



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1971

ASSEMBLY
21st session
Agenda item 21

71FUND/A.21/19
1 September 1998

Original: ENGLISH

SHARING OF JOINT ADMINISTRATIVE COSTS WITH THE 1992 FUND

Note by the Director

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| Summary: | The costs of running the joint Secretariat have to be distributed between the 1971 Fund and 1992 Fund. |
| Action to be taken: | Decide on the apportionment of the joint administrative costs. |

1 At its 2nd extraordinary session, the Assembly decided that the costs of running the 1971 Fund and 1992 Fund's joint Secretariat should, for the period 30 May to 31 December 1996, be distributed with $\frac{3}{4}$ to be paid by the 1971 Fund and $\frac{1}{4}$ by the 1992 Fund, and that the distribution for subsequent periods should be decided yearly by the Assemblies of the two Funds (document 71FUND/A/ES.2/22, paragraph 9).

2 The Assembly subsequently decided that the costs of running the joint Secretariat should be distributed with 70% to be paid by the 1971 Fund and 30% by the 1992 Fund for 1997 (document 71FUND/A.19/30, paragraph 23) and 60% to be paid by the 1971 Fund and 40% by the 1992 Fund for 1998 (document 71FUND/A.20/30, paragraph 23).

3 The Director is of the view that during 1999 the ratio of administrative work between the 1971 Fund and the 1992 Fund will differ from the situation in 1998. Although it is not possible to make any accurate estimate, the Director considers that a somewhat greater proportion of the Secretariat's work will fall on the 1992 Fund during 1999 than in 1998. He therefore proposes that, for 1999, the joint administrative costs of the two Organisations should be distributed with 50% to be paid by each

Organisation. In the Director's view, however, 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 notes to the draft budget for 1999 (document 71FUND/A.21/20).

Action to be taken by the Assembly

- 4 The Assembly is invited to consider the apportionment of joint administrative costs between the 1971 Fund and the 1992 Fund for the period 1 January to 31 December 1999.
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