



## Secretariat

28 January 2020

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### Secretary-General's bulletin

To: Members of the staff

From: The Secretary-General

Subject: **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 fair compensation for the resources of the Authority consumed, by receiving the indirect cost charges and direct cost recoveries, considered as spendable income, related to extrabudgetary and voluntary contributions received by the Authority. These charges are intended to ensure that the additional costs of supporting extrabudgetary activities, such as information and communications technology (ICT) and other logistical activities, are not financed from the General Administrative Budget.
3. The Fund resources shall be generated from the following:
  - (a) Indirect costs charges: up to 13 per cent of support costs, representing the recovery of the indirect costs incurred in supporting activities and deliverables financed from extrabudgetary contributions and contract application fees;
  - (b) Direct costs recoveries: costs that can be recovered from implementing extrabudgetary activities and processing and administering contracts between the Authority and contractors. These recoverables need to be readily and directly attributed, and recovered, either wholly or in part, and may include but are not limited to:
    - (i) Administration of human, financial, physical and ICT resources;
    - (ii) Staffing, facilities, equipment, activities and legal liabilities;
    - (c) Costs for services that are extended to other United Nations entities and 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 the Fund's operation in liaison with the substantive offices in charge of the activities financed by extrabudgetary 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 shall be subject to the conditions issued by the Secretary-General in compliance with the Financial Regulations of the Authority. Such use shall 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.

(Signed) Michael **Lodge**  
Secretary-General

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