



SHARING OF JOINT ADMINISTRATIVE COSTS WITH THE 1971 FUND

Note by the Director

Summary: The costs of running the joint Secretariat have to be distributed between the 1992 Fund and 1971 Fund.

Action to be taken: Decide on the apportionment of the joint administrative costs.

- 1 At its 1st session, the Assembly agreed that the distribution of the costs of running the 1992 Fund and 1971 Fund's joint Secretariat should be decided yearly by the Assemblies of the two Funds (document 92FUND/A.1/34, paragraph 11.1). In recent years the Assemblies have taken the following decisions in respect of the distribution of these costs:

Year	Paid by 1992 Fund	Paid by 1971 Fund	Document	Paragraph
1996 (part)	25%	75%	92FUND/A.1/34	11
1997	30%	70%	92FUND/A/ES.1/22	16
1998	40%	60%	92FUND/A.2/29	24
1999	50%	50%	92FUND/A.3/27	22
2000	50%	50%	92FUND/A.4/32	26

- 2 The Director is of the view that during 2001 the ratio of administrative work between the 1992 Fund and the 1971 Fund will differ from what was foreseen when the distribution of costs for 2000 between the two Organisations was decided. A significant part of the workload in the Claims Department will during 2001, as has been the case for 2000, relate to the *Erika* incident which concerns only the 1992 Fund. A considerable amount of work will be required in respect of the winding up of the 1971 Fund, but the draft budget for 2001 contains a special allocation in this regard. The Director therefore proposes that for 2001 the joint administrative costs of the two

Organisations should be distributed with 60% to be paid by the 1992 Fund and 40% to be paid by the 1971 Fund. In the Director's view, however, as for previous years, this distribution should not apply to certain items in respect of which it will be possible to make a distribution based on the actual costs to be incurred by each Organisation, as set out in the explanatory note to the draft budget for 2001 (document 92FUND/A.5/24).

Action to be taken by the Assembly

- 3** The Assembly is invited to consider the apportionment of joint administrative costs between the 1992 Fund and the 1971 Fund for the period 1 January to 31 December 2001.
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