



INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUND

ASSEMBLY
15th session
Agenda item 29

FUND/A.15/26
1 October 1992

Original: ENGLISH

ANY OTHER BUSINESS

TRANSFERS WITHIN THE 1992 BUDGET

Note by the Director

Introduction

1 The Director's authority to make transfers within the budget is governed by Financial Regulation 4.3, which reads:

"4.3 Transfers between appropriations within chapters of the budget (Roman figures) may be made without limitation. Transfers between appropriations in the budget between chapters may be made up to 10%, calculated on the appropriation to which the transfer is made."

2 In previous financial periods, transfers have been made between appropriations either within or within and between chapters of the budget, in accordance with Financial Regulation 4.3. Such transfers will also be made in 1992.

3 For the 1992 financial period, it is likely that the budget appropriations for Conferences and Travel (Chapter IV) and Miscellaneous Expenditure (Chapter V) will be exceeded.

Budgetary Surplus

4 It is expected that there will be a budgetary surplus at the end of 1992. It is estimated that the total expenditure in the chapter of Personnel will be in the region of £380 000, out of a budget appropriation of £441 000. There should, therefore, be a budgetary surplus of about £60 000 in this chapter alone.

Conferences and Travel

5 As mentioned above, it is likely that the budget appropriation for Conferences and Travel will be exceeded for the 1992 financial period. This is due to the fact that there has been an unforeseen number of requests for lectures by IOPC Fund staff at seminars in which it has clearly been in the interest of the IOPC Fund to participate. There has also been a number of requests from non-Member States which are considering becoming Parties to the Fund Convention, for discussions with the IOPC Fund Secretariat on the Convention and the activities of the IOPC Fund. In view of the instructions given by the Assembly at its 9th session, and renewed at its 12th session, that the Secretariat should intensify its efforts to increase the number of Member States, the Director has considered it important to make a positive response to such requests. As mentioned in the Report of the Director (document FUND/A.15/2, paragraphs 5.2 and 5.3), the Director participated in the United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro (Brazil) and visited Colombia and Mexico.

6 As at 30 September 1992, the total expenditure incurred in respect of Conferences and Travel is £28 100 out of a budget appropriation of £30 000. This means that there is only a balance of £1 900 available under this heading for the last quarter of 1992.

7 The Director has been invited to Japan in November 1992 for discussions with the Japanese Government and Japanese interested circles on current issues concerning the IOPC Fund's activities. The Director will use that opportunity to visit the Republic of Korea, which is considering accession to the Fund Convention in the near future, to hold discussions with the competent authorities of that country. In addition, the IOPC Fund has been invited to a meeting of the Indian Ocean Marine Affairs Co-Operation (IOMAC) to be held in Colombo (Sri Lanka) from 26 to 30 October 1992. It is possible that the IOPC Fund will be invited to take part in some further meetings in non-Member States during 1992.

8 The total cost of these missions will be in the region of £16 000 – £18 000. The Director considers that these costs could be covered by transfers between chapters within the budget.

9 Under Financial Regulation 4.3, the Director may transfer only £3 000 to the chapter on Conferences and Travel from another chapter. The Director proposes that he be authorised to transfer up to £18 000 from Chapter I (Personnel) to Chapter IV (Conferences and Travel) to cover the deficit balance that would arise from carrying out various missions during the last quarter of 1992.

Miscellaneous Expenditure

10 As regards Chapter V (Miscellaneous Expenditure), the appropriation of £10 700 for External Audit was based on a provisional figure obtained from the External Auditor. The External Auditor has now adjusted his fee to £13 600, to cover the additional work on the HAVEN incident, embracing background research, consultation and report preparation thereon. The increase in the cost of the External Audit is, therefore, £2 900.

11 The other appropriations in Chapter V, viz payments to IMO for general services (£4 000) and Consultants' fees (£8 000), will be used up in their entirety. Under Financial Regulation 4.3, the Director is only entitled to make a transfer of £1 070 from other chapters to the appropriation for External Audit in Chapter V, thereby leaving a shortfall of £1 830 in respect of that appropriation. The Director proposes that he be authorised to make the necessary transfer to Chapter V (Miscellaneous Expenditure) from Chapter I (Personnel) to cover the increase in the audit fee.

Action to be Taken by the Assembly

12 The Assembly is invited to consider the Director's proposal that he be authorised to transfer in the 1992 Budget:

- (a) to Chapter IV (Conferences and Travel) up to £18 000 from Chapter I (Personnel) to cover the additional travel expenses; and
 - (b) to Chapter V (Miscellaneous Expenses) up to £2 900 from Chapter I (Personnel) to cover the increase in the audit fee.
-