INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND 1992

ASSEMBLY
3rd session
Agenda item 22

92FUND/A.3/20
1 September 1998
Original: ENGLISH

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 costs of running the 1992 Fund and 1971 Fund's joint Secretariat should, for the period 30 May to 31 December 1996, be distributed with ¼ to be paid by the 1992 Fund and ¾ by the 1971 Fund, and that the distribution for subsequent periods should be decided yearly by the Assemblies of the two Funds (document 92FUND/A.1/34, paragraph 22).

2 The Assembly subsequently decided that the costs of running the joint Secretariat should be distributed with 30% to be paid by the 1992 Fund and 70% by the 1971 Fund in 1997 (document 92FUND/A/ES.1/22, paragraph 16), and with 40% to be paid by the 1992 Fund and 60% by the 1971 Fund in 1998 (document 92FUND/A.2/29, paragraph 24) .

3 The Director is of the view that during 1999 the ratio of administrative work between the 1992 Fund and the 1971 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 92FUND/A.3/21).

Action to be taken by the Assembly

4 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 1999.