The Assembly of the International Seabed Authority, meeting in Kingston, this morning adopted a $13,014,700 budget for the Authority’s operations for the 2010-2012 biennium and approved revisions to the Staff Regulations of the Authority.

The Assembly also approved the report of its Credentials Committee (ISBA/16/A/7) which was presented by its Chairman, Amadou Dame Sall (Senegal).

The budget of $13,014,700 represents a reduction of approximately $34,000 from the amount originally proposed by the Authority’s Secretary-General.

Adopting a draft decision (document ISBA/16/A/L.3), the Assembly authorized the Secretary-General to establish the scale of assessments of contributions for 2011 and 2012 based on that used for the regular budget of the United Nations for 2010. The maximum assessment rate will be 22 per cent and the minimum, 0.01 per cent. A rate of 16.587 per cent will be applied in assessing Japan’s contribution to the budget for the same period. The Secretary-General was also authorized to transfer between appropriation sections up to 20 per cent of the amount in each section. The Assembly approved an increase of the level of the Working Capital Fund from $438,000 to $560,000.

The Assembly acted on the basis of recommendations of the Seabed Council which had earlier considered the report of the Authority’s Finance Committee (ISBA/16/5-ISBA/16/C/8). The report sets out the proposed budgetary requirements for the International Seabed Authority for the financial period 2011-2012. Contributions to the budget will be made on an annual basis for each of the two years.

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At the start of the meeting, the Assembly observed a minute of silence in memory of Alhaji Umaru Yar Adua, president of Nigeria, who died on Wednesday, 5 May after a long illness.

**Discussions on Budget**

In his presentation to the Assembly, Finance Committee Chairman, Hasjim Djalal (Indonesia), explained that in examining the budget, the Committee had considered current global economic conditions and prevailing inflation rates.

Mexico took the floor to withdraw the reservations it had expressed earlier in the week in Council about the decision regarding the scale of assessment. The delegation’s reservations had been based on the fact that it had not had the time to receive directives from its government about the new scale reflected in annex III of the Finance Committee’s report. Having consulted with its capital, Mexico expressed its full agreement with the recommendations of the Finance Committee and the Council’s approval of the budget embodied in its draft decision.

The representative of Mexico requested that “procedural mechanisms” be strengthened to avoid a recurrence of the situation, especially in matters concerning significant adjustments in the scale of assessment. She pointed out that the increase in Mexico’s contribution of over $15,000 had come at a time of austerity policies adopted by its government in the face of the global economic crisis.

Nicaragua highlighted the impact that the increased assessed contributions would have on the poorest member States. It said that the adjustment of the ceiling rate had been made following a political compromise and represented a clear distortion of the principle of the capacity for payment. If the ceiling rate could be adjusted for the benefit of the minority, the floor rate should also be adjusted to help those members who fell below it. Nicaragua regretted that the Assembly was unable to take a fair decision in the application of the rule regarding members’ capacity to pay.

Trinidad and Tobago reminded the Assembly of the position it had taken earlier in the session regarding the scale of assessments. It said that the Authority’s formula for calculating members’ assessed contributions, patterned as it was after United Nations scale, was fair and practical. However, the representative suggested that in future, the Secretariat could notify members before the start of its sessions, of any matters, especially contentious ones, that might require their particular attention.

The Cuban delegation reiterated its support for the view taken by the Group of 77 and China last month in New York, which was against any change in the method for determining members’ assessed contributions to the Authority’s budget. Cuba reaffirmed its support of the concept of capacity for payment, and noted that the recommended adjustments would have the greatest impact on developing countries. The representative agreed with Mexico and Trinidad and Tobago that it would be useful to receive information on proposed adjustments prior to the start of the Authority’s sessions.

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Staff Regulations

The Assembly decided to adopt revisions to the Staff Regulations of the International Seabed Authority (ISBA/16/A/L.2). The changes to the Staff Regulations became necessary following revisions to the United Nations Staff Regulations on which those of the Authority were based, and in particular, by the abolition of the United Nations Administrative Tribunal which took effect from 31 December 2009, and the reform of the system of administration of justice within the Organization.

The amendments to the Staff Regulations proposed by the Secretariat are to (a) recognize the competence of the new United Nations Appeals Tribunal to hear and pass judgement on applications filed by staff members of the Authority; and (b) at the same time, reflect a number of changes that have been made to the Staff Regulations of the United Nations since those of the Authority were adopted.

The Annex to the Council’s draft decision reads as follows:

“Ammendments to the Staff Regulations of the International Seabed Authority”

In Staff Regulation 1.1 (e) there shall be substituted the following:

The Staff Regulations apply to all staff at all levels holding appointments under the Staff Rules.

In Staff Regulations 6.2 there shall be substituted the following paragraph:

The Secretary-General shall establish a scheme of social security for the staff, including provisions for health protection, sick leave, maternity and paternity leave, and reasonable compensation in the event of illness, accident or death attributable to the performance of official duties on behalf of the Authority. The Secretary-General may make group life insurance available to staff members on a voluntary basis.

In Staff Regulation 10.2 there shall be substituted the following paragraph:

The Secretary-General may impose disciplinary measures on staff members whose conduct is unsatisfactory. The Secretary-General may summarily dismiss a member of the staff for serious misconduct. Sexual exploitation and sexual abuse constitute serious misconduct.

In Staff Regulation 11.1 there shall be substituted the following paragraphs:

There shall be a two-tier formal system of administration of justice.

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In Staff Regulation 11.2 there shall be substituted the following paragraph:

*The Secretary-General shall establish a neutral first instance process with staff participation to take a decision upon any appeal by staff members against an administrative decision alleging the non-observance of their terms of appointment, including all pertinent regulations and rules.*

In Article XI of the Staff Regulations, there shall be inserted the following Regulations 11.3:

*The United Nations Appeals Tribunal shall, under conditions prescribed in its statute, hear and pass judgement upon applications from staff members alleging non-observance of their terms of appointment, including all pertinent regulations and rules.*”

**Scholarships in China**

Before the close of the meeting, the Secretary-General made an announcement concerning arrangements between the Authority and Tongji University of Shanghai in China, which had agreed to offer scholarships in the field of marine studies. (Tongji University is affiliated with China Ocean Mineral Resources Research and Development Association (COMRA), one of the Authority’s registered contractors.) Three to five scholarships for masters’ and doctorate degree programmes will be made available to candidates from developing countries to be jointly selected by the Authority and Tongji University.

The Secretary-General said he was pleased to reveal that detailed arrangements for application and selection of candidates had been agreed upon between the Secretariat of the Authority and Tongji University. Applications would be accepted from May 10, 2010 and would remain open for a period of six months, after which a shortlist of candidates would be prepared by the Authority to be submitted to Tongji University for final selection. He added that other details including qualification standards and admission requirements would be made available on the ISA website and in addition, the Authority would issue a formal notification to all member States for circulation through domestic official channels.

In conclusion the Secretary-General extended through the Chinese delegation, the Authority’s sincere appreciation to Tongji University, COMRA and the Chinese Government for the generous contribution.

In his response, the Chinese representative said this contribution was a part of his country’s effort to cooperate closely with the Authority and reaffirmed the commitment to maintain this collaborative relationship.

In other action, the Assembly approved the report of the Credentials Committee (ISBA/16/A/7) which was presented by its Chairman, Amadou Dame Sall (Senegal). He reported that of the Authority’s 160 members, the credentials of 70 had been received by the Secretariat. At the sixteenth session, the Credentials Committee comprised Australia, China, Haiti, Namibia, Russian Federation, Senegal, Spain, Suriname and Viet Nam.

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