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>> CHAIR: Ladies and gentlemen, we will continue our discussions and for the time being, Member States who asked for the floor before the lunch break, to request the floor once again, Bahamas, it is okay, Egypt, fine, I have you here, Argentina, could you please ‑‑ if you still would like to take the floor, could you please request the floor once again?

China, please request the floor once again, if you haven't done so, Ghana. Please ask for the floor again, you had done so prior to the lunch break.

Nigeria as well, please ask for the floor again.

Ghana is not there yet? Africa, it's fine. I have a few other countries.

I will now give the floor and then I'll close the list of speakers.

Mexico, please request the floor.

If you have a technical ‑‑ yes, fine, I have you here.

Bahamas, I give you the floor.

>> BAHAMAS: Thank you, Chairman, for the floor. The Bahamas appreciates the hard work of the executive team, and for the Committees. Let me thank, Chair, of FHR on an excellent report. I love your virtue, and for taking the prudent advice of your husband.

Let me say from the start, Chairman, that the Bahamas supports the construction of a new iconic headquarters building for the ITU that's fit for purpose.

It would seem to the Bahamas that there are some major hurdles to jump over.

As I stated before, from the viewpoint of having been a former CEO of telecommunication company, it would be impossible for me to get approval from my Board of Directors in light of the following: One, investing an additional 57 million Swiss francs in a capital development project where there is no return on investment, no cost savings in operational budget.

Two, approval at the time is further complicated in light of the fact that the Union is unable to table a clean audit report.

Three in, light of not receiving a clean audit report, it would be important and prudent to put it mildly to borrow moneys on an additional 57 million Swiss francs, you will find it difficult to fund the present operating budget, including the engagement of additional staff.

The Bahamas is a aware of the 22 million francs already expended. Chairman, the Bahamas cannot at this time support the expenditure of 57 million francs, Swiss francs, in the present environment as stated.

Thank you very much.

>> CHAIR: Thank you very much, Bahamas. I'll close the list of speakers.

We have Egypt, South Africa, China, Guinea, Kuwait, Nigeria, Rwanda, Mexico.

We have two countries that would like to take the floor again, Saudi Arabia, is this correct and Switzerland.

With this, I close the list, last speaker on the list is Switzerland.

Egypt, you have the floor.

>> EGYPT: Thank you very much, Mr. Chairman.

I will be brief. I would like to thank the Secretariat, Deputy Secretary‑General, I thank you for the hard work and thank you, Switzerland, for explaining the loan process. Indeed, as colleagues over lunch break have explained, we are in a difficult situation and neither option is a good one unfortunately.

Both options entail financial implication, yet we're not sure about the financial implications of the option no, it also entails about a three‑year delay. We believe it is a very important not to delay this project any further, already there are 22 million Swiss francs that we do not want to go wasted, therefore we support option yes and to move forward with the project.

Thank you very much.

>> CHAIR: Thank you, Egypt.

South Africa, you have the floor.

>> SOUTH AFRICA: Thank you very much, Chairperson, for affording us the opportunity to make our observation on this critical item.

We should start by thanking the Secretariat, the Deputy SG, the Chair of the Council Working Group, FHR, the Chair for MSAG as well as Switzerland for the hard work that they have been doing on this project so far.

Karen, having reflected on the options that are presented to this Council, we are of the view that option yes should be the option that should be considered. We do not consider option no as the appropriate option as is not going to cause delays or other further delays, and is going to ‑‑ is not clear exactly in terms of the financial implications, but what is clear is that there is likely going to be additional costs with that option, and we also note that there is already current budget that is being expanded, and when we look into document number 7, the following is indicated, which is very key to us and I quote, time is money, one‑month delay costs ITU 70,000 Swiss francs or more.

Every analysis of every option costs money and I would like to indicate that there will be other analysis that are going to be done in addition to the analysis that's been done that is going to cost this organization money and I proceed with quote, how much longer will we take to analyze this situation? Every option will cost money. Thus far we have spent approximately 25 million Swiss francs, I have heard others say 22, and I would ask that we then indicate that there is money that has been expanded and if we're saying we're no longer moving forward with no option, then that's going to be a loss that we're going to incur. We are not certain, Chair, as to how much more are we going to incur with the second option, which is option no. I continue with that quotation.

Thus far, we have spent approximately 25 million Swiss francs on the current project, and every delay, every further change, et cetera, will in one way or another cost the organization more. That is very critical.

From where we are sitting, Chair, we are of the view that option A, which is yes, should be the option that needs to be considered. To the extent that there is a need to also consider the teleworking, that can also be considered but it should be considered within the auspices, we think within option A which is a yes.

Thank you, Chair.

>> CHAIR: Thank you, South Africa.

China, you have the floor. China.

>> CHINA: Thank you, Chair.

We also thank the Secretariat and CWG‑FHR and the MSAG Chair for the option. All membership are faced with this very difficult situation, that requires an immediate decision.

Currently we still have some clarifications to seek, for example, whether we get through negotiation reducing direct costs. In addition, we need more data concerning indirect costs.

I would like to suggest that we should consider as well the methodologies we're adopting at the Council meeting. Currently, the two options presented here probably will make it harder for us to continue the work.

In the last Council session, agreements was made that we have to have this project going. Therefore, we probably need to come up with a new option if we opt for no, there will be obvious costs and risks.

25 million of Swiss francs will go wasted. Without any return. However, a new project, a new plan will also incur costs and further delay will bring more costs, further changes to the plan as well will incur more costs.

We hope that the meeting would focus on the agreement reached on the July sessions and seek for options that will address concerns of membership and improve the current version of option yes in order to achieve positive results.

Thank you.

>> CHAIR: Thank you, China.

Ghana, you asked for the floor.

You asked for the floor before the lunch break.

I give the floor to Nigeria, as I saw you in the room, I wanted to remind you to ask for the floor. Nigeria, you have the floor.

>> NIGERIA: It is a question or a suggestion.

From our understanding, the two options, they have their own pros and cons, as such, we're put in a dilemma, which is because of option yes, had issues of not being sure of where to get the money to finish the project. Sometimes as we choose the option and ask the Secretariat to negotiate with the Swiss government.

On the second option, no, the major problem is timing.

If we are to go with that option, as it is, we have to wait for three years for this project to kickoff. We all know that in any procurement process, time is of the essence and time is a cost of the project. So if we were to go by it, it would be in this period.

So is there a way that we can find a course between the two options? If maybe agreed, the Council could look into negotiating the cost between the two options and without it.

Thank you.

>> CHAIR: Thank you very much.

I now give the floor to Kenya.

>> KENYA: Thank you very much, Chair, for giving us the opportunity to express our views on this very, very critical and somewhat convoluted issue.

I think, Chair, let me start by saying our understanding is that the options we have been given, that are displayed on the screen, are not exhaustive, and even going by the comments by Nigeria, I ‑‑ it indicates that perhaps the opportunities to create additional options.

As listened to colleagues, I get an impression that the use of the word yes and no is perhaps misleading because no sometimes means nothing. I don't think that's what we mean.

Having said that, Chair, we note, and we thank again MSAG and the Council Working Group on FHR for the excellent information that's provided to us. Note on the report, one, the scoping that we anticipated in July that would probably solve the financing gap doesn't seem to lead to a fit for purpose situation, and it is not a really viable option.

Chairman, we also note from the report the abrupt resignation of the head of the division. Where I come from, when that happens, we do an exit interview, with a view and also getting insights into what may have caused this, and this could help us in shaping the way forward.

Chairman, we also note that any delays cost us to the tune of 70,000 Swiss francs per month and this calls for a position in terms of the way forward, of course, noting that we have spent 25 million on this project that we don't know whether we can get return on this investment.

Mr. Chairman, we also note there is no guarantees that there will be additional costs either way with either road we take on this project and I was actually delighted to take note of the comments I think made by the U.S. delegation during the Council Working Group meeting to say perhaps we need to look at this matter in a much more radical way., I ask myself if we're working like we are working today? Is there justification for a physical product building like this 50 years from now? Are there creative way, can we stretch our mind and imagine what is the situation 50 years down the road? We're doing an investment that's a long‑time investment and it may be incumbent upon us to think beyond what we know and start to reimagine perhaps to the extent, what extent what we are doing will remain relevant.

Mr. Chairman, I think this is an opportune moment to really step back and really search upon ourselves and say what is really good and right for us in the long run. Having said that, Chairman, our precise position is that we need to perhaps continue with this project, however, I think we need to maintain the already approved budget, we shouldn't really go beyond the current budget that's been provided for, the 57 million Swiss francs which is required to continue the project and noting that this will not be all that will be required of us, it is one that will also provide us a clear visibility of whether we will be able to do it and to what extent we're comfortable.

Chair, I think we need to look at other options and look at how we can really rationalize this particular project within our means, leaving up to the concept of being or remaining within your capacity or of your means.

I thank you, Chair.

>> CHAIR: Thank you, Kenya.

I now give the floor to Kuwait. Kuwait, you have the floor.

>> KUWAIT: Thank you for giving me the floor.

The Government of Kuwait expresses its gratitude for the efforts of FHR and the Deputy General and the general of ITU and we thank the Secretariat as well for the reports. Both options have advantages and disadvantages, however during the last discussions and by studying the various options available we believe that it is possible to move forward in the option, so option yes, option A, we must look at the time factor and all of the other obstacles that we may encounter. We must also recall the considerable costs of the second option, direct or indirect, though there are no predictive results, all of these reasons, Kuwait would like to join others in the option yes in order to move forward with the project, taking into account the amount already spent.

Thank you.

>> CHAIR: Thank you, Kuwait.

Rwanda, you have the floor.

>> RWANDA:

Thank you, Chair.

Good afternoon, everyone. Let me start by thanking the Secretariat for providing more information and the work done since the jointly and I would also like to commend the work done by the FHR Working Group and MSAG Chair for providing clarity and the much needed input on this subject.

Some of the comments I would want to make on this option, as most of my colleagues have said, this is not an easy subject, from where I'm standing from the last Council we decided that we want this project to continue, and when I look at option no, in my point of view, it's a delay of cost to be incurred because if we want to go through tendering again for the next three years with the budget we do have today, considering inflation and other uncertainties that happened during construction, next Council in July, next summer we'll come back and ask again for additional budget. I think that's an inevitable next step.

So my question here is as Council we have agreed to go on with the project, why the country actually now focuses on the resource mobilization, I this that the dependency SG had asked about sponsorship issues they had looked at and there is a need as Council members and even other ‑‑ and the Secretariat, to put more emphasis on resource mobilization. I think we cannot go forward if this does not happen.

My colleague from Nigeria said what can be done in between, I agree, we should find an in between here, in looking at the best option in going forward.

I'm not a construction expert but I do believe that if we say no, it is just a delay in cost that will be incurred in the next year or two years.

The second part I would like to ask, the Swiss government I think had mentioned that the loan has some time limit, as well as ‑‑ has some time limit, we can maybe again figure that out.

Also to understand how long does the Secretariat, ITU has to live in this building to understand our time limits that we do have and other options that are put forward.

For me, I'm still a bit ‑‑ I'm still a bit confused on what would be the best position to take care because either a no could be no building, but other than that, the other way forward is yes, let's work towards getting to where the money will actually come from.

Thank you.

>> CHAIR: Thank you very much.

Mexico, please. You have the floor.

>> MEXICO: Mexico would like to thank all of the efforts taken by the Secretariat, Brazil chairing the MSAG and I would like to thank the Chair of FHR.

We are looking at option B, the rescoping of a new project, which would therefore avoid any cost being incurred and to investigate possible solutions to bridge the financial gap to reduce the cost of a new building and continuing to seek voluntary contributions.

We're of the view that a lack of information on the different alternatives offered which only makes it more difficult for us to take decisions, and in this vein, we would like to support what's been said by the United States, by Canada, and we would lean towards adjusting the project to what we have available.

Thank you very much.

>> CHAIR: Thank you very much, Mexico.

Ghana to close and then I'll give the floor to the countries asking for the floor.

>> GHANA: Thank you, Chair, for the opportunity.

This whole project was based on the safety and an external factor to the ITU needs.

From that, the design indicated that the tower will no longer be required if the new building is built and there will be a sell of the tower as certain parts of the costs. It is on these conditions that the loan amount was considered and unfortunately we had an incidence of COVID‑19 which has changed the premises of how we work.

Listening to fellow councilors, and thanking the ITU management for providing us much information and for the Council Working Group of HR for coming up with the options as some other colleagues had already mentioned.

We may not want to look at these options as one against the other. We can consider the constraints to it, and like in any programming language, see what is feasible from now to the future. We have heard the option yes, that the additional 57 million is not one that others want us to go for an additional loan, which means that amount will have to be raised entirely through sponsorship. As Council, we may want to consider that between now and December, if there are sponsor, we have called for sponsors, providing certain conditions that they don't get the responses to cover the costs.

We still have time to call for sponsorship or sponsors to see if there are 57 million that can be covered and meets all the conditions that will get this building done.

In the programming language, it is if, and then if that's not satisfy, we can consider the option no, that's the next trigger point because you could not raise the funds to actualize the building project continuing, how do you proceed onwards.

In between that, there is also constraints, if the building is to be pulled down by Swiss authority, how will the ITU staff adjust between the tower and the building considering now that working remotely is also an option for staff.

Chair, these are if you say not an option for us to consider that it is not one against the other, but it can be a flow of if, and then to see the way forward between now and the future.

Thank you.

>> CHAIR: Thank you very much.

Saudi Arabia, would you like to take the floor a second time? Please.

>> SAUDI ARABIA: Thank you very much, Chair. I would apologize for taking the floor once again.

Chair, if we adopt option B, I'm not saying yes or no, but the second option, the cost will be higher than those that are currently assessed.

We have already used up 22 million Swiss francs of the loan to date and we'll use further money, but I don't feel that the credit from the Swiss government will fund a new project which goes beyond the project. That's already been a discussion.

What I would like to say, the Swiss loan will not fund the new project and the new plan, the new design.

Of course, we also have the maintenance cost of the Varembe building as well. These are not ordinary costs but very elevated costs in fact.

That is why we opted for a new project building and if we adopt option no, the cost will be higher than 40 million Swiss francs and we would have to take out a second lone for the maintenance costs and for that to be included in the budget.

We have voluntary resources and an equivalent of 12 million Swiss francs, up to 2027, we do have this possibility and we can cover the 17 million indirect costs and we also have a generous offer from the Swiss government to finance up to 40 million Swiss francs and from tomorrow we could sign the contract with the company and move forward in this project.

I don't think there are any obstacles to ITU signing this contract today. Perhaps our colleague and the legal advisor could clarify this matter.

Any delay carries additional costs for the Union and for Member States.

Thank you very much, Chair.

>> CHAIR: Thank you very much, Saudi Arabia.

Switzerland, please, you have the floor.

>> SWITZERLAND: Thank you very much, Chair.

I would like to thank everyone for their questions and their positions. At the risk of repeating myself, I would just like to bring to bear some clarifications to inform the discussions and to supply answers to questions raised.

I had already said that firstly, the 17 million of indirect costs are not linked to this specific project and the issue should be funded in case of a project change. So if we opt for a project, then this issue wouldn't disappear. Secondly, the project description is an integral part of the contract with ITU and the foundation that manages the loan for the Swiss federation in Geneva, that also funds a third of this loan, this is Article 10.1 of the contract.

Moreover, this contract is also being set up on the basis of parliamentary deliberations so that the Swiss parliament at the federal and the authorities of the Swiss county of Geneva approved the loan of 150 Swiss francs on the basis of detailed documentation which set out this project in detail as selected by ITU and members at the time. The logical consequence is if the project moves away from the current project would need to present a new request for information to the parliaments and to the Geneva authorities who would also participate in the deliberations.

As the project, as part of the contract, this contract cannot fund another project, including the project design and the architecture of the project.

This would be another issue that would need to be resolved by ITU.

Thirdly, also there is a question on the use of the Varembe building, I would like to recall that this building is not up to standard, it is very old, and there are decisions that ‑‑ the decision to continue to use it would involve very onerous work, if we have decided to replace it. Turning to the timeline of the loan, the contract has figures, if there is delay in work, if the project is abandoned. Perhaps I will read the Articles in question, it may be easier.

So if there is a delay to the work, ITU would start the annuity reimbursement of the loan the latest in December of 2027. That's if nothing is done, if there are any delays to the works in anyway, the reimbursement of the loan will begin at that date.

Now, the other case, if the project is abandoned, when the ITU, it will not undertake the work in Article 1.2, the current project that is, it is committed to pay back the amount already paid, four years to notify of the decision if they cannot undertake the work, but the latest, from the 31st of July, 2026.

Thank you.

>> CHAIR: Thank you, Switzerland.

I see further requests for the floor. As I had closed the list I will just temporarily conclude or try to conclude on this matter.

Firstly, the beginning of good news: Nobody has questioned the need to replace the Varembe building. That is starting with the good news.

Now, turning to the yes or no options put forward there are two groups of countries, perhaps same number that said yes, if you like, a smaller group that said no, the larger group said by yes or no, we don't have enough information yet. So it is quite difficult based on this to take a decision now.

We need to continue to study this. Yet, before concluding, to temporarily conclude at the moment, I would like to give the floor to the Deputy Secretary‑General you would like to add some comments and clarifications. Deputy Secretary‑General, you have the floor.

>> TOMAS LAMANAUSKAS: Thank you very much, Mr. Chairman, Delegates.

Before I give details to the many questions that have been raised for clarification, I would like to ask the legal advisor to clarify about the ability to sign the contract at this stage and then I can move on in more details.

Thank you very much.

>> Thank you very much, Tomas. The building is financed through funds, primarily loans and sponsorship. This means that Annex 2, the financial regulations applies. Annex 2 stipulates that the Union shall not assume any commitments or project unless its full financing has been secured.

The view that funding needs to be secured before contracts are entered into also reflect principles of good governance.

Thank you.

>> TOMAS LAMANAUSKAS: Thank you, with your permission, I will continue with other information.

A number of delegates asked for clarification. My purpose of this intervention is to provide some clarification and hopefully coordinating that information that would be useful in moving forward.

First of all, to clarify, regarding the gap, the different parts of it, indeed we have a gap identified as 57 million, there are a few ways to cut it. Maybe to clarify, 40 million of that gap is directly ‑‑ could be reimbursable from the loan if there is an increase in loan. I would clarify, they have not confirmed they will increase the loan, but it has been expressed to us the willingness to consider such an increase if requested by the ITU and then to give us indication whether such increase would or would not happen.

Again, this is regarding 40 million.

17 million out that have gap is what we call technically not reimbursable, that would be covered by the loan but should be covered from the ITU's own money, other sources. In that cost, we had 11.4 million for business continuity, this cost was indeed related to the building process rather than the specific project on design, 11.4, but 5.6 million is a direct cost for equipment, furniture, fixtures and equipment, including 3.1 million in the existing budget, but the funding sources for that were not foreseen. To clarify, out of 17 million, 11.4 million are business continuity costs and 5.6 million are costs that are related to the project such as equipment, visual, equipment.

In terms of money, maybe it is ‑‑ I like the frame of the question, how much is in the bank? I think I can distinguish the delegate from Canada asked, and to explain the sources. Indeed, we have a confirmed loan from host country, which is 150 million, out of that, using 146 million and then that was included in the 172.7 million budget, remaining is funded by sponsors and donors, 18.4 million, so you have the sponsorships and donors confirmed to fund 18.4 million, ITU's own fund, 5 million, which is allocated to that and 3 million ITU funds yet to be financed, they were included in the budget but not financed, the 3 million.

Out of that as you would know, as for the normal process of loan disbursements, the whole money doesn't come at once in ITU, as well as sponsorship, not all are coming at once, they're being funded in the trenches, as to specific requests, we have received 43 nearly 5 million Swiss francs in our accounts, 22.7 million, as we have discussed here, have been already spent. Just to clarify the different ‑‑ the amounts of money available and the amounts of money spent.

Now, Distinguished Delegate, also just maybe to remind, that will be useful for further conversation, that the scope in cost, including the cost of additional reviews, also are funded from the loans. So though the work has been done so far, for example, during the rescope, they have been funded from the money that's allocated from the loan.

Of course, any further work, you know, to continue this way, we'll need the Swiss Federation to agree if any work is related to the work that's fundable by the loan agreement or find different sources to fund. Concerning the discrepancy, the Distinguished Delegate from Bulgaria noted, first of all, the question of the differences in costs, there are 80 million, 57 million, it depends on the baseline. Maybe a reminder of the hit so that in 2016, when the project was first discussed, indeed the project budget was 150 million, and it was increased, the major increase in 2019, September, to 170 million with the late adjustment to 200 million recognized additional sponsorships.

So the auditors prudently took the very initial amount, it was initially discussed and, of course, between that amount, the 150 million and currently discussed amount, the 230 million, the 80 million gap, but between the amount that's been approved by the Plenipotentiary Conference and the Council, that means 172 million, it is 57 million gap.

I hope clarifies.

Another question was, why the difference between 25.4 million included in the account and the currently discussed 22.7 million, so the audit included also the potential legal claim from utilities provider, whether ‑‑ you know, there was a question whether we could incur or not. At this stage we did include that claim in our own assessment because we don't have a sufficient legal certainty of that claim would occur., that's the difference of 3.8 million, anticipate happy to provide more information.

Also maybe it is use toll clarify, how the Secretariat is conducting its work, including answering the question, maybe again asked what the consultant is doing. Consultants are doing the work to prepare for this meeting, including the scoping work and including the project management, and including any further requests that the Council would request, membership. I have to remind the dear Councilor, the last major building project was conducted in 1999 when the Montbrillant building was built. We don't keep of retain the building, construction team on call, we don't have those projects that often. So to do that, to conduct such a project, we need to ramp up the team. That's being done through the engagement of consultants which we have now engaged.

Also just to remind, facilities management and building and project division, it is also taking care of the current ongoing maintenance, maintenance of the current buildings and their supervision, that's also the work that they're doing and that's why in the staffing of ITU currently there is a very limited resource to supervise the building project and that's why we need to ramp up it through the engagement of external support.

Again, clarifying the process with the project manager, so the period of applications closes 23rd of October, on that note, good project managers, please encourage them to apply, there are a few days left. Then we'll of course be working very diligently to make sure that the right candidate is selected in a most expedient time and, of course, also answering some of the concerns we definitely did the proper exit process for the previous manager, including receiving full transition report and they're benefiting from that knowledge as well.

Now the question, can the current buildings still be used including Varembe, on the advice, the information that we have, the current buildings can still be used safely, but of course we need to acknowledge their age which leads, of course, to increased risks of breakdown, discomfort, and the potential longer term non‑compliance with building codes. We're not aware that we have specific reasons for which we should be stopping with the specific timelines the building use at this stage.

Now, in terms of the postponement of the decision, again, Delegates had referred to my comments of the Council Working Group of financial Human Resources in terms of incurring cost, of course, to clarify, that any period of suspension would not generate savings, you know, if it is only for a few months, for example, with the consultants, the procurement is 3 months, the procurement of the services last time took 4 months, we're looking to add a few months for different processes and always looking 9 months to a year, let's say process, any time you want to ramp down or ramp up the process. So of course, it is not one month by month process, otherwise we're incurring costs to support the ongoing project.

Indeed, there was also mentioned the question by some delegates about strengthening of the governance, including in the comments of external audit, so I have ‑‑ as I had mentioned before, the new composition of MSG, I think the additional importance that membership is paying to MSAG, I think I have a good collaboration with them, for a period of time we benefited from additional experts that some MSAG members were able to bring, and that's very beneficial in the review process. We also encourage membership also to continue strengthening MSAG with technical expertise if possible and from our side we also will be looking at how to further make ourselves available for that particular in terms of the options to be done now, just from Secretariat's perspective, in terms of negotiation, the advice we have now, based on the current procurement process that we cannot engage the further direct negotiations with the current bidders without infringing on the current incur. Process, we have the best and final offer stage, at this stage, it is smart and I'm happy again to clarify further, but it is not at this stage that we do have a possibility, sorry, making it simpler. We don't have a possibility at this stage to engage in direct negotiations or subsequent direct negotiations with the bidders.

In terms of the scope and possibilities, we implemented the scoping request as per the Council request, that means within the current building permit, and that means within the current project design, so the architect identified 10 options, that in the architect's view will be possible to implement within the current building permit and within the current project design and we look to the options and we gave you responses.

Further options in our view would mean substantial project redesign with a potentially ‑‑ which potential would mean the new project design and that's if I may, closer to option no. I know sometimes maybe some delegates arrived and we should not call it option no, maybe some other wording, that redesign would be closer to the second option.

So finally, in terms of resource mobilization, so as I mentioned before, we actually ‑‑ we're engaging with a few parties, however, of course, the key point to this is all of the specific benefits and responses including private sector responses would receive for this resources, I have an opportunity to explain to Council Working Group of Financial Human Resources, they look at the conservative approach in terms of Rights of recognition and sponsorship and we're here to be guided by the membership, but of course we understand the need to comply with our current resource mobilization guidelines and including the need to ensure neutrality and neutrality of ITU and perception thereof.

Finally, maybe just in terms of what Secretariat would be able to do, of course, if option no is ‑‑ the second option is chosen. One of the key first next steps would be to internalize and provide information to the membership what type of building in terms of space allocation and facilities, it is possible to be build and the concept level for the amount available and of course then from that one, we'll be able to agree whether that is a building that the Union needs.

Of course, the first step will be as I say, to see what ‑‑ if I may, what kind of car we can buy for that type of amount and then, of course, be able to decide whether that type of car that we can buy satisfies our needs there.

We thank you very much. Hopefully these explanations were useful.

Thank you.

>> CHAIR: Thank you very much.

In order to conclude our debate, something has to happen in the next few months during the Council Working Groups and in June, 2024, the idea of setting up an Ad Hoc Group, a Drafting Group that would work this evening to fine tune, if need to be, the options as described and also develop a timetable as to what we need in terms of information in the next few months in order to be able to take a decision for the latest in June of 2024, because without additional information we'll find ourselves in the same position next summer. The idea is that the group will meet after the Plenary this evening, the Chair of the Council Working Group has kindly accepted to Chair, to lead the discussions in the group.

This is the plan that I propose to use so that we can have something substantive tomorrow to report to the Plenary.

There are countries that would like to take the floor. Saudi Arabia, you have the floor.

>> SAUDI ARABIA: Thank you, Mr. Chairperson.

We find ourselves confronted with the same outcome that you have mentioned earlier for the next Council session. You wanted us to have a clear timeline and we still don't have that clear timeline.

Therefore, Mr. Chairperson, I do not believe that we need to reinvent the wheel here and this is not the right, appropriate course of action at this juncture.

The legal Council has clarified that Annex 2 of the financial regulations pertains to supporting voluntary contributions and it applies to the building project and I don't think this is correct.

These rules, financial arrangements shall apply to all voluntary contributions and the relevant provisions of the Convention. When you go, you read the Convention, you would see in Article 486, 47, number one, the Secretary‑General may come to agreement acts of voluntary contributions, or cash in kind attached to such voluntary contributions are consistent as appropriate by the Union. In our case, a new building is beyond the expertise, the competence of the Coordination Committee has been decided upon by the PP and, therefore, the Secretary‑General signed the contracts and asked for the loan from the Swiss government.

With regard to the voluntary contributions, this is not applicable and we can also listen to the opinions of Mr. Alasandro.

>> CHAIR: Thank you, Saudi Arabia.

This is the type of question that needs to be clarified in the next few months. This is a very legitimate question. The new loan extension of the loan, parliamentary process that requires over a year. When is it possible to consider it as assured, it is when the parliament already says yes or is it possible before this type of question needs to be clarified before moving forward so we could draft a list of the points that need to be addressed, that need to be clarified.

As I said, most country, the feedback was clear, we do not have enough information to make a decision. We're stuck.

>> CHAIR: On my list, I have Canada.

>> CANADA: Thank you, Chair.

One question for clarification. You mentioned, after the Plenary, we would have an Ad Hoc Group meeting. At the same time, we have an INF1 from Brazil, same meeting? Same document? Are these two different meetings? Thank you.

>> CHAIR: It's the same group. I think it is up to the group to decide what to do with the proposal from Brazil. I'm not sure everyone has seen it. There is only one group.

Director of finances would like to provide additional information to the question of Saudi Arabia.

>> Thank you, Mr. Chair.

Good afternoon, Distinguished Delegates. I would like to refer to the statement or the question of Saudi Arabia, going to Annex 2 of financial regulations. It is said that no commitment can be undertaken without secure funds. We can consider that the loan, which is not financed through the regular budget is considered as an extra budgetary fund. As such, ITU cannot commit without signing a client and a guarantee that Switzerland or the body which is providing the loan will ensure the implementation of the project.

This is the additional information I want to provide.

Thank you, Chair.

>> CHAIR: United States.

>> UNITED STATES of AMERICA: Thank you, Mr. Chair. Thank you to the Secretariat for clarifying some of the questions.

I know that there are still a lot of questions and options. I'll have a lot of questions.

I had a similar question as Canada in terms of what we would be discussing in the 1730 meeting, but also maybe to specify the timeline. I think in the Council Working Group, you're under an impression that there would be an automatic decision if we did not come to an agreement on this additional funding, option, yes, that there would be something put in motion in December, at the end of December that would imply option no. So maybe just a clarifying in terms of collecting information that's needed until a decision is made at the Council meeting.

>> CHAIR: I understand it is not very clear. We don't have time to draft a clear Terms of Reference for the group. If we stop the discussions now, we have nothing, we will waste three months until the Council Working Group meeting, nothing will come out from this meeting.

So we should take advantage of the few hours that we have between a now and 9:00 a.m. tomorrow morning to draft something so that at least we make progress on the issue until January. Otherwise, we have nothing and we'll continue to pay consultants and nothing will occur.

We should take advantage of the opportunity, we should meet and discuss what can be done in the next few months in, the next three months to be able to make progress until January.

I do understand that this is very vague, it is better than nothing. Yes, United States, please.

>> UNITED STATES of AMERICA: Thank you, Mr. Chair.

I think I appreciate the comment and I think my question I guess was more I understand the tenders expire in December. So if this would just imply that this is trying to seek an extension to allow more time to deliberate this decision, and if that is a question that still needs also to be deliberated by this group.

Thank you.

>> CHAIR: I don't see any objection to this group studying this issue and reporting to us and to the Plenary.

The tender will expire and then we'll have to have another call for tenders, the tender will expire.

We do need to address this issue. Thank you. Brazil, you have the floor.

>> BRAZIL: Thank you, Mr. Chairman.

Just for information, we are preparing based on the description that we had during the lunch break, and basically to be used on this discussion of tonight we're preparing and looking at the decision timeline, considering all of the inputs we have received during the lunch break, and of course we are using these, we're going to propose to using this as fruitful and now also as a suggestion for tonight and we could accommodate some concerns of some members and of course it is just ‑‑ we can then present it tonight and try to find some solution for this.

Thank you.

>> CHAIR: Yes.

I'm sure that the group will consider your proposal and will determine whether you want to go in the substance on the proposal.

Bulgaria, you have the floor.

>> BULGARIA: Thank you, Chair.

Further to the issue of the timeline and the clarification made by the Director on the contracts that have to be signed for the voluntary contributions as far as I understand, these contributions are assigned with the approval of the Council or no, or by the Secretary‑General? Thank you. It is just a clarification question. Thank you.

>> CHAIR: Who would like to answer? Director of financing, you have the floor.

>> Thank you, Mr. Chair.

Er regarding the question put by the delegate of Bulgaria, voluntary contribution, if this is a project that are signed by Secretary‑General and there are agreements that have financial implications for strategic reasons, the Secretary‑General would report in the next Council meeting.

With regard to voluntary contributions and projects, it is the Secretary‑General who is in charge of managing and using financial resources of the Union who is empowered to sign on behalf of the ITU.

I thank you.

>> CHAIR: Very well. Thank you.

Madam Chair from FHR Council Working Group?

>> Thank you very much. Good afternoon, everyone.

So 1730 we'll meet. It will be helpful if the draft document that Brazil has been drafting, if we upload that to a DL so that we can start having the discussion tonight from there.

I think that will provide us with a platform, or at least a framework to work with.

It will be in room A, 1730.

Thank you.

>> CHAIR: Thank you.

So there will be a meeting at 5:30. Saudi Arabia was quicker than you, Canada, I would ask you to be patient.

Saudi Arabia, please.

>> SAUDI ARABIA: Thank you, Mr. Chairman.

Would you please repeat the mandate for the small Working Group? What is the expected outcome for you? Timeline, a plan, what Brazil is doing is totally something else, we don't feel comfortable in uploading that as a DL, I would like or love to hear from you the expected outcome.

Thank you.

>> CHAIR: Thank you.

Canada, please.

>> CANADA: Thank you, Chairman.

If I understood correctly, first of all, thank you, Brazil for always the willingness to move things forward.

Our understanding, the document that's being prepared or has been prepared by Brazil resulting from informal consultations during lunchtime would complement the document that we have on the screen in terms of steps that could be taken to resolve the issue of the two options we have in front of us on the screen.

I don't know if my interpretation is correct, but having read the draft that Brazil has prepared and what we have on the screen, it seems to be coherent that the proposal of Brazil would be addressing options to resolve what we have as a general statement on the screen.

Maybe could I ask our colleagues from Brazil if his understanding is correct.

>> CHAIR: Before giving you the floor, it was clearly no majority for yes or no option.

Of course we can recommend to the Council to take note of the lack of clear majority and the Working Group to discuss the issue again, perhaps there will be another proposal submitted to Council. We will lose a lot of time, waste a lot of time, lose a lot of money. All of the proposals proposing Council tomorrow to move the discussion forward, to fine tune the two options, to ask for additional information to try to find a compromised base solution that would merge the two options together.

I have no idea what will come out of the discussions. We have urgent issues to clarify what to do with the tenders that will expire on the 31st of December, what do we recommend to the Council in this regard and consultants costing between 60, 70,000 per month, so there are lots of issues to be resolved. That's possible to talk with the Council with tomorrow. I cannot be more precise, I'm sorry, I haven't had time to draft the Terms of Reference to the group. We need to be open, we're very grateful to Brazil, the proposal to move forward and if the majority of the group do not desire to do so, we can decide.

I think it is clear that we do not decide here now, the basis of work tonight for the discussion, the group proposal from Brazil.

Brazil, you have the floor.

>> BRAZIL: Thank you, very much, Chair.

I wanted to clarify things in terms of the methodology. We will send to some delegations this draft that we'll work on with all of the discussions and all of the comments heard on the floor were also using some creativity in this area, we are preparing to begin the discussions if the Chair would be amenable to this to have a timeline with the actions which the Secretariat must take and the decisions that the Member States have to bear in mind in order to reach a point where we will have the responses to yes or no, A or B or black or white, so we're now considering all of this across this timeline the needs for information, the doubts we have heard today, the intent to have the discussion, inform this, then we can move towards a draft text. As the distinguished delegate from Ghana had said, because we're talking in terms of flow, in terms of this timeline as discussed.

Thank you very much, Chair.

>> CHAIR: Very well.

We still have another topic to discuss, the interim report of external auditors, a group that will meet at 5:30 p.m. in room A, Chaired by the Chair of the Council Working Group FHR. This allows you one hour to go and run, grab sandwiches and some strong coffee.

I'm afraid you won't be able to resolve this in one hour, perhaps you need to bring a blanket even.

Thank you very much, Canada.

The Council will resume its work at 9:00 a.m. tomorrow morning.

Thank you. Thank you very much. It is now almost 4:00 p.m. We should have finished our work at 4:00 p.m. I will just consult the Secretariat on how to proceed our discussions.

Very well. We suggest to take a 15‑minute coffee break and we'll meet back here at 10 past 4:00. We'll here an intervention from the external auditor, and this will conclude our work for today. We will then move to the Plenary after our discussions. We will meet at 10 past 4:00.

(Break).

>> CHAIR: Sorry to break up your discussions which I'm sure are very interesting. But I would kindly ask you to take your seats, please.

Very well. Thank you.

Now the second matter that the ADM Committee will address is that of the external auditors, why, given what was discussed in the summer, we cannot yet approve the financial audited accounts for 2022 during this additional session of Council, so the external auditors are here with us in the room.

Without further ado, I would like to give the floor to them to give us an update on the headway made on their work.

Thank you.

You have the floor, sir.

>> Thank you, Mr. Chairman.

Mr. Chairman, Distinguished Delegates, on behalf of the Comptroller and Auditor General of the United Kingdom I'm pleased to have this opportunity to present the update on the status of the update of the 2022 financial statements.

The responsibility for maintaining proper accounting records and effective internal control environment and preparing financial statements which are presented in accordance with the ITU financial regulation, rests with the Secretary‑General. As your external auditor, our responsibility is to audit the financial statements in accordance with international standards on auditing and confirm that the transactions comply with the authorities government.

At the July Council we reported that the statements had not been properly prepared in accordance with the international public sector accounting standards, which you have determined on the financial regulations of the standards appropriate for the Union's financial reporting.

We had identified a very high‑level of material misstatement requiring attention from the Secretariat to correct. Issues related to accumulated, historical transactions, which were not appropriately reviewed or accounted for, whether they were results of the misapplication of the accounting practices. Consequently, under the auditing standards required to follow, it was only possible to have a disclaimed audit opinion on the original statements.

The Secretary‑General decided to represent the financial statements to avoid this outcome and to ensure quality reporting to members. In August, the Secretariat presented revised financial statements for audit, and it became apparent that not all of the material issues had been adequately addressed. The Secretariat had also lost visibility of the changes as proper accounting records and audit trails were not maintained to support and evidence these. To remedy, this the Secretariat engaged additional technical support to ensure ITU had capability to remediate the issues to the standards required. The processes has taken management considerably longer to finalize than originally expected.

Earlier this week we received an update on progress with management highlighting a final set of issues to correct.

We understand that the financial adjustments are being made as we speak, the management anticipating to provide us a full, complete version of the financial statements and supporting notes. When we have a full version of the statements, which the Secretary‑General is accounting is free and compliant, we will recommence our audit.

We will initially assess the overall quality and determine the level of additional audit work that's required to meet the requirements of auditing standards, given the level of Secretariat efforts to remedy the issue, the audit response to conclude our procedures will be commensurate and then we can give the time timetable. When completed and there is an opinion, we will ask the Secretary‑General to make that available to members as soon as practical.

To conclude, I expression thanks to the Secretary‑General and the staff to continue to resolve the issues identified, thank you for your kind attention and the opportunity to speak to you this afternoon.

I would be happy to take any questions on this update.

Thank you very much.

>> CHAIR: Before opening the floor to councilors, Madam Secretary‑General, would you like to add some comments? You have the floor, thank you.

>> DOREEN BOGDAN-MARTIN: Thank you very much, Mr. Chairman, good afternoon, ladies and gentlemen.

Let me start by thanking our external auditors from the U.K. national audit office.

I think as our distinguished Councilors are aware, a top priority of this team has been to rectify our accounts, our financial statements to a standard so that they can be certified by our external auditors. We are in the process, as was just mentioned of finalizing our submission to NAO.

Our difficulty to produce audited accounts was a very serious issue and, of course, this exposes the ITU to risks and therefore we had to urgently mitigate the situation.

For this exercise and in consultation with the external auditor, we had to engage as was just mentioned external technical support in addition to our finance team to assist and support us in meeting the expectations of the external auditors by providing the needed quality reporting.

I would like to take this opportunity, Mr. Chairman, to thank the team, the ITU team for their very hard work during this period. Of course I want to thank the external auditors for their cooperation, their constructive cooperation. They have been open, they have been transparent, and we do appreciate their professionalism.

While the findings as we saw in our interim report in July, while they were not pleasant let's say for lack of a better word, for the organization, addressing the issues head on will ultimately improve our internal processes in line with our vision to make this institution fit for the future.

I want to assure you, Mr. Chairman, you distinguished Delegates, that we have done our best and we will continue to do so in order to meet the highest quality standards of our auditors.

Thank you.

>> CHAIR: Thank you very much, Madam Secretary‑General.

I now return to the room, are there any requests for the floor, questions or comments, please.

Saudi Arabia, you have the floor, please.

>> SAUDI ARABIA: Thank you very much, Chair.

I would also like to thank the external auditor for his report I don't think it would be good to have an additional Council session when we have a document that contains all of these documents, perhaps through you, Chair, we could ask external auditor if he has very precise conclusions on the financial situation of the Union.

We all submit reports and can accept not having a report from the external auditor, therefore I would hope that the external auditor can reply to my question pertaining to the principle conclusions from his report. Thank you.

>> CHAIR: Thank you, Saudi Arabia.

>> I thank you, Chairperson. I would like to thank the external auditor for his verbal report. However, just like what was pointed out by our Saudi colleague only by giving an oral report will not be sufficiently addressing our councilors concerns. This is the first time that the external auditor could not be able to submit a report, especially at the last July session, and at this additional session, we can still not get the report from our external auditor.

However, at the initial consultations I noted that the Secretary‑General has made progress report on the issues.

I have noted that the external auditor once again mentioned that our financial reports are not in line with the requirements of IPSA. Taking this opportunity, I would like to pose questions to our external auditor. The external auditor is from Italy and Switzerland both believed that the process and operations of the ITU were in line with ITSA's requirements and why the UK external auditor does not believe so. What is the basis of criteria that you have laid down such a conclusion? We're not an expert in this field, therefore we would like to invite the previous two external auditors to participate perhaps in our future Council sessions to jointly have a discussion on the topic whether the operation of the ITU has changed or the requirements of IPSA has been modified to allow us to better understand what conclusion has been laid down by the current external auditor.

At the informal briefing by the Secretary‑General, she mentioned that she has formed a taskforce recently and we would like to know the composition of this taskforce and how it is operating. In particular, whether the external auditor has carried out close communication with the finance team, these are of great concern to our delegation and we hope such an issue will not happen again in the operation of the ITU in the future.

I thank you.

>> CHAIR: Thank you, China.

Guinea, you have the floor.

>> GUINEA: Thank you, Chair.

We just wish with the rest to express concerns about the timeliness of reporting with the view that great urgency is required to address the delays, the publication of the qualitative financial statements. We find difficulty in the use of external assistance in producing financial statements, which should be a normal operating procedure within the Union, and we would also want to know how much longer then are we going to retain the external assistance in assisting to produce the financial statements. Chair, you will note that ITU had has layers upon layers of oversight and, of course, it is aimed at bringing confidence to the Union. We're curious to understand what the internal audit function, all of these other oversight units position are in this matter.

Thank you, Chair.

>> CHAIR:

Canada.

>> CANADA: Thank you, Chair.

I would like to thank our distinguished external auditors from the United Kingdom. Thank him again for the time they took to participate virtually in a recent meeting of the Inter‑American telecommunication Commission where you answered a lot of questions that we had, we're very grateful.

Chairman, I think that we can look at this either with the lens of half full or half empty.

We have had discussions on the transformation of the ITU an higher oversight unit all towards improving and strengthening the administration of the financial, Human Resources in the Union. I think we are on the right track.

When the external auditors presented the preliminary report, we saw the immediate response from the secretary general agreeing to every single recommendation included in that preliminary report.

We have heard right now, I think we are on the right track and consequently we don't believe it would be necessary or useful to ask the previous external auditors to come to a meeting so that they can have an exchange with the national audit office as to what the criteria was applied during the last 12 years. What we would like to see is positive steps towards the future, and that we believe that we're witnessing right now. That's reflected with the creation of the oversight unit, reflected with the transformation office. So we're confident that going forward, all measures will be taken to avoid having any such issues as a miss interpretation, miss application of any of the current rules. We're taking positive steps toward the future.

Thank you.

>> CHAIR: Thank you.

I see the list of speakers is getting longer. I would like to close the list of speakers being mindful that there is still a Plenary to be held this afternoon still.

The following people have asked for the floor, Tanzania, United States of America, Sweden, Bulgaria. Very well, with that, I would like to close the list of councilors that would like to take the floor.

I also have a question from the observer country, the Russian Federation, and following their intervention we will hear explanations and will try to close this agenda item.

Tanzania, you have the floor.

>> UNITED REPUBLIC OF TANSANIA: Thank you, we really appreciate the informal discussion from the U.K. This has been quite long, without having a document to go through, it is hard to criticize and raise critical issues that may need answered.

When the report will be provided, we have a timeline, we have time to internalize and then we can discuss in a well‑informed environment and see what needs to be done. As of now, we're hesitant that any contribution that we can give will be out of an informed report and informing the information. We need a critical, important information to internalize, to consult with experts as well, and then we'll be in a position to discuss this.

Thank you.

>> CHAIR: Thank you.

United States of America, you have the floor.

>> UNITED STATES of AMERICA: Thank you, Mr. Chair.

Thank you to the external auditors for providing this status of the final report. We recognize the challenges identified and welcome the update from the Secretary‑General that this will be finalized so that the audit can proceed. We look forward to hearing the timeline of when this will be finalized and presented.

We want to echo the intervention from Canada, recognize the discussions we have been having in the Council regarding the transformation and modernization of the ITU operations and welcome the ITU's commitment to updating the financial operations and management of the Union and ensuring that the Human Resources and skills are developed and built so that the ITU management excels among other U.N. organizations. It is important to move forward and address the challenges identified when you see the final report. It is particularly important as we embark on the large capital development project and seek to mobilize resources to advance the Union's mission of connecting the unconnected and promoting digital standardization. We cannot do this without sound and transparent management. We thank the auditors again and look forward to the final report. Thank you.

>> CHAIR: Sweden.

>> SWEDEN: Thank you for giving me the floor and for the update.

We appreciate the clear ambitions of the Management Team to be open and transparent on the difficulty was the financial situation, and we support their efforts to get the situation under control.

I would also like to mention that Sweden calls for a clear prioritization of what the ITU can be capable of doing, given the financial situation. Our suggestion is an increase focus on connectivity enhancing projects and reduced focus on emerging technologies.

Thank you.

>> CHAIR: Thank you, Sweden.

Bulgaria, you have the floor.

>> BULGARIA: Thank you, Chair.

Thank you for the report. We appreciate it very meth. Congratulations to the management for trying to address some of the recommendations already put into the preliminary report of the auditors as well as recommendations outstanding for the last 16 years, that's steps in the right direction. We have a practical question, aligning ourselves to the guidelines, the report will have an additional Council meeting, a physical meeting that's needed, and if such is needed, it could be arranged in a way that we're making sure that we have the report already finalized and published and then we decide on the dates if additional is needed.

Thank you.

>> CHAIR: Thank you. All Member States that wished to take the floor have taken the floor. Now I give the floor to observers. Russian Federation, you have the floor.

>> RUSSIAN FEDERATION: Thank you very much, Mr. Chair.

At the outset, we would like to thank all of those who participated in preparing the documents. We hope very much that the Secretariat will allocate all of the necessary resources to support the financial work to prepare the final document, the outcome document and we would like to ask, join in with those who asked the question about timelines and we would like to ask within what time lines does the Secretariat plan to prepare this report.

Thank you.

>> CHAIR: Thank you very much for the comments and the questions.

I will give the floor to the external auditors and then to the Secretary‑General.

External auditor, you have the floor.

>> Thank you, Mr. President.

I'm very happy to respond to those questions and thank you for those.

I think my starting point is to again reflect on the fact that we presented you with quite a significant report back in July with a good number of recommendations about how we felt the organization needed to look at the issues we were raising.

I think it was very much in anticipation that when we received a revised set of financial statements we would come back to you with a final written report and had been our intention that we would come to this Council and present that report, but I think that fundamentally as I said in the presentation to you, the fundamental issue is that we have not had a revised set of statements that management themselves are content with. Now, think during the comments from the delegate from Canada, I think it is important to stress that there are positive developments and building quality into the revised set of financial statements and it has taken longer for management to do that, and of course until we receive those, we can't begin our audit work, we can't present you with the final results of the audit.

Fundamentally, that's the position that we're in and that's the reasoning for this.

I think what I would say in terms of presenting an oral report, it is that at this point in time, audit work hasn't advanced in a way that the substance of the recommendations and observations made in July, they haven't changed, and I think that the importance of me coming here is to give an opportunity to ask questions of us, but I think to give you our understanding of the position.

In terms of once we completed our audit, that report will emphasize issues relating to the accounts process, but it will also give you our take and our commentary on the financial statements, as they have been presented, and we will highlight the financial risks and the financial observations we draw as the external auditors on important matters that we think is important for you as members to focus upon.

I think it is very important to stress that the management of taking good steps to recognize the need to bring in extra capacity to support the preparation of these revised financial statements and I think what I would want to draw to attention is that the external advisors, supporting ITU have concurred with all of the issues, adjustments and observations we made back in July, and they're working through representing the accounts, reflecting on those observations and recommendations being made for adjustments so that those accounts come to you, to the standard that you would expect with the compliance of financial statements. I would also like to echo the fact that we're engaging almost daily with the finance team that are putting together these reifies advised financial statements.

I'm pleased to report to you that we have good communications with them and I think we're working well for that end goal and to give you my assurance that we want to perform the audit as efficiently, swiftly as we can so that we can draw the audit to a conclusion and report our findings to you.

I hope that's covered the questions that for us, some of the questions may be more directed at management, so probably at this point I will hand over to the Secretary‑General.

Thank you.

>> CHAIR: Thank you very much.

Madam Chair Secretary General, please.

>> DOREEN BOGDAN-MARTIN: Thank you very much, Mr. Chairman.

I do believe that we are taking positive steps, I appreciate the comments that have been made by our distinguished councilors, as it was noted when the external auditor presented their interim report in July we did accept the recommendations with the Secretariat, myself as Secretary‑General, those recommendations, and we're in the process of implementing those important recommendations.

The taskforce as was mentioned by the Distinguished Delegate from China was swiftly established under the direction of the Deputy Secretary‑General and that taskforce has met nearly every day, I think it is fair to say, even weekends, obviously as Damion has just noted and the chief of finance also can confirm, the finance department was an integral part of that process, and the group will continue to work until we have completed the task at hand.

Our expectation is that we can submit the final statements to the auditors in the next couple of days, one of my colleagues said Monday, bullets just say the next couple of days were almost there. IMAC has been engaged, we had a meeting together with the auditor, with finance, IMAC is engaged and briefed on the process. As I said, on our side, we expect delivery to the auditors in the coming days, once that takes place, they won't need to have their time to review and to conclude before they come back to us with a final written report that would then be published and distributed for review and ultimately approval by this Council.

Council would be to determine if they wish to review the final report by consultation, if they wish to do it with an additional virtual or physical meeting.

I do want to also note, Mr. Chair, as there were some questions this time, also previously, about kind of why this time and not under the Italian, under the Swiss, just to remind councilors, that IPSA has evolved, that's part of the situation that we're in and also to remind councilors as sometimes we don't like to remember this fact, but we did have out of the last four years, we had three qualified opinions and it is in our best interest and we're committed in this leadership team to ensure that we put forward and make our best effort, it is important for us to have quality audits and clean statements.

With that, thank you again for those good comments. I again assure you we're doing our best.

Thank you.

>> CHAIR: Thank you very much.

There is no decision to be taken. The discussions that have taken place will be reflected as a summary in the report to the Plenary, the report then will be approved tomorrow as far as the Council meetings, physical or not to approve the accounts, discussions. There is a discussion planned to be held on the future dates of the Working Groups so I suggest that we stop the discussion on this topic today. For now. To move to the Plenary, we will see each other tomorrow morning to consider the results of the Ad Hoc Group that will meet at 5:30 p.m. in Room A after discussion on the report of the Ad Hoc Group and we will consider our report to the Plenary and this is the plan for the next few hours.

Either during the day or during the night.

Very well, I adjourn this session.

In five minutes, the Plenary will start. Five minutes. Perfect.

A five‑minute break.

Thank you.

(Break).

>> CHAIR: Good afternoon. Let's continue with the Plenary session. We'll address the matters set out in the agenda, and if you're in agreement we'll begin with document number 2 on the dates, duration of the proposed Council meetings, and the Council Working Groups for the years 2024, 2025 and 2026.

Therefore, I would like to give the floor to Ms. Beatrice, please, you have the floor, to present the document.

>> On behalf of the Secretary‑General, I'm pleased to present this, the ITU Council at each ordinary session is to schedule the next ordinary sessions in June and July, to review the Council schedule.

Further to the Council session in July, the Secretariat took into account the concerns expressed by Councilors on the length of the session and the format of the Council Working Group clusters.

The following changes to decision 626 are, therefore, proposed. In view of the reduced periods, the Geneva mow toe show held from the 26 of February to third of March in 2024 and the availability of the headquarters in 2024 is proposed to hold the first Council Working Group cluster for Monday 22nd of January to Friday, 2nd of February, 2024.

In light of the progress and the implementation of the Union projects and the possibility to organize the 2024 ordinary session of the Council in June, ITU headquarters to hold the sessions from Tuesday, 11th of June, to Friday, 14th of June, 2024. In order to avoid the situation in 2026, we'll hold the Twenty‑Sixth Session of the Council from Tuesday, 2028 to April to Friday 8 of May, 2026. To maintain the ITU‑R ration of the Council Session of nine days and maintain the two physical cluster of Council Working Groups. Mr. Chairman, the Council is invited to adopt the draft decision based in the Annex of this document.

Thank you.

>> CHAIR: Thank you very much, Beatrice.

Having received the contribution C23‑ADD/6 presented by the Russian Federation, I would like to ask if they would like to take the floor to present this document.

>> RUSSIAN FEDERATION: Thank you very much.

I would like to say that Azerbaijan has joined this contribution, it needs to be pointed out for the sake of formality. I would like to say the informal consultations, everything was taken into account already and there is no need for further discussion on the document.

Thank you.

>> CHAIR: Thank you, Russian Federation.

Can't see any further requests for the floor.

Therefore, having heard the comments, I would like to invite the Council to confirm the dates for the clusters of CWGs and EGs for 2024, 2025 and 2026 and to adopt the draft decision contained in the Annex through this document.

Canada, please.

>> CANADA: Thank you, Chairman. Sorry to interrupt the flow of the meeting, it is just to ask a question for clarification.

Last week during the first two days submitted on the first day, Tuesday, we had the meeting of the Council's Working Group on Child Online Protection in which we were grateful but at the same time challenged to address the 31 excellent contributions from stakeholders on the matters of forced Child Online Protection. We did not have time to thoroughly read, understand, discuss those very good proposals so we wanted to see, Chairman, when, how, if we would consider that bearing in mind, that for example the previous day we only have a day for four languages, if there is any possibility without extending the sessions of the Working Group if Child Online Protection, with of course the permission of the distinguished Chair behind us here, if we could have a day and a half for anticipating that we will have, again, excellent and big number of high‑quality contributions to this Working Group.

Thank you.

>> CHAIR: Thank you, Canada.

Pertaining to your concern, we take good note and see how we might be able to adjust the agenda for future meetings.

Thank you, Canada.

>> CHAIR: Egypt, please.

>> EGYPT: Thank you very much, Mr. Chairman. Good afternoon, everyone. Thank you, Secretariat, for this report and we would ‑‑ we're happy to learn that the duration of the Council remains the same, nine days. We would have liked for the next cluster of Working Groups to avoid overlaps with other ITU meetings such as TSAG since some delegations are small. We, of course, do understand the restrictions that the Secretariat is working with and the motor show and given also the religious holidays and we're happy to learn that for the next clusters, the future clusters, this will not be the case.

We also noticed that it is only a few months between the clusters of the Council Working Group and the next, and we hope that this will not be the case in the future. We noticed that also this was taken into consideration in the report.

I would like to also add my voice to Canada in that several Council Working Groups and expert groups need more time such as Child Online Protection as Canada has explained as well as Chair of the expert group on the ITU‑Rs, I'm quite sure maybe we could had a different outcome if we were able to discuss the contributions without such haste., parallel, this could be helpful without, as Canada said, increasing the days of the Council.

Thank you very much.

>> CHAIR: Thank you, Egypt.

Iran, you have the floor, please.

>> ISLAMIC REPUBLIC OF IRAN: Thank you, Mr. Chairman.

I think sometimes it may not be easy to single out the contribution to one group and categorize them as excellent. All of the contributions are excellent. I don't think we should not make such distinction and some other groups, also we need more time. The two groups, they have only one day, and they did not produce any output.

So that's important whether the time for the group needs to be reconsidered as well. Thank you.

>> CHAIR: Thank you, Iran.

Switzerland, you have the floor, please.

>> SWEDAN: Yes. Sweden here.

I wanted to point out that in the Annex, underlined in the second paragraph, it says Council 25 on Tuesday, first June, Friday ‑‑ that must be corrected I guess. Thank you.

>> CHAIR: Thank you for the corrections, Sweden. We'll make that correction.

Considering the schedule of the Council Working Groups, we currently are consulting with the Chairs of the different Council Working Groups to be able to have a planning before the end of this week (secretary) and we'll be able to note an information document with the proposed scheduling.

>> CHAIR: I see no further requests for the floor.

Therefore, the decision under consideration has been approved.

Thank you.

Let's turn to the next document.

I would like to address the document C23‑ADD/3(Rev.2), it lists the Chairs and the Vice‑Chairs of the Working Groups. I would like to explain the following to you, that this document will be addressed in two parts. Firstly, the replacements of the Vice‑Chairs, already appointed in the July Council session, and secondly, the appointment of the new Vice‑Chairs. Therefore, considering the replacements which were elected, at the current session in July, in the ordinary session of Council, we have four replacements, can we approve the four replacements.

In order to provide further clarification, I would like to read out the names of the replacements for the CWG‑Internet, from Azerbaijan. This is for the CWGCOP group we have Ms. Meseti from Azerbaijan, and for the CWG languages, we have Ms. Daphne from France and for the expert group on the ITRs, Mr. Singhal from India.

Therefore, I put forward to you the approval of the replacements, the Vice‑Chair.

>> CHAIR: Canada, you have the floor.

>> CANADA: Thank you very much, Chair.

We are fully in agreement with your request and your suggestion to approve the list of the members we're going to replace, which appear in green in the document and the discussion.

Thank you.

>> CHAIR: Thank you, Canada.

With no further requests for the floor, it is there by approved, the list of replacements, thank you very much. Approved.

Now I would like to put forward the proposed Vice‑Chairs from the CIS region, which is normally the four candidates for the position of Vice‑Chair.

This list of course, I would like to suggest that if you want to discuss this tomorrow, therefore, we could postpone addressing the nomination of these four Vice‑Chairs for tomorrow.

Canada, please.

>> CANADA: Thank you, Chair. Apologies for taking the floor again.

We agree with your which forward, as a matter of fact, in less than 15 minutes we have a very important meeting in Room A, it would be ideal that the sooner we go and get ourselves together, probably going and getting dinner in advance of the lengthy hours we'll spend in Room A, maybe we could, of course, with your permission close the session and then we can get prepared to have the discussion that we are supposed to have in Room A that is supposed to start in 15 minutes.

Thank you.

>> CHAIR: Thank you, Canada.

Russian Federation, please. I believe you have spoken on this matter, therefore, could you ‑‑

>> RUSSIAN FEDERATION: No, we have not taken the floor on this issue.

>> CHAIR: Yes. Having checked, Russian Federation, my sincere apologies, you may have the floor.

>> RUSSIAN FEDERATION: Thank you very much.

I will not take much time.

For our part, we do not see what needs to be discussed here.

Once again, since we respect our colleagues and the time that we still need to spend today, we agree to postpone it until tomorrow.

>> CHAIR: Thank you very much, Russian Federation.

Seeing no further requests for the floor, therefore I would like to propose we close this Council session for this afternoon and we'll meet again tomorrow at 9:00 a.m. Thank you.

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