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BUDGET FOR 2000

Note by the Director

Summary:	In light of developments with respect to the relocation of the Secretariat it is proposed that the appropriation to meet the expenses in connection with the relocation of the Secretariat should be increased from £400 000 to £600 000.
Action to be taken:	Adopt the budget for 2000.

Relocation of the Secretariat

1 The draft Budget for 2000 includes in Chapter VII an appropriation of £400 000 for the relocation of the IOPC Funds' Secretariat (document 92FUND/A.4/24 and 71FUND/A.22/19, Annex, paragraph 48).

2 The issue of relocation is dealt with in documents 92FUND/A.4/15 and 71FUND/A.22/15. For the reasons set out in those documents, it is possible that the expenses in connection with relocation of the Secretariat will be significantly higher than originally estimated. The financial implications of the relocation are dealt with in Section 4 of those documents.

3 Based on revised cost estimates and discussions with the United Kingdom Government with respect to the financial assistance that the Government will be prepared to give the IOPC Funds in connection with the relocation, it would be prudent to increase the proposed appropriation from £400 000 to £600 000. It should be noted that should the costs of relocation be spread of 1999 and 2000, the Director would only use a maximum of £600 000 for this purpose.

4 As set out in documents 92FUND/A.4/23 and 71FUND/A.22/18, the Director proposes that for the period 1 January - 31 December 2000, the costs of running the joint Secretariat should be distributed with 50% to be paid by the 1992 Fund and 50% by the 1971 Fund. This distribution would also apply to the appropriation for relocation.

5 The increased appropriation for relocation would result in a reduction by £100 000 in the balance on the General Fund of each Organisation by 31 December 2000. However, in view of the relatively small amount involved, the Director does not consider it necessary to revise his proposal in respect of the levy of 1999 contributions to the General Fund of either Organisation.

6 **Action to be taken by the Assembly**

The Assembly is invited to approve an appropriation of £600 000 under Chapter VII (relocation).
