## REPORT OF THE SECRETARY-GENERAL ON ORGANIZATIONAL, ADMINISTRATIVE, AND FINANCIAL MATTERS

#### The Asian-African Legal Consultative Organization at its Forty-Eighth Session,

**Recalling** the functions and purposes of the Organization as referred to in Article 1 of the Statutes of AALCO;

**Having considered** the Report of the Secretary-General on Organizational, Administrative and Financial Matters pursuant to Rule 20 (7) of Statutory Rules as contained in Document No. AALCO/48 /PUTRAJAYA/2009/ORG 1;

**Appreciating** the efforts of the Secretary-General to enhance the activities of the Organization and to implement its work programme as approved at its Forty-Seventh Session held at New Delhi (Headquarters), India in 2008;

Also appreciating the continued practice towards the rationalization of its work programme, including consideration of the agenda items during its annual sessions;

**Taking note** of the Extraordinary Session of AALCO Member States held on 1 December 2008, in New Delhi (Headquarters), India and the adoption of the Resolution RES/ES (NEW DELHI)/2008/ORG 2 of 1 December 2008 and the Action Plan as explained in Document No. AALCO/ES (NEW DELHI)/2008/ORG.1;

**Taking note** of the Putrajaya Declaration on Revitalizing and Strengthening the Asian-African Legal Consultative Organization;

**Welcoming** the proposals of the Secretary-General for Revitalizing and Strengthening the AALCO;

**Noting with satisfaction** the increased co-operation between the Organization and the United Nations and its Specialized Agencies, other international organizations and academic institutions:

1. **Approves** the work programme of the Organization as set out in the Report of the Secretary-General and urges Member States to extend their full support to the implementation of that programme;

- 2. **Requests** the Secretary-General to formulate an action plan to implement the Putrajaya Declaration on Revitalizing and Strengthening the Asian-African Legal Consultative Organization in consultation with the Liaison Officers and to present a follow up report to the annual sessions;
- 3. **Also requests** the Secretary-General to further develop proposals on Revitalizing and Strengthening of AALCO besides those contained in Document No. AALCO/48/ PUTRAJAYA/2009/ORG 1 which has been adopted;
- 4. **Endorses** the proposal of the Secretary-General for the Permanent Observer Missions of the Asian-African Legal Consultative Organization at the United Nations Offices in New York, Geneva, and Vienna;
- 5. **Requests** the Secretary-General to continue his efforts and explore the ways and means to enlarge the Membership of the Organization in Asia and Africa, in particular, to increase the representation from the African States and Central Asian States;
- 6. **Encourages** Member States to make voluntary contributions to support the capacity building activities under the approved work programme of the Organization;
- 7. **Requests** the Secretary-General to implement the Action Plan as explained in Document No. AALCO/ES (NEW DELHI)/2008/ORG.1 as mandated by the Extraordinary Session of AALCO Member States held on 1 December 2008, in New Delhi (Headquarters), India;
- 8. **Also requests** the Secretary-General to study and to report, at its Forty-Ninth Session, on the possible measures that AALCO can take to further rationalize its work programme, including consideration of the agenda items during its annual sessions; and
- 9. **Further requests** the Secretary-General to report on the activities of the Organization at its Forty-Ninth Session.

# AALCO/RES/48/ORG 2 20 AUGUST 2009

## AALCO'S PROPOSED BUDGET FOR THE YEAR 2010

#### The Asian-African Legal Consultative Organization at its Forty-Eighth Session,

**Having heard** with appreciation the introductory statement of the Secretary-General on the Proposed Budget for the year 2010 contained in Document No. AALCO/48/PUTRAJAYA/2009/ORG 2;

Taking note of the comments of the Member States;

Also taking note that the Proposed Budget for the Year 2010 was placed for the consideration at the Meeting of Liaison Officers of Member States of AALCO at the 300<sup>th</sup> and 301<sup>st</sup> Meetings held on 31 March 2009 and 17 June 2009 respectively in New Delhi, India; and was adopted at the 301<sup>st</sup> Meeting of the Liaison Officers held on 17 June 2009 and submitted to the Annual Session for final approval;

**Having heard** with keen interest and appreciation the statements of the Heads of Delegations of AALCO Member States on the Proposed Budget;

**Expressing deep concern** on the current financial crisis faced by AALCO and the need to take appropriate remedial measures to overcome the immediate crisis and for the future financial stability of the Organization;

Acknowledging that there is an immediate need to replenish the Reserve Fund of the Organization, with the objective of ensuring that it always has a six-month operational fund for the functioning of the Organization;

**Noting** that the budget and the scale of assessment of contributions from Member States has not been revised for the past 16 years;

**Realizing** the need to adopt an appropriate scale of contribution and revising it where necessary;

**Emphasizing** on the urgency of reforming the financial management of AALCO on the principle of transparency and accountability so that sound and healthy financial management can be practiced;

**Considering** all the aforementioned reasons for the current financial crisis and affirming the need to take appropriate remedial measures to mitigate the crisis;

- 1. **Adopts** the proposed revised scale of assessed contribution of Member States;
- 2. **Approves** the Budget for the Year 2010 as proposed, in accordance with the revised scale of assessed annual contribution;

- 3. **Requests** those Member States who have not paid their annual contribution for the year 2009 in full, to do so by the end of September 2009 in order to ensure the effective functioning of the Organization;
- 4. **Also requests** the Member States to make payment of their annual contribution for the year 2010 at the earliest in accordance with their budgetary rules;
- 5. **Encourages** the Member States to make voluntary financial contribution in order to improve the financial situation of AALCO;
- 6. **Also encourages** the Member States to voluntarily contribute to replenish the Reserve Fund so as to ensure it has always a six-month operational fund;
- 7. **Strongly urges** those Member States who are in arrears to fulfill their financial obligations and to expeditiously clear the same in accordance with the Statutes and Statutory Rules of AALCO for the effective functioning of the Organization;
- 8. **Directs** the Secretary-General in consultation with the Member States and Liaison Officers to formulate necessary measures to deal with those Member States who are in arrears, and circulate it to Member States before the Forty-Ninth Session for their attention, consideration and follow-up;
- 9. **Mandates** the Secretary-General to explore ways and means of raising additional resources in accordance with the Statutes and Statutory Rules of AALCO and report the same to the next Session for consideration; and
- 10. **Decides** to place this item on the provisional agenda of its Forty-Ninth Annual Session.

### **REPORT ON AALCO'S REGIONAL CENTRES FOR ARBITRATION**

The Asian-African Legal Consultative Organization at its Forty-Eighth Session,

**Having considered** the Report on AALCO's Regional Centres for Arbitration contained in Document No. AALCO/48/PUTRAJAYA/2009/ORG 3;

**Having heard** with appreciation the introductory remarks of the Deputy Secretary-General and the report of the Director of the respective Regional Arbitration Centres;

**Reaffirming** the commitment by the Governments of Member States towards enhancing the role of the Regional Arbitration Centres;

**Recalling** its decision relating to the Integrated Scheme for the Settlement of Disputes in Economic and Commercial Transactions adopted at its Doha Session in 1978;

**Expressing its satisfaction** over the increasing use of the facilities and the opportunities offered for both domestic and international arbitrations under the auspices of its Regional Arbitration Centres;

**Appreciating** the efforts and contributions of the Governments of the Arab Republic of Egypt, the Islamic Republic of Iran, Malaysia and Federal Republic of Nigeria for hosting the respective Regional Arbitration Centres;

**Hoping** that the Regional Arbitration Centre hosted by the Republic of Kenya will be functional at its earliest;

Also appreciating the promotional activities undertaken by the Directors of the respective Centres, including organization of seminars and training programmes, to promote international commercial arbitration in the Asian and African regions;

**Further appreciating** the Kuala Lumpur Regional Centre for Arbitration for successfully organizing an International Conference in commemoration of the Thirtieth Anniversary of its establishment;

**Reiterating** the earlier decision of the AALCO on the necessity for the Governments of Member States to promote and support the use of the Regional Arbitration Centres;

Also reiterating its proposal that after consultation with the Directors of the respective Regional Arbitration Centres, for the holding of International Arbitration

Conference biennially, by rotation in each of the Centres, with the support of Member States:

- 1. **Requests** that, based on the above mentioned commitments for promoting and supporting the use of Regional Arbitration Centres, Member States encourage their public and private sectors to use the AALCO's Regional Arbitration Centres for their disputes and in particular to consider in their contracts, the inclusion of the Arbitration Clause of AALCO's Regional Arbitration Centres; and
- 2. **Decides** to place this item on the provisional agenda of its Forty-Ninth Annual Session.

# REPORT ON THE CENTRE FOR RESEARCH AND TRAINING OF THE AALCO

### The Asian-African Legal Consultative Organization at its Forty-Eighth Session,

**Having considered** the Secretariat Report on the Centre for Research and Training (CRT) of the AALCO, contained in Document No. AALCO/48/PUTRAJAYA/ 2009/ORG 4;

**Having heard** with appreciation the introductory remarks of the Deputy Secretary-General;

**Recognizing** the need and importance of the exchange of information among AALCO, its Member States, the United Nations and its Specialized Agencies, and other international organizations for improved capacity-building and enhancement of legal expertise in areas of international law;

**Acknowledging** the effective role of research and training in promoting the functions and purposes of the Organization;

**Bearing in mind** a more proactive role the Centre could play in implementing the mandate of the Organization in making the best use of the new Headquarters Building equipped with technology and infrastructure facilities;

**Appreciating** the efforts of the Secretariat in preparing special studies on matters of common concern and its plan to hold training programs in cooperation with international organizations and to ensure financial support for these programs;

**Also appreciating** the efforts of the Secretary-General in organizing the First Training Programme on "General Course on International Law 2008" at the Headquarters Building in New Delhi:

- 1. **Directs** the Secretariat to maintain, update and improve the technical efficiency of the website for facilitating dissemination of information to the Member States, the United Nations and its Specialized Agencies, and other international organizations;
- 2. **Requests** the Secretary-General to foster capacity-building of the Centre to carry out further research projects on international law and to organize training programmes for the benefit of the officials of Member States handling international law issues;

- 3. Urges Member States to furnish information and other relevant materials, including the name and address of the focal point with e-mail and the website of the ministries concerned and officials in charge of AALCO, in order to enhance the activities of the Centre for Research and Training (CRT);
- 4. **Encourages** Member States to make voluntary contributions to the "Research and Training Fund" established vide RES/45/ORG 4 to promote and strengthen research and training under the CRT, and to provide a sustainable financial base to the Centre to undertake its mandated activities;
- 5. **Directs** the Secretariat to take necessary measures to promote awareness about the Centre so that the services available at the Centre would be accessible to the public and private sectors in Member States;
- 6. **Also directs** the Secretariat to work towards the realization of its proposal for the training of officials of AALCO Member States;
- 7. **Requests** Member States to provide the Secretariat with specific topics for purposes of research; and
- 8. **Decides** to place this item on the provisional agenda of its Forty-Ninth Annual Session.