
AGREEMENT ON THE CONSERVATION OF ALBATROSSES AND PETRELS

Resolution 4.5

Financial Regulations

Adopted by the Fourth Session of the Meeting of the Parties, Lima, 23 - 27 April 2012

Recalling that, in accordance with Article VIII(11)(b) of the Agreement, the first Session of the Meeting of the Parties developed financial regulations for the Agreement Secretariat, contained in Annex 5 of the report of that Session;

Further recalling Resolution 3.5 of the third Session of the Meeting of the Parties on Amendments to the Financial Regulations;

The Meeting of the Parties to the Agreement on the Conservation of Albatrosses and Petrels

Decides:

1. to repeal Resolution 3.5 of the third Session of the Meeting of the Parties
2. to adopt the Financial Regulations set out in Appendix A.

RESOLUTION 4.5 - APPENDIX A

FINANCIAL REGULATIONS FOR THE AGREEMENT ON THE CONSERVATION OF ALBATROSSES AND PETRELS

REGULATION 1 – APPLICABILITY

1.1 These regulations shall govern the financial administration of the Secretariat of the Agreement for the Conservation of the Albatrosses and Petrels ('the Secretariat') and the Advisory Committee to the Agreement on the Conservation of Albatrosses and Petrels ('the Advisory Committee') established under Articles VIII (11c) and VIII (11d) of the Agreement on the Conservation of Albatrosses and Petrels ('ACAP'). The Executive Secretary is the head of the Secretariat.

REGULATION 2 – FINANCIAL YEAR

2.1 The financial year shall be for 12 months commencing 1 July and ending 30 June, both dates inclusive.

REGULATION 3 – THE BUDGET

3.1 A draft budget comprising estimates of receipts by the Secretariat and of expenditures by the Secretariat and the Advisory Committee and any subsidiary bodies shall be prepared by the Executive Secretary for the ensuing financial period. This period shall comprise three financial years apportioned into three annual budgets.

3.2 The Executive Secretary shall submit the draft budget to all Parties to the Agreement 60 days before a Session of the Meeting of Parties in years where such a meeting takes place.

3.3 The draft budget shall include a statement of the significant financial implications for the subsequent financial period in respect of any proposed work programmes presented in terms of administrative, recurrent and capital expenditure.

3.4 The draft budget shall be divided by functions into items and, where necessary or appropriate, into sub-items. Appropriations shall be allocated at the function level.

3.5 The draft budget shall be accompanied by details of the appropriations made for the previous triennium. Details of expenditure for the first two years of the triennium and estimated expenditure for the final year against these appropriations should also be provided together with such information annexes as may be required by Parties to the Agreement or deemed necessary or desirable by the Executive Secretary. The draft budget shall be presented in the format prescribed in Attachment 1 to these regulations.

3.6 The draft budget shall be presented in Australian dollars (AUD).

3.7 The Parties shall adopt the budget by consensus at each ordinary Session of the Meeting of the Parties.

3.8 The budget shall retain a working capital provision of AUD 100,000.

REGULATION 4 – APPROPRIATIONS

4.1 The appropriations adopted by the Parties shall constitute an authorisation for the Executive Secretary to incur obligations and make payments for the purposes for which the appropriations were adopted.

4.2 Unless the Parties decide to restrict this power, the Executive Secretary may also incur obligations against future years before appropriations are adopted when such obligations are necessary for the continued effective functioning of the Agreement, provided such obligations are restricted to administrative requirements of a continuing nature not exceeding the scale of such requirements as authorised in the budget of the current financial year. In other circumstances the Executive Secretary may incur obligations against future years only as authorised by the Parties.

4.3 Appropriations shall be available for the financial year to which they relate. At the end of the financial year all appropriations for that financial year shall lapse. Commitments remaining undischarged against previous appropriations at the end of a financial year shall be carried over and be included in the budget for the next financial year, unless the Parties decide otherwise.

4.4 The Executive Secretary may make transfers of up to 10 per cent between appropriations. All transfers must be reported by the Executive Secretary in the annual financial report provided to Parties.

4.5 Should the Executive Secretary anticipate a shortfall in resources over the financial period as a whole, the Executive Secretary shall consult the Parties as to its priorities for expenditure.

4.6 Unforeseen and extraordinary expenses may be incurred from within existing budget appropriations, or from voluntary contributions. Approval to incur such expenses must be obtained from the Advisory Committee or from the Chair of the Advisory Committee after consultation with the Parties during the intersessional period. All approvals must be reported to meetings of the Advisory Committee and Meeting of the Parties.

REGULATION 5 – PROVISION OF FUNDS

5.1 Each Party to the Agreement shall contribute to the budget in accordance with the scale of contributions agreed by the Meeting of the Parties.

5.2 On approval of the budget for a financial year, the Executive Secretary shall send a copy thereof to all Parties to the Agreement notifying them of their contributions and requesting them to remit their contributions due.

5.3 All contributions shall be made in Australian dollars (AUD).

5.4 When a new Party joins the Agreement, the contribution of that Party will be added to the Special Fund.

5.5 A new Party to the Agreement shall be liable to pay annual contributions pro rated in proportion to the time lapsed within the financial year in question. Payment shall be made at the beginning of the financial year after the one during which membership becomes effective.

5.6 Contributions shall be due for payment on the first day of each calendar year and shall be paid not later than 90 days after that date. The Meeting of the Parties may permit an extension to the due date of up to 60 days for individual Parties who are unable to comply with this regulation due to the timing of the financial years of their governments.

5.7 The Executive Secretary shall issue invoices for contributions between 1 October and 1 December each year.

5.8 In accordance with Rule 20(2) of the Rules of Procedure, and other than in the circumstances set out in paragraph 5.10, Parties which are more than one year behind in paying their budget contributions on the date of the opening of any Session of the Meeting of the Parties shall not be eligible to vote at that Session. However, the Meeting of the Parties may allow such Parties to continue to exercise their right to vote if it is satisfied that the delay in payment arises from exceptional and unavoidable circumstances. The Meeting of the Parties shall receive advice in this regard from the Secretariat.

5.9 On or about 1 June each year, the Executive Secretary shall report to the Parties on any arrears and any actions taken in response to them.

5.10 Where a Party has made all reasonable efforts to pay its annual contribution in full within the year in question in accordance paragraph 5.6, but as a result of currency fluctuations an under-payment results, the sum under-paid will be added to the Party's contribution due for the following year and the under-payment will not result in the loss of voting rights. The Executive Secretary shall add the amount of the under-payment to that Party's next annual invoice for their national contribution fee or deduct the amount of any over payment.

REGULATION 6 – FUNDS

6.1(a) A General Fund shall be established for the purpose of accounting for the income and expenditure of the Secretariat and the Advisory Committee and any subsidiary bodies established pursuant to the Agreement;

(b) Contributions paid by Parties under Regulation 5.1 and miscellaneous income to finance general expenditure shall be credited to the General Fund;

6.2 Other Special Funds may be established for the purpose of receiving funds and making payments for purposes not covered by the regular budget of the Secretariat and Advisory Committee.

REGULATION 7 – OTHER INCOME

7.1 All income other than contributions to the budget under Regulation 5 and that referred to in Regulation 7.3 below, shall be classified as Miscellaneous Income and credited to the General Fund. The use of Miscellaneous Income shall be subject to the same financial controls as activities financed from regular budget appropriations.

7.2 Voluntary contributions above and beyond Parties' budget contributions may be accepted by the Executive Secretary provided that the purposes for which the contributions are made are consistent with the policies, aims and activities of the Agreement. Voluntary contributions offered by other bodies may be accepted, subject to agreement by the Meeting of the Parties that the purposes of the contribution are consistent with the policies, aims and activities of the Agreement. Voluntary contributions in kind may be accepted, provided that

they are used to cover activities approved by the Meeting of the Parties. These may include *inter alia*, direct or indirect involvement in a joint project, free office accommodation, equipment, or the secondment of staff.

7.3 Voluntary contributions shall be treated as Special Funds under Regulation 6.2.

REGULATION 8 – MONETARY CUSTODY

8.1 The Executive Secretary shall designate a bank or banks in the country in which the Secretariat is located in which the funds of the Agreement shall be kept and shall report the identity of the bank or banks so designated to the Parties.

8.2 (a) The Executive Secretary may make short-term investments of monies not needed for the immediate requirements of the Agreement. Such investments shall be restricted to securities and other investments in Institutions or Government bodies of the country in which the Secretariat is located with current rating, provided by a rating body approved by the auditor, indicating a strong capacity to pay. The details of investment transactions and income derived shall be reported in the documents supporting the budget.

(b) With regard to monies held in Special Funds for which use is not required for at least 12 months, longer-term investments may be authorised by the Parties provided such action is consistent with the terms under which the monies were lodged with the Secretariat. Such investments shall be restricted to securities and other investments issued by Institutions or Government bodies of the country in which the Secretariat is located and with current rating, provided by a rating body approved by the auditor, indicating a strong capacity to pay.

8.3 Income derived from investments shall be credited to the General Fund.

REGULATION 9 – INTERNAL CONTROL

9.1 The Executive Secretary shall:

(a) establish detailed financial rules and procedures after consultation with an external auditor (Regulation 11) to ensure effective financial administration and the exercise of economy in the use of funds;

(b) cause all payments to be made on the basis of supporting vouchers and other documents which ensure that the goods or services have been received and that payment has not been previously made;

(c) designate officers who may receive monies, incur obligations and make payments on behalf of the Secretariat; and

(d) maintain and be responsible for internal financial control to ensure:

(i) the regularity of the receipt, custody and disposal of all funds and other financial resources of the Secretariat, including those of the Advisory Committee;

(ii) the conformity of obligations and expenditures with the appropriations adopted by the Meeting of Parties; and

(iii) the economic use of the resources of the Secretariat, including those of the Advisory Committee.

9.2 No obligations shall be incurred until the triennial budget has been approved, unless the Meeting of the Parties has otherwise approved.

9.3 The Executive Secretary may propose to the Meeting of Parties the writing off of losses of assets and bad debts, provided that the external auditor so recommends. Such losses shall be included in the annual accounts. An item of property, plant or equipment shall be recognised as an asset if its value is more than AUD 2,000.

9.4 For purchases or contracts exceeding AUD 10,000, written tenders for equipment, supplies and other requirements shall be invited by advertisement, or by direct requests for quotation from at least three persons or firms able to supply the equipment, supplies, or other requirements, if such exist. For amounts exceeding AUD 5000, but less than AUD 10,000, competition shall be obtained either by the above means or by telephone or personal enquiry. The foregoing rules, shall, however, not apply in the following cases:

- (a) where it has been ascertained that only a single supplier exists and that fact is so certified by the Executive Secretary;
- (b) where voluntary contributions have been provided, specifying a particular project and/or supplier;
- (c) where, on the advice of the Advisory Committee or the Chair of the Advisory Committee, there are determined to be exceptional circumstances that require such deviation;
- (d) in case of emergency, or where, for any other reason, these rules would not be in the best financial interests of the Agreement, and that fact is so certified by the Executive Secretary.

9.5 The Executive Secretary shall report in writing the circumstances of exceptions under 9.4 to the Parties on at least an annual basis.

REGULATION 10 – THE ACCOUNTS

10.1 The Executive Secretary shall ensure that appropriate records and accounts are kept of transactions and affairs of the Secretariat and of the Advisory Committee and shall do all things necessary to ensure that all payments out of the Agreement's monies are correctly made and properly authorised and that adequate control is maintained over the assets of, or in the custody of, the Agreement and over the incurring of liabilities by the Secretariat and by the Advisory Committee.

10.2 The Executive Secretary shall submit to the Parties to the Agreement, not later than 30 September each year, annual financial statements showing, for the previous financial year:

- (a) the income and expenditure relating to all funds and accounts;
- (b) budget provisions, including:
 - (i) the original budget provisions;
 - (ii) the approved expenditure in excess of the original budget provisions;
 - (iii) any other income;
 - (iv) the amounts charged against these provisions and other income;

- (c) the financial assets and liabilities of the Secretariat, including those related to the Advisory Committee;
- (d) details of investments;
- (e) losses of assets and the writing off of bad debts proposed in accordance with Regulation 9.3.

10.3 The Executive Secretary shall also give such other information as may be appropriate to indicate the financial position of the Agreement. These financial statements shall be prepared in a form approved by the Meeting of the Parties after consultation with the external auditor.

10.4 The accounting transactions of the Secretariat and Advisory Committee shall be recorded in the currency in which they took place but the annual financial statements shall record all transactions in Australian dollars (AUD).

10.5 Appropriate separate accounts shall be kept for all Special Funds.

10.6 The annual financial statements shall be submitted by the Executive Secretary to the external auditor at the same time as they are submitted to the Parties to the Agreement under paragraph 2 of this Regulation.

REGULATION 11 – EXTERNAL AUDIT

11.1 An external auditor shall be appointed at each ordinary Session of the Meeting of the Parties. The Secretariat will:

- (a) respect the external auditor's independence from the Secretariat, the Advisory Committee, their subsidiary bodies and the Secretariat's staff;
- (b) establish the terms of contract;
- (c) arrange for the payment of the external auditor; and
- (d) provide them with the facilities and documentation that they may require for the purposes of the audit.

11.2 The Executive Secretary may consult an external auditor on the possible need for an introduction or amendment of any financial regulations or detailed accounting methods as well as on all matters affecting auditing procedures.

11.3 The Executive Secretary shall provide to the Meeting of the Parties a copy of any audit report and the audited financial statements within 60 days of their receipt. The Executive Secretary shall also report to the Parties on the outcome of consultations pursued in accordance with regulation 11.2.

REGULATION 12 – ACCEPTANCE OF ANNUAL FINANCIAL STATEMENTS

12.1 The Parties shall, following consideration of financial statements and any audit report submitted to the Parties under Regulation 11, and within 60 days, signify their acceptance of the annual financial statements and audit report or take such other action as they may consider appropriate.

REGULATION 13 – INSURANCE

13.1 The Secretariat shall ensure suitable insurances with a reputable financial institution against normal risks to the assets of the Agreement Secretariat and Advisory Committee are in place.

REGULATION 14 – GENERAL PROVISION

14.1 Subject to the provisions of the Agreement, these Regulations may be amended as required by decisions of the Meeting of the Parties.

14.2 Where the Meeting of the Parties or the Advisory Committee is considering matters which may lead to a decision which has financial or administrative implications, it may seek advice from the Executive Secretary.

Attachment 1 - Format for Presentation of Draft Budget

Ref. No	Description	Allocation 2008/09	Actual 2008/09	2010	2011	2012
APPROPRIATION 1 - SECRETARIAT						
	Employee Expenditure					
1.1.1	Salaries - Permanent					
1.1.4	RBF Superannuation					
1.1.5	Payroll tax					
	Total Employee Expenditure					
	Tactical Expenditure					
1.2.3	Accommodation					
1.2.4	Airfares					
1.2.5	Travel Allowances					
1.2.6	Travel Insurance					
1.2.7	Consultants					
1.2.8	Relocation expense (staff)					
1.2.9	Legal expenses					
1.2.10	General insurance					
1.2.11	Representation expenses					
	Total tactical expenditure					
	Operational costs					
1.3.1	Office equipment /furniture					
1.3.2	Office equipment maintenance					
1.3.3	Office requisites - stationery					
1.3.4	Publications /books					
1.3.5	Corporate memberships					
1.3.6	Printing and copying (PR material)					
1.3.7	Telephones - telecommunications					
1.3.8	Translations - website, correspondence					
1.3.9	Postage					
1.3.10	Freight/couriers					
1.3.11	Light and power					
1.3.12	Insurance property					
1.3.13	Rent (flat for secondments)					
1.3.14	Car hire - long term					
1.3.15	Cab charge - taxis					
1.3.16	Parking					

- 1.3.18 Support for secondments – relocation expense
- 1.3.19 Staff training
- 1.3.20 Staff conferences / seminars
- 1.3.21 Bank charges
- 1.3.22 Bad and doubtful debts
- 1.3.23 Software purchase
- 1.3.24 Server lease
- 1.3.25 Outsourced IT services
- 1.3.26 Modifications to database
- 1.3.27 WAN Wireless network

Office operational costs

Total Secretariat

APPROPRIATION 2 - MEETINGS OF THE PARTIES

Interpretation / Translation Costs

- 2.1.1 Simultaneous interpretation
- 2.1.2 Hire of interpretation equipment
- 2.1.3 Translation of documents

Meeting support costs

- 2.2.1 Hire of venue (including catering)
- 2.2.2 Hire of equipment (photocopiers)
- 2.2.3 Support staff
- 2.2.4 Printing of meeting documents/report

Meeting Support

Sponsorship

- 2.3.1 Sponsorship - delegates

Sponsorship costs

Total Meeting of Parties

APPROPRIATION 3 - ADVISORY COMMITTEE

Interpretation/translation

- 3.1.1 Simultaneous interpretation
- 3.1.2 Hire of interpretation equipment
- 3.1.3 Translation of meeting documents

Interpretation/translation

Venue and meeting support costs

- 3.2.1 Hire of venue (including catering)
- 3.2.2 Hire of meeting equipment (photocopiers, etc)
- 3.2.3 Printing of meeting documents/report
- 3.2.4 Support staff

Meeting Support

Sponsorship

- 3.3.1 Sponsorship - Experts
- 3.3.2 Sponsorship - delegates

Sponsorship costs

Total Advisory Committee

APPROPRIATION 4 - AGREEMENT CONSERVATION PROGRAMME

- 2008-1 Science Officer
- 2008-2 Bait pod development - BirdLife
- 2008-3 House mice eradication - Tristan Albatross
- 2008-4 Implementation Waved Albatross Action Plan -APECO
- 2008-5 Impl'n Waved Albatross Action Plan - Pro Delphinus
- 2008-6 Update of BLI tracking database
- 2008-7 Capacity building Ecuador-Argentina-BLI
- 2009-1 Translation of species assessments
- 2009-2 Maps for species assessments
- 2009-3 Attendance at RFMO meetings
- 2009-4 Development of materials for RFMO/fisheries managers
- 2009-5 Estimate mortality in range of waved albatross
- 2009-5 Observer program - Peru
- 2010-1 Salaries - Fixed term
- 2010-2 Superannuation – Science Officer
- 2010-3 Translation of species assessments
- 2010-4 Review of RFMO maps
- 2010-5 Attendance at RFMO meetings
- 2010-6 Review of tracking distribution data
- 2010-7 Analyse overlap of RFMO with trawl fisheries

2010-8	Estimate WAL mortality in unobserved fisheries
2010-9	Develop observer program in Peru
2010-10	Improve data collection from observer programs in South. America
	Unallocated
	Total Conservation Programme

TOTAL AGREEMENT BUDGET