

**RESOLUTION**

**Subject:** Amendments to the Financial Regulations

The ICPO-Interpol General Assembly, meeting in Benidorm from 29 September to 2 October 2003 at its 72nd session,

BEARING IN MIND Article 8(g) of the Constitution, under the terms of which it is competent to determine the financial policy of the Organization,

ALSO BEARING IN MIND Articles 51 and 55 of the General Regulations, under the terms of which it is competent to approve any modifications to the Financial Regulations by a two-thirds majority in conformity with Article 44 of the Constitution,

HAVING STUDIED Report AG-2003-RAP-02 entitled "Amendments to the Financial Regulations",

HAVING STUDIED the opinion given by the *ad hoc* Committee set up in application of Article 56 of the Organization's General Regulations,

APPROVES the conclusions given in Report AG-2003-RAP-02 concerning the need to amend the Financial Regulations;

DECIDES, therefore, to amend Articles 3(2), 4, 18, 19, 27 and 28 of the Financial Regulations as they read in Appendix A to the present Resolution, and to amend Resolution AGN/63/RES/5 as it appears at Appendix B;

FURTHER DECIDES that these amendments shall take effect immediately.

**Adopted with 71 votes in favour,  
0 against, and with 3 abstentions.**



Articles of the Financial Regulations amended by Resolution AG-2003-RES-01

(amendments are shown in bold)

Article 3.2

- 3.2 The annual **statutory** contribution of Members shall represent a percentage of the budget of the Organization.

Article 4

- 4.1 If a **Member has not paid its** annual statutory contributions **called up for** the current financial year **and the previous financial year**, this debt may be rescheduled in conformity with the provisions of the present Article.
- 4.2 The terms of the rescheduling agreement shall be negotiated by the Secretary General and the Member concerned. The agreement shall not be signed by the Secretary General until after it has been approved by the Executive Committee.
- 4.3 The debt shall be rescheduled over a period which may not exceed ten years and the sum to be repaid shall amount to at least the total of the Member's statutory contributions for the **current financial year and the previous financial year**.
- 4.4 During the period in which the rescheduled debt is being paid off, the Member concerned must also, in accordance with the provisions of Article 16(1) of the present Regulations, pay its statutory contributions called up during that period.
- 4.5 Provided that the Member continues to fulfil its obligations arising from the rescheduling agreement and promptly pays the statutory contributions called up during the period in which the rescheduled debt is being paid off, application to that Member of the measures provided for in the first paragraph of Article 52 of the General Regulations shall be suspended.
- 4.6 If the Member fails to fulfil its obligations arising from the rescheduling agreement or from the terms of paragraph **(4)** above, the Secretary General shall notify that Member that the rescheduling agreement has been terminated. In such circumstances, and whatever the balance owed by the Member concerned, the Secretary General shall apply the provisions of Article 52 of the General Regulations, until that Member has fulfilled all its financial obligations towards the Organization.
- 4.7 A Member's debt may be partially cancelled provided that the Member concerned concludes a debt-rescheduling agreement with the Organization in conformity with the terms of the present Article. However, the cancelled debt shall again become due if the Member fails to fulfil its obligations arising from the rescheduling agreement, or does not promptly pay the statutory contributions called up during the period in which the rescheduled debt is being paid off.

Article 18

- 18.1 A General Reserve Fund shall be set up. The level of the Fund for the following financial year, calculated on the basis of the previous year, shall be:
- 125% of the total amount of statutory contributions owing to the Organization at 31 December of the financial year preceding the current year, and
  - at least one quarter of the operating expenses for the previous year.
- 18.2 An appropriate portion of the General Reserve Fund shall be held in the form of liquid resources and short-term cash deposits.
- 18.3 The General Reserve Fund shall be **financed automatically** by allocations from budget surpluses. **The General Assembly may also decide to finance the Fund** from budget allocations.
- 18.4 The Secretary General may draw upon the General Reserve Fund to make up for a shortfall in income.
- 18.5 The Executive Committee and the President may draw upon the General Reserve Fund in conformity with the terms of **Articles 12 and 13** of the present Regulations.

Article 19

- 19.1 A Capital Investment Fund shall be set up to finance acquisitions of capital goods and equipment which are subject to depreciation.
- 19.2 The General Assembly shall make an allocation to the Capital Investment Fund every year representing the amount of depreciation which the capital goods and equipment subject to depreciation have suffered during the previous financial year, the purpose of this allocation being to finance replacements for the said goods and equipment. Depreciation arrangements for the various goods and equipment shall be specified in the Implementing Rules adopted by the Executive Committee.
- 19.3 The General Assembly shall determine the amount allocated to the Capital Investment Fund for the acquisition of capital goods and equipment subject to depreciation, other than replacement goods and equipment; it shall specify the type of such goods and equipment, and decide how any unspent allocations are to be used.
- 19.4 **The Executive Committee and the President may draw upon the Capital Investment Fund in conformity with the terms of Articles 12 and 13 of the present Regulations.**

Article 27

- 27.1 Each year, the Secretary General shall submit a financial management report on the previous financial year to the Executive Committee and the General Assembly. This report shall include:
- (a) **the financial monitoring report,**
  - (b) **key information from the financial accounts,**
  - (c) any other information requested by the Executive Committee or the General Assembly.
- 27.2 **The Secretary General shall transmit the annual accounts and their appendices to Members.**
- 27.3 The Secretary General shall report to the Executive Committee and the General Assembly on the main features of the current financial year.
- 27.4 The Executive Committee and the Secretary General shall report to the General Assembly on all amendments made to the budget in application of Articles 11, 12 or 13 of the present Regulations.

Article 28

The General Assembly shall approve the Organization's **financial monitoring report** and the management report. By approving the management report the General Assembly shall grant the Secretary General a discharge in respect of the performance of his/her duties.

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**Text of Resolution AGN/63/RES/5 as amended by Resolution AG-2003-RES-01**

<b>Current Resolution AGN/63/RES/5</b>	<b>Resolution AGN/63/RES/5 amended</b>
<p>FURTHER DECIDES,</p> <ul style="list-style-type: none"><li>- [...]</li><li>- That commitments relating to expenditure on projects financed by the Fund may not exceed the sum actually available in the Fund;</li></ul> <p>- [...]</p>	<p>FURTHER DECIDES,</p> <ul style="list-style-type: none"><li>- [...]</li><li>- That commitments relating to expenditure on projects financed by the Fund may not exceed the sum actually available in the Fund. <b>Within these limits, and to take account of developments in requirements, the Executive Committee may decide to modify the list of capital investment costs or operating expenditure to be met from the Fund;</b></li></ul> <p>- [...]</p>

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