

<p>RESOLUTION AGN/67/RES/15</p> <p>SUBJECT:</p> <p>Amendment of the ICPO-Interpol's Financial Regulations</p>	<p>TO BE CLASSIFIED AS FOLLOWS:</p> <p>1 copy in the CHRONOLOGICAL SERIES: Year 1998</p> <p>1 copy in the SUBJECT SERIES: Heading: Basic texts and internal administration of the ICPO-Interpol</p> <p>Sub-heading: Financial matters and the Financial Regulations</p>
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### TEXT OF RESOLUTION

HAVING EXAMINED Report No. 20 entitled "Amendment of the ICPO-Interpol's Financial Regulations",

HAVING NOTED the opinion of the *ad hoc* Committee set up in application of Article 56 of the General Regulations,

CONSIDERING that when the euro comes into circulation on 1st January 1999, there will be a *de facto* transitional phase when two currencies will be in circulation in each of the European Union countries concerned, and that national currencies, including the French franc, will be sub-divisions of the euro and will become obsolete on 1st July 2002,

GIVEN that over 80% of the Organization's expenditure is in the currency of the country in which its Headquarters are located,

TAKING ACCOUNT of the Executive Committee's proposal to combine all texts regarding application of the Financial Regulations in a single set of implementing rules, which would be divided into sections and chapters to ensure effective implementation of the budgetary and financial principles contained in the Financial Regulations,

ANXIOUS to go into greater detail about the consequences of certain budget definitions, long-term commitments, exceptions to the rule that income may not be offset against expenditure, the accounts' objectives, the principles governing the allocation of income from foundations or donations in general, and to keep the currency of the country in which the Organization's Headquarters are located as the reference currency,

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The ICPO-Interpol General Assembly, meeting in Cairo from 22nd to 27th October 1998 at its 67th session:

DECIDES to abrogate, amend, harmonize or replace the following Articles of the Financial Regulations in accordance with the appendix attached to this Resolution:

- Article 1(2), (4), (5) and (6)
- Article 3(11)
- Article 4(4)
- Article 5(2)
- Article 10(3) and (6)
- Article 12(1) and (2)
- Article 13
- Article 15(4)
- Article 16
- Article 20(2)
- Article 23(1) and (2)
- Article 24(1) and (5)
- Article 29(1);

DECIDES that the new provisions of the Financial Regulations shall come into force on 1st January 1999;

DELEGATES to the Executive Committee responsibility for the adoption of the Implementing Rules for the Financial Regulations which will combine and harmonize the implementing rules already in force.

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AMENDMENTS TO THE FINANCIAL REGULATIONS <sup>(1)</sup>

Article 1

2. The budget shall be established in the currency of the country in which the Organization's Headquarters are located.
  
4. The budget presented shall balance, **with total income covering total expenditure. Notwithstanding the present Article, the following sums may be re-used under the heading to which the initial expenditure was charged:**
  - (a) **insurance payments;**
  
  - (b) **income from rentals or copyright or other related or derived intellectual property rights, and from the sales of publications and films, whether or not that income has been provided for in the budget;**
  
  - (c) **reimbursement of payments made in error from the budget allocations; penalties imposed on contractors;**
  
  - (d) **proceeds from the supply of goods, services and work for other institutions or bodies, including refunds by such institutions or bodies of sums paid on their behalf;**
  
  - (e) **proceeds from the legal or amicable settlement of disputes or differences with suppliers or third parties having affected the Organization's material or moral rights;**
  
  - (f) **proceeds from the supply of goods, services and work, against payment, for officials, third parties or NCBs (including reimbursement of mission expenses);**
  
  - (g) **proceeds from the sale of the Organization's assets subject to depreciation such as vehicles, equipment and installations, and of scientific and technical equipment and materials disposed of because they are being upgraded or replaced, in conformity with the implementing rules adopted by the Executive Committee.**
  
5. Offsetting income against expenditure **in the accounts and in the budget** is forbidden, apart from any exceptions allowed in the accounting system **described in the implementing rules approved by the Executive Committee.** The following deductions may also be made from all bills, invoices or statements, which shall then be passed for payment of the net amount:

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<sup>(1)</sup> Amendments are in bold type

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- (a) penalties imposed on contractors;
  - (b) the value of the Organization's assets subject to depreciation such as vehicles, equipment and installations, and of scientific and technical equipment and materials sold when they are replaced or taken back in part exchange for new assets of the same kind, in conformity with the implementing rules approved by the Executive Committee;
  - (c) proceeds from compensation paid by a court order or by agreement, following the legal or amicable settlement of a dispute.
6. Appropriations not used at the end of any financial year shall be cancelled, **subject to exceptions provided for in these Regulations and their Implementing Rules.**

Article 3

11. Any permanent direct or indirect aid over and above the normal statutory contribution, apart from the secondment of staff, shall be submitted to the Executive Committee for prior approval. **The same applies to voluntary contributions from member countries for financing activities of the Sub-Regional Bureaus, unless they are the result of a General Assembly decision.**

Article 4

4. Expenditure shall remain within the limits set by the appropriations for the various programmes, **subject to the exceptions provided for in these Regulations.**

Article 5

2. **Appropriations covering this expenditure during the current financial year shall form the basis for calculating appropriations for the following financial year to ensure that contractual legal commitments in connection with activities whose execution extends over more than one financial year will be covered.**

Article 10

3. The Secretary General shall develop and apply a system for delegating financial powers **which shall be included in the implementing rules approved by the Executive Committee.**
6. The Executive Committee shall determine the conditions in which authorization from the President or the Executive Committee shall be required before expenditure may be incurred. **These conditions shall be included in the implementing rules approved by the Executive Committee.**

Article 12

1. Prior authorization from the Executive Committee is required for:
  - (c) long-term expenditure commitments not covered by the table of long-term commitments, **subject to the exceptions provided for in the implementing rules approved by the Executive Committee.**
2. In urgent cases, the President may grant the authorization referred to under (1) above, subject to the limits set by the **implementing rules approved by the Executive Committee.**

Article 13

The Executive Committee may authorize expenditure in excess of budget appropriations and the financing of such expenditure by drawing on the General Reserve Fund. In urgent cases, the President may grant such authorization subject to the limits set by **the implementing rules approved by the Executive Committee.**

Article 15

4. Contributions to the Organization shall be paid **in the currency of the country in which its Headquarters are located. However, in the event of difficulty, payments made in other currencies shall be converted to the currency of the country in which the Headquarters are located, and credited to the account of the country concerned.**

Article 16

1. **The basic principles for keeping the accounts, in conformity with the accounting system, shall be described in the implementing rules approved by the Executive Committee, and shall be the subject of instructions issued by the Secretary General, giving effect to those rules.**
2. **The Secretary General shall ensure that the accounts are kept in such a way that all the entries make it possible:**
  - (a) **to monitor all movements in the Organization's Funds;**
  - (b) **to monitor implementation of the budget;**
  - (c) **to monitor all cash flow movements;**
  - (d) **to prepare annual accounting and financial statements, and balance sheets.**
3. **At the close of the financial year, the Secretary General shall prepare the financial documents to be submitted to the Organization's governing bodies.**

Article 20

2. In such operations the aim shall be the greatest possible security. **The principles to be followed shall be included in the implementing rules approved by the Executive Committee.**

Article 23

1. The procedures governing the purchase and sale of goods and services shall be laid down in **the implementing rules** approved by the Executive Committee. These rules shall specify, in particular, the conditions for:
  - (a) calling for tenders,
  - (b) making limited calls for tenders,
  - (c) concluding contracts without calling for competing offers,
  - (d) selling goods, subject to their valuation.
2. Prior authorization from the Executive Committee is required for the acceptance **of all donations to the Organization such as funds from foundations, subsidies, gifts, and bequests. In this respect, the Executive Committee may delegate its powers to a subsidiary body or to the Secretary General, in conformity with the conditions laid down in the implementing rules referred to in paragraph (1) above.** The supply of low-value goods free of charge shall not be considered to constitute a donation for the purposes of the present provision.

Article 24

1. The Secretary General shall set up an internal management control system within the General Secretariat. To that end, he shall establish rules and procedures designed to ensure effective economic, budgetary and financial control. These **implementing rules** shall be submitted to the Executive Committee for approval.
5. The Secretary General's management shall be supervised by the Executive Committee, which shall determine the manner in which that supervision is to be carried out **in the implementing rules.**

Article 29

1. **The present Financial Regulations, thus amended, shall come into force on 1st January 1999. The Implementing Rules shall enter into force following an Executive Committee decision and shall replace all Executive Committee implementing decisions already in force.**