




Secretariat

28 January 2020

Secretary-General's bulletin

To: Members of the staff
From: The Secretary-General 
Subject: **The Cost Recovery Fund of the International Seabed Authority**

1. The purpose of the present bulletin is to establish a cost recovery fund for the International Seabed Authority pursuant to Financial Regulations 5.5 and 5.6, the fund shall be administered in accordance with the Financial Regulations of the Authority.
2. The purpose of the Cost Recovery Fund is to ensure a fair compensation of the resources of the Authority consumed by receiving the indirect cost charges and direct cost recoveries, considered as spendable income, related to extra-budgetary and voluntary contributions received by the Authority. These charges aim to ensure that the additional costs of supporting extra-budgetary activities, such as administrative, information communication technology (ICT), and other logistical costs, are not financed by the General Administrative Budget.
3. The fund sources will be generated from the following:
 - (a) Indirect costs charges: up to 13% of support costs, representing the recovery of the indirect costs incurred in supporting activities and deliverables financed from extra-budgetary contributions and contract application fees.
 - (b) Direct costs recoveries: costs that can be recovered from implementing extra-budgetary activities and processing and administering contracts between the Authority and contractors. These recoverables need to be readily and directly attributed to, and recovered, either wholly or in part, and may include but not limited to:
 - (i) administration of human, financial, physical and ICT resources;
 - (ii) staffing, facilities, equipment, activities and legal liabilities;
 - (c) Costs for services extended to other UN entities which may include but are not limited to training and exam administration; recruitment of non-staff; travel and conference services and verification of assets and inventory.

4. The Office for Administrative Services of the Secretariat is the implementing office for the fund and provides the services for its operation in liaison with the substantive offices in charge of the activities financed by extra-budgetary contributions and in cooperation with the Executive Office of the Secretary-General.

5. The Secretary-General shall report annually to the Finance Committee on the use and status of the fund. The Secretary-General shall also report annually to the Assembly on the status of the fund.

6. The use of the fund is subject to the conditions issued by the Secretary-General in compliance with the Financial Regulations of the Authority. Such use will be consistent with the nature of the costs recovered and support costs recorded in order to represent the resources consumed as described in paragraph 3 above.

Final Provision

7. The present bulletin shall enter into force on 29 January 2020.
