighteen months.

6.0 RE-EMPLOYMENT INTERVIEW

6.1 Section 12.1 of the General Severance Package shall not apply to the Senior Management Severance Package.

6.2 ICOD will reimburse an ICOD Senior Management employee who travels to specific employment or contract work interviews not later than the end of Fiscal Year 1992-93, for travel and accommodation costs which are not reimbursed by the prospective employer. Such reimbursement will be in accordance with usual Treasury Board travel policy and will not exceed a total amount of \$3,000 for any one employee.

7.0 HEALTH AND LIFE INSURANCE

7.1 Section 17.1 of the General Severance Package shall not apply to the Senior Management Severance Package.

7.2 ICOD will provide to ICOD Senior Management employees, at no cost to the employees, a one year extension to PSMIP, GSMIP, and Dental benefits following Termination Date, subject to the rules governing such benefits.

7.3 Upon termination, ICOD Senior Management employees may elect to receive the benefit provided in the preceding paragraph in the form of a lump sum payment in the amount of the cost of the benefit.

7.4 ICOD will provide to ICOD Senior Management employees, at no cost to the employees, a five year extension to Life Insurance benefits following Termination Date, subject to the rules governing such benefits.

8.0 RE-TRAINING

8.1 Sections 19.1 and 19.2 of the General Severance Package shall not apply to the Senior Management Severance Package.

8.2 ICOD will reimburse an ICOD Senior Management employee for the cost of tuition fees, accommodations and books up to the amount of \$9,000 for training which will facilitate re-employment of the employee.

9.0 EXCEPTIONAL CIRCUMSTANCES

9.1 Sections 20.1 to 20.5, inclusive, of the General Severance Package shall not apply to the Senior Management Severance Package.

10.0 SICK LEAVE CONVERSION

10.1 Upon Termination Date, ICOD will pay to an ICOD Senior Management employee an amount equivalent to the salary of that employee for 50% of unused sick leave earned while employed with ICOD. The amount of such payment will not exceed the sum of \$5,000.

19 May 1992

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Resolution of the Board of Directors

BD92/2/

ICOD Staff Termination Schedule

BE IT RESOLVED, as a resolution of the Board of Directors:

That the President is authorized to terminate members of ICOD staff in accordance with the schedule attached to and forming part of this resolution, or with such extensions of service as may be appropriate, and that the President is authorized to enter into such contracts for services with former ICOD staff, and other persons, as may be necessary to ensure that ICOD maintains the capacity to carry out its statutory mandate until dissolution.

David A. Copp
Secretary

19 May 1992

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Resolution of the Board of Directors

BD92/2/

ICOD General Severance Package

BE IT RESOLVED, as a resolution of the Board of Directors:

That the proposed ICOD General Severance dated 4 May 1992 is approved for implementation by ICOD management upon confirmation to ICOD management of approval by the Treasury Board of Canada.

DATED at Halifax, Nova Scotia, this day of May 1992.

David A. Copp
Secretary

19 May 1992

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Resolution of the Board of Directors

BD92/2/

Transition Administration Contract

BE IT RESOLVED, as a resolution of the Board of Directors:

That the President is authorized to negotiate, and enter into an agreement between ICOD and the Government Consulting Group, for the administration for ICOD programs and projects under terms and conditions which will not constitute a delegation of the statutory mandate of ICOD.

DATED at Halifax, Nova Scotia, this day of May 1992.

David A. Copp
Secretary



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

*Garry: Minuto Place Suite Hotel
613 232 2200 [all day Monday]*

File: 104

Meeting of Board of Directors
19 May 1992
Hull, Québec
10 a.m. - 3 p.m.

- | | | |
|-----|--|------------|
| 1. | CALL TO ORDER
CONFERENCE CALL, QUORUM | VERBAL |
| 2. | MINUTES OF 26 MARCH 1992 | BD92/2/D1 |
| 3. | PROPOSAL FOR GENERAL SEVERANCE PACKAGE
(4 May 1992) | BD92/2/D2 |
| | NOTES ON THE GENERAL SEVERANCE PACKAGE
(7 May 1992) | BD92/2/D3 |
| | COMMUNICATION FROM TREASURY BOARD TO CIDA
(5 May 1992) | BD92/2/D4 |
| 4. | LEGAL AUTHORITY TO WIND UP ICOD | |
| | a) Legal Opinion of J. Plowman | BD92/2/D5 |
| | b) Communication from Treasury Board to
CIDA | BD92/2/D6 |
| | c) Decision of the Treasury Board
(26 March 1992) | BD92/2/D7 |
| 5. | GOVERNMENT CONSULTING GROUP CONTRACT | VERBAL |
| 6. | STAFF LAY-OFF SCHEDULE | BD92/2/D8 |
| 7. | DISPOSAL OF ASSETS | BD92/2/D9 |
| 8. | EXISTENCE OF CORPORATE ICOD UNTIL PASSAGE
OF BILL C-63 AND ORDER IN COUNCIL | BD92/2/D10 |
| | a) Board | |
| | b) Officers | |
| | c) Signing Authorities | |
| 9. | FINANCIAL STATEMENTS | |
| | a) Unaudited Statements for FY 1991/92 | BD92/2/D11 |
| | b) Interim Budgetary Statements for
FY 1992/93 | BD92/2/D12 |
| 10. | NEXT MEETING | |
| 11. | MISCELLANEOUS | |
| 12. | ADJOURN | |



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including 10% post-
consumer fibre
Plus de 50 % 100 de
papier recyclé dont 10 %
100 de fibres post-
consommation

19 May 1992

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Resolution of the Board of Directors

BD92/2/

Belize Real Property Transfer

BE IT RESOLVED, as a resolution of the Board of Directors:

That the President is authorized to transfer to a third party or to third parties, with the agreement of CIDA, any interest of ICOD in residential properties in Belize City, Belize, acquired to support the Caribbean Fisheries Resource Assessment and Management Project.

DATED at Halifax, Nova Scotia, this day of May 1992.

David A. Copp
Secretary



Canada

International Centre for Ocean Development
Centre international d'exploitation des océans

1

BD92/2/D1
14 May 1992
CONFIDENTIAL
File: 104

**SPECIAL BOARD OF DIRECTORS MEETING
HULL, QUEBEC
26 March 1992
DRAFT MINUTES**

PRESENT: Elisabeth Mann Borgese, Chairman
Nicole Senécal
Allan M. Farmer, President
Garry A. Comber, Vice President
David A. Copp, Secretary

GUESTS: Danielle Wetherup, Vice President
Professional Services Branch, CIDA
Ted Langtry, Director General, Natural Resources
Division, Professional Services Branch, CIDA

1. CONVENING OF MEETING

a. CALL TO ORDER

The meeting was called to order at 10.40 a.m. by the Chairman, who presided. The Chairman noted that all members of the Board of Directors of ICOD were present and declared that, pursuant to the By-Laws, no formal notice of meeting was required and that a quorum was present.

D. Wetherup and T. Langtry were welcomed to the meeting by the Chairman as guests representing the Canadian International Development Agency.



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consommation

19 May 1992

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

Resolution of the Board of Directors

BD92/2/

ICOD Asset Disposal

BE IT RESOLVED, as a resolution of the Board of Directors:

That the President is authorized to dispose of the assets of ICOD which are comprised of leasehold interests, both real and personal, office furnishings and equipment, upon terms which, in the opinion of the President, are fair and reasonable and which terms are acceptable to CIDA, except that the president shall retain sufficient assets to ensure that ICOD maintains the capacity to carry out its statutory mandate until dissolution.

DATED at Halifax, Nova Scotia, this day of May 1992.

David A. Copp
Secretary

b. ADOPTION OF THE AGENDA

The draft Agenda was reviewed by the Board.

It was moved by the President, seconded by Nicole Senécal,

BD92/1/R1 THAT THE AGENDA BE ADOPTED AS PRESENTED.

Motion carried unanimously.

c. CONFIRMATION OF BOARD MEMBERSHIP

The Chairman reviewed Order in Council PC 1992-379 dated 27 February 1992 terminating the appointments as Members of the Board of Directors of all Directors other than the Chairman, the President, and Nicole Senécal and confirmed that the Board of Directors of ICOD now consisted of three Directors, being the Chairman, the President, and Nicole Senécal.

2. TABLING OF MINUTES

- a.** The draft Minutes of the Board of Directors meeting of 18 November 1991 were tabled for the information of the Board.

- b. The draft Minutes of the Executive Committee of 20 January 1992 were tabled for the information of the Board.

3. DISSOLUTION OF ICOD

a. REPORT OF THE EXECUTIVE

The President advised the Board that the first notification that ICOD management received of the Government's intention to dissolve ICOD was given a few hours before the tabling of the budget on 25 February 1992.

The Vice President then made reference to Bill C-63, providing for the statutory dissolution of ICOD and indicated that it was the intention of management to develop a wind up plan. It was the understanding of management that the Government of Canada intended that administration of program matters by ICOD staff be wrapped up by the end of May and that ICOD itself would be wound up sometime in June. A draft action plan with respect to the winding up process would be considered on 9 April by the Treasury Board of Canada.

The Vice President advised the Board that the staff had carried out their duties in a professional manner notwithstanding the shock of the announcement of the dissolution. To date, there had been a

preoccupation with the severance package and the settlement of the severance package was a key issue for staff.

The President noted that a number of alternatives had been discussed with respect to the dissolution of ICOD. The Chairman stated that the effect of the decision on the international image of Canada was of great importance in this case. She had been in the Caribbean at the time of the news and it was met with some degree of panic by recipients.

In response to an inquiry from Nicole Senécal as to the perception in the press of the dissolution, the President reported some editorials contained expressions of regret and that the province was still trying to retain some of the activities in the region.

The Vice President commented that there was a degree of public misunderstanding in that it was believed that the activities of ICOD would roll into the public sector and that CIDA would continue to run the programs. The Government of Nova Scotia had stated its concern, although it had been somewhat slow in reacting. It was understood that the Premier of Nova Scotia had raised the matter with the Federal Minister of Finance.

b. LEGAL AUTHORITY FOR WINDING UP

The President introduced the question of legal authority for ICOD management to wind up the affairs of the Centre by indicating that management intended to proceed with due diligence but that there had been expressed concerns and that there were indications of differing views by legal advisors. The issue was that ICOD management would have to take action before the passage of Bill C-63 and that there was no doubt the Government would not want the Directors do anything in winding up which would cause problems in the dissolution or for the Government.

The Board considered a memorandum from ICOD Counsel dated 25 March 1992 identifying legal issues. It was noted that ICOD Counsel had expressed a professional disability in dealing with the issue by virtue of the fact that Counsel was an employee of ICOD whose employment would be terminated in dissolution. It was the conclusion of Counsel that it would be appropriate for ICOD to retain outside counsel in the matter.

The Chairman commented that independent legal advice was a course which could be followed and D. Wetherup suggested that the Board wait until receipt of the legal opinion of the Department of Justice on the issue of authority of ICOD management which would be immediately forthcoming. The Board was of the view that the matter could be deferred until the Department of Justice opinion was received.

The Board also noted that decisions with respect to the winding up of ICOD would have to be proceeded carefully by reason of the potential for conflict of interest. Nicole Senécal noted in this context that she was present as a representative of Government.

c. ICOD GENERAL SEVERANCE PACKAGE

The Vice President reviewed events following the tabling of the Budget, including the attendance of Danielle Wetherup and Ted Langtry at ICOD and the establishment of a committee of staff and management to draft a general severance package proposal, which was prepared on 6 March 1992 and transmitted to the Treasury Board of Canada informally through CIDA on that day. The proposal was officially submitted to CIDA on 9 March 1992 and was discussed with officials of CIDA and the Treasury Board of Canada in Hull on 10 March 1992. Communications between ICOD and CIDA had followed with respect to terms of a standard severance package issued by the Treasury Board of Canada and, in general, the benefits in the ICOD General Severance Package had been scaled down.

It appeared that the General Severance Package of 9 March 1992 was not submitted by the Treasury Board Secretariat to the Treasury Board itself.

D. Wetherup was unable to clarify the exact timeframe, but

indicated that the General Severance Package would go to the President of the Treasury Board with the winding up plan.

The Vice President then reviewed the specific provisions in the General Severance Package. Although the monetary provisions were reasonably close to those in the Treasury Board Separate Employer Termination Package, provisions with respect to exceptional hardship cases continued to be a problem. Written responses from the ICOD staff committee and ICOD staff to the provisions of the General Severance Package were introduced by the Vice President as documents D20 and D21.

The Vice President noted that relocation provisions had a cap of \$15,000 imposed by the Treasury Board which was clearly inadequate, although CIDA may have discretion under special circumstances.

The sum of \$150,000 proposed in the ICOD general severance package for "hardship" cases had been rejected by the Treasury Board which appeared to insist on providing as reemployment benefits in addition to professional counselling services, "brokering" for jobs, the latter of which the employees did not want and information indicated would be of little value. It was particularly regrettable that the Treasury Board position allocated benefits up to \$15,000 per employee for such a service where other proposals which would have greatly assisted the employees at lesser cost were rejected outright.

Reference was also made to the apparent policy that ICOD employees who find employment with the Federal Government within six months of termination would have a prorated portion of the termination benefit "clawed back". Indications had been made this would be strictly for permanent and not term employment but this had not been clarified.

Following discussion, it was moved by the Chairman, seconded by the President,

BD92/2/R2 THAT THE BOARD AUTHORIZE THE PRESIDENT TO NEGOTIATE A GENERAL SEVERANCE PACKAGE FOR ICOD STAFF WHICH IS APPROVED BY THE TREASURY BOARD OF CANADA AND IS, IN THE OPINION OF THE PRESIDENT, APPROPRIATE, SUCH GENERAL SEVERANCE PACKAGE TO BE APPROVED BY THE ICOD BOARD OF DIRECTORS PRIOR TO IMPLEMENTATION.

As the Board intended to discuss specific issues with respect to the proposed ICOD General Severance Package of 9 March 1992 and the proposed Senior Management Severance Package, the Vice President and the Secretary absented themselves from the meeting.

It was moved by the Chairman, seconded by the President,

BD92/2/R3 THAT THE ICOD GENERAL SEVERANCE PACKAGE DATED 9 MARCH 1992 BE RECOMMENDED FOR APPROVAL BY THE

**TREASURY BOARD OF CANADA AS A FAIR AND REASONABLE
SEVERANCE PACKAGE FOR ICOD STAFF.**

Motion passed unanimously, Nicole Senécal abstaining.

d. SENIOR MANAGEMENT GENERAL SEVERANCE PACKAGE

It was moved by the Chairman, seconded by the President,

**BD92/2/R4 THAT THE SENIOR MANAGEMENT GENERAL SEVERANCE
PACKAGE DATED 13 MARCH 1992 WAS AN APPROPRIATE
SEVERANCE PACKAGE FOR THE SENIOR MANAGEMENT OF ICOD
AND THAT NEGOTIATIONS WITH RESPECT TO IT BETWEEN
THE SENIOR MANAGERS OF ICOD AND THE TREASURY BOARD
OF CANADA SHOULD BE BROUGHT TO A CONCLUSION AS SOON
AS POSSIBLE.**

Motion passed unanimously, Nicole Senécal abstaining.

The Vice President and the Secretary returned to the meeting.

e. MISCELLANEOUS

T. Langtry, who had retired from the meeting during the discussion

of legal authority to wind up, returned and made reference to telephone message notes from a conversation with a lawyer at Treasury Board. He indicated the views of that legal officer that the Board of Directors of ICOD no longer had authority over the direction of the affairs of the Centre. The only responsibility of the Board is to acknowledge that the Centre is to be dissolved and to proceed to wind up the Centre prior to dissolution. No more money would be appropriated until the responsibility to wind up the Centre was acknowledged by the Board.

T. Langtry was to contact the legal officer in question to confirm this opinion in writing.

f. ASSET DISPOSAL AND WINDING UP

The Vice President reviewed the main points of the ICOD Dissolution Action Plan noting that it provided for a phased release of staff. It appeared that the contracting of an interim Canadian implementing agency by CIDA would not be going forward.

The Vice President stated that the review of project activities indicated that there were \$18M outstanding in future project commitments as of the 1st of April together with the two CIDA projects administered by ICOD constituting a further \$17M in project commitments, being in total \$35M.

With respect to staffing, ICOD had stopped staffing action on 11 positions and planned that 10 persons would be terminated by the end of March, 15 by the end of April, 32 by the end of May, with 12 administrative personnel remaining two to three weeks in June to close out the operations of the Centre.

The two field offices would be the subject of further discussions with CIDA. With respect to Fiji, it was believed that the Canadian Cooperation Office should be maintained until the Canadian executing agency was contracted and then would be the subject of negotiation. The Dakar field office was strictly an ICOD office and CIDA had initiated regional divisional discussions with respect to the continuation of the field position as a Fisheries Monitor.

The Vice President introduced document D22, a list of projects to be transferred and D23, a list of projects to be completed by ICOD prior to dissolution.

The Vice President noted that, sectorally, scholarship programs were a greater problem for CIDA to take over.

The Vice President reviewed the Disposal of Asset Wind Up Plan (D17) and noted that it was subject to amendment. For the financial report, the Vice President noted there was a question with respect to the liability for severance of staff in that if that liability constituted a current liability in the 1991/92

Fiscal Year, ICOD would draw down its full 1991/92 allocation, but there would still be a deficit. If the liability for the Severance Package was footnoted as a "contingent liability", it would not affect the financial position for 1991/92, and ICOD would not draw down its full allocation but would lapse \$1.2M.

With respect to funding of ICOD, it appeared that ICOD would receive one quarter of the Parliamentary appropriation automatically in 1992/93 and was awaiting confirmation for additional funding available under the Credit 5 category of Treasury Board. If such additional funding were available, ICOD would not draw further funds from its appropriations for 1992/93 and the balance of the appropriation would be transferred to CIDA through Supplementary Estimates.

The Business Cooperation Program had been halted with only one project approved. It was also noted that there would be a 1991/92 year end audit and that it would be necessary to convene a formal meeting of the Board to approve the annual financial statements for 1991/92. There would also be a close out audit for the partial fiscal year 1992/93.

Finally, the projected slippage of \$1.2M could be as high as \$1.7M by reason of projects in the West Africa and Indian Ocean Division which were not approved to proceed by CIDA.

5. OTHER BUSINESS

a. CONSTITUTION OF EXECUTIVE COMMITTEE

It was noted by the Secretary that, by reason of the reduction of the membership of the Board to three Members, it was not possible to constitute an Executive Committee of the Board in compliance with the By-Laws of the Centre.

b. CONSTITUTION OF THE AUDIT AND EVALUATION COMMITTEE

It was noted by the Secretary that, by reason of the reduction of the membership of the Board to three Members, it was not possible to constitute an Audit and Evaluation Committee of the Centre in accordance with the By-Laws of the Centre. However, the Secretary indicated that ICOD could constitute the mandatory Audit Committee as required by the Financial Administration Act, which would consist of all Directors.

6. CONCLUSION

a. DATE AND LOCATION OF THE ANNUAL MEETING OF THE BOARD

This item was held without decision.

b. DATE AND LOCATION OF THE NEXT MEETING OF THE BOARD

This item was held without decision, pending the receipt of further advice with respect to the legal authority of ICOD management to wind up the Centre and the negotiations with respect to the General Severance Package for ICOD staff.

c. ADJOURNMENT

The meeting adjourned at 15.22.

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

PROPOSAL

for

GENERAL SEVERANCE PACKAGE

4 May 1992

Halifax, Nova Scotia

ICOD GENERAL SEVERANCE PACKAGE

1.0 INTENTION

- 1.1 The General Severance Package is intended to ensure a fair and equitable settlement for staff of the International Centre for Ocean Development (ICOD) in responding to termination of employment.

2.0 DEFINITIONS

- 2.1 In this General Severance Package,
- (a) "ICOD employee" includes any person entitled to benefits under the General Severance Package;
 - (b) "Notice Period" means a period of time, expressed in months, allocated to each ICOD employee and commencing immediately after the last day of work of that employee;
 - (c) "Relocation" means the removal of an ICOD employee from the Halifax area, and includes the removal of the dependents and household furnishings of the employee;
 - (d) "Termination Date" means the date of commencement of Notice Period of an employee.

3.0 ELIGIBILITY

- 3.1 All ICOD staff of indeterminate status, and all ICOD staff with more than one year of service, as of February 25, 1992, whose position had been approved for conversion to full time employment are eligible for benefits under the General Severance Package:
- 3.2 An ICOD employee who resigns from ICOD after February 24, 1992 will be entitled to full benefits under the General Severance Package.
- 3.3 An ICOD employee on a leave of absence from ICOD is eligible for benefits under the General Severance package, effective as at the date of

Termination Advice and calculated on the salary of that employee at the time of commencement of the leave of absence.

- 3.4 The benefits of the General Severance Package will be available to a part-time ICOD employee, and, where based on salary, will be calculated on actual income of that employee as at Termination Date.
- 3.5 An ICOD employee on disability is entitled to benefits under the General Severance Package together with retention of disability status and maintenance of disability benefits, subject to the rules governing such benefits.

4.0 PRORATING

- 4.1 In all cases, benefits for fractional periods of service will be paid on a prorated basis in respect of the fractional period.

5.0 METHOD OF CALCULATION

- 5.1 Benefits based on the salary of an ICOD employee will be calculated on the salary of that employee as at the Termination Date.

6.0 EFFECT OF COMMENCEMENT OF NOTICE PERIOD

- 6.1 An ICOD employee is entitled to payment of the Notice Period benefit upon the commencement of the Notice Period of that employee.
- 6.2 An ICOD employee is not required to work after the commencement of the Notice Period of that employee.

7.0 NOTICE PERIOD

- 7.1 The Notice Period benefit of an ICOD employee is a payment in the amount of the salary of that employee for the duration of the the Notice Period.
- 7.2 The length of the Notice Period is six months.

8.0 SEPARATION

- 8.1 An ICOD employee is entitled to payment of the Separation benefit on the Termination Date of that employee.
- 8.2 The Separation benefit of an ICOD Employee is a payment in the amount of the salary of that employee for a period calculated as follows:
 - (a) Two weeks for the first year of ICOD service; and,
 - (b) one week for each additional year of ICOD service after the first year of service.
- 8.3 The minimum period for calculation of the Separation benefit is two weeks.

9.0 COUNSELLING

- 9.1 To assist ICOD employees in responding to the impact of termination of employment, ICOD will provide the following benefit up to six months after the termination date of the ICOD employee requiring such counselling:

Outplacement services will be provided by independent external specialists to assist staff in securing alternative employment. Such services will contain such components as preparation of *curricula vitae*, assistance with interview techniques, counsel with job search and marketing methods as well as career and skill assessment. Commitments made by ICOD in this regard prior to approval of the General Severance Package will be honoured.

- 9.2 ICOD will arrange and pay for the provision to ICOD employees of appropriate financial and tax counselling up to the Termination Date of the ICOD employee requiring such counselling.
- 9.3 ICOD will arrange and pay for the provision to ICOD employees of appropriate family and psychological counselling up to six months after the Termination Date of that employee.

- 9.4 The cost of the Counselling Benefit shall not exceed \$15,000 for any one employee, exclusive of the cost of such benefits which are provided to employees on a group or collective basis.

10.0 RE-EMPLOYMENT INTERVIEW

- 10.1 ICOD will reimburse an ICOD employee who travels to specific interviews for the purpose of re-employment or to obtain contract work not later than six months after the Termination Date of that employee, for travel and accommodation costs which are not reimbursed by the prospective employer or contractor. Such reimbursement will be in accordance with usual Treasury Board travel policy and will not exceed a total amount of \$2,000 for any one employee.

11.0 RELOCATION

- 11.1 Relocation, for the purpose of the Relocation benefit, will be deemed to be ICOD requested.
- 11.2 An ICOD employee will be eligible for the Relocation benefit for relocation not later than six months after the Termination Date of that employee.
- 11.3 The total amount reimbursed as the Relocation benefit shall not exceed \$15,000 for any one employee, except that the agency or department of the Government of Canada administering matters arising from, or incidental to, the winding up of ICOD may, in its discretion, approve an amount exceeding such limitation.
- 11.4 ICOD will reimburse an ICOD employee for the cost of relocation from the Halifax area where the employee is relocating for the purpose of taking employment or contract work for a period longer than one year and such cost is not reimbursed by the new employer. For the purpose of assisting in re-employment, ICOD will relocate employees who had been moved to Halifax by ICOD for the purpose of commencing employment with ICOD on or after February 25, 1989. Such reimbursement will be in accordance with usual Treasury Board relocation policy.

12.0 RE-TRAINING

- 12.1 ICOD will reimburse an ICOD employee for the cost of tuition fees, accommodations and books up to the amount of \$3,000 for training which will facilitate re-employment of the employee.
- 12.2 To qualify for the Re-Training benefit, a re-training program must be commenced not later than six months after the Termination Date of that employee.

13.0 LUMP SUM IN LIEU OF CERTAIN BENEFITS

- 13.1 In lieu of all benefits provided by sections 10.0, 11.0 and 12.0, an ICOD employee may make a written election to receive, payable by ICOD upon receipt of the election, a lump sum payment in the amount of \$6,000.

14.0 EXTENSION OF CERTAIN BENEFITS

- 14.1 An ICOD employee may extend at the cost of the employee, GSMIP and dental plan benefits for up to one year after the Termination Date of that employee.
- 14.2 Upon the request of an individual employee, the agency or department of the Government of Canada administering matters arising from, or incidental to, the winding up of ICOD may, in its discretion, extend the duration of any benefit to which that employee is entitled pursuant to sections 9.1, 9.3, 10.0, 11.0 and 12.0 to the end of Fiscal Year 1992-93.

15.0 INTERPRETATION

- 15.1 The provisions of the General Severance Package will be interpreted for the benefit of ICOD employees. In the case of doubt, the issue will be resolved in favour of the employee.

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT
NOTES ON THE
GENERAL SEVERANCE PACKAGE

Prepared by: Human Resources Division

Date: May 7 1992

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MAY 05 '92 02:12PM TREASURY BOARD CCD

P.2

Department of Finance and
Treasury Board of CanadaMinistère des Finances et
Conseil du Trésor du CanadaCrown Corporations
DirectorateDirection générale des
sociétés d'ÉtatOttawa, Canada
K1A 0G6

May 5, 1992

Danielle:

This note is to confirm my approval of the current ICOD severance package. I appreciate the hard work undertaken by ICOD management, Ted and yourself in the development of this package. I will be recommending this package for approval to the President of the Treasury Board once I receive the CIDA transition plan.

I understand the President of the Treasury Board discussed ICOD with your Minister last Thursday. He confirmed with her the target of the end of June to close down ICOD's operations and that therefore there should be no continued operations managed by ICOD staff during the transition phase pending CIDA's selection of one or more executing agencies to continue ICOD's management of existing contracts. Once again, thank you.

Douglas Patriquin,
Assistant Secretary

Encl.

Canada

STEWART MCKELVEY STIRLING SCALES

BD92/2/D5

Barristers
Solicitors

Purdy's Wharf Tower One
1959 Upper Water Street
Halifax, Canada

Correspondence
P.O. Box 997
Halifax, Canada B3J 2X2

Telephone (902) 420-3200
Telecopier (902) 420-1417
Telex 019-22593

Direct Dial (902) 420- 3322

File No.: 6421-1

May 4, 1992

Mr. Allan M. Farmer
President
International Centre for Ocean Development
9th Floor
5670 Spring Garden Road
Halifax, Nova Scotia
B3J 1H6

Dear Mr. Farmer:

Re: Dissolution of ICOD

You have requested our opinion on the legality of taking certain steps to dissolve and wind-up the International Centre for Ocean Development ("ICOD") prior to the passage by Parliament of Bill C-63.

The following is a review of the law including the legislative framework for the dissolution of ICOD.

LEGISLATION

Section 90 of the Financial Administration Act, R.S.C. 1985, c. F-11, was part of a package of reforms passed by Parliament in 1985 to reform and strengthen the accountability regime of Crown corporations. It states in part:

90. (1) No person shall, unless authorized by an Act of Parliament,

...

(e) procure the dissolution or amalgamation of a parent Crown corporation.

The merged firm of Stewart MacKeen & Covert, McKelvey Macaulay Machum, Stirling, Ryan and Scales Jenkins & McQuaid.

Charlottetown

Halifax
Sydney

Saint John
Moncton

St. John's

(2) No parent Crown corporation shall, unless authorized by an Act of Parliament, sell or otherwise dispose of all or substantially all of the assets of the corporation.

ICOD is a "parent Crown corporation" within the meaning of section 90.

The International Centre for Ocean Development Act, R.S.C. 1985 (1st Supp.), c. 17, addresses the subject of dissolution as follows:

21. In the event of the dissolution of the Centre, any property of the Centre remaining after payment of its debts and liabilities or after the making of an adequate provision for that payment shall be transferred to the Government of Canada.

Finally, Bill C-63 proposes the dissolution of ICOD in sections 24-29.

The problem faced by ICOD is that directors and management have been asked, in effect, to anticipate the passage of Bill C-63 by winding down its operations through the dismissal of employees and perhaps through the transfer of programs to CIDA.

TEXTBOOKS

There is extensive literature on the subject of Crown corporations in Canada. However, it deals primarily with their creation and control. The legal issues surrounding dissolution are rarely discussed, and when they are it is only in the most general terms.

Patrice Garant, Droit administratif (3rd ed., 1991), Vol. 1, page 284, does deal with the issue of dissolution. He describes the general legal framework of dissolution as follows:

[Translation] By virtue of the Constitution, the legislature that has authorized the nationalization or the creation of a public enterprise may, in the same way, authorize the denationalization or privatization. Nevertheless, there would seem to be a constitutional principle according to which, when there is an Act creating the public enterprise, an Act is equally necessary to privatize or wind up or dissolve the enterprise. This comes from the principle of "the

rule of law" or "primacy of law" according to which the government, being subject to the law, cannot derogate from it or modify it without being expressly empowered to do so. This principle is confirmed by section 90 of the Act of 1984 [S.C. 1984, c. 31, which amended the F.A.A.] ...

In any event, the government cannot by order modify the legal status or the financial or corporate status of a public enterprise in a way that has the effect of modifying the provisions of the constituent Act of the enterprise, without being expressly authorized by the Act to do so.

No authorities are cited by Garant in support of his statements.

JURISPRUDENCE

Garant's conclusion, that a Crown corporation cannot be dissolved without express legislative authority (even without a provision analogous to s. 90 of the Financial Administration Act), is borne out in Bury v. Saskatchewan Government Insurance (1990), 75 D.L.R. (4th) 449 (Sask.C.A.). This appears to be one of the few Canadian authorities, if not the only one, on the powers of Crown corporations to alienate assets.

The basic facts of Bury were that Saskatchewan Government Insurance ("SGI"), a Saskatchewan Crown corporation wholly owned by the Crown, was empowered by its constituent statute to "engage in and carry on the business of insurance and re-insurance in all its branches". SGI management decided to transfer its business to a new entity, to be called SGI Canada Insurance Services, which would then sell 51% of its shares to the public. Various applicants, who were described by the trial judge as one or all of "1. a resident of Saskatchewan; 2. a taxpayer of Saskatchewan; 3. an employee of SGI; 4. union official; and 5. a contracting party to a contract of insurance with SGI", sought and obtained a declaration that the proposed transfer was ultra vires SGI.

The Saskatchewan Court of Appeal held that the asset transfer was ultra vires SGI. Sherstobitoff J.A., for the majority, stated (at p. 456) the general principle that a statutory corporation "only possesses the powers given it by its incorporating statute, express or implied". After reviewing

SGI's incorporating statute, as well as the broader context of privatization, Sherstobitoff J.A. concluded that nothing in the Act empowered SGI to dispose of its assets as it proposed to do.

Cases referred to in the Bury case in support of this principle (at pp. 462-63) deal with the power (or rather, lack of power) of a public corporation to alienate its assets in such a way as to prevent the undertaking for which it was established from being carried on. All of the cases referred to deal with British public works, such as canals and railways, but it is implicit in the majority opinion, and explicit in the minority opinion (at p. 477), that the principles of law derived therefrom apply equally to a Crown corporation such as SGI.

One factor that may serve to distinguish Bury is the Interpretation Act, R.S.C. 1985, c. I-21, s. 21(1)(a), which reads as follows:

21. (1) Words establishing a corporation shall be construed

a) as vesting in the corporation power to sue and be sued, to contract and be contracted with in its corporate name, to have a common seal and to alter or change it at pleasure, to have perpetual succession, to acquire and hold personal property for the purposes for which the corporation is established and to alienate that property at pleasure; ... (underlining added)

An analogous provision was considered in Bury. The fact that SGI was expressly given all of the powers set out in the Interpretation Act, with the sole exception of the power to alienate personal property, was an important consideration in the Court's conclusion that that power was deliberately denied to SGI by the Legislature. The ICOD Act does not deal with the matters set out in s. 21(1)(a) of the Interpretation Act, and so ICOD would appear to have the power to alienate its property. Nevertheless, we see nothing in the reasoning in Bury to indicate that s. 21(1)(a) could be read as authorizing the wholesale alienation of property amounting to dissolution or winding-up of ICOD's affairs.

WHAT IS THE MEANING OF "PROCURE THE DISSOLUTION"?

The next question is whether winding down the affairs of ICOD in accordance with the Treasury Board directive amounts to "procuring the dissolution" of ICOD within the meaning of s. 90 of the Financial Administration Act, or amounts to a disposition such that the corporation cannot carry out its

statutory function. This is a question of fact, the answer to which will depend on a close examination of just what ICOD is being asked to do.

We are not aware of any judicial consideration of the phrase "procure the dissolution". However, some clues as to its meaning can be gleaned from the legislation itself.

It is noteworthy that Bill C-63, which would dissolve ICOD, has as its long title "An Act to dissolve or terminate certain corporations and other bodies". (underlining added) Furthermore, S.C. 1985, c. 41, which dissolved a number of Crown corporations in terms substantially similar to Bill C-63, has as its long title "An Act to authorize procurement of the dissolution of certain Crown corporations and to amend or repeal other Acts in consequence thereof". (underlining added)

These references suggest that winding up the affairs of ICOD in the manner proposed by Bill C-63, whether with the sanction of Bill C-63 or not, amounts to "procuring the dissolution" of ICOD.

It is arguable that acting in accordance with the Treasury Board directive does not amount to "procuring the dissolution" of ICOD, but that it merely amounts to the carrying out of certain actions preparatory to dissolution. In a phrase, there is a difference between "winding up" and "winding down".

Even if this argument is correct, however, there is still the common law of ultra vires, as referred to in Bury. The cases there cited indicate that a public corporation cannot, without legislative sanction, dispose of its assets in such a way as to render impossible fulfillment of its mandate. Complete dissolution is not required for ultra vires to come into play; it is enough that the corporation's power to fulfill its statutory mandate is substantially impaired.

CONCLUSION

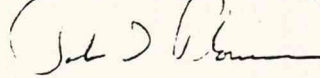
If ICOD's directors and management substantially impair the corporation's ability to fulfill its statutory mandate prior to the passage of Bill C-63, we believe that they may well be "procuring the dissolution" of a Crown corporation contrary to s. 90(1) of the Financial Administration Act. Moreover, such action is probably ultra vires the corporation.

The more difficult question involves the legal consequences (and practical concerns) of such action, either in terms of disposition of assets, transfer of programs, or dismissal of employees. We have not yet completed our

Mr. Allan M. Farmer
May 4, 1992
Page 6

consideration of this question, but will soon be in a position to provide your with our supplementary opinion on the question.

Yours very truly,

A handwritten signature in dark ink, appearing to read "John D. Plowman", written over the closing "Yours very truly,".

John D. Plowman

JDP/kb
c: David A. Copp /
N0518612



Department of Finance
Treasury Board of Canada

Ministère des Finances et
Conseil du Trésor du Canada

BD92/2/D6

Crown Corporations
Directorate

Direction générale des
sociétés d'État

Ottawa, Canada
K1A 0G5

CONFIDENTIAL

MAY - 5 1992

Mme Danielle Wetherup
Vice-President
Professional Services Branch
Canadian International
Development Agency
Place du Centre
200 Promenade du Portage
Hull, Quebec
K1A 0G4

Dear Mme Wetherup:

Danielle
I am writing to you to indicate that the ICOD severance package of May 4, 1992 is consistent with the Treasury Board guidelines for SETP and consequently, I will be recommending this package to the President of the Treasury Board for approval when I receive the transition plan.

In response to the request by ICOD on the legality of winding up ICOD prior to authorization by an Act of Parliament, I would like to notify you of the opinion of the Department of Justice on this matter. The Department of Justice has expressed the view that the ICOD Act merely creates a corporation with the capacity to engage in specific activities and therefore, does not restrict the corporation from transferring programs and activities to federal departments and from reducing the size of its staff. It is also the Department's view that the dissolution of a corporation is a formal matter dealing with the legal existence of the corporation. It is distinct from the steps of winding down the affairs of the corporation which normally precede dissolution, and consequently, there need be no concern that the actions of the directors and others to arrange for the cessation of activities actually constitute dissolution.

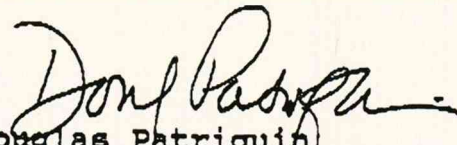
Canada

CONFIDENTIAL

The Department of Justice has also confirmed our interpretation of s. 90(2) of the Financial Administration Act, which states "No person shall, unless authorized by an Act of Parliament, sell or otherwise dispose of all or substantially all the assets of the corporation." The ICOD directors must be prudent in disposing of ICOD's assets. We should therefore discuss how best to handle the assets which seem to consist mainly of office furniture and equipment and some program assets. I would suggest we discuss what interim measures regarding the assets may be required if legislation is not passed by the time the corporation's program activities are to be wound down.

If you have any further questions on the above, please do not hesitate to contact me.

Yours sincerely,


Douglas Patriquin
Assistant Secretary



The Treasury Board

Le Conseil du Trésor

BD92/2/D7

CONFIDENCE OF THE QUEEN'S PRIVY COUNCIL
DOCUMENT CONFIDENTIEL
DU CONSEIL PRIVÉ DE LA REINE

DECISION OF THE TREASURY BOARD –
MEETING OF
March 26, 1992

APR - 3 1992
DÉCISION DU CONSEIL DU TRÉSOR –
RÉUNION DU
26 mars 1992
*Rec'd by courier
6.4.92*
CC: [Signature]

T.B.
818203

C.T.
818203

TO:
Mr. Allan Farmer
President
International Centre for
Ocean Development

À:
Monsieur Allan Farmer
Président du Centre
international d'exploitation
des océans

SUBJECT:
ICOD Corporate Plan
and Operating Budgets

OBJET:
Plan d'entreprise et budget
de fonctionnement du CIEO

The Treasury Board considered your Minister's submission regarding the 1992-96 corporate plan and the 1992-93 operating budget of the International Centre for Ocean Development and decided to:

Le Conseil du Trésor a étudié la présentation de votre ministre concernant le plan d'entreprise de 1992-1996 et le budget de fonctionnement de 1992-1993 du Centre international d'exploitation des océans (CIEO) et a décidé :

1. Not recommend approval by Governor in Council of ICOD's 1992-93 to 1996-97 Corporate Plan in light of the Budget announcement of February 25, 1992.

1. de ne pas recommander au gouverneur en conseil d'approuver le plan d'entreprise de 1992-1993 à 1996-1997 en raison des restrictions budgétaires du 25 février 1992;

2. Request that the Minister for External Relations and International Development seek Treasury Board approval of a transition plan on or prior to April 9, 1992.

2. de prier le ministre des Relations extérieures et du développement international de demander l'approbation d'un plan transitoire d'ici le 9 avril 1992;

3. Approve ICOD's 1992-93 Operating Budget on the understanding that an Amended Operating Budget will be submitted to Treasury Board on or prior to May 14, 1992.

3. d'approuver le budget de fonctionnement de 1992-1993 du CIEO à condition que le budget de fonctionnement modifié soit présenté au Conseil du Trésor d'ici le 14 mai 1992;

Canada


4. Request that the corporation make no commitments with respect to new programs, projects, and employee severance compensation (unless consistent with SETP as approved by Treasury Board) prior to Treasury Board approval of a transition plan.

This decision has also been conveyed to the President of the Canadian International Development Agency and the Under-Secretary of State for External Affairs.

4. de prier la société de ne pas prendre d'engagement à l'égard de programmes, de projets et d'indemnités de départ (à moins que les d'indemnités aient été approuvées par le Conseil du Trésor) avant l'approbation du plan transitoire par le Conseil du Trésor.

Nous avons communiqué cette décision au président de l'Agence canadienne de développement international et au sous-secrétaire d'État aux Affaires extérieures.

Le secrétaire adjoint,
Direction des programmes



Douglas Patriquin,
Assistant Secretary,
Program Branch.

INTERNATIONAL CENTRE FOR OCEAN DEVELOPMENT

**NOTES ON THE
GENERAL SEVERANCE PACKAGE**

DRAFT # 3

Prepared by: Human Resources Division

Date: May 5 1992

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NOTES ON ICOD'S GENERAL SEVERANCE PACKAGE

A. INTRODUCTION:

This document presents explanatory notes with respect of the ICOD General Severance Package.

In the event of any inconsistency or conflict between this document and the provisions of the General Severance Package or laws governing the benefits provided by the General Severance Package, the provisions of the General Severance Package and such laws shall govern.

B. NOTICE PERIOD (section 7.0)

Under the approved general severance package, the employee is entitled to a lump sum payment of six (6) months salary and that amount is payable upon the commencement of an employee's Notice Period. The employee is not required to work after the commencement of the Notice Period.

C. SEPARATION (section 8.0)

In addition to the lump sum payment of six (6) months salary, an employee is entitled to a separation payment, for a period calculated as follows:

- two weeks salary for the first year of ICOD service;
- one week salary for each subsequent year of ICOD service;
- separation entitlement shall be pro-rated when the last year of service is for a period of less than 12 months.

As an example, you began work at ICOD on December 20, 1989 and your notice period is effective May 8, 1992. Under this scenario, you would be entitled to 3 weeks and 1.98 days of separation benefits. It would be calculated as follows:

- Year 1 - Dec 20/89-Dec 19/90 = 2 weeks
- Year 2 - Dec 20/90-Dec 19/91 = 1 week
- Year 3 - Dec 20/91-May 8/92 (141 days) = 1.98 days.

Note: The minimum period for calculation of the Separation benefit will be two weeks.

C1. Sheltering Part of Your Severance from Income Tax

You have the option of tax sheltering part of your Notice Period/Separation Benefit by having a portion of it transferred directly into a Registered Retirement Savings Plan (RRSP).

It is important to note that the plan must be a registered plan and not simply a retirement savings plan. Within this option, you can have \$2000 of your severance payment transferred directly into an RRSP for each calendar year that you worked for ICOD. If as an example you worked at ICOD from December 10 1990 to May 8 1992, you would be allowed to transfer \$6000 into an RRSP as shown below:

- year 1 - 1990 - \$2000
- year 2 - 1991 - \$2000
- year 3 - 1992 - \$2000

The funds you transfer into an RRSP from your severance payment will not affect the amount you would normally be entitled to contribute to your RRSP for this year. If, based on your 1991 income, you are eligible to contribute \$5000 to an RRSP in 1992, that amount will not be affected by the direct transfer to an RRSP from your severance payment.

If you choose this option, have your financial institution complete the TD-2 form found in Appendix A and return it to HRD.

In addition to the T4 slip usually issued, you will be provided with a T4A slip for any portion of your severance payment that is transferred directly into an RRSP. You will have to obtain a receipt from your financial institution to show the amount that was transferred to your RRSP.

C2. Tax Deductions on Severance Payments

Income tax has to be deducted at source (by HRD) on all severance amounts paid to an employee. The rate of tax deducted is as follows:

- 10% if the payment is less than \$5000; or
- 20% if the payment is over \$5000 but less than \$15000; or
- 30% if the payment is over \$15000

It should be noted that, depending on the tax rate for your total 1992 income, you may be required to pay additional taxes when you file your 1992 income taxes.

D. COUNSELLING (section 9.0)

D1. Outplacement Counselling (section 9.1)

This benefit has already been implemented for the majority of ICOD employees. The service was made available through the use Mainstream Access Inc, Outplacement Consultants.

ICOD will explore the opportunities available to have independent external specialist assist employees in securing alternative employment.

D2. Financial and Tax Counselling (section 9.2)

This benefit is being made available to interested ICOD employees, through Peat Marwick and Thorne, and through Mainstream Access Inc., Outplacement Consultants.

D3. Psychological Counselling (section 9.3)

This service will continue to be available to each ICOD employee, up to an approved limit, for a period of up to six (6) months after the termination date of the employee. Anyone wishing to avail themselves of this service should contact:

Brad McRae
BRAD MCRAE AND ASSOCIATES
5880 Spring Garden Road, Suite 400
Halifax, NS, B3H 1Y1
Telephone: 423-4680.

D4. Total Cost of Counselling Benefits (section 9.4)

The total cost of benefits under Section 9.0 of the general severance package shall not exceed \$15,000 per employee.

In exceptional circumstances, the agency or department of the Government of Canada administering matters may, in its discretion, extend the duration or costs of any benefit indicated in sections 9.1 and 9.3 to the end of the Fiscal Year 1992-93.

Appropriate services for ICOD employees currently posted overseas are being negotiated.

E. RE-EMPLOYMENT INTERVIEW (Section 10.0)

Each employee is entitled to reimbursement of travel and accommodation costs incurred while travelling to employment interviews, where the costs are not reimbursed by the prospective employer. Such reimbursements will be made in accordance with the Treasury Board policy regarding travel and accommodation. The total amount reimbursed will not exceed \$2,000 per employee.

Claims for reimbursement should include documents which would support that the employee attended the interview and all relevant receipts must accompany the claim. Claims must be submitted to

HRD or severance administrators no later than two (2) weeks after the six (6) month ~~termination date~~ *notice period* of the employee has lapsed.

In exceptional circumstances, the agency or department of the Government of Canada administering matters may, in its discretion, extend the duration or costs of any benefit indicated in section 10.0 to the end of the Fiscal Year 1992-93.

F. RELOCATION (Section 11.0)

An employee will be entitled to the relocation benefit and will be eligible for reimbursement of relocation costs, in accordance with the Treasury Board relocation policy, up to a period of six (6) months following the termination date of the employee, where:

- a) An employee accepts employment or contract work for a period longer than one year, outside of Halifax but within Canada. The total amount reimbursed will not exceed \$15,000 per employee.

This benefit is payable only in cases where the employee is not eligible for reimbursement by the new employer. Claims for reimbursement must be supported by a letter from the employer outlining the position and the expected duration of employment or contract, or where:

- b) An employee was relocated to Halifax by ICOD for the purpose of taking a position with ICOD between the period of February 25, 1989 to February 24, 1992. In this circumstance, the employee does not have to secure employment or contract work with another employer.

To keep out-of-pocket expenses to a minimum, relocations should be coordinated through Central Removal Services of the federal Dept of Supply and Services.

Claims for reimbursement of expenses must be submitted for reimbursement no later than two (2) weeks after the six (6) month ~~termination date~~ ^{notice period} of the employee has lapsed. Employees who elect to take advantage of this benefit should submit expense claims to HRD or severance administrators.

Relocation outside of Canada may be approved at the discretion of the agency or department of the Government of Canada administering matters.

In exceptional circumstances, the agency or department of the Government of Canada administering matters may, in its discretion, extend the duration or costs of any benefit indicated in section 11.0 to the end of the Fiscal Year 1992-93.

G. RE-TRAINING (Section 12.0)

approved
action
An employee is entitled to reimbursement for the cost of tuition fees, accommodation and books up to a maximum of \$3,000 for training which will facilitate re-employment of the employee. To qualify for the re-training benefit, a re-training program must be commenced no later than six (6) months after your termination date. Claims for reimbursement must be supported by a written confirmation of your registration to the educational institution. The confirmation must also indicate the training program chosen, duration of the program and tuition fees.

Claims for reimbursement must be submitted to HRD or severance administrators no later than two (2) weeks after the six (6) month ~~termination date~~ ^{notice period} of the employee has lapsed.

In exceptional circumstances, the agency or department of the Government of Canada administering matters may, in its discretion, extend the duration or costs of any benefit indicated in section 12.0 to the end of the Fiscal Year 1992-93.

H. LUMP SUM IN LIEU OF CERTAIN BENEFITS (Section 13.0)

An employee has the option of electing to receive a lump sum payment in the amount of \$6000. This payment will be made in lieu of the **Re-Employment Interview, Relocation and Re-Training Benefits**.

If you elect to take this lump sum payment, you must provide a written advice to HRD or the administrators of the General Severance Package, no later than the last day of your six (6) month termination date.

I. SUMMARY OF OPTIONS UNDER SECTIONS 10.0, 11.0, 12.0 AND 13.0

Under sections 10.0 - Re-Employment, 11.0 - Relocation, 12.0 - Re-Training and 13.0 - Lump Sum In Lieu, an employee has the following options:

a) Claim reimbursement for Re-employment Interview, Relocation and Re-Training benefits. If you choose this option, you cannot claim the Lump Sum benefit of \$6000.

O R

b) Take the Lump Sum Benefit. If you choose this option, you cannot claim reimbursement for any benefits payable under the Re-Employment Interview, Relocation and Re-Training.

J. HEALTH AND DENTAL BENEFITS (Section 14.0)

We have been advised by Treasury Board that ICOD employees may continue coverage of certain Health Benefits as described below. Please check with HRD or the administrators of the general severance package for additional information, prior to leaving ICOD.

Note: It is important to note that the coverage for GSMIP and Dental must be continuous. For example, you cannot cancel the coverage in two months' time and then join again at a later date.

J1. GSMIP

Employees have the option to continue GSMIP coverage for up to one year after the termination date of the employee. If you elect to continue this coverage, you must pay the employee and the employer share of the premium. Payment in full for the year must be submitted to HRD or severance administrators within 31 days of the termination date of the employee.

J2. Dental

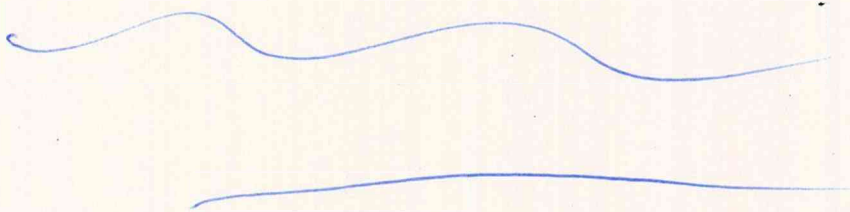
Employees have the option of continuing dental coverage for up to one year after the termination date of the employee. If you elect to continue the coverage, you must pay the employer share of the premium. Payment in full for the year must be submitted to HRD or severance administrators within 31 days of the termination date of the employee.

K. RELEASE FORM

Prior to receiving any severance benefits, the employee must sign a release form and return it to HRD or the severance administrators. This release form indicates that ICOD is discharged from any future legal action in relation to your employment with ICOD.

L. CLAW-BACK OF TERMINATION PAY

Employees who, within six (6) months of termination, accept employment resulting in pay received from the Consolidated Revenue Fund will be obliged to reimburse the Receiver General a pro-rated portion of the Termination Pay already received. This "claw-back" provision does not apply in the case of contracted work, i.e., work where no employer-employee relationship is formed. The responsibility for administering the claw-back in case where it would apply rests with the new employer, not the original employer.



ADDITIONAL DETAILS REGARDING TERMINATION OF EMPLOYMENT

M. PENSION CONTRIBUTIONS

M1. Less than 5 years

For employees with less than 5 years of pensionable service (you have contributed to the Public Service Superannuation Plan for less than 5 years) you will get a return of contributions, plus any interest owed. These contributions may be transferred directly into an RRSP and will not affect the amount of RRSP contributions the employee can make for this tax year. Please complete the appropriate forms found in Appendix A.

M2. More than 5 years

For employees with more than 5 years of pensionable service (you contributed to the Public Service Superannuation Plan for more than 5 years, or the combination of a transfer from another pension plus your contributions while at ICOD total more than 5 years) you have various options available. Please check with HRD for the necessary forms, based on the option chosen. If you decide to leave your pension contributions in the Plan, it is advisable to verify that the beneficiary named is still accurate.

NOTE: If the employee decides to take a return of contribution as cash the employee will be taxed at source, by the Superannuation Division. The return of contributions will not be considered insurable earnings.

M3. Locked in Pension

An employee's pension shall be locked in when the employee is 45 years of age or over and has 10 years or more of pensionable service. You can opt for a pension at age 60, or you can obtain a reduced annual allowance as early as age 50.

For employees who have more than 5 years of pensionable service and choose to leave their contributions in the Plan, or whose pension is now locked in, you must keep the Public Service Superannuation Division apprised of any changes in your address, telephone, beneficiary, marital status, etc. The address is:

**Superannuation Division
Dept of Supply and Services
P.O. Box 5010
Moncton, NB, E1C 8Z5.**

N. CANADA SAVINGS BONDS

Employees currently paying Canada Savings Bonds through payroll deductions have two options:

- you can take a refund
- you can pay your bond(s) in full

Please advise HRD of the option you have chosen at least 5 days prior to your termination date.

O. UNITED WAY CONTRIBUTIONS

Employees who currently make payroll deductions for pledges to the United Way may pay their pledges in full. Please advise HRD.

P. RETURN OF ICOD PROPERTY

On April 22, 1992 an administrative bulletin was issued by the Finance and Administration Division which asked employees to return MT&T cards and credit cards to Carol Ferguson. Please ensure that you have also returned all ICOD property (e.g. keys, computers, calculators, etc) to the designated person in your Division on or before your termination date.

Q. ABSENCE REPORT

Prior to leaving ICOD, please ensure that you have completed any outstanding absence report, if any, and submitted it to HRD. This report is required to allow for adjustments to your final pay.

R. SUMMARY

Now that you read this document, please look over the questions below to ensure that you have provided HRD with all necessary information. This will assist HRD in processing your severance payment more quickly.

1. Have you decided whether you will transfer a portion of your severance into an RRSP? If yes, have you asked your financial institution to complete the TD-2 form, and any other necessary papers they may require, and returned these documents to HRD?
2. Have you decided which option you will choose with regards to the Re-Employment, Relocation or Re-Training benefits, or the Lump Sum payment of \$6000?
3. Will you be continuing the coverage available to you under GSMIP and Dental?
4. Have you made your decision with regards to your pension, and have you completed the necessary forms?
5. Will you be asking for a refund on your Canada Savings Bond(s) or will you be asking to pay the bond(s) in full?
6. Do you wish to pay your pledge in full to the United Way?
6. Have you returned all ICOD property (e.g. keys, credit cards, computers, calculators, etc) to the Finance and Administration Division, or designated person in your Division?
7. Have you submitted all outstanding absence reports to HRD?
8. Have you given HRD your current address and telephone number?
9. Have you signed your Release Form and returned it to HRD?
10. Have you asked your Director/Superior for a letter of reference?

NOTES ON ICOD'S GENERAL SEVERANCE PACKAGE

A. INTRODUCTION:

This document presents explanatory notes with respect of the ICOD General Severance Package.

In the event of any inconsistency or conflict between this document and the provisions of the General Severance Package or laws governing the benefits provided by the General Severance Package, the provisions of the General Severance Package and such laws shall govern.

B. NOTICE PERIOD (section 7.0)

Under the general severance package, an employee is entitled to a lump sum payment of six (6) months salary and that amount is payable upon the commencement of an employee's Notice Period. An employee is not required to work after the commencement of the Notice Period.

C. SEPARATION (section 8.0)

In addition to the lump sum payment of six (6) months salary, an employee is entitled to a separation payment, for a period calculated as follows:

- two weeks salary for the first year of ICOD service;
- one week salary for each subsequent year of ICOD service;
- separation entitlement shall be pro-rated when the last year of service is for a period of less than 12 months.

As an example, you began work at ICOD on December 20, 1989 and your notice period is effective May 8, 1992. Under this scenario, you would be entitled to 3 weeks and 1.98 days of separation benefits. It would be calculated as follows:

- Year 1 - Dec 20/89-Dec 19/90 = 2 weeks
- Year 2 - Dec 20/90-Dec 19/91 = 1 week
- Year 3 - Dec 20/91-May 8/92 (141 days) = 1.98 days

Note: The minimum period for calculation of the Separation benefit will be two (2) weeks.

D. COUNSELLING (section 9.0)

D1. Outplacement Counselling (section 9.1)

This benefit has already been implemented for the majority of ICOD employees. The service was made available through Mainstream Access Inc, Outplacement Consultants.

ICOD will explore the opportunities available to have independent external specialists assist employees in securing alternative employment.

D2. Financial and Tax Counselling (section 9.2)

This benefit is being made available to interested ICOD employees, through Peat Marwick and Thorne, and through Mainstream Access Inc., Outplacement Consultants.

D3. Psychological Counselling (section 9.3)

This service will continue to be available to each ICOD employee, up to an approved limit, for a period of up to six (6) months after the effective date of the notice period of the employee. Anyone wishing to avail themselves of this service should contact:

Brad McRae
BRAD MCRAE AND ASSOCIATES
5880 Spring Garden Road, Suite 400
Halifax, NS, B3H 1Y1
Telephone: 423-4680.

D4. Total Cost of Counselling Benefits (section 9.4)

The total cost of benefits under Section 9.0 of the general severance package shall not exceed \$15,000 for each employee.

In exceptional circumstances, the agency or department of the Government of Canada administering matters may, in its discretion, extend the cost or duration of any benefit indicated in sections 9.1 and 9.3 to the end of the Fiscal Year 1992-93.

Appropriate services for ICOD employees currently posted overseas are being negotiated.

E2. RELOCATION (Section 11.0)

An employee will be entitled to the relocation benefit and will be eligible for reimbursement of relocation costs, in accordance with the Treasury Board relocation policy, up to a period of six (6) months following the termination date of the employee, where:

- a) An employee accepts employment or contract work for a period longer than one year, outside of Halifax but within Canada. The total amount reimbursed will not exceed \$15,000 for each employee.

This benefit is payable only in cases where the employee is not eligible for reimbursement by the new employer. Claims for reimbursement must be supported by a letter from the employer outlining the position and the expected duration of employment or contract; or where:

- b) An employee was relocated to Halifax by ICOD for the purpose of taking a position with ICOD between the period of February 25, 1989 to February 24, 1992. In this circumstance, the employee does not have to secure employment or contract work with another employer.

An employee should contact the Administrators of the General Severance Package prior to making any arrangements for relocation. To keep out-of-pocket expenses to a minimum, relocations should be coordinated through the Administrators of the General Severance Package who will coordinate the relocation through Central Removal Services of the federal Dept of Supply and Services.

Claims for reimbursement of expenses must be submitted for reimbursement no later than two (2) weeks after the six (6) month notice period of the employee has lapsed. Employees who elect to take advantage of this benefit should submit expense claims to HRD or the Administrators of the General Severance Package.

Relocation outside of Canada may be approved at the discretion of the agency or department of the Government of Canada administering matters.

In exceptional circumstances, the agency or department of the Government of Canada administering matters may, in its discretion, extend the cost or duration of any benefit indicated in section 11.0 to the end of the Fiscal Year 1992-93. A request outlining the exceptional circumstances should be made by an employee to the Administrators of the General Severance Package before the six (6) month notice period of the employee lapsed.

G. SUMMARY OF OPTIONS UNDER SECTIONS 10.0, 11.0, 12.0 AND 13.0

Under sections 10.0 - Re-Employment, 11.0 - Relocation, 12.0 - Re-Training, and 13.0 - Lump Sum In Lieu of Certain Benefits, an employee has the following options:

a) Claim reimbursement for Re-employment Interview, Relocation and Re-Training benefits. If you choose this option, you cannot claim the Lump Sum benefit of \$6000.

O R

b) Take the Lump Sum Benefit. If you choose this option, you cannot claim reimbursement for any benefits payable under the Re-Employment Interview, Relocation and Re-Training.

H. HEALTH AND DENTAL BENEFITS (Section 14.0)

We have been advised by Treasury Board that ICOD employees may continue coverage of certain Health Benefits as described below. Please check with HRD or the Administrators of the General Severance Package for additional information, prior to leaving ICOD.

Note: It is important to note that the coverage for **GSMIP** and **Dental** must be continuous. For example, you cannot cancel your coverage when you leave ICOD and then join again at a later date.

H1. GSMIP

Employees have the option to continue GSMIP coverage for up to one year after the termination date of the employee. If you elect to continue this coverage, you must pay the employee and the employer share of the premium. Payment must be made in quarterly instalments and must be submitted to HRD or the Administrators of the General Severance Package within 31 days of the termination date of the employee.

H2. Dental

Employees have the option of continuing dental coverage for up to one year after the termination date of the employee. If you elect to continue the coverage, you must pay the employer share of the premium. Payment must be made in quarterly instalments and must be submitted to HRD or the severance administrators within 31 days of the termination date of the employee.

ADMINISTRATIVE DETAILS REGARDING TERMINATION OF EMPLOYMENT

K. PENSION CONTRIBUTIONS

K1. Less than 5 years

For employees with less than 5 years of pensionable service (i.e. you have contributed to the Public Service Superannuation Plan for less than 5 years) you will get a return of contributions, plus any interest owed. These contributions may be transferred directly into an RRSP and will not affect the amount of RRSP contributions the employee can make for this tax year.

NOTE: If the employee decides to take a return of contribution as cash, the employee will be taxed at source, by the Superannuation Division. The return of contributions will not be considered insurable earnings.

K2. More than 5 years

For employees with more than 5 years of pensionable service (i.e. you contributed to the Public Service Superannuation Plan for more than 5 years, or the combination of a transfer from another pension plus your contributions while at ICOD total more than 5 years) you have various options available. Please check with HRD or the Administrators of the General Severance Package for the necessary forms, based on the option chosen. If you decide to leave your pension contributions in the Plan, it is advisable to verify that the beneficiary named is still accurate.

K3. Locked in Pension

An employee's pension shall be locked in when the employee is 45 years of age or over and has 10 years or more of pensionable service. You can opt for a pension at age 60, or you can obtain a reduced annual allowance as early as age 50.

For employees who have more than 5 years of pensionable service and choose to leave their contributions in the Plan, or whose pension is now locked in, you must keep the Public Service Superannuation Division apprised of any changes in your address, telephone, beneficiary, marital status, etc. The address is:

Superannuation Division
Dept of Supply and Services
P.O. Box 5010
Moncton, NB, E1C 8Z5.

P. SUMMARY

Now that you have read this document, please take a look at the questions below to ensure that you have provided HRD or the Administrators of the General Severance Package with all the necessary information. This will facilitate the processing of your severance payment.

1. Have you decided whether you will transfer a portion of your notice period benefit and separation benefit payment into an RRSP? If yes, have you asked your financial institution to complete the TD-2 form, and any other necessary papers they may require, and returned these documents to HRD or the Administrators of the General Severance Package?
2. Have you decided which option you will choose with regards to the Re-Employment, Relocation or Re-Training benefits, or the Lump Sum payment of \$6000?
3. Will you be continuing the coverage available to you under GSMIP and Dental?
4. Have you made your decision with regards to your pension, and have you completed the necessary forms?
5. Will you be asking for a refund on your Canada Savings Bond(s) or will you be asking to pay the bond(s) in full?
6. Do you wish to pay your pledge in full to the United Way?
7. Have you returned all ICOD property (e.g. keys, credit cards, computers, calculators, etc) to the Finance and Administration Division, or designated person in your Division?
8. Have you submitted all outstanding absence reports to HRD?
9. Have you given HRD your current address and telephone number?
10. Have you signed your Release Form and returned it to HRD?
11. Have you asked your Director/Superior for a letter of reference?

ICOD PERSONNEL ACTION PLAN

(For employees eligible for the ICOD Severance Package)

- A. Staff were notified of final details of the ICOD Severance Package on May 7, 1992, subject to two final approval stages which are considered formalities only. Staff were advised that terminations will begin officially upon approval of the Severance Package by the ICOD Board of Directors. The exception is Anne Irvin who left ICOD upon the closure of the Ottawa office on March 31, 1992.
- B. The following 13 persons will be terminated at convenience as they have already left ICOD for personal reasons; to take up other employment; or on an extended leave of absence:
- J. Benoit, A. Boutet, J. Condran, C. Daigle,
M. Desjardins, D. Kenny, M. Latremouille, C. Milley (L),
A. Palcic, M. Poitras (L), M. Stuart, D. Trotter,
B. Turner (L).
- C. The following three persons will be terminated effective May 22, 1992:
- S. DiLabbio, D. Leclaire, P. Saunders.
- D. The following 15 persons will be terminated effective May 29, 1992:
- C. Abou-Debs, J. Campbell, C. Cannon, H. Cottreau,
J. Creighton, A. Deveau, J. Duval, W. Harrington,
L. Lamontagne, S. MacEachern, K. O'Brien, L. Proulx,
Z. Ramnath, K. Trenholm, V. Wightman.
- E. The following 22 persons will be terminated effective May 29, 1992 subject to appropriate contractual arrangements being made by that date:
- J. Ayers, S. Beauchamp, L. Brown, S. Cardinal, J. Carter,
R. Clark, G. Clare, L. Croitor, C. Ferguson, J. Fraser,
D. Gaudet, I. Glasgow, C. Grondin, S. Hillaby,
C. Kingston, C. Legault, W. Leppan, A. Masson, F. Milo,
P. Scott, C. Tylko, S. Watts.
- F. The following 6 persons will be terminated effective June 19, 1992:
- C. Amaratunga, R. Archer*, F. Gilbert, J. Langlois, S. LeBlanc, R. Pelley.

*The nature of the Contract for the Fiji Field Rep is still under discussion.

G. The following 6 persons will be terminated upon dissolution of ICOD:

C. Barr, G. Comber, D. Copp, J.M. Côté, P. Lemoing,
V. Pothier.

Notes:

This Personnel Action Plan is based on information available on May 15. Circumstances may change in which case individual employees will be so notified. For instance, details of the disposition of IRCAD projects and potential contracts for IRCAD staff are not yet known. The above timetable could still be affected by unanticipated requests by employees for earlier termination than currently planned due to other employment opportunities or for personal reasons. Other changes relating to the timing of personal services contracts or participation in such arrangements could also affect the above schedule.

ASSET DISPOSAL

The approach to dealing with ICOD's assets will be one which ensures that CIDA acquires those goods and materials necessary to deliver the program it is inheriting. However, for items surplus to CIDA's needs, ICOD will be expected to dispose of as much as possible (using its Crown Corporation status and flexibility) before the ICOD Act is rescinded.

The course of action will include the following steps:

1. CIDA will determine what if any of ICOD assets (accommodation, real property, furniture, equipment, etc) it will need to assume the responsibilities inherited from ICOD.
2. For those required assets, CIDA will prepare an acquisition plan outlining the activities, time and resources required.
3. A list of all the non-required assets will be established and become the assets disposal list.
4. Until ICOD's Act is rescinded, CIDA will assist ICOD to dispose of all the non-required assets. This will be done with the advice of Crown Assets.
5. For any assets, where it is doubtful that ICOD can complete disposal (from now until its Act is rescinded), CIDA will prepare a plan in collaboration with Crown Assets.

Fiscal Year 1992/93
Period 2

INTERNATIONAL CENTRE (FBMASTER)
FOR OCEAN DEVELOPMENT
FREE BALANCE-FINANCIAL MANAGEMENT SYSTEM

Date 14/05/92
Time 14:08:12
Page 1

Free Balance Report - Summary
STATEMENT OF OPERATIONS
For Fiscal Year 1991/92

Description	Budget	Cumulative Actual	Hard Commitments	Non-Obligated Funds	Soft Commitments	Free Balance
FUND / DIVISION	A	B	C	D = A-B-C	E	F = D-E
FINANCE	851,449	871,575	2,150	-22,276	213	-22,489
HUMAN RESOURCES DEVELOPMENT	366,780	355,910	530	10,340	77	10,263
LEGAL SERVICES	205,803	213,085	160	-7,442	0	-7,442
AFRICA-INDIAN OCEAN DIVISION	2,940,201	2,779,584	66,064	94,553	0	94,553
SOUTH PACIFIC/CARIBBEAN DIV	4,474,710	4,086,532	125,651	262,527	0	262,527
INTERREGIONAL & COOPERATIVES A	2,300,696	2,254,089	15,952	30,655	0	30,655
OFFICE OF PRESIDENT	783,659	814,463	13,736	-44,540	0	-44,540
OFFICE OF VICE-PRESIDENT	866,240	848,490	13,560	4,190	170	4,020
CORPORATE RESERVE	1,010,462 #	0	0	1,010,462	0	1,010,462
*** GOVERNMENT OF CANADA ***	13,800,000	12,223,728	237,803 #	1,338,469	460	1,338,009 #
NOTE :						
(#) ICOD lapsed \$1,270,000 and expects an estimated ENDING SURPLUS of \$450,000.						
SOUTH PACIFIC/CARIBBEAN DIV	2,736,690	2,381,991	242,990	111,709	0	111,709
*** SPONSORING AGENCIES ***	2,736,690	2,381,991	242,990	111,709	0	111,709
Total	16,536,690	14,605,719	480,793	1,450,178	460	1,449,718

1992-93 ICOD ESTIMATED BUDGET

ADMINISTRATION WIND-UP COSTS				
ACCOUNT	DESCRIPTION	APR - JUN	JUL - MAR/93	TOTAL
3001	SALARIES	\$485,611	\$0	\$485,611
3003	VACATION PAY (APRIL - JUNE)	\$28,020	\$0	\$28,020
3003	ACCRUED VACATION PAY (OWING AS OF MARCH 31, 1992)	\$75,160	\$0	\$75,160
3401	BENEFITS	\$53,417	\$0	\$53,417
3402	CONF. REGISTRATION FEES	\$300	\$0	\$300
3502	STAFF TRAINING	\$702	\$0	\$702
4003-4010	TRAVEL	\$60,000	\$0	\$60,000
4011	RELOCATIONS	\$6,500	\$0	\$6,500
4072	HOSPITALITY	\$2,000	\$0	\$2,000
4092	POSTAGE	\$20,510	\$0	\$20,510
4094	FREIGHT	\$1,000	\$0	\$1,000
4102	TELEPHONE - LOCAL	\$12,800	\$0	\$12,800
4103	TELEPHONE - LONG DISTANCE	\$11,350	\$0	\$11,350
4105	TELEX	\$750	\$0	\$750
4107	FAX	\$6,750	\$0	\$6,750
4202	PRINTING & COPYING	\$1,500	\$0	\$1,500
4221	RENTAL - BUILDING & LAND	\$120,000	\$0	\$120,000
4222	RENTAL - COPIERS	\$10,800	\$0	\$10,800
4224	RENTALS - OTHER	\$1,000	\$0	\$1,000
4231	REPAIRS - EQUIPMENT	\$1,500	\$0	\$1,500
4243	OFFICE MAINTENANCE	\$2,500	\$0	\$2,500
4245	SECURITY	\$500	\$0	\$500
4307	COMPUTER FEES	\$15,000	\$0	\$15,000
4315	CONSULTANTS	\$122,348	\$0	\$122,348
5011	COMPUTER SUPPLIES	\$500	\$0	\$500
5013	MISCELLANEOUS - OFFICE SUPPLIES	\$1,500	\$0	\$1,500
5015	MISCELLANEOUS - OTHER	\$3,000	\$0	\$3,000
8002	BANK CHARGES	\$3,000	\$0	\$3,000
	SUB-TOTAL:	\$1,048,018	\$0	\$1,048,018
	GCG CONTRACT	\$271,000	\$0	\$271,000
	SEVERANCE PACKAGE	\$2,000,000	\$600,000	\$2,600,000
	DAKAR OFFICE EXPENSES	\$8,783	\$0	\$8,783
	CCO FIJI/ICOD EXPENSES	\$36,785	\$47,424	\$84,209
	PROJECTS	\$1,509,451	\$5,630,581	\$7,140,032
	TOTAL:	\$4,874,037	\$6,278,005	\$11,152,042
	CIDA SPONSORED PROJECTS:			
	CSPDDP (880223)	\$450,584	\$1,710,302	\$2,160,886
	CFRAMP (900374)	\$500,000	\$1,534,348	\$2,034,348
	TOTAL CIDA SPONSORED PROJECTS:	\$950,584	\$3,244,650	\$4,195,234