



INTERNATIONAL  
OIL POLLUTION  
COMPENSATION  
FUNDS

Agenda item: 7	IOPC/OCT12/7/2	
Original: ENGLISH	27 July 2012	
1992 Fund Assembly	92A17	•
1992 Fund Executive Committee	92EC56	•
Supplementary Fund Assembly	SA8	•
1971 Fund Administrative Council	71AC29	•

## CHANGES TO FINANCIAL AND INTERNAL REGULATIONS

### AMENDMENTS TO FINANCIAL AND INTERNAL REGULATIONS OF THE 1992 FUND, SUPPLEMENTARY FUND AND 1971 FUND TO TAKE INTO ACCOUNT THE DUAL ROLES OF TWO SENIOR MANAGEMENT POSITIONS

#### Note by the Director

<b>Summary:</b>	At its April 2012 session, the 1992 Fund Assembly noted the appointments of Mr Ranjit Pillai as Deputy Director combined with the role of Head of the Finance and Administration Department and of Mr Matthew Sommerville as Head of the Claims Department combined with the role of Technical Adviser. Appropriate amendments need to be made to the relevant Financial and Internal Regulations of all three Funds to take into account these dual roles within the Secretariat.
<b>Action to be taken:</b>	<p><u>1992 Fund Assembly</u></p> <p>Approve amendments to Financial Regulation 9.2 and Internal Regulations 7.13 and 7.14 of the 1992 Fund.</p> <p><u>Supplementary Fund Assembly</u></p> <p>Approve amendments to Financial Regulation 9.2 and Internal Regulations 7.10 and 7.11 of the Supplementary Fund.</p> <p><u>1971 Fund Administrative Council</u></p> <p>Approve amendments to Financial Regulation 9.2 and Internal Regulations 7.13 and 7.14 of the 1971 Fund.</p>

## 1 Introduction

- 1.1 At its April 2012 session, the 1992 Fund Assembly noted the appointment of Mr Ranjit Pillai as Deputy Director/Head of the Finance and Administration Department and of Mr Matthew Sommerville as Head of the Claims Department/Technical Adviser. The Assembly also noted that the number of members of the Management Team had been reduced from six to five, ie Director, Deputy Director/Head of the Finance and Administration Department, Legal Counsel, Head of the Claims Department/Technical Adviser and Head of the External Relations and Conference Department.
- 1.2 The appointments of a Deputy Director combined with the role of Head of the Finance and Administration Department and of a Head of the Claims Department combined with the role of Technical Adviser will require amendments to the Financial and Internal Regulations of all three Funds to take into account these dual roles.

- 1.3 Draft texts of the proposed amendments to Financial Regulation 9.2 and Internal Regulations 7.13 and 7.14 of the 1992 Fund are at Annex I for consideration and approval by the 1992 Fund Assembly.
- 1.4 Draft texts of the proposed amendments to Financial Regulation 9.2 and Internal Regulations 7.10 and 7.11 of the Supplementary Fund are at Annex II for consideration and approval by the Supplementary Fund Assembly.
- 1.5 Draft texts of the proposed amendments to Financial Regulation 9.2 and Internal Regulations 7.13 and 7.14 of the 1971 Fund are at Annex III for consideration and approval by the 1971 Fund Administrative Council.

## **2 Action to be taken**

### **2.1 1992 Fund Assembly**

The 1992 Fund Assembly is invited to approve the texts of the proposed amendment to Financial Regulation 9.2 and to Internal Regulations 7.13 and 7.14 of the 1992 Fund.

### **2.2 Supplementary Fund Assembly**

The Supplementary Fund Assembly is invited to approve the texts of the proposed amendment to Financial Regulation 9.2 and Internal Regulations 7.10 and 7.11 of the Supplementary Fund.

### **2.3 1971 Fund Administrative Council**

The 1971 Fund Administrative Council is invited to approve the texts of the proposed amendment to Financial Regulation 9.2 and Internal Regulations 7.13 and 7.14 of the 1971 Fund.

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## ANNEX I

Draft proposals submitted to the 17th session of the 1992 Fund Assembly for approval

*(Proposed changes are underlined/scored through for ease of reference)*

### FINANCIAL REGULATIONS OF THE INTERNATIONAL OIL POLLUTION COMPENSATION FUND 1992 ESTABLISHED UNDER THE 1992 FUND CONVENTION

#### Regulation 9

##### *Management of Monies*

9.2 The Director may authorise officers to act as signatories on behalf of the 1992 Fund in giving payment instructions. The 1992 Fund's bankers shall be empowered to accept payment instructions on behalf of the 1992 Fund when signed as follows:

- (a) for any sum up to £100 000, by any two officers from category A or B;
- (b) for any sum in excess of £100 000, by one officer from category A plus one officer from category A or B.

For the purposes of this Regulation, the categories are as follows:

Category A Director, Deputy Director/Head of the Finance and Administration Department, Legal Counsel and Head of the Claims Department/Technical Adviser.

Category B ~~Head of the Finance and Administration Department~~, Head of External Relations and Conference Department, ~~Technical Adviser/Claims Manager~~ and Finance Manager

Further conditions in respect of the delegation of authority under this Regulation shall be laid down by the Director in Administrative Instructions.

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### INTERNAL REGULATIONS OF THE INTERNATIONAL OIL POLLUTION COMPENSATION FUND ESTABLISHED UNDER THE 1992 FUND CONVENTION

#### Regulation 7

##### *Settlement of claims*

7.13 The Director may authorise another officer or other officers to make final or partial settlement of claims or to make provisional payments. Such authority shall:

- (a) in respect of ~~the Deputy Director~~, the Head of the Claims Department/ ~~and the Technical Adviser/Claims Manager~~ be limited to approvals not exceeding £500 000 for a particular claim; and
- (b) in respect of other officers:
  - (i) be given only in respect of claims arising out of a specific incident and only to an officer who is responsible for dealing with claims arising out of that incident; and
  - (ii) be limited to approvals not exceeding £75 000 for a particular claim.

The conditions and extent of such delegation shall be laid down in Administrative Instructions issued by the Director.

- 7.14 Any settlements made under Internal Regulation 7.13(a) shall be reported to the Director and those made under Regulation 7.13(b) to the Head of the Claims Department/Technical Adviser.

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## ANNEX II

Draft proposals submitted to the 8th session of the Supplementary Fund Assembly for approval

*(Proposed changes are underlined/scored through for ease of reference)*

### FINANCIAL REGULATIONS OF THE INTERNATIONAL OIL POLLUTION COMPENSATION SUPPLEMENTARY FUND ESTABLISHED UNDER THE 2003 SUPPLEMENTARY FUND PROTOCOL

- 9.2 The Director may authorise officers to act as signatories on behalf of the Supplementary Fund in giving payment instructions. The Supplementary Fund's bankers shall be empowered to accept payment instructions on behalf of the Supplementary Fund when signed as follows:
- (a) for any sum up to £100 000, by any two officers from category A or B;
  - (b) for any sum in excess of £100 000, by one officer from category A plus one officer from category A or B.

For the purposes of this Regulation, the categories are as follows:

Category A Director, Deputy Director/Head of the Finance and Administration Department, Legal Counsel and Head of the Claims Department/Technical Adviser.

Category B ~~Head of the Finance and Administration Department~~, Head of the External Relations and Conference Department, ~~Technical Adviser/Claims Manager~~ and Finance Manager

Further conditions in respect of the delegation of authority under this Regulation shall be laid down by the Director in Administrative Instructions.

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### INTERNAL REGULATIONS OF THE INTERNATIONAL OIL POLLUTION COMPENSATION SUPPLEMENTARY FUND ESTABLISHED UNDER THE 2003 SUPPLEMENTARY FUND PROTOCOL

#### Regulation 7

##### *Settlement of claims*

- 7.10 The Director may authorise another officer or other officers to make final or partial payment of claims or to make provisional payments. Such authority shall:
- (a) in respect of the ~~Deputy Director, the~~ Head of the Claims Department ~~and the~~ Technical Adviser/Claims Manager, be limited to payments not exceeding £500 000 for a particular claim; and
  - (b) in respect of other officers:
    - (i) be given only in respect of claims arising out of a specific incident and only to an officer who is responsible for dealing with claims arising out of that incident; and
    - (ii) be limited to payments not exceeding £75 000 for a particular claim.

The conditions and extent of such delegation shall be laid down in Administrative Instructions issued by the Director.

- 7.11 Any settlements made under Internal Regulation 7.10(a) shall be reported to the Director and those made under Regulation 7.10(b) to the Head of the Claims Department/Technical Adviser.

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### ANNEX III

Draft proposals submitted to the 29th session of the 1971 Fund Administrative Council for approval

*(Proposed changes are underlined/scored through for ease of reference)*

#### FINANCIAL REGULATIONS OF THE INTERNATIONAL OIL POLLUTION COMPENSATION FUND 1971 ESTABLISHED UNDER THE 1971 FUND CONVENTION

##### Regulation 9

###### *Management of Monies*

9.2 The Director may authorise officers to act as signatories on behalf of the 1971 Fund in giving payment instructions. The 1971 Fund's bankers shall be empowered to accept payment instructions on behalf of the 1971 Fund when signed as follows:

- (a) for any sum up to £100 000, by any two officers from category A or B;
- (b) for any sum in excess of £100 000, by one officer from category A plus one officer from category A or B.

For the purposes of this Regulation, the categories are as follows:

Category A Director, Deputy Director/Head of the Finance and Administration Department, Legal Counsel and Head of the Claims Department/Technical Adviser

Category B ~~Head of the Finance and Administration Department~~, Head of the External Relations and Conference Department, ~~Technical Adviser/Claims Manager~~ and Finance Manager

Further conditions in respect of the delegation of authority under this Regulation shall be laid down by the Director in Administrative Instructions.

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#### INTERNAL REGULATIONS OF THE INTERNATIONAL OIL POLLUTION COMPENSATION FUND ESTABLISHED UNDER THE 1971 FUND CONVENTION

##### Regulation 7

###### *Settlement of Claims*

7.13 The Director may authorise another officer or other officers to make final or partial settlement of claims or to make provisional payments. Such authority shall:

- (a) in respect of ~~the Deputy Director~~ the Head of the Claims Department/Technical Adviser be limited to approvals not exceeding £500 000 for a particular claim; and
- (b) in respect of other officers:
  - (i) be given only in respect of claims arising out of a specific incident and only to an officer who is responsible for dealing with claims arising out of that incident;
  - (ii) be limited to approvals not exceeding £75 000 for a particular claim.

The conditions and extent of such delegation shall be laid down in Administrative Instructions issued by the Director.

7.14 Any settlements made under Internal Regulation 7.13(a) shall be reported to the Director and those made under Regulation 7.13(b) to the Head of the Claims Department/Technical Adviser.