



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND

ASSEMBLY
14th session
Agenda item 19

FUND/A.14/16
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AMENDMENTS TO THE FINANCIAL REGULATIONS

Note by the Director

Introduction

1 The IOPC Fund's Financial Regulations were adopted by the Assembly at its 3rd session (document FUND/A.3/15, paragraph 7). They were amended by the Assembly on a number of occasions, most recently at its 13th session (document FUND/A.13/21, paragraph 20).

2 The Director submits for examination by the Assembly a proposal to amend one of the limits of authority for giving instructions to the IOPC Fund's bankers. This proposal is made after consultation with the IOPC Fund's auditors.

Financial Regulation 6.2

3 Financial Regulation 6.2 governs the authority of the Director and other officers of the IOPC Fund to make payments and give instructions to bankers. The Regulation reads as follows (as amended in 1990 by the Assembly at its 13th session):

"The Fund's bankers shall only be empowered to accept instructions on behalf of the Fund if such instructions are signed by the Director and, in respect of payment instructions for any sum in excess of £14 000, countersigned by one other properly authorized officer. The Director may empower another officer or other officers to sign instructions to the Fund's bankers on his behalf only in respect of payment instructions for any sum of less than £5 000. For payment of salaries the Director may exceptionally, in circumstances where he is unable to sign, empower two other officers to sign jointly instructions for any sum up to £20 000."

4 Since the limits were last raised in 1990, a new post of Claims Officer has been established. In addition, three promotions have been proposed by the Director (document FUND/A.14/9). Therefore, in view of the resultant increases in the total amount of salaries payable to the IOPC Fund's staff, it is suggested that the limit laid down in the third sentence of Financial Regulation 6.2 should be increased to £25 000. The Director does not consider it necessary to raise the other limits laid down in this Regulation.

5 If the Director's proposal as set out in paragraph 4 above were accepted by the Assembly, Financial Regulation 6.2 should be amended to read as follows (amendment underlined):

"The Fund's bankers shall only be empowered to accept instructions on behalf of the Fund if such instructions are signed by the Director and, in respect of payment instructions for any sum in excess of £14 000, countersigned by one other properly authorized officer. The Director may empower another officer or other officers to sign instructions to the Fund's bankers on his behalf only in respect of payment instructions for any sum of less than £5 000. For payment of salaries the Director may exceptionally, in circumstances where he is unable to sign, empower two other officers to sign jointly instructions for any sum up to £25 000."

Action to be Taken by the Assembly

6 The Assembly is invited to consider for adoption the Director's proposal to amend the Financial Regulations as set out in paragraph 5 above.
