




---

## PAPER 2

### BUDGET PROPOSAL FOR THE FINANCIAL YEAR 1<sup>ST</sup> APRIL 2021 TO 31<sup>ST</sup> MARCH 2022

---

#### **PREAMBLE**

In line with its Strategic Plan (2019-2023), the Forum has poised itself as the leading inter-parliamentary organisation of the SADC region in view of spearheading democratisation and socio-economic development. This Vision had been arrived at following benchmarking with the objectives of other inter-parliamentary organisations around the world and across Africa (such as PAP, EALA, ECOWAS) whereby national parliaments gather around 1 regional parliamentary organisation as a stepping stone to build capacity for nurturing parliamentary democracy, respect for human rights, correct parliamentary procedure, among others. The Forum is furthermore a regional grouping within the institutional framework of the SADC, and it promotes the SADC identity and the SADC economic integration process. Within this paradigm, the Forum has no other choice than to evolve to meet the contemporary demands of the 300 million citizens of the SADC region, whilst it covers the diverse interests of 3 island states and 12 continental states.

Against this background, the budget of the Forum needs to take into consideration the prevailing competing priorities, the need for the Forum to adapt to emerging challenges, and the imperative need to continue making strides in the developmental agenda. The SADC organs have recognised the linear success of the Forum over the years by finally contemplating to transform the Forum to a SADC Regional Parliament.

At the heart of the Forum's success so far lies the fact that it has always attracted high end professionals as regional staff who have been able to skilfully conduct resource mobilisation with donors, coordinated the development of Model Laws, and led on the programmatic objectives of the organisations to such an extent that the Forum can now aspire to ascend to a Regional Parliament. It is within this context of the need for sustained growth and yet maintaining high-quality human resource and service delivery that the Executive Committee as management organ of the Forum is requested to consider the budget of the organisation for the forthcoming financial year 2021/2022.

## 1.0. EXECUTIVE SUMMARY

The Plenary Assembly is requested to consider and approve the Budget Proposal for the financial year 2021/2022.

- 1.1. This budget covers the financial year 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, and provides for all known sources of finance for the financial year. However, detailed expenditure for the donor funding is provided at Programme level and is not contained in this budget proposal.
- 1.2. Over the years, the membership has expressed concern that the statutory meetings of the Organs of the Forum, specifically the Standing Committees, which form part of the core business, are not provided for in the core budget but rely on funding raised from co-operating partners. Furthermore, the COVID-19 pandemic has resulted in a shift in priorities of Member countries and also at the global level, with financial resources expected to become more scarce in 2021 and beyond. *The current global trends warrant a rethinking on the way the Forum needs to structure its budget so that it progressively becomes less reliant on donor funding, while at the same time using donor funding as a safety net for thematic projects only, rather for running its core operations.*
- 1.3. The budget for the 2021/2022 Financial Year ensures that the business of the Forum is conducted within the funds raised from Annual Mandatory Contributions with minimal additional costs on the part of Member Parliaments.
- 1.4. The COVID19 pandemic has influenced the way business is conducted. During the year 2020, all the statutory and other meetings of the SADC PF have been successfully held through the virtual platforms Zoom and Microsoft Teams. It has become apparent that this mode of hosting meetings virtually is quite effective and yields, the same results as from physical meetings. In this regard, and due to the uncertainty of the COVID19 restrictions in 2021, the budget assumes that the SADC PF will continue to host its meetings by virtual means, especially in the first half of the year 2021. The main costs for virtual meetings are interpretation, translation and ICT Support costs. Also budgeted are costs pertaining to resource persons/experts who will be required to provide expert support on thematic issues, especially for Standing Committees.
- 1.5. ***It is, therefore, proposed that in the next financial year, all statutory meetings of the institution be held virtually, within the funds available in the budget, with the exception of the 50<sup>th</sup> Plenary Assembly Meeting scheduled for the later part of 2021.*** This budget, therefore, provides for **virtual** meetings of the statutory organs of the Forum, mainly the 49<sup>th</sup> Plenary Assembly, Standing Committee Meetings and meetings of the Executive Committee and its Sub-Committees. This

would apply for the financial year 2021/2022 only, as the Forum will need to look at the global trends of inter-parliamentary organisations around the world to determine whether meetings will continue online post-COVID or whether there will be a mix of online and physical meetings as was the case previously.

- 1.6. For indicative purposes, it would be apposite to note that the total cost of the statutory meetings (budgeted under Direct Operational Expenses), where all the meetings, with the exception of the 50<sup>th</sup> Plenary Assembly, are held virtually is estimated at N\$3.7 million. On the other hand, if the meetings were held face to face (physical meetings), the total cost would be N\$7.9 million, which would result in additional costs of N\$4.2 million, and a deficit budget of N\$2.28 million. In other words, the COVID19 period is allowing the Forum to make some savings on operational costs since travel restrictions in SADC are currently causing meetings to be held online. *The schedule comparing the budget options is attached hereto as [Schedule 20](#).*
- 1.7. It should be highlighted that the budget of the meetings of the Human and Social Development and Special Programmes Committee is covered under the Swedish-funded SRHR Project (2019-2022) due to the strong linkages of the Committee with SRHR implementation across the SADC region. In addition, meetings of the Regional Model Law Oversight Committee (RPMLOC), and the Committee of Clerks of Member Parliaments, are also fully budgeted for under the SRHR Project. There is also a budget for Joint Sessions which can be used to cater for meetings of the HSDSP Committee with 1 or 2 other Standing Committees.
- 1.8. Meetings of the Regional Women's Parliamentary Caucus (RWPC) are budgeted under Other Policy Organs and are proposed to be held virtually unless funding outside the budget is raised for physical meetings.
- 1.9. The institution continues to recognise the key role that the Secretariat plays in the management, sustainability and growth of the institution. It is the strength of the Secretariat and the robust human resource skeleton of the Forum which in large part makes the Forum attractive to be the recipient of donor funding. The budget for 2021/2022 caters for the human resource and addresses some of the concerns regarding Staff emoluments that have arisen in the past few years. In this regard, due to innovations by the Secretariat, a total of **eleven key positions** have been filled through secondments by Member Parliaments which has enabled the efficient and expert delivery of support to the membership without any major increase in the salary bill. The total staff compliment stands at 27, with the 11 seconded staff, 2 donor funded positions (up to March 2022) and 14 full time positions which are paid from Member Contributions.
- 1.10. It should be highlighted that the business Model of organisations of similar standing as the Forum has always been to have a robust salary

bill which can attract elite professionals to join the organisation, especially as few individuals have the niche skills required to interact with Parliaments and build the capacity of MPs. Figurewise, the salary bill of the Forum is much less than the salary bill of other inter-parliamentary organisations or other SADC organs such as the SADC Secretariat as the Forum has less core staff. Additionally, the proportion of the salary Bill with regards to the overall revenue of the organisation, including donor funding, is 27% in the budget for 2021/2022. The bottom line is that the business model of inter-parliamentary organisations in general, and the Forum in particular, do not permit them to have a salary bill which is below a certain amount (irrespective of the percentage with regards to revenue) since there is a need to preserve certain crucial skills to keep the organisation afloat and render it attractive to donors.

- 1.11.** As the Forum moves forward, there is a need to be pragmatic on the issue of balancing the interests of the organisation and still continue to ensure that the Forum hires top-notch professionals who can bring value to parliamentary work. The Salaries Budget proposal for 2021/2022 Financial year, amounting to N\$11,954,005 is based on the current structure and actual salary figures for current Secretariat Staff effective 1<sup>st</sup> April 2020. This budget also caters for 12 Seconded employees.
- 1.12.** The proposed Salaries Budget for 2021/2022 represents a reduction of 9% from the budget for the year 2020/2021. This is a result of the cost management measures that were put in motion in 2019 which included the merger of the departments of Finance and Administration. In addition, some positions in the Programmes department that were previously held by full-time employees are now filled by seconded staff as indicated at 1.9 above.
- 1.13.** *The proposed budget, however, does not take into account the Salary Review and Job Evaluation Exercises that are currently ongoing. Preliminary calculations by the Secretariat show that the ideal Structure as proposed by the Job Evaluation exercise, assuming all positions are filled by full-time employees, would cost N\$27.8 million as compared to the N\$11.95 million provided in this budget. In this regard, the Job Evaluation team also recognises the need to have some of the positions on secondment basis in order to reduce the salary bill. The results of the Job Evaluation and Salary Review exercises will be submitted for consideration before the end of the financial year.*
- 1.14.** It is also important to note that the seconded staff of the Forum, enable significant savings to be made, yet they report firstly to their national Parliament. Although this working arrangement is a generally efficient one, there are unavoidable lapses when national Parliaments are sitting and require the participation of the seconded staff. This prioritisation issue with national Parliaments will need to be discussed and

streamlined in view of ensuring that the Forum can expect performance delivery at all levels from the seconded staff.

- 1.15.** Moreover, to maintain the performance of our ICT system, the Secretariat has also taken advantage of the ICT expertise offered by the IPU Hub, hosted in Southern Africa by the Parliament of Zambia. This resource has been key in facilitating the successful hosting of virtual meetings and will continue to be at the disposal of SADC PF. Also the website has been reviewed and upgraded to facilitate more efficient and effective sharing of information within and outside SADC PF and also to enhance the visibility of the institution.
- 1.16.** Regarding the Transformation Agenda, with the Forum's intention to transform into a SADC Regional Parliament as soon as possible, this continues to be of high priority. The Transformation Agenda has brought with it previously unbudgeted activities that the institution must henceforth provide for. For example, there has been an increasing demand for the Forum to participate in the meetings of other regional and global Parliamentary bodies such as the PAP, CPA and the IPU in order to promote collaboration and visibility. In addition, the Task Team on Transformation composed of SADC Secretariat and SADC PF Secretariat staff will also continue to meet, mostly virtually, pursuant to the resolution of the 39<sup>th</sup> SADC Summit of Heads of State and Government and the Council of Ministers which met in August 2019 in Dar-Es-Salaam, Tanzania.
- 1.17. Cost Drivers and Context**  
Costs of goods and services continue to rise due to inflation and depreciation of the South African Rand/Namibian Dollar against major currencies such as the British Pound and US Dollar. Unfortunately, inflation and depreciation of currencies extends to almost all the countries in Southern Africa and impacts on the costs of the institution's activities, most of which are held across the member countries pursuant to the tradition of the SADC PF.
- 1.18.** As was the case with the 2020/2021 Budget proposal, the approach in preparing the 2021/2022 Budget Proposal has been a cautious one. As demonstrated above, the Secretariat has been innovative in ensuring the management of costs, which has fortunately been enhanced by the new way of doing business incidentally occasioned by the COVID19 pandemic. In addition, the core business of the Forum has been prioritised.
- 1.19. Going Concern:** The proposed budget for 2021/2022 is a surplus budget, with a surplus of N\$1,661,227 and is therefore currently not a matter of concern. In addition, the cashflow projection, which takes into account projected savings from the financial year ending 31<sup>st</sup> March 2021, including the contribution from Madagascar of N\$1,501,500 for the financial year 2020/2021, (which was not budgeted for due to a timing difference: c/f Paper 1), shows a healthy position with the

projected cashflow balance as at 31<sup>st</sup> March 2021 amounting to N\$4.87million. This will increase the accumulated reserves, and together with the timely payment of Mandatory Annual Contributions, and due diligence, ensure the going concern of the institution for the short-term. In the long term, with increasing costs due to inflation and other cost drivers, the institution may have to consider an increase in its annual Mandatory Contributions. The Projected Cashflow Statement is attached as **Annexure B002**.

## **2.0. BUDGET PROPOSAL 2021/2022**

The proposed Budget for the financial year 2021/2022 is attached hereto as **Annexure B001**.

## **3.0. NOTES TO THE BUDGET: BUDGETED INCOME**

### **3.1. Article 21 of the SADC PF Constitution provides as follows regarding its Sources of Finance**

The Finances of the Forum shall accrue from the following sources:

- (a) annual mandatory contributions from Member Parliaments, which shall be determined by the Plenary Assembly on the recommendation of the Executive Committee;
- (b) grants or donations from Governments, SADC, other international organisations and charitable institutions including international parliamentary groupings;
- (c) various fund-raising activities approved by the Plenary Assembly as recommended by the Executive Committee; and
- (d) any other sources approved by the Plenary Assembly.

### **3.2. Mandatory Contributions: N\$21,148,050**

The Mandatory Member Contributions have increased by N\$1,501,500 from N\$19,646,550 in the financial year 2020/2021 to N\$21,148,050 in the financial year 2021/2022 due to the added contribution from Madagascar which became a member of SADC PF in December 2019, increasing the number of Member Parliaments from 14 to 15.

### **3.3. Other Income**

An amount of N\$432,688 has been raised from Administrative fees charged to co-operating partners.

### **3.4. Income from Donor Funding: N\$23,399,340**

The total contributions from donors amount to N\$23,399,340, an increase of 49% from 2020/2021.

**3.5. Total Revenue: N\$45,005,078**

The total Consolidated Budget for 2020/2021 therefore anticipates a total revenue of N\$45,005,078 compared to N\$35,371,550 for the financial year 2020/2021. This is an increase in the total Revenue of N\$9,633,528 representing 27%. A total of 51% in the amount of N\$23,399,340 is from donor funds, while N\$21,148,050 representing 47% is from Mandatory Member Contributions.

**4.0. NOTES TO THE BUDGET: BUDGETED EXPENDITURE****4.1. Total budgeted expenditure: N\$43,343,851**

Total budgeted Expenditure is N\$43,343,851 compared to N\$35,369,467 for 2020/2021. Excess of budgeted Revenue over Expenditure totals N\$1,661,227 after providing for a Contingency of ZAR 80,000. Out of the total expenditure, N\$23,399,340 is for donor funded activities whose details are contained in the respective donor budgets. The total expenditure attributable to Mandatory Contributions and other income is N\$19,944,511.

**4.2. Staff Emoluments: N\$11,954,005**

4.2.1. The proposed total budget for Staff Emoluments amounts to N\$11,954,005 representing a decrease of 9% from the financial year 2020/2021 budget which amounted to N\$13,182,161.

4.2.2. However, while the budget for 2020/2021 catered for only 16 full-time employees, the budget for 2021/2022 caters for a total of 25 positions, 14 of which are full-time employees and 11 are seconded professional staff. The 11 seconded staff include 8 Committee Clerks/Programme Managers, 1 Human Resources Expert, 1 Media and Communications Expert, and 1 Internal Auditor who are still full-time employees of the seconding Parliaments pursuant to the Secondment Policy. The seconded staff are paid a stipend for their contribution to SADC PF. This does not include donor funded staff.

4.2.3. As intimated at 1.6 above, the secondments have enabled the efficient and expert delivery of support to the membership without any major increase in the salary bill. In this regard, it is worth noting that with the secondments in place, the total proposed Staff Emoluments budget for 2021/2022 will reduce from 67% to 57% of the Members Contributions, with a decrease of 9% in the total salary budget. *In actual fact, the average salary cost per employee per annum has reduced from N\$ 823,885 to N\$478,160.* Nonetheless, as indicated above, the Forum as from 1<sup>st</sup> April 2022 will need to fund the 2 donor funded positions (Corporate Governance Officer and Chartered Accountant) which are key to maintaining the operational structure of the Secretariat in order to remain competitive at the international level.

4.2.4. It is important that in measuring the cost of the Secretariat staff against the benefits to the institution, care is taken to ensure that resources

mobilised by the Secretariat from various co-operating partners that have ensured the success of its programmes and activities, are taken into account. In this regard, the percentage of salaries measured against total revenue, including donor funds, amounts to 27%. Members may also wish to note that the span of responsibility of the Secretariat in terms of staff support spreads beyond the Headquarters and seconded staff to include SADC PF Desk Officers and SRHR Researchers/other staff stationed at national level.

**4.3. Administrative Overheads: N\$2,445,858**

- 4.3.1. The budget provides for Administrative Overheads of N\$2,445,858 compared to N\$1,741,806 in the previous year's budget representing a 40% increase.
- 4.3.2. The Administrative Overhead expenses are for the operations of the Secretariat and include general office expenses, communication costs, motor vehicle running expenses, travel and subsistence allowance expenses, audit and insurance expenses.
- 4.3.3. The increase in this proposed budget is caused by the increase in demand for ICT and Communication services as a result of virtual meetings. Communication Costs have increased by 122% from N\$229,795 to N\$510,980. These costs include Zoom and Microsoft licences and maintenance costs. The licences and maintenance of the service cater for all virtual meetings and other activities that require the use of the virtual platforms.
- 4.3.4. Also contributing to the increase is the financial charges which have increased by 500% from N\$66,000 to N\$396,000 partly due to the interest charged on the mortgage for the Official Residence of the Secretary General.
- 4.3.5. Motor vehicle running expenses are also expected to increase by 21% from N\$68,355 to N\$82,800, as the vehicle is older and requires more regular maintenance.
- 4.3.6. Insurance has increased by 50% from N\$147,844 to N\$223,070 due to the added premium from the insurance of property.
- 4.3.7. Professional, Consultancy and Legal Fees have been increased by a mere 1.1% from N\$81,000 to N\$81,900 due to the fact that many of the processes that required outsourced expert consultancies such as the development of risk management policy, performance management policy and internal audit policy, and the salary review exercise, were conducted in 2020. Also the job evaluation exercise has been conducted in 2020 by the Parliament of South Africa. Additionally, as part of the innovation by the Secretariat on cost management, the Parliament of Zimbabwe has seconded a legal expert to assist with any matters of a



legal nature that may arise. The host parliament is also on hand to provide legal and other expert assistance at no cost to SADC PF.

#### **4.4. Direct Operational Expenses: N\$3,699,500**

- 4.4.1. The Direct Operational Expenses represent the core business of the Forum and include the statutory meetings.
- 4.4.2. The total budget has reduced from N\$4,465,500 to N\$3,699,500 representing a 17% reduction.
- 4.4.3. The major reduction in the budget arises from the Plenary Assembly budget which have reduced from N\$3,200,000 to N\$2,164,600 (32%). This is because it is proposed that the 49<sup>th</sup> Plenary Assembly Session be held virtually due to the anticipated continuation of restrictions arising from the COVID19 pandemic during the first half of the year and beyond. In this regard, the budget for the 49<sup>th</sup> Plenary Assembly has been reduced by 78% from N\$1,600,000 to only N\$347,850. On the other hand, the budget for the 50<sup>th</sup> Plenary Assembly has been increased by 14% from N\$1,600,000 to N\$1,816,750.
- 4.4.4. Executive Committee meetings budget has also been reduced by 41% from N\$200,000 to N\$118,200. This is due also to the fact that the EXCO meetings are proposed to be held virtually. However, should the need arise for physical meetings, the assumption is that the meetings will take place either in Windhoek, Namibia, or during the period of the 50<sup>th</sup> Plenary Assembly, hence keeping the costs, which are mainly for venue, language services and documentation, within the budget.
- 4.4.5. EXCO Sub-Committees budget has increased by 622% from N\$36,000 to N\$259,800 in order to reflect the actual costs incurred for these meetings. It is worth noting that interpretation costs are the same for smaller meetings as they are for larger meetings with the same number of days as the same number of interpreters are used, and are paid a daily rate. The proposed budget caters for 2 meetings each of the 4 Sub-Committees of EXCO, to be held virtually. Each meeting is only for 1 day.
- 4.4.6. Standing Committee meetings budget has increased by 34% from N\$349,500 to N\$468,400. This caters for 4 Standing Committees meeting virtually for 1 day each, twice in the year for the 49<sup>th</sup> and 50<sup>th</sup> Sessions. The budget includes 1 resource person to cater for any thematic matters the committee may wish to discuss. Any physical meetings will have to be catered for under donor funding. The HSDSP Standing Committee is funded by Sida under the SRHR Programme.

4.4.7. Other Policy Organs: This budget caters for meetings of the RWPC. It is proposed that these also be held virtually. The budget has increased from N\$35,000 to N\$86,500 representing 147%. This budget reflects the reality in terms of costs as the budget was previously understated.

4.4.8. Programme Support budget is reduced by 33% from N\$300,000 to N\$201,500 to facilitate increased budget allocation to Standing Committee meetings which are statutory and, therefore, of higher priority. Additional activities for Standing Committees that are programmatic in nature will have to be funded from other sources. It is assumed that Programmes will continue to resource mobilise for their activities as has been the tradition in the past years.

4.4.9. Transformation of the SADC PF into a Regional Parliament continues to rank high in priority and hence the amount of N\$125,000 under Programme Support is allocated to this activity. Attendance of meetings of other regional/global parliamentary bodies in pursuit of this agenda will be charged to this budget line.

4.4.10. **Election Observation Missions budget of N\$300,000**

The amount is allocated to support one of the flagship programmes of the SADC PF, namely the promotion of electoral reforms across Member States through the domestication of the SADC Model Law on Elections. The Secretariat will roll out activities focused on taking full advantage of reform opportunities in pre-elections and post-election phases of the election cycles of selected Member States based on the SADC election calendar. In order to remain at the pulse of the democratisation processes in the SADC region in spite of the financial constraints, the Secretariat will deploy various ICT-based solutions such as virtual consultations, electronic surveys and electronic tracker for electoral reforms. The Secretariat will also leverage on existing partnerships across its programmes to maximise its presence and visibility in championing the domestication of the SADC Model Law on Elections. The allocation will also serve as seed money to incentivise partners to consider investing in the promotion of democratic elections in the SADC region.

**4.5. Programme activities N\$23,399,340**

4.5.1. The bulk of this expenditure is for the SRHR and HIV/AIDS Project under the grant from Sida, amounting to N\$20,179,340.

4.5.2. It is anticipated that more funds will be raised during the year for the various programmes, as has been the case over the years. Some donors/co-operating partners prefer to pay directly for goods and services and their contribution may not always be captured in the books of the Forum.

#### **4.6. Capital Expenses: N\$601,648**

4.6.1. The Capital Budget has increased by 201% from N\$200,000 to N\$601,648. Due to budgetary constraints, the Forum has not been able to purchase adequate new office furniture or ICT equipment for many years, and hence the increase.

4.6.2. In this proposal, there is a provision for ICT equipment which is now urgently required to cater for the hosting of virtual meetings and the effective participation of Secretariat staff in the same. A number of staff have laptops that are older than 4 years and which are due for replacement. The provision for ICT equipment is N\$292,448.

4.6.3. The capital budget also includes an amount of N\$200,000 for the purchase of furniture for the Official Residence of the Secretary General as it will not be feasible to furnish the house in full during the financial year ending 31<sup>st</sup> March 2021.

4.6.4. An amount of N\$109,500 has been included for office furniture which includes office chairs, desks, and some kitchen equipment.

#### **4.7. Contingency Amount N\$80,000**

A minimal contingency amount (ZAR 80,000) is provided for any unforeseen circumstances that may arise.

#### **4.8. Mortgage Repayment N\$624,000**

The principal amount on mortgage repayments to Nedbank in respect of the Official Residence of the Secretary General amounts to N\$624,000 per annum. The interest of N\$265,000 per annum is provided for under the budget line for Finance Charges.

#### **4.9. Motor Vehicle Loan N\$540,000**

The cost of the personal-to-holder motor vehicle is estimated at N\$1,500,000. It is proposed that the vehicle be obtained through a bank loan. Assuming a deposit of 20%, the loan amount will be N\$1,200,000 payable over 5 years. The budget provision of N\$540,000 includes the deposit of N\$300,000 plus annual loan repayment amount of N\$240,000 on the principal amount. The interest of N\$65,000 per annum is provided for under the budget line for Finance Charges.

### **5.0. KEY CONSIDERATIONS**

#### **5.1. Prioritisation of Activities**

5.1.1. During the financial year 2021/2022, the Forum will continue to restructure its operations in order to become more cost-efficient and effective in the delivery of its statutory and programme activities. It is important that statutory activities such as the Plenary Assemblies, EXCO and Standing Committee meetings are held *without fail*.

- 5.1.2. Key considerations include ensuring that other priority activities such as those towards the accomplishment of the transformation of the SADC PF into a Regional Parliament are also implemented.
- 5.1.3. A motivated staff compliment is also key to achieving the objectives of the Forum. In this regard, implementation of the findings of the Salary Review and Job Evaluation exercises will be a priority in the financial year 2021/2022.
- 5.1.4. Resource Mobilisation: Implementation of the Resource Mobilisation Strategy may involve meetings with various stakeholders in order to strengthen efforts and ensure results. Unfortunately, donor funding is necessary as the Forum cannot depend entirely on Member Contributions for its programme related activities.

## **5.2. Cash flow: Importance of timely payment of Contributions**

- 5.2.1. As indicated in previous budget submissions, delays in the payment of Members Contribution has been the major problem in the management of cash flow at the Forum. Although Article 9 of our Constitution does provide for severe action in case of non-payment of Contributions beyond twelve (12) months, the Executive Committee has to date not taken any drastic measures with the understanding that some of our National Parliaments are facing some financial challenges. It is also difficult to implement drastic measures such as suspension of membership whilst the Forum endeavours to promote inter-parliamentary diplomacy and cooperation.
- 5.2.2. However, the accumulation of unpaid contributions may cause serious cash flow problems and Forum activities may be negatively affected.
- 5.2.3. The Forum normally does not provide for any overdraft as it is assumed that contributions from Member Parliaments will be received on due dates. It is, therefore, of utmost importance that all National Parliaments should commit to settle their Annual Mandatory Contributions within a reasonable delay depending on their respective budget dates. EXCO is kindly requested to play a mediation role in this regard to promote payment of any unpaid contributions with defaulting Parliaments.

## **6.0. DECISION FOR THE CONSIDERATION OF THE PLENARY ASSEMBLY**

**The Plenary Assembly is requested to consider and approve the Budget for the Financial Year 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.**

### Attachments:

Annexure BOO1: Budget Summary

- Annexure B002: Projected Cashflow Statement 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022

- Annexure B002(ii): Projected Cashflow Statement 1<sup>st</sup> October 2020 to 31<sup>st</sup> March 2021
- Schedules 1 to 19 and Schedule 21: Detailed Budget schedules
- Schedule 20: Comparative Budget Summary Schedule