The Finance Committee submitted its most recent reports to the ICC 26 General Assembly held in May 7, 2013 in Geneva, Switzerland, and to the ICC Bureau meeting held on 25 and 26 November 2013 in Accra, Ghana.

Therefore, this report has the purpose to provide current information on the ICC finances from May 2013 to date.

The Finance Committee is composed of four members which are the National Human Rights Institutions (NHRIs) of Australia, Germany, Mexico and Morocco, and is chaired by the Mexican NHRI.

Our appreciation and thanks to the Committee members for their time and willingness to support the work of this Chair.

1. FINANCE UPDATE OF 2012

At the ICC 26 General Meeting it was pending the submission of information for the financial year 2012 of the ICC, so that following up the agreements reached at the Bureau meeting held in the month of May, this Chair of the Finance Committee proceeded to establish direct contact with the South African Human Rights Commission, new holder
of the ICC Chair, in order to request the information necessary to complete the review of the financial situation of ICC for 2012.

Thanks to the effective intervention of the Advocate Lawrence Mushwana Mabedle, new holder of the ICC Chair, and his team, the Finance Committee got the information to update the financial year of the ICC and to provide transparency to the administration of the association.

According to the financial information provided for the year ended December 31, 2012, the ICC had an income of CHF 290,970.52, more than the amount that was budgeted for CHF 261,000.00.

According to the documentation mentioned, the ICC received CHF 290,515.89 for the payment of subscription fees from 48 NHRIIs with A status of the regions of Africa, America, Asia Pacific and Europe, and a NHRI with status B. This quantity was superior for CHF 65,515.89 to the budgeted amount of CHF 225,000.00.

Expenditure in 2012 amounted to CHF 232,596.16. It should be noted that, in general, the expenses were lower than the budgeted amount that was CHF 272,000.00.

In October 2013, the Auditor reviewed the ICC annual accounts for 2012 and concluded that they are in accordance with Swiss law and the ICC Statute, but advised the ICC to consult with a specialist about the possible submission of a declaration on the value added tax (VAT) for services from abroad.

In order to avoid a repetition of the situation that occurred in connection with the review of the ICC financial situation for 2012, the Finance Committee considers necessary to take appropriate action to strengthen the ICC administration tasks in such a way that continuity exists, a file of the association is preserved and the problems it has faced are avoided.
2. STATUS OF SUBSCRIPTION FEES PAYMENT OF 2012

According with the documentation provided by the ICC Chair, 48 NHRI's with A status of the regions of Africa, America, Asia Pacific and Europe, fully paid the membership fee for 2012, which means an increase of 17% in relation to 2011, when 41 NHRI made full payment.

The Finance Committee draws the attention of the Bureau to the significant fact that the increase in the payment of the membership fees was reflected positively on the income of the ICC, because it was perceived more than projected, which allows to state that it was paid attention to the recommendations of the Finance Committee.

The information on the payment of membership fees is reflected in the following charts:

<table>
<thead>
<tr>
<th>Total of members with A Status</th>
<th>2012 fee paid</th>
<th>Waiver / reduction requested</th>
<th>No reply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific 15</td>
<td>13</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Africa 17</td>
<td>13</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Europe 22</td>
<td>16</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Americas 14</td>
<td>6</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>68</td>
<td>48</td>
<td>7</td>
</tr>
</tbody>
</table>

Percentage of fee payments per region:
<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia Pacific</td>
<td>86%</td>
</tr>
<tr>
<td>Africa</td>
<td>76%</td>
</tr>
<tr>
<td>Europe</td>
<td>72%</td>
</tr>
<tr>
<td>Americas</td>
<td>42%</td>
</tr>
</tbody>
</table>

It should be noted that a NHRI, despite financial difficulties, made an effort to fulfill its international commitments and gave a partial payment. This is the case of the NHRI of Serbia.

### 3. FINANCE UPDATE OF 2013

According to the financial information provided by the ICC Chair for the year ended December 31, 2013 (the preliminary balance for that year), the ICC had an income of CHF 279,603.41, less than the amount received in 2012 which was of CHF 290,970.52.

According to the documentation mentioned, the ICC received CHF 260,515.97 for the payment of subscription fees from 48 NHRIs with A status of the regions of Africa, America, Asia Pacific and Europe.

It is necessary to indicate that, between 2013 income there is a grant for CHF 18,688.00 of the Office of the United Nations High Commissioner for Human Rights (OHCHR), which had not been received in 2012.

At December 31, 2013, the ICC bank account had a balance of CHF 66,460.77.

Expenditure in 2013 amounted to CHF 210,808.27, less than the amount spent in 2012 of CHF 232,596.16.

It is important to note that the budget for 2013 was just approved at the last meeting of the Bureau on 25 and 26 November 2013, therefore the
expenditures almost throughout the year were not adjusted to a budget approved before.

This Finance Committee is concerned that at the last meeting of the Bureau held in November, the 2014 budget was not approved, despite the fact that this Committee highlighted in its report the importance of the 2014 budget was approved at the meeting of the Bureau in order to regularize the ICC situation.

This Finance Committee reiterates its request that the necessary steps are taken to avoid anomalies in the future, since it is contrary to the transparency of the financial year of our association that the 2014 budget is approved when the year is already in progress.

According to information provided by the ICC Chair on 21 February 2014, the accountant has not completed the ICC accounts corresponding to 2013 and for the same reason, it has not been possible to provide the necessary documentation to the Auditor.

4. STATUS OF SUBSCRIPTION FEES PAYMENT OF 2013

a) Subscription fee payment

Until February 20, 2014, of 69 NHRI with status A, 48 (69.56%) have paid the subscription fee for 2013 and 3 requested a fee waiver for 2013 (Greece, Guatemala and Nicaragua).

Of the 48 NHRI that made the payment of the subscription fee for 2013, 46 did so in the same year and 2 (Cameroon and Chile) in this year 2014.

Until February 20, 2014, In Europe, of 21 NHRI, 18 have paid the fee to the ICC for 2013, ie, 85.7% and one NHRI requested a fee waiver (Greece). According to these figures, this region is the one with the best percentage of payment of the ICC subscription fee.
In Asia Pacific, of 15 NHRIs, 12 have paid the membership fee for 2013, ie 80%. No member of this region requested a fee waiver.

In Africa, of 18 members, 11 have fully paid, ie 61.1%. No member of Africa requested a fee waiver. However, the ICC Chair reported a partial payment from a NHRI in the region (Uganda).

Regarding the Americas, only 7 of 15 members have paid, or 46.6% and two requested a fee waiver (Guatemala and Nicaragua). Therefore, Americas remain the region with the lowest percentage of payment. In this regard, efforts have been intensified to obtain the respective payment.

Indeed, in the framework of the 12 General Assembly of the Network of NHRIs of the Americas, which was held in Mexico City, on October 8, 2013, the Chairman of the Finance Committee presented to the members of this region, an information note on the situation of the payment of fees in the area and he invited the members to approach this Committee to address their doubts and concerns in order to facilitate the payment of fees.

The above information is reflected in the following charts:

<table>
<thead>
<tr>
<th>Total of members with A Status</th>
<th>2013 fee paid</th>
<th>Waiver / reduction requested</th>
<th>No reply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe 21</td>
<td>18</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Asia Pacific 15</td>
<td>12</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Africa 18</td>
<td>11</td>
<td>0</td>
<td>7*</td>
</tr>
</tbody>
</table>
According to the information registered by the ICC Chair, the NHRI of Uganda made a partial payment. However, that NHRI did not submit a request for payment reduction under the *ICC Guidelines for the determination of fee waivers*.

Percentage of fee payments per region:

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Europe</td>
</tr>
<tr>
<td>2</td>
<td>Asia Pacific</td>
</tr>
<tr>
<td>3</td>
<td>Africa</td>
</tr>
<tr>
<td>4</td>
<td>Americas</td>
</tr>
</tbody>
</table>

It is appropriate to extend congratulations to the NHRI of Bolivia which last year requested a fee waiver and promised to make the payment of the 2013 fees. Compromise which was fulfilled.

Also, we congratulate the NHRI of El Salvador which made an effort and in this 2014 paid the membership fees for 2011 and 2012.

The Finance Committee considers necessary to continue the dissemination among ICC members of the *ICC Guidelines for the Determination of Fee Waivers*, and to give attention to the needs and concerns of members regarding the payment of invoices pending, in order to promote the membership fees payment. The Finance Committee considers that this task can be supported by regional coordinators.

In order to encourage payment of the annual membership fee, we suggested to the ICC Bureau to maintain the subscription fee at the same rate of CHF 5,000.
b) Fee waiver / reduction requests

After the Bureau meeting held in May and in relation to the request for a waiver of the membership fees for the years 2009, 2010, 2011, 2012 and 2013, of the NHRI of Guatemala, the Finance Committee informed that institution the approval of its request by the ICC Bureau.

Following the meeting of May, it was sent to the Finance Committee by the former Office of the ICC Chair, the request for a waiver presented in March by the NHRI of Greece.

In order to avoid further delay, the Finance Committee proceeded to study the request since it was accompanied with the necessary documentation, and the Chair of the Committee, in consensus with the members of the Committee, adopted the following recommendation:

*NHRI of Greece*

- It is recommended that ICC Bureau waives the 2013 subscription fee for the Greek National Commission for Human Rights.

The ICC Bureau approved that recommendation last November 25, 2013, at its meeting held in the city of Accra, Ghana. This decision was communicated to the NHRI of Greece by this Finance Committee.

After the aforementioned Bureau meeting, in December 2013, the Chair of the Finance Committee received a request for a waiver of the membership fees for the years 2012 and 2013 of the NHRI of Nicaragua.

The Finance Committee Chair proceeded to study the request and in consensus with the members of the Committee, adopted the following recommendations:
NHRI of Nicaragua

- It is recommended that the ICC Bureau waives the 2012 and 2013 subscription fees for the Procuraduría para la Defensa de los Derechos Humanos of Nicaragua.

- It is recommended that the ICC Chair send a letter to the Government of Nicaragua sensitizing them about the need that the NHRI have enough budget to fulfill its functions and international commitments.

These recommendations were presented to the ICC Bureau for approval at its meeting held yesterday.

5. STATUS OF SUBSCRIPTION FEES PAYMENT OF 2014

Until February 20, 2014, of 69 NHRIs with status A, 19 (27.5%) have paid the subscription fee for 2014.

Of the 19 NHRI that have made the payment of the subscription fee for 2014, 8 are from Europe, 4 from Africa, 4 from Asia Pacific and 3 from the Americas.

This Finance Committee makes a reminder for NHRIs requesting a fee waiver or reduction in the membership fee corresponding to 2014, to do so no later than March 31 of the current year, in accordance with the ICC Guidelines for the determination of fee waivers.

6. THE SITUATION OF THE ICC STAFF IN GENEVA, SWITZERLAND

In September 2013, the ICC Chair requested the support of the Finance Committee to solve the problem of the ICC staff in Geneva, Switzerland.
In that communication, the ICC Chair stated that upon assuming office, the ICC Representative in Geneva, Ms. Katharina Rose, was on maternity leave, so the office was staffed temporarily by Mr. Bruce Adamson and an intern, Ms. Sarah Pallesen.

Due to the volume of work in the ICC office in Geneva, which requires the attention of two people, and that there was no document to formalize the terms and conditions of maternity leave of Ms. Rose, the staff situation became critical. Therefore, it was seen the need to extend by one month the contract of Mr. Adamson (until October 2013) to enable him to attend the General Assembly of the Americas Network and to hand over the affairs of the office to Ms. Rose, once she is reinstated.

In addition, it was necessary to extend the internship of Ms. Sarah Pallesen until December 31, 2013. It should be noted that the aforementioned internship ended in September, according to the arrangements that were made with the Danish Institute for Human Rights, which pays the internship mentioned, however the ICC covers the accommodation costs.

The maternity leave of Ms. Rose and the aforementioned proposals have consequences in the ICC budget: the total cost to cover Ms. Rose and Mr. Adamson is CHF 137,000, which exceeds the provisions of the draft budget for 2013 prepared by the ICC Chair that is of CHF 110,000. However, the ICC Chair stated that it can be deduct from the total cost the amounts that can be reclaimed from the authorities for Ms. Rose’s sick leave and 16 weeks of maternity leave. So the ICC Chair considers that there are sufficient funds to cover the salaries of Ms. Rose and Mr. Adamson.

As regards Ms. Pallesen internship, the draft budget for 2013 prepared by the ICC Chair provides an amount of CHF 20,000 for this purpose, however, the amount to be paid is CHF 22,500. The ICC Chair states
that there are sufficient funds to cover the debt generated by the internship.

Therefore, the ICC Chair requested to know if the Finance Committee approved the following proposals:

1. The draft budget for 2013.

2. The extension of the contract of Mr. Bruce Adamson by one month (October) and the payment of one more month's salary for CHF 6,500.

3. The extension of the internship of Ms. Sarah Pallesen until December 31, 2013 and the subsequent expansion of budget for the internship of CHF 2,500.

This Chair of the Finance Committee presented to the consideration of the members of the Committee, for their opinions and comments, the proposal submitted by the ICC Chair. Therefore, in accordance with the comments received, in September, this Finance Committee communicated the ICC Chair its full support to the proposals made by the ICC Chair regarding the ICC staff in Geneva:

1. The extension of the contract of Mr. Bruce Adamson for a month (October) and the payment of one month's salary for CHF 6,500.

2. The extension of the internship of Ms. Sarah Pallesen until December 31, 2013 and the subsequent expansion of budget for the internship in CHF 2,500.

This Finance Committee requests the ICC Chair to inform the amounts that can be recovered from the authorities for the sick leave and 16 weeks of maternity leave of Ms. Katharina Rose, that would make it possible to cover the salaries of Ms. Rose and the extension of the
contract of Mr. Bruce Adamson and the internship of Ms. Sarah Pallesen.

In the opinion of the Finance Committee, in relation to the management of ICC staff in Geneva, in the short term, the ICC must ensure transparent management with absolute adherence to local law. In the medium term, the ICC must emphasize actions to ensure proper and continuous operation of the said office, and long-term, the ICC should reconsider the administrative structure of staff management in order to avoid the situation which occurred to the ICC, which, unfortunately, is reflected in the international performance of our association.

7. UPDATE OF THE ICC WEBSITE

In order to provide more transparency to the payment of membership fees to the ICC, this Chair of the Finance Committee drafted a text that explains in a simple way the basis of payment and the procedure to do it or to apply for a fee waiver or reduction.

In cooperation with the ICC Geneva Representative, such text was incorporated into the ICC website. In addition the ICC Guidelines for the determination of fee waivers were included for ease of reference by ICC members.

This Chair of the Finance Committee reaffirms its commitment to continue cooperating with the ICC Chair and expresses its willingness to carry out actions to ensure compliance with the mandate we have received from the Bureau and the General Assembly of the ICC, and transparent the financial year of our association.

Dr. Raúl Plascencia-Villanueva
Chairman of the ICC Finance Committee