



Meeting of States Parties

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Item 11 of the provisional agenda*

**Consideration of administrative and budgetary matters
of the International Tribunal for the Law of the Sea**

Proposed amendments to the Financial Rules of the International Tribunal for the Law of the Sea

I. Introduction

1. On 9 December 2020, the thirtieth Meeting of States Parties to the United Nations Convention on the Law of the Sea adopted amendments to the Financial Regulations submitted by the International Tribunal for the Law of the Sea, with effect from 1 January 2021.¹ The amendments were necessary to implement the International Public Sector Accounting Standards (IPSAS), whose adoption by the United Nations was approved by the General Assembly in its resolution 60/283. It may be recalled that the Tribunal, in its draft budget proposals for the financial period 2019–2020 submitted to the twenty-eighth Meeting of States Parties, had informed the Meeting of its intention to adjust to those new standards and to start to implement IPSAS in the period 2019–2020 with the aim of preparing the first IPSAS-compliant financial statements by the end of the period 2021–2022 (see [SPLOS/2018/WP.1](#), para. 91).

2. The adoption of IPSAS necessitates, in addition to amendment of the Financial Regulations of the Tribunal, amendments to some of the Financial Rules of the Tribunal.²

3. The proposed amendments to the Financial Rules of the Tribunal are based on the revisions made by the United Nations to its Financial Rules ([A/67/345](#), annex II). Due regard has been paid to the Tribunal's specific requirements. The annex follows the format used in document [A/67/345](#) and contains the proposed financial rule (first column), the existing financial rule (second column) and explanations of the proposed

* [SPLOS/31/L.1](#).

¹ See [SPLOS/30/6](#) and [SPLOS/30/16](#).

² The draft Financial Rules of the Tribunal ([SPLOS/2004/WP.2](#)) were submitted to the fourteenth Meeting of States Parties pursuant to regulation 10.1 (a) of the Financial Regulations of the Tribunal. The Meeting took note of the Financial Rules presented by the Registrar on 15 June 2004. In accordance with rule 114.1, the Financial Rules became effective on 1 January 2005. For more information, see [SPLOS/120](#).



changes (third column). The proposed amendments fall into the same categories as those of the amendments to the Financial Regulations of the Tribunal (see [SPLOS/30/6](#)).

4. Pursuant to rule 114.2 (b) of the Financial Rules, the Rules may be amended by the Tribunal, acting upon a proposal presented by the Registrar, if the Tribunal is convinced that the amendment contributes towards better ensuring the principles of effective financial administration and the exercise of economy. Furthermore, in accordance with rule 114.2 (c) of the Financial Rules, an amendment enacted by the Tribunal will apply provisionally until such time as the Meeting of States Parties decides to endorse the amendment. The proposed amendments to the Financial Rules contained in the annex to the present document were approved by the Tribunal on 7 October 2020 and have applied provisionally from 1 January 2021. They are submitted to the thirty-first Meeting of States Parties for consideration and endorsement.

II. Actions to be taken by the Meeting of States Parties

5. The Meeting of States Parties is invited to consider and endorse the proposed amendments to the Financial Rules of the Tribunal, which have applied provisionally from 1 January 2021. The amended Rules should apply to the financial period 2021 and subsequent financial periods.

Annex

Proposed amendments to the Financial Rules of the International Tribunal for the Law of the Sea

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
Applicability, authority and responsibility	Applicability, authority and responsibility	No change.
Rule 101.1. Applicability and authority The Financial Rules are promulgated by the Registrar in accordance with the provisions of the Financial Regulations approved by the Meeting of States Parties. They shall govern all the financial management activities of the Tribunal except as may otherwise explicitly be provided by the Meeting of States Parties or unless specifically exempted therefrom by the Registrar. The Registrar may delegate by administrative instruction authority for specified aspects of the Financial Regulations and Rules. These administrative instructions will state whether the delegated official may assign aspects of this authority to other officials. In the application of the Financial Regulations and Rules, officials shall be guided by the principles of effective financial management and the exercise of economy.	Rule 101.1. Applicability and authority The Financial Rules are promulgated by the Registrar in accordance with the provisions of the Financial Regulations approved by the Meeting of States Parties. They shall govern all the financial management activities of the Tribunal except as may otherwise explicitly be provided by the Meeting of States Parties or unless specifically exempted therefrom by the Registrar. The Registrar may delegate by administrative instruction authority for specified aspects of the Financial Regulations and Rules. These administrative instructions will state whether the delegated official may assign aspects of this authority to other officials. In the application of the Financial Regulations and Rules, officials shall be guided by the principles of effective financial management and the exercise of economy.	No change.
Rule 101.2. Responsibility All members of the staff of the Tribunal shall comply with the Financial Regulations and Rules and with administrative instructions issued in connection with those Regulations and Rules. Any staff member who contravenes the Financial Regulations and Rules or corresponding administrative instructions is liable for the consequences of such contravention.	Rule 101.2. Responsibility All members of the staff of the Tribunal shall comply with the Financial Regulations and Rules and with administrative instructions issued in connection with those Regulations and Rules. Any staff member who contravenes the Financial Regulations and Rules or corresponding administrative instructions is liable for the consequences of such contravention.	No change.
Rule 103.1. Preparation of draft budget (a) The Registrar shall decide on the content and resource allocation of the proposed draft budget to be submitted to the Committee on Budget and Finance; (b) Heads of organizational units shall prepare budget proposals for the forthcoming budget period at such times and in such detail as the Registrar may prescribe and in accordance with the Financial Regulations and Rules of the Tribunal.	Rule 103.1. Preparation of draft budget (a) The Registrar shall decide on the content and resource allocation of the proposed draft budget to be submitted to the Committee on Budget and Finance; (b) Heads of organizational units shall prepare budget proposals for the forthcoming financial period at such times and in such detail as the Registrar may prescribe and in accordance with the Financial Regulations and Rules of the Tribunal.	“Financial period” replaced with “budget period”.
Rule 103.2. Content of draft budget The draft budget shall contain: (a) A detailed statement of resources to be allocated by parts, sections and as appropriate programme support; for purposes of comparison, the expenditures for the previous budget period and the revised appropriations for the current budget period shall be indicated alongside the	Rule 103.2. Content of draft budget The draft budget shall contain: (a) A detailed statement of resources to be allocated by parts, sections and as appropriate programme support; for purposes of comparison, the expenditures for the previous financial period and the revised appropriations for the current financial period shall be indicated alongside the	“Financial period” replaced with “budget period”; reclassification of miscellaneous income.

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
resource estimates for the forthcoming budget period;	resource estimates for the forthcoming financial period;	
(b) A statement of estimated income, including net revenue in accordance with regulation 5.4; information on revenue-producing activities shall show estimated gross revenue and expenditure for each activity, as well as the credit to the income section of the budget in respect of the net revenue from each activity.	(b) A statement of estimated income, including income classified as miscellaneous in accordance with regulation 7.1; information on revenue-producing activities shall show estimated gross revenue and expenditure for each activity as well as the credit to the income section of the budget in respect of the net revenue from each activity.	
Rule 103.3. Publication of the adopted budget	Rule 103.3. Publication of the adopted budget	No change.
The Registrar shall arrange for the publication of the budget as adopted by the Meeting of States Parties.	The Registrar shall arrange for the publication of the budget as adopted by the Meeting of States Parties.	
Rule 103.4. Revised and supplementary budget requirements	Rule 103.4. Revised and supplementary budget requirements	No change.
Revised and supplementary budget proposals may be submitted in the following instances:	Revised and supplementary budget proposals may be submitted in the following instances:	
(a) When, in the interest of the administration of justice, urgent approval is required;	(a) When, in the interest of the administration of justice, urgent approval is required;	
(b) When they include activities which the Registrar considers to be of the highest urgency and which could not have been foreseen at the time the initial budget proposals were prepared;	(b) When they include activities which the Registrar considers to be of the highest urgency and which could not have been foreseen at the time the initial budget proposals were prepared;	
(c) In respect of decisions taken by the Meeting of States Parties;	(c) In respect of decisions taken by the Meeting of States Parties;	
(d) When they cover activities mentioned in earlier budget proposals as items for which later submissions would be made;	(d) When they cover activities mentioned in earlier budget proposals as items for which later submissions would be made;	
(e) When they involve changes in expenditure requirements associated with inflation and currency fluctuations.	(e) When they involve changes in expenditure requirements associated with inflation and currency fluctuations.	
Rule 103.5. Preparation of revised and supplementary budgets	Rule 103.5. Preparation of revised and supplementary budgets	No change.
(a) Heads of organizational units shall prepare revised and supplementary budget proposals in such detail and at such times as the Registrar may prescribe;	(a) Heads of organizational units shall prepare revised and supplementary budget proposals in such detail and at such times as the Registrar may prescribe;	
(b) The Registrar, with the approval of the Tribunal or the President if the Tribunal is not in session, shall decide on the content and resource allocation of all revised and supplementary budget proposals to be submitted to the Meeting of States Parties.	(b) The Registrar, with the approval of the Tribunal or the President if the Tribunal is not in session, shall decide on the content and resource allocation of all revised and supplementary budget proposals to be submitted to the Meeting of States Parties.	
Rule 103.6. Commitments against appropriations for future budget periods	Rule 103.6. Maintenance of record of commitments for future financial periods	Change in title of rule; “financial period” replaced with “budget period”. Future year commitments will no longer be recorded in the accounts; they will be disclosed in a note added to the financial statements.
The Registrar shall disclose the commitments against future budget periods in a note to the financial statements in accordance with International Public Sector Accounting Standards (IPSAS). Such commitments shall constitute the first charges against relevant appropriations once they are approved by the Meeting of States Parties.	The Registrar shall maintain a record in the accounts of all commitments for future financial periods (rule 111.7), which shall constitute the first charges against relevant appropriations once these are approved by the Meeting of States Parties.	

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>Rule 104.1. Authorization to expend appropriations</p> <p>Authorization by the Registrar to expend budget appropriations may take the form of:</p> <p>(a) An allotment of funds or other authorization to incur commitments and expend funds for a specific period and/or a specific purpose; and/or</p> <p>(b) An authorization for the employment of staff or of consultants.</p>	<p>Rule 104.1. Authorization to expend appropriations</p> <p>Authorization by the Registrar to expend budget appropriations may take the form of:</p> <p>(a) An allotment of funds or other authorization to commit funds for a specific period and/or a specific purpose; and/or</p> <p>(b) An authorization for the employment of staff or of consultants.</p>	IPSAS commitment.
<p>Rule 104.2. Allotment advice</p> <p>The Registrar shall issue at least annually a detailed allotment advice to each organizational unit of the Tribunal for the objects of expenditure for which it is responsible.</p>	<p>Rule 104.2. Allotment advice</p> <p>The Registrar shall issue at least annually a detailed allotment advice to each organizational unit of the Tribunal for the objects of expenditure for which it is responsible.</p>	No change.
<p>Rule 104.3. Redeployment between organizational units</p> <p>The Registrar may redeploy resources among organizational units and objects of expenditure, provided such redeployments are within the total appropriations approved by the Meeting of States Parties for an appropriation section.</p>	<p>Rule 104.3. Redeployment between organizational units</p> <p>The Registrar may redeploy resources among organizational units and objects of expenditure, provided such redeployments are within the total appropriations approved by the Meeting of States Parties for an appropriation section.</p>	No change.
<p>Rule 105.1. Time frame for application of regulation 5.5</p> <p>The Registrar shall comply with regulation 5.5 within 30 days of the decision by the Meeting of States Parties approving the budget and the level of the Working Capital Fund.</p>	<p>Rule 105.1. Time frame for application of regulation 5.4</p> <p>The Registrar shall comply with regulation 5.4 within 30 days of the decision by the Meeting of States Parties approving the budget and the level of the Working Capital Fund.</p>	Change in numbering of regulation referred to.
<p>Rule 105.2. Exchange rate of assessed contributions paid in United States dollars</p> <p>The equivalent in euros of contributions paid in United States dollars is calculated at the most favourable rate of exchange (normally the market buying rate) available to the Tribunal on the date of payment.</p>	<p>Rule 105.2. Exchange rate of assessed contributions paid in United States dollars</p> <p>The equivalent in euros of contributions paid in United States dollars is calculated at the most favourable rate of exchange (normally the market buying rate) available to the Tribunal on the date of payment.</p>	No change.
<p>Rule 106.1. Advances from the Working Capital Fund</p> <p>(a) Advances from the Working Capital Fund may be made only for the purposes and within the terms and conditions prescribed by the Meeting of States Parties and only with the approval of the Registrar;</p> <p>(b) Except when such advances are recoverable from some other source, advances from the Working Capital Fund for unforeseen and extraordinary expenses or other authorized purposes shall be reimbursed though the submission of supplementary programme budget proposals.</p>	<p>Rule 106.1. Advances from the Working Capital Fund</p> <p>(a) Advances from the Working Capital Fund may be made only for the purposes and within the terms and conditions prescribed by the Meeting of States Parties and only with the approval of the Registrar;</p> <p>(b) Except when such advances are recoverable from some other source, advances from the Working Capital Fund for unforeseen and extraordinary expenses or other authorized purposes shall be reimbursed though the submission of supplementary programme budget proposals.</p>	No change.

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
	<p>Rule 107.1. New States Parties and other entities</p> <p>Contributions from new States Parties and International Organizations for the year in which they become parties to the Convention, and contributions from other entities, shall be credited as miscellaneous income. Contributions from new States Parties shall be determined on a quarterly basis.</p>	Rule replaced with new regulation 5.4.
<p>Rule 107.1. Reimbursements of expenses</p> <p>(a) Within the same budget period, reimbursements of expenses incurred may be credited to the accounts against which they were originally charged; reimbursements of expenses incurred in prior financial periods shall be credited as other/miscellaneous revenue;</p> <p>(b) Adjustments that arise subsequent to the closing of an extrabudgetary account (i.e., a trust fund, special account, project, etc.) shall be treated as other/miscellaneous revenue in the same account.</p>	<p>Rule 107.2. Reimbursements of expenditures</p> <p>(a) Within the same financial period, reimbursements of actual expenditures incurred may be credited to the accounts against which they were originally charged; reimbursements of actual expenditures incurred in prior financial periods shall be credited as miscellaneous income;</p> <p>(b) Adjustments that arise subsequent to the closing of an extra budgetary account (i.e., a trust fund, special account, project, etc.) shall be debited or credited against miscellaneous income in the same account.</p>	In paragraph (a), change in numbering; “financial period” replaced with “budget period”; “expenditures” replaced with “expenses”; IPSAS expense; IPSAS revenue; editorial change. In paragraph (b), IPSAS revenue; editorial change.
	<p>Rule 107.3. Proceeds from revenue-producing activities</p> <p>Proceeds from revenue-producing activities shall be credited as miscellaneous income.</p>	Rule deleted because the information is now covered in regulation 5.4.
<p>Rule 107.2. Receipt and deposit</p> <p>(a) An official receipt shall be issued as soon as practicable for all cash and negotiable instruments received;</p> <p>(b) Only officials designated by the Registrar shall be authorized to issue official receipts. If other officials receive money intended for the Tribunal, they must immediately convey this money to an official authorized to issue an official receipt;</p> <p>(c) All moneys received shall be deposited in an official bank account as soon as practicable.</p>	<p>Rule 107.4. Receipt and deposit</p> <p>(a) An official receipt shall be issued as soon as practicable for all cash and negotiable instruments received;</p> <p>(b) Only officials designated by the Registrar shall be authorized to issue official receipts. If other officials receive money intended for the Tribunal, they must immediately convey this money to an official authorized to issue an official receipt;</p> <p>(c) All moneys received shall be deposited in an official bank account as soon as practicable.</p>	Change in numbering.
<p>Rule 108.1. Bank accounts, authority and policy</p> <p>The Registrar shall establish all official bank accounts required for the transaction of the Tribunal’s business and shall designate those officials to whom signatory authority is delegated for the operation of those accounts. The Registrar shall also authorize all bank account closures. The Tribunal’s bank accounts are to be opened and operated in accordance with the following guidelines:</p> <p>(a) Bank accounts shall be designated “official accounts of the International Tribunal for the Law of the Sea” and the relevant authority</p>	<p>Rule 108.1. Bank accounts, authority and policy</p> <p>The Registrar shall establish all official bank accounts required for the transaction of the Tribunal’s business and shall designate those officials to whom signatory authority is delegated for the operation of those accounts. The Registrar shall also authorize all bank account closures. The Tribunal’s bank accounts are to be opened and operated in accordance with the following guidelines:</p> <p>(a) Bank accounts shall be designated “official accounts of the International Tribunal for the Law of the Sea” and the relevant authority shall be</p>	In paragraph (b), “monthly statements” replaced with “statements of bank transactions”.

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>shall be notified that those accounts are exempt from all taxation;</p> <p>(b) Banks shall be required to provide statements of bank transactions promptly;</p> <p>(c) Two signatures, or their electronic equivalent, shall be required on all cheques and other withdrawal instructions, including electronic modes of payment;</p> <p>(d) All banks shall be required to recognize that the Registrar is authorized to receive, upon request or as promptly as is practicable, all information pertaining to official bank accounts of the Tribunal.</p> <p>Rule 108.2. Bank signatories</p> <p>Bank signatory authority and responsibility is assigned on a personal basis and cannot be delegated. Bank signatories cannot exercise the approving functions assigned in accordance with rule 110.4. Designated bank signatories must:</p> <p>(a) Ensure that there are sufficient funds in the bank account when cheques and other payment instructions are presented for payment;</p> <p>(b) Verify that all cheques and other payment instructions are made to the order of the named payee approved by an approving officer (designated in accordance with rule 110.4) and prepared in accordance with banking laws, regulations and standards;</p> <p>(c) Ensure that cheques and other banking instruments are properly safeguarded and that when they are obsolete, they are destroyed in the presence of two officials designated for that purpose by the Registrar.</p> <p>Rule 108.3. Exchange of currencies</p> <p>Officials responsible for the operation of the Tribunal's bank accounts or for holding the Tribunal's cash or negotiable instruments are not authorized to exchange one currency for another, except to the extent necessary for the transaction of official business and for currency management.</p> <p>Rule 108.4. Cash advances</p> <p>(a) Petty cash advances may be made only by and to officials designated for this purpose by the Registrar;</p> <p>(b) The relevant accounts shall be maintained on an imprest system and the amount and purposes of each advance shall be defined by the Registrar;</p> <p>(c) The Registrar may approve other cash advances as may be permitted by the Staff Regulations and Rules and administrative</p>	<p>notified that those accounts are exempt from all taxation;</p> <p>(b) Banks shall be required to provide monthly statements promptly;</p> <p>(c) Two signatures, or their electronic equivalent, shall be required on all cheques and other withdrawal instructions, including electronic modes of payment;</p> <p>(d) All banks shall be required to recognize that the Registrar is authorized to receive, upon request or as promptly as is practicable, all information pertaining to official bank accounts of the Tribunal.</p> <p>Rule 108.2. Bank signatories</p> <p>Bank signatory authority and responsibility is assigned on a personal basis and cannot be delegated. Bank signatories cannot exercise the approving functions assigned in accordance with rule 110.4. Designated bank signatories must:</p> <p>(a) Ensure that there are sufficient funds in the bank account when cheques and other payment instructions are presented for payment;</p> <p>(b) Verify that all cheques and other payment instructions are pre-encumbered, dated and drawn to the order of the named payee approved by an approving officer (designated in accordance with rule 110.4), as indicated in the accompanying disbursement voucher, payment instructions and original invoice;</p> <p>(c) Ensure that cheques and other banking instruments are properly safeguarded and that when they are obsolete, they are destroyed in the presence of two officials designated for that purpose by the Registrar.</p> <p>Rule 108.3. Exchange of currencies</p> <p>Officials responsible for the operation of the Tribunal's bank accounts or for holding the Tribunal's cash or negotiable instruments are not authorized to exchange one currency for another, except to the extent necessary for the transaction of official business.</p> <p>Rule 108.4. Cash advances</p> <p>(a) Petty cash advances may be made only by and to officials designated for this purpose by the Registrar;</p> <p>(b) The relevant accounts shall be maintained on an imprest system and the amount and purposes of each advance shall be defined by the Registrar;</p> <p>(c) The Registrar may approve other cash advances as may be permitted by the Staff Regulations and Rules and administrative</p>	<p>Paragraph (b) changed to remove outdated language and incorporate some language developed when the Financial Regulations and Rules of the United Nations were being harmonized.</p> <p>Changed to take currency management into account.</p> <p>Paragraph (c), formerly rule 108.5 (c), added, given the importance of obtaining receipts for cash advances.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>instructions and as may otherwise be authorized in writing by the Registrar;</p> <p>(d) Officials to whom cash advances are issued shall be held personally responsible and financially liable for the proper management and safekeeping of cash so advanced and must be in a position to account for the advances at all times. They shall submit monthly accounts, unless otherwise directed by the Registrar;</p> <p>(e) A payee's written receipt shall be obtained for all disbursements of cash advances.</p> <p>Rule 108.5. Disbursements/payments</p> <p>(a) All disbursements shall be made by cheque, by wire transfer or by electronic funds transfer except to the extent that cash disbursements are authorized by the Registrar;</p> <p>(b) Disbursements shall be recorded in the accounts as of the date when they are made.</p> <p>Rule 108.6. Reconciliation of bank accounts</p> <p>Every month, unless an exception is authorized by the Registrar, all financial transactions, including bank charges and commissions, must be reconciled with the information submitted by banks in accordance with rule 108.1. This reconciliation must be performed by officials having no actual part in the receipt or disbursement of funds. If the staff situation at the Tribunal makes this impracticable, alternative arrangements may be established in consultation with the Registrar.</p> <p>Rule 109.1. Investment policy</p> <p>(a) Short-term investments are investments made for less than 12 months;</p> <p>(b) The Registrar shall ensure, including by establishing appropriate guidelines, that funds are invested in such a way as to place primary emphasis on minimizing the risk to principal funds while ensuring the liquidity necessary to meet the Tribunal's cash-flow requirements. In addition to these criteria, investments shall be selected on the basis of achieving the highest reasonable rate of return and shall accord with the independence and impartiality of the Tribunal and the principles of the Charter of the United Nations.</p>	<p>instructions and as may otherwise be authorized in writing by the Registrar;</p> <p>(d) Officials to whom cash advances are issued shall be held personally responsible and financially liable for the proper management and safekeeping of cash so advanced and must be in a position to account for the advances at all times. They shall submit monthly accounts, unless otherwise directed by the Registrar.</p> <p>Rule 108.5. Disbursements/payments</p> <p>(a) All disbursements shall be made by cheque, by wire transfer or by electronic funds transfer except to the extent that cash disbursements are authorized by the Registrar;</p> <p>(b) Disbursements shall be recorded in the accounts as of the date when they are made, that is, when the cheque is issued, transfer is effected or cash is paid out;</p> <p>(c) Except where a paid cheque is returned by the bank or a debit advice is received from the bank, a payee's written receipt shall be obtained for all disbursements.</p> <p>Rule 108.6. Reconciliation of bank accounts</p> <p>Every month, unless an exception is authorized by the Registrar, all financial transactions, including bank charges and commissions, must be reconciled with the information submitted by banks in accordance with rule 108.1. This reconciliation must be performed by officials having no actual part in the receipt or disbursement of funds. If the staff situation at the Tribunal makes this impracticable, alternative arrangements may be established in consultation with the Registrar.</p> <p>Rule 109.1. Policy</p> <p>(a) Short-term investments are investments made for less than 12 months;</p> <p>(b) The Registrar shall ensure, including by establishing appropriate guidelines, that funds are invested in such a way as to place primary emphasis on minimizing the risk to principal funds while ensuring the liquidity necessary to meet the Tribunal's cash-flow requirements. In addition to these criteria, investments shall be selected on the basis of achieving the highest reasonable rate of return and shall accord with the independence and impartiality of the Tribunal and the principles of the Charter of the United Nations.</p>	<p>Repeated information removed from paragraph (b). Paragraph (c) removed from rule and added to rule 108.4, given that it is not practical to obtain a written receipt for all disbursements.</p> <p>No change.</p> <p>"Investment" added to title of rule.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
Rule 109.2. Records of investments Records of all investments shall be maintained showing all the relevant details for each investment, including face value, cost, date of maturity, place of deposit, proceeds of sale and revenue earned.	Rule 109.2. Investment ledger Investments shall be recorded in an investment ledger, which shall show all the relevant details for each investment, including, for example, face value, cost, date of maturity, place of deposit, proceeds of sale and income earned.	Change in title of rule; IPSAS revenue; streamlined in accordance with financial regulation 104.13 of the United Nations.
Rule 109.3. Custody of investments (a) All investments shall be made through, and maintained by, reputable financial institutions designated by the Registrar; (b) All investment transactions, including the withdrawal of invested resources, require the authorization and signature of two officials designated for that purpose by the Registrar.	Rule 109.3. Custody of investments (a) All investments shall be made through, and maintained by, reputable financial institutions designated by the Registrar; (b) All investment transactions, including the withdrawal of invested resources, require the authorization and signature of two officials designated for that purpose by the Registrar.	No change.
Rule 109.4. Revenue from investments (a) Revenue derived from General Fund investments shall be credited as investment revenue; (b) Revenue derived from Working Capital Fund investments shall be credited to investment revenue of the General Fund, as provided for in regulation 6.4; (c) In accordance with regulation 9.3, revenue derived from investments pertaining to trust funds, reserves and special accounts shall be credited to the trust fund, reserve or special account concerned; (d) Income from investments must be recorded and reported by the Registrar to the Auditor.	Rule 109.4. Income from investments (a) Income derived from General Fund investments shall be credited as miscellaneous income; (b) Income derived from Working Capital Fund investments shall be credited to miscellaneous income, as provided for in regulation 6.4; (c) Income derived from investments pertaining to trust funds reserve and special accounts shall be credited to the trust fund, reserve or special account concerned; (d) Income from investments must be recorded and reported by the Registrar to the Auditor.	Change in title of rule; editorial change in paragraph (c); IPSAS revenue; miscellaneous income reclassified; rule modified to conform with regulation 9.3 relating to the retention of interest.
Rule 109.5. Losses (a) Any investment losses must be accounted for and reported in accordance with policies established by the Registrar and IPSAS; (b) Investment losses shall be borne by the fund, trust fund, reserve or special account from which the principal amounts were obtained. (See also rule 110.9 with respect to the writing off of losses of cash and receivables.)	Rule 109.5. Losses (a) Any investment losses must be recorded, and reported at once to the Registrar. The Registrar may authorize the writing-off of investment losses. A summary statement of investment losses, if any, shall be provided to the Auditor within three months following the end of the financial period; (b) Investment losses shall be borne by the fund, trust fund, reserve or special account from which the principal amounts were obtained. (See also rule 110.9 with respect to the writing-off of losses of cash and receivables.)	Investment losses will be accounted for in accordance with IPSAS. Because that will be a part of the financial statements, there is no need to mention separately that they will be submitted to the Auditor.
Rule 110.1. Authorization The utilization of all funds requires the prior authorization of the Registrar. Such authorization may take the form of: (a) An allotment of funds or other authorization to incur commitments and expend specified funds for specified purposes during a specified period; (b) An authorization to employ staff against an approved staffing table.	Rule 110.1. Authorization The utilization of all funds requires the prior authorization of the Registrar. Such authorization may take the form of: (a) An allotment of funds or other authorization to commit, obligate and expend specified funds for specified purposes during a specified period; (b) An authorization to employ staff against an approved staffing table.	IPSAS commitment.

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>Rule 110.2. Certification and approval</p> <p>Notwithstanding bank signatory functions assigned in accordance with rule 108.2, all commitments, disbursements and expenses require at least two authorizing signatures, in either conventional or electronic form. All commitments, disbursements and expenses must first be signed (“certified”) by a duly designated certifying officer (rule 110.3). Following certification, duly designated approving officers (rule 110.4) must then sign to “approve” the establishment of commitments, expenses and disbursements. Expenses recorded against an established, certified commitment do not require additional certification, provided that they do not exceed the amount committed by more than 10 per cent or 2,500 euros (or its equivalent in other currencies), whichever is lower (rule 110.5). Expenses under 2,500 euros (or its equivalent in other currencies) for which the recording of a commitment is unnecessary require both certification and approval.</p>	<p>Rule 110.2. Certification and approval</p> <p>Notwithstanding bank signatory functions assigned in accordance with rule 108.2, all commitments, obligations and expenditures require at least two authorizing signatures, in either conventional or electronic form. All commitments, obligations and expenditures must first be signed (“certified”) by a duly designated certifying officer (rule 110.3). Following certification, duly designated approving officers (rule 110.4) must then sign to “approve” the establishment of obligations and the recording of expenditures in the accounts and the processing of payments. Expenditures recorded against an established, certified obligation do not require additional certification, provided that they do not exceed the amount obligated by more than 10 per cent or 2,500 euros (or its equivalent in other currencies), whichever is lower (rule 110.5). Expenditures under 2,500 euros (or its equivalent in other currencies) for which the recording of an obligation is unnecessary require both certification and approval.</p>	<p>IPSAS expense; IPSAS commitment.</p>
<p>Rule 110.3. Certifying officers</p> <p>(a) One or more officials shall be designated by the Registrar as the certifying officer(s) for the account(s) pertaining to a section or subsection of an approved budget. Certifying authority and responsibility is assigned on a personal basis and cannot be delegated. A certifying officer cannot exercise the approving functions assigned in accordance with rule 110.4;</p> <p>(b) Certifying officers are responsible for managing the utilization of resources, including posts, in accordance with the purposes for which those resources were approved, the principles of efficiency and effectiveness and the Financial Regulations and Rules of the Tribunal. Certifying officers must maintain detailed records of all commitments, disbursements and expenses against the accounts for which they have been delegated responsibility. They must be prepared to submit any supporting documents, explanations and justifications requested by the Registrar.</p>	<p>Rule 110.3. Certifying officers</p> <p>(a) One or more officials shall be designated by the Registrar as the certifying officer(s) for the account(s) pertaining to a section or subsection of an approved budget. Certifying authority and responsibility is assigned on a personal basis and cannot be delegated. A certifying officer cannot exercise the approving functions assigned in accordance with rule 110.4;</p> <p>(b) Certifying officers are responsible for managing the utilization of resources, including posts, in accordance with the purposes for which those resources were approved, the principles of efficiency and effectiveness and the Financial Regulations and Rules of the Tribunal. Certifying officers must maintain detailed records of all obligations and expenditures against the accounts for which they have been delegated responsibility. They must be prepared to submit any supporting documents, explanations and justifications requested by the Registrar.</p>	<p>IPSAS expense; IPSAS commitment.</p>
<p>Rule 110.4. Approving officers</p> <p>(a) Approving officers are designated by the Registrar to approve the entry into the accounts of commitments, disbursements and expenses relating to contracts, agreements, purchase orders and other forms of undertaking after verifying that they are in order and have been certified by a duly designated certifying officer. Approving officers are also responsible for approving the making of payments once they have ensured that they are properly due, confirming that the necessary goods and services have been received in accordance</p>	<p>Rule 110.4. Approving officers</p> <p>(a) Approving officers are designated by the Registrar to approve the entry into the accounts of obligations and expenditures relating to contracts, agreements, purchase orders and other forms of undertaking after verifying that they are in order and have been certified by a duly designated certifying officer. Approving officers are also responsible for approving the making of payments once they have ensured that they are properly due, confirming that the necessary services, supplies or equipment have been</p>	<p>IPSAS expense; IPSAS commitment; “services, supplies or equipment” replaced with “goods and services”.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>with the contract, agreement, purchase order or other form of undertaking by which they were ordered and, if the cost exceeds 2,500 euros (or its equivalent in other currencies), in accordance with the purpose for which the relevant commitment was established. Approving officers must maintain detailed records and must be prepared to submit any supporting documents, explanations and justifications requested by the Registrar;</p> <p>(b) Approving authority and responsibility are assigned on a personal basis and cannot be delegated. An approving officer cannot exercise the certifying functions assigned in accordance with rule 110.3 or the bank signatory functions assigned in accordance with rule 108.2.</p> <p>Rule 110.5. Establishment and revision of commitments</p> <p>(a) Apart from the employment of staff against an authorized staffing table, and consequential commitments under the Staff Regulations and Rules, no undertaking, including by contract, agreement or purchase order, for an amount exceeding 2,500 euros (or its equivalent in other currencies) shall be entered into until the appropriate credit(s) has (have) been reserved in the accounts by the certifying officer. This shall be done through the recording of commitments against which relevant payments or disbursements, made only on fulfilment of contractual and other obligations, shall be recorded as expenditure. A commitment shall remain open until such point as it is liquidated, cancelled or recommitted in accordance with regulation 4.4;</p> <p>(b) If, in the time that elapses between the establishment of a commitment and the processing of final payment, the cost of the relevant goods or services has, for whatever reason, increased by less than 2,500 euros (or its equivalent in other currencies) or 10 per cent of the commitment, whichever is lower, no change need be made to the amount of the original commitment. If, however, the increase in costs exceeds either of these thresholds, the original commitment must be revised to reflect this increase in requirements and further certification is required. All increases in commitments, including those resulting from currency fluctuations, shall be subject to the same procedures as apply to the incurring of original commitments.</p> <p>Rule 110.6. Review, recommitment and cancellation of commitments</p> <p>(a) Outstanding commitments must be reviewed periodically by the responsible certifying officer(s). If a commitment is</p>	<p>received in accordance with the contract, agreement, purchase order or other form of undertaking by which they were ordered and, if the cost exceeds 2,500 euros (or its equivalent in other currencies), in accordance with the purpose for which the relevant financial obligation was established. Approving officers must maintain detailed records and must be prepared to submit any supporting documents, explanations and justifications requested by the Registrar;</p> <p>(b) Approving authority and responsibility is assigned on a personal basis and cannot be delegated. An approving officer cannot exercise the certifying functions assigned in accordance with rule 110.3 or the bank signatory functions assigned in accordance with rule 108.2.</p> <p>Rule 110.5. Establishment and revision of obligations</p> <p>(a) Apart from the employment of staff against an authorized staffing table, and consequential commitments under the Staff Regulations and Rules, no undertaking, including by contract, agreement or purchase order, for an amount exceeding 2,500 euros (or its equivalent in other currencies) shall be entered into until the appropriate credit(s) has (have) been reserved in the accounts. This shall be done through the recording of an obligation(s), against which relevant payments or disbursements, made only on fulfilment of contractual and other obligations, shall be recorded as expenditure. An obligation shall be recorded in the accounts as unliquidated during the period set forth in regulation 4.3 and until such point as it is reobligated, liquidated or cancelled in accordance with regulation 4.4;</p> <p>(b) If, in the time that elapses between the establishment of an obligation and the processing of final payment, the cost of the relevant goods or services has, for whatever reason, increased by less than 2,500 euros (or its equivalent in other currencies) or 10 per cent of the obligation, whichever is lower, no change need be made to the amount of the original obligation. If, however, the increase in costs exceeds either of these thresholds, the original obligation must be revised to reflect this increase in requirements and further certification is required. All increases in obligations, including those resulting from currency fluctuations, shall be subject to the same procedures as apply to the incurring of original obligations.</p> <p>Rule 110.6. Review, reobligation and cancellation of obligations</p> <p>(a) Outstanding obligations must be reviewed periodically by the responsible certifying officer(s). If an obligation is determined to be</p>	<p>Change in title of rule; editorial change; IPSAS expense; IPSAS commitment.</p> <p>Change in title of rule; IPSAS commitment.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
determined to be valid but cannot be liquidated during the period set forth in regulation 4.2, the provisions of regulation 4.3 shall be applied. Commitments that are no longer valid shall be cancelled from the accounts forthwith, and the resulting credit surrendered;	valid but cannot be liquidated during the period set forth in regulation 4.2, the provisions of regulation 4.3 shall be applied. Obligations that are no longer valid shall be cancelled from the accounts forthwith, and the resulting credit surrendered;	
(b) When any commitment previously recorded in the accounts is, for any reason, reduced (other than by payment) or cancelled, the certifying officer shall accordingly ensure that appropriate adjustments are recorded in the accounts.	(b) When any obligation previously recorded in the accounts is, for any reason, reduced (other than by payment) or cancelled, the certifying officer shall accordingly ensure that appropriate adjustments are recorded in the accounts.	
Rule 110.7. Commitment documents	Rule 110.7. Obligating documents	Change in title of rule; IPSAS commitment.
A commitment must be based on a formal contract, agreement, purchase order or other form of undertaking, or on a liability recognized by the Tribunal. All commitments must be supported by an appropriate commitment document.	An obligation must be based on a formal contract, agreement, purchase order or other form of undertaking, or on a liability recognized by the Tribunal. All obligations must be supported by an appropriate obligating document.	
Rule 110.8. Ex gratia payments	Rule 110.8. Ex gratia payments	No change.
A summary statement of all ex gratia payments shall be provided to the Auditor not later than three months following the end of the financial period.	A summary statement of all ex gratia payments shall be provided to the Auditor not later than three months following the end of the financial period.	
Rule 110.9. Writing off of losses of assets including cash, receivables, property, plant and equipment, inventories and intangible assets	Rule 110.9. Writing off of losses of cash and receivables	Existing rules 110.9 and 110.10 combined; “property, plant and equipment, inventories and intangible assets” added; editorial changes.
(a) The Registrar may, after investigation, authorize the writing off of losses of assets, including cash, receivables, property, plant and equipment, inventories and intangible assets. A summary statement of losses shall be provided to the Auditor not later than three months following the end of the financial period;	(a) The Registrar may, after full investigation, authorize the writing off of losses of cash and the book value of accounts and receivables deemed to be irrecoverable. A detailed statement of losses of cash and receivables shall be provided to the Auditor not later than three months following the end of the financial period;	
(b) The investigation shall, in each case, address the responsibility, if any, attaching to any official of the Tribunal for the loss or losses. Such official(s) may be required to reimburse the Tribunal either partially or in full. Final determination as to all charges to be made against staff members or others as the result of losses will be made by the Registrar.	(b) The investigation shall, in each case, fix the responsibility, if any, attaching to any official of the Tribunal for the loss or losses. Such official(s) may be required to reimburse the Tribunal either partially or in full. Final determination as to all charges to be made against staff members or others as the result of losses will be made by the Registrar.	
	Rule 110.10. Writing off of losses of property	Rule deleted after being combined with existing rule 110.9 (see proposed financial rule 110.9 above).
	(a) The Registrar may, after full investigation, authorize the writing off of losses of property of the Tribunal, and adjust the record to bring the balance shown into conformity with actual, physical property. A detailed statement of losses of non-expendable property shall be provided to the Auditor not later than three months following the end of the financial period;	
	(b) The investigation shall, in each case, fix the responsibility, if any, attaching to any official of the Tribunal for the loss or losses. Such official(s)	

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
	may be required to reimburse the Tribunal either partially or in full. Final determination as to all charges to be made against staff members or others as the result of losses will be made by the Registrar.	
<p>Rule 110.10. General principles</p> <p>Procurement functions include all actions necessary for the acquisition, by purchase or lease, of property, including products and real property, and of services, including works. The following general principles shall be given due consideration when exercising the procurement functions of the Tribunal:</p> <ul style="list-style-type: none"> (a) Best value for money; (b) Fairness, integrity and transparency; (c) Effective international competition; (d) The interest of the Tribunal. 	<p>Rule 110.11. General principles</p> <p>Procurement functions include all actions necessary for the acquisition, by purchase or lease, of property, including products and real property, and of services, including works. The following general principles shall be given due consideration when exercising the procurement functions of the Tribunal:</p> <ul style="list-style-type: none"> (a) Best value for money; (b) Fairness, integrity and transparency; (c) Effective international competition; (d) The interest of the Tribunal. 	Change in numbering.
<p>Rule 110.11. Authority and responsibility for procurement</p> <p>(a) The Registrar is responsible for the procurement functions of the Tribunal, shall establish all its procurement systems and shall designate the officials responsible for performing procurement functions;</p> <p>(b) The Registrar shall establish a review committee to render written advice to the Registrar on procurement actions leading to the award or amendment of procurement contracts, which, for purposes of these Regulations and Rules, includes agreements or other written instruments such as purchase orders and contracts that involve income to the Tribunal. The Registrar shall establish the composition and the terms of reference of the committee, which shall include the types and monetary values of proposed procurement actions subject to review;</p> <p>(c) Where the advice of the review committee is required, no final action leading to the award or amendment of a procurement contract may be taken before such advice is received. In cases where the Registrar decides not to accept the advice of the review committee, he or she shall record in writing the reasons for that decision.</p>	<p>Rule 110.12. Authority and responsibility for procurement</p> <p>(a) The Registrar is responsible for the procurement functions of the Tribunal, shall establish all its procurement systems and shall designate the officials responsible for performing procurement functions;</p> <p>(b) The Registrar shall establish a review committee to render written advice to the Registrar on procurement actions leading to the award or amendment of procurement contracts, which, for purposes of these Regulations and Rules, includes agreements or other written instruments such as purchase orders and contracts that involve income to the Tribunal. The Registrar shall establish the composition and the terms of reference of the committee, which shall include the types and monetary values of proposed procurement actions subject to review;</p> <p>(c) Where the advice of the review committee is required, no final action leading to the award or amendment of a procurement contract may be taken before such advice is received. In cases where the Registrar decides not to accept the advice of such a review committee, he or she shall record in writing the reasons for that decision.</p>	Change in numbering.
<p>Rule 110.12. Competition</p> <p>Consistent with the principles set out in rule 110.10 and except as provided in rule 110.14, procurement contracts shall be awarded on the basis of effective competition, and to this end the competitive process shall, as necessary, include:</p>	<p>Rule 110.13. Competition</p> <p>Consistent with the principles set out in rule 110.11 and except as provided in rule 110.15, procurement contracts shall be awarded on the basis of effective competition, and to this end the competitive process shall, as necessary, include:</p>	Change in numbering; change in numbering of rule referred to; language added to introduce electronic bidding.

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>(a) Acquisition planning for developing an overall procurement strategy and procurement methodologies;</p> <p>(b) Market research for identifying potential suppliers;</p> <p>(c) Consideration of prudent commercial practices;</p> <p>(d) Formal methods of solicitation, utilizing invitations to bid or requests for proposals on the basis of advertisement or direct solicitation of invited suppliers; or informal methods of solicitation, such as requests for quotations. The Registrar shall issue administrative instructions concerning the types of procurement activities and monetary values for which such methods of solicitation are to be used. Such formal and informal methods of solicitation may be conducted by means of electronic data interchange, provided the Registrar has ensured that the electronic data interchange system is capable of ensuring authentication and confidentiality of the information transmitted;</p> <p>(e) Public bid openings; for purposes of bidding by means of electronic data interchange, the virtual opening of bids is considered public.</p>	<p>(a) Acquisition planning for developing an overall procurement strategy and procurement methodologies;</p> <p>(b) Market research for identifying potential suppliers;</p> <p>(c) Consideration of prudent commercial practices;</p> <p>(d) Formal methods of solicitation, utilizing invitations to bid or requests for proposals on the basis of advertisement or direct solicitation of invited suppliers; or informal methods of solicitation, such as requests for quotations. The Registrar shall issue administrative instructions concerning the types of procurement activities and monetary values for which such methods of solicitation are to be used;</p> <p>(e) Public bid openings.</p>	
<p>Rule 110.13. Formal methods of solicitation</p> <p>(a) When a formal invitation to bid has been issued, the procurement contract shall be awarded to the qualified bidder whose bid substantially conforms to the requirements set forth in the solicitation document and is evaluated to be the lowest cost to the Tribunal;</p> <p>(b) When a formal request for proposals has been issued, the procurement contract shall be awarded to the qualified proposer whose proposal is the most responsive to the requirements set forth in the solicitation document;</p> <p>(c) The Registrar may, in the interest of the Tribunal, reject bids or proposals for a particular procurement action, recording the reasons for rejection in writing. The Registrar shall then determine whether to undertake a new solicitation, or to directly negotiate a procurement contract pursuant to rule 110.14, or to terminate or suspend the procurement action.</p>	<p>Rule 110.14. Formal methods of solicitation</p> <p>(a) When a formal invitation to bid has been issued, the procurement contract shall be awarded to the qualified bidder whose bid substantially conforms to the requirements set forth in the solicitation document and is evaluated to be the lowest cost to the Tribunal;</p> <p>(b) When a formal request for proposals has been issued, the procurement contract shall be awarded to the qualified proposer whose proposal is the most responsive to the requirements set forth in the solicitation document;</p> <p>(c) The Registrar may, in the interest of the Tribunal, reject bids or proposals for a particular procurement action, recording the reasons for rejection in writing. The Registrar shall then determine whether to undertake a new solicitation, or to directly negotiate a procurement contract pursuant to rule 110.15, or to terminate or suspend the procurement action.</p>	<p>Change in numbering; change in numbering of rule referred to.</p>
<p>Rule 110.14. Exceptions to the use of formal methods of solicitation</p> <p>(a) The Registrar may, with the approval of the President, determine for a particular procurement action that using formal methods of solicitation is not in the best interest of the Tribunal;</p>	<p>Rule 110.15. Exceptions to the use of formal methods of solicitation</p> <p>(a) The Registrar may, with the approval of the President, determine for a particular procurement action that using formal methods of solicitation is not in the best interest of the Tribunal;</p>	<p>Change in numbering; change in numbering of rule referred to.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>(i) When there is no competitive marketplace for the requirement, such as where a monopoly exists, where prices are fixed by legislation or government regulation, or where the requirement involves a proprietary product or service;</p> <p>(ii) When there has been a previous determination or there is a need to standardize the requirement;</p> <p>(iii) When the proposed procurement contract is the result of cooperation with an organization of the United Nations system, pursuant to rule 110.15;</p> <p>(iv) When offers for identical products and services have been obtained competitively within a reasonable period and the prices and conditions offered remain competitive;</p> <p>(v) When, within a reasonable prior period, a formal solicitation has not produced satisfactory results;</p> <p>(vi) When the proposed procurement contract is for the purchase or lease of real property and market conditions do not allow for effective competition;</p> <p>(vii) When there is an exigency for the requirement;</p> <p>(viii) When the proposed procurement contract relates to obtaining services that cannot be evaluated objectively;</p> <p>(ix) When the Registrar determines that for other reasons a formal solicitation will not give satisfactory results;</p> <p>(x) When the value of the procurement is below the monetary threshold established for formal methods of solicitation;</p> <p>(b) When a determination is made pursuant to paragraph (a) above, the Registrar shall record the reasons in writing and may then award a procurement contract, either on the basis of an informal method of solicitation, or on the basis of a directly negotiated contract, to a qualified vendor whose offer substantially conforms to the requirement at an acceptable price.</p>	<p>(i) When there is no competitive marketplace for the requirement, such as where a monopoly exists, where prices are fixed by legislation or government regulation, or where the requirement involves a proprietary product or service;</p> <p>(ii) When there has been a previous determination or there is a need to standardize the requirement;</p> <p>(iii) When the proposed procurement contract is the result of cooperation with an organization of the United Nations system, pursuant to rule 110.16;</p> <p>(iv) When offers for identical products and services have been obtained competitively within a reasonable period and the prices and conditions offered remain competitive;</p> <p>(v) When, within a reasonable prior period, a formal solicitation has not produced satisfactory results;</p> <p>(vi) When the proposed procurement contract is for the purchase or lease of real property and market conditions do not allow for effective competition;</p> <p>(vii) When there is an exigency for the requirement;</p> <p>(viii) When the proposed procurement contract relates to obtaining services that cannot be evaluated objectively;</p> <p>(ix) When the Registrar determines that for other reasons a formal solicitation will not give satisfactory results;</p> <p>(x) When the value of the procurement is below the monetary threshold established for formal methods of solicitation;</p> <p>(b) When a determination is made pursuant to paragraph (a) above, the Registrar shall record the reasons in writing and may then award a procurement contract, either on the basis of an informal method of solicitation, or on the basis of a directly negotiated contract, to a qualified vendor whose offer substantially conforms to the requirement at an acceptable price.</p>	

Rule 110.15. Cooperation

(a) The Registrar may cooperate with organizations of the United Nations system to meet the procurement requirements of the Tribunal, provided that the regulations and rules of those organizations are consistent with those of the Tribunal. The Registrar may, as appropriate, enter into agreements for such purposes. Such cooperation may include carrying out common procurement actions together, or the Tribunal entering into a contract in reliance on a procurement decision of a United Nations organization, or requesting a United Nations

Rule 110.16. Cooperation

(a) The Registrar may cooperate with organizations of the United Nations system to meet the procurement requirements of the Tribunal, provided that the regulations and rules of those organizations are consistent with those of the Tribunal. The Registrar may, as appropriate, enter into agreements for such purposes. Such cooperation may include carrying out common procurement actions together, or the Tribunal entering into a contract in reliance on a procurement decision of a United Nations organization, or requesting a United Nations

Change in numbering.

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
organization to carry out procurement activities on behalf of the Tribunal;	organization to carry out procurement activities on behalf of the Tribunal;	
(b) The Registrar may, to the extent authorized by the Meeting of States Parties, cooperate with a Government, a non-governmental organization or another public international organization in respect of procurement activities and, as appropriate, enter into agreements for such purposes.	(b) The Registrar may, to the extent authorized by the Meeting of States Parties, cooperate with a Government, non-governmental organization or other public international organization in respect of procurement activities and, as appropriate, enter into agreements for such purposes.	
Rule 110.16. Written contracts	Rule 110.17. Written contracts	Change in numbering; editorial change.
(a) Written procurement contracts shall be used to formalize every procurement for a monetary value over specific thresholds established by the Registrar. Such arrangements shall, as appropriate, specify in detail:	(a) Written procurement contracts shall be used to formalize every procurement for a monetary value over specific thresholds established by the Registrar. Such arrangements shall, as appropriate, specify in detail:	
(i) The nature of the products or services being procured;	(i) The nature of the products or services being procured;	
(ii) The quantity being procured;	(ii) The quantity being procured;	
(iii) The contract or unit price;	(iii) The contract or unit price;	
(iv) The period covered;	(iv) The period covered;	
(v) Conditions to be fulfilled, including the Tribunal's general conditions of contract and implications for non-delivery;	(v) Conditions to be fulfilled, including the Tribunal's general conditions of contract and implications for non-delivery;	
(vi) Terms of delivery and payment;	(vi) Terms of delivery and payment;	
(vii) Name and address of supplier.	(vii) Name and address of supplier.	
(b) The requirement for written procurement contracts shall not be interpreted to restrict the use of any electronic means of data interchange. Before using any electronic means of data interchange, the Registrar shall ensure that the electronic data interchange system is capable of ensuring authentication and confidentiality of the information transmitted.	(b) The requirement for written procurement contracts shall not be interpreted to restrict the use of any electronic means of data interchange. Before using any electronic means of data interchange, the Registrar shall ensure that the electronic data interchange system is capable of ensuring authentication and confidentiality of the information.	
Rule 110.17. Advance and progress payments	Rule 110.18. Advance and progress payments	Change in numbering.
(a) Except where normal commercial practice or the interests of the Tribunal so require, no contract or other form of undertaking shall be made on behalf of the Tribunal that requires a payment or payments on account in advance of the delivery of products or the performance of contractual services. Whenever an advance payment is agreed to, the reasons therefor shall be recorded;	(a) Except where normal commercial practice or the interests of the Tribunal so require, no contract or other form of undertaking shall be made on behalf of the Tribunal which requires a payment or payments on account in advance of the delivery of products or the performance of contractual services. Whenever an advance payment is agreed to, the reasons therefor shall be recorded;	
(b) In addition to subparagraph (a) above, and notwithstanding rule 103.6, the Registrar may, where necessary, authorize progress payments.	(b) In addition to subparagraph (a) above and notwithstanding rule 103.6, the Registrar may, where necessary, authorize progress payments.	
Rule 110.18. Authority and responsibility on property management	Rule 110.19. Authority and responsibility on property management	Change in numbering; IPSAS property, plant and equipment, inventories and intangible assets; paragraph (b) removed because property, plant and equipment are required to be part of the financial statements.

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>The Registrar is responsible for the management of the property, plant and equipment, inventories and intangible assets of the Tribunal, including all systems governing their receipt, valuation, recording, utilization, safe keeping, maintenance, transfer and disposal, including by sale, and shall designate the officials responsible for performing property management functions.</p>	<p>(a) The Registrar is responsible for the management of the property of the Tribunal, including all systems governing its receipt, recording, utilization, safe keeping, maintenance and disposal, including by sale, and shall designate the officials responsible for performing property management functions;</p> <p>(b) A summary statement of non-expendable Tribunal property shall be provided to the Auditor not later than three months following the end of the financial period.</p>	
<p>Rule 110.19. Physical verification</p> <p>Physical verification shall be taken and records maintained of property, plant and equipment, inventories and intangible assets of the Tribunal, in accordance with policies established by the Registrar.</p>	<p>Rule 110.20. Inventories</p> <p>An inventory shall be taken of supplies, equipment or other property of the Tribunal or entrusted to the charge of the Tribunal at such intervals as deemed necessary to ensure adequate control over such property. Where property is of a kind used and/or administered by only one organizational unit, the Registrar may delegate responsibility for making arrangements for preparing such inventories to the head of that organizational unit.</p>	<p>Change in numbering and title of rule; new rule for physical verification.</p>
<p>Rule 110.20. Review body related to Property Management</p> <p>(a) The Registrar shall establish a review body to render written advice in respect of loss, damage, impairment or other discrepancy regarding the property, plant and equipment, inventories and intangible assets of the Tribunal. The Registrar shall establish the composition and terms of reference of the review body, which shall include procedures for determining the cause of such loss, damage, impairment or other discrepancy, the disposal action in accordance with rules 110.21 and 110.22 and the degree of responsibility, if any, attaching to any Tribunal official or other party for such loss, damage or other discrepancy;</p> <p>(b) Where the advice of the review body is required, no final action in respect of the loss, damage, impairment or other discrepancy may be taken before such advice is received. In cases where the Registrar decides not to accept the advice of the review body, the Registrar shall record in writing the reasons for that decision.</p>	<p>Rule 110.21. Property Survey Board</p> <p>(a) The Registrar shall establish a Property Survey Board, to render written advice in respect of loss, damage or other discrepancy regarding the property of the Tribunal. The Registrar shall establish the composition and terms of reference of the Board, which shall include procedures for determining the cause of such loss, damage or other discrepancy, the disposal action in accordance with rule 110.21, and the degree of responsibility, if any, attaching to any Tribunal official or other party for such loss, damage or other discrepancy;</p> <p>(b) Where the advice of the Board is required, no final action in respect of the loss, damage or other discrepancy may be taken before such advice is received. In cases where the Registrar decides not to accept the advice of the Board, the Registrar shall record in writing the reasons for that decision.</p>	<p>Change in numbering; change in numbering of rules referred to; change in title of rule from “Property Survey Board” to “Review body related to property management”; IPSAS property, plant and equipment, inventories and intangible assets; “impairment” added. Because, under IPSAS, there are a number of requirements for the review of property, plant and equipment, inventories and intangible assets, “Property Survey Board” was replaced with generic term “review body” for instances in which some new functions might not be provided by the Board.</p>
<p>Rule 110.21. Sale/disposal of property</p> <p>(a) The Registrar shall be responsible for the disposal of property, plant and equipment, inventories and intangible assets by sale. The Registrar may delegate authority as necessary;</p> <p>(b) Property, plant and equipment, inventories and intangible assets of the Tribunal that are declared surplus, unserviceable or obsolete following a recommendation by the review body</p>	<p>Rule 110.22. Sale/disposal of property</p> <p>(a) The Registrar shall be responsible for the disposal of property by sale. The Registrar may delegate authority as necessary;</p> <p>(b) Sales of supplies, equipment or other property declared surplus or unserviceable shall be based on competitive bidding, unless the Property Survey Board:</p>	<p>Change in numbering; IPSAS property, plant and equipment, inventories and intangible assets.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>shall be disposed of, transferred or sold after competitive bidding, unless the review body:</p> <ul style="list-style-type: none"> (i) Estimates that the sales value is less than 5,000 euros; (ii) Considers that the exchange of property in partial or full payment for the replacement equipment or supplies is in the best interests of the Tribunal; (iii) Deems it appropriate to transfer surplus property from one office or programme for use in another and determines the fair market value at which the transfer(s) shall be effected; (iv) Determines that the destruction of the surplus or unserviceable material will be more economical or is required by law or by the nature of the property; (v) Determines that the interests of the Tribunal will be served through the disposal of the property by gift or sale at nominal prices to another intergovernmental organization, a Government or government agency or some other non-profit organization. 	<ul style="list-style-type: none"> (i) Estimates that the sales value is less than 5,000 euros; (ii) Considers that the exchange of property in partial or full payment for the replacement equipment or supplies is in the best interests of the Tribunal; (iii) Deems it appropriate to transfer surplus property from one office or programme for use in another and determines the fair market value at which the transfer(s) shall be effected; (iv) Determines that the destruction of the surplus or unserviceable material will be more economical or is required by law or by the nature of the property; (v) Determines that the interests of the Tribunal will be served through the disposal of the property by gift or sale at nominal prices to another intergovernmental organization, a Government or government agency or some other non-profit organization. 	
<p>Rule 110.22. Sale of property</p> <p>Except as provided for in rule 110.21 above, sales of property, plant and equipment, inventories and intangible assets shall be on commercial terms.</p>	<p>Rule 110.23. Sale of property</p> <p>Except as provided for in rule 110.22 above, property shall be sold on the basis of payments on or before delivery.</p> <p>Rule 111.1. Principal accounts</p> <p>In accordance with regulations 11.1 and 11.3, the principal accounts of the Tribunal shall include detailed, comprehensive and up-to-date records of assets and liabilities for all sources of funds. The principal accounts shall consist of:</p> <ul style="list-style-type: none"> (a) Programme budget accounts, showing: <ul style="list-style-type: none"> (i) Original appropriations; (ii) Appropriations as modified by transfers; (iii) Credits (other than appropriations made available by the Meeting of States Parties); (iv) Expenditures, including payments and other disbursements and unliquidated obligations; (v) Unencumbered balances of allotments and appropriations; (b) General ledger accounts, showing: all cash at banks, investments, receivables and other assets, payables and other liabilities; (c) The Working Capital Fund and all trust funds, reserve or other special accounts. 	<p>Change in numbering; change in numbering of rule referred to; IPSAS property, plant and equipment, inventories and intangible assets.</p> <p>Rule deleted because regulation on principal accounts deleted and replaced with new regulation 11.1 on IPSAS financial statements.</p>
<p>Rule 111.1. Authority and responsibility for accounts</p> <p>Responsibility for the accounts is assigned to the Registrar, who shall establish all accounting</p>	<p>Rule 111.2. Authority and responsibility for accounts</p> <p>Responsibility for the accounts is assigned to the Registrar who shall establish all accounting</p>	<p>Change in numbering.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
procedures of the Tribunal and designate the officials responsible for performing accounting functions.	procedures of the Tribunal and designate the officials responsible for performing accounting functions.	
Rule 111.2. Accrual basis accounting	Rule 111.3. Accrual basis accounting	Change in numbering; reference to IPSAS.
Unless otherwise directed by the particular terms governing the operation of a trust fund, reserve or special account, all financial transactions shall be recorded in the accounts on an accrual basis in compliance with IPSAS.	Unless otherwise directed by the Registrar, or by the particular terms governing the operation of a trust fund, reserve or special account, all financial transactions shall be recorded in the accounts on an accrual basis.	
Rule 111.3. Accounting for exchange rate fluctuations	Rule 111.4. Accounting for exchange rate fluctuations	Change in numbering; “at the time of payment” replaced with “on the transaction date” because IPSAS requires the use of the rate on the date of the transaction; editorial change; reclassification of miscellaneous income.
(a) The Registrar shall establish the operational rates of exchange between the euro and other currencies, on the basis of the operational rates of exchange established by the Secretariat of the United Nations. The operational rate(s) of exchange shall be used for the recording of all Tribunal transactions;	(a) The Registrar shall establish the operational rates of exchange between the euro and other currencies, on the basis of the operational rates of exchange established by the Secretariat of the United Nations. The operational rate(s) of exchange shall be used for the recording of all Tribunal transactions;	
(b) Receipts and payments in currencies other than the euro shall be recorded on the basis of the operational rate(s) of exchange prevailing on the transaction date. Any difference between the actual amount(s) on exchange and the amount(s) that would have been obtained at the operational rate(s) of exchange shall be accounted for as loss or gain on exchange;	(b) Payments in currencies other than the euro will be determined on the basis of the operational rate(s) of exchange prevailing at the time of payment. Any difference between the actual amount(s) received on exchange and the amount(s) that would have been obtained at the operational rate(s) of exchange shall be accounted for as loss or gain on exchange;	
(c) When closing the final accounts for a financial period, any negative balance on the account for “loss or gain on exchange” shall be debited to other expenses, while any positive balance on the account for “loss or gain on exchange” shall be credited to other/miscellaneous revenue.	(c) When closing the final accounts for a financial period, any negative balance on the account for “loss or gain on exchange” shall be debited to the relevant budget account, while any positive balance shall be credited to miscellaneous income.	
Rule 111.4. Accounting for proceeds from the sale of property, plant and equipment, inventories and intangible assets	Rule 111.5. Accounting for proceeds from the sale of property	Change in numbering; rule reworded to take into consideration the accounting and budgetary requirements for proceeds from the sale of property. Under existing rule, proceeds from the sale of property are credited as miscellaneous income; however, that will not occur under IPSAS because property will now be on the face of the financial statements and not expensed as purchased.
(a) For accounting purposes, any gain from the sale of property, plant and equipment, inventories and intangible assets shall be credited to other/miscellaneous revenue and any loss shall be debited to other expenses;	The proceeds from the sale of property shall be credited as miscellaneous income except:	
(b) For budgetary purposes, the proceeds from the sale of property, plant and equipment, inventories and intangible assets may be applied against the cost of the replacement.	(a) Where the Property Survey Board has recommended the application of these proceeds directly against the purchase price of replacement equipment or supplies (any balance shall be taken into account as miscellaneous income);	
	(b) When the trade-in property is not considered to be a sale, and the allowance shall be applied against the cost of the replacement property;	
	(c) Where the normal practice is to secure and use certain material or equipment in connection with a contract and to salvage and sell such material or equipment at a later stage;	
	(d) When the proceeds from the sale of surplus equipment shall be credited to the relevant programme account, provided that it has not been closed;	

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
	<p>(e) When equipment transferred from one programme for use in another and the account of the releasing programme is open, the fair market value of such equipment shall be credited to the account of the releasing programme and charged to the account of the receiving programme.</p> <p>Rule 111.6. Accounting for commitments against future financial periods</p> <p>Obligations established prior to the financial period to which they pertain, pursuant to regulation 3.7 and rule 103.6, shall be recorded against a deferred charge account. Deferred charges shall be transferred to the appropriate account when the necessary appropriations and funds become available.</p>	
<p>Rule 111.5. Financial statements</p> <p>(a) For all accounts of the Tribunal, the annual financial statements for the financial period, as of 31 December, shall be submitted to the Auditor in euros not later than 31 March of the following year. Copies of financial statements shall also be transmitted to the Tribunal;</p> <p>(b) In accordance with IPSAS, financial statements submitted to the Auditor for all accounts shall include:</p> <ul style="list-style-type: none"> (i) A statement of financial performance; (ii) A statement of financial position; (iii) A statement of changes in net assets/equity; (iv) A statement of cash flows; (v) A statement of comparison of budget and actual amounts, on the basis of the budget; (vi) Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory notes. 	<p>Rule 111.7. Financial statements</p> <p>(a) For all accounts of the Tribunal, financial statements covering the financial period, as of 31 December, shall be submitted to the Auditor in euros not later than 31 March following the end of such period. Copies of financial statements shall also be transmitted to the Tribunal. Additional financial statements may be prepared as and when the Registrar deems necessary;</p> <p>(b) Financial statements submitted to the Auditor for all accounts shall include:</p> <ul style="list-style-type: none"> (i) A statement of income, expenditures and changes in reserves and fund balances; (ii) A statement of assets, liabilities, reserves and fund balances; (iii) A statement of cash flows; (iv) Such other schedules as may be required; (v) Notes to the financial statements. 	<p>Rule deleted because it no longer applies under IPSAS.</p> <p>Change in numbering; mention of IPSAS regarding financial statements.</p>
<p>Rule 111.6. Archives</p> <p>Accounting records, other financial and property records, and all supporting documents shall be retained for such periods as may be agreed with the Auditor. This period may not be less than 10 years. Once this period has elapsed, the records and supporting documents may be destroyed on the authority of the Registrar. Where appropriate, such records and supporting documents shall be preserved by electronic means.</p>	<p>Rule 111.8. Archives</p> <p>Accounting records, other financial and property records, and all supporting documents shall be retained for such periods as may be agreed with the Auditor. This period may not be less than 10 years. Once this period has elapsed, the records and supporting documents may be destroyed on the authority of the Registrar. Where appropriate, such records and supporting documents shall be preserved by electronic means.</p>	<p>Change in numbering.</p>
<p>Rule 113.1. Decisions involving expenditures</p> <p>(a) The Tribunal shall not take a decision involving either a change in the budget approved by the Meeting of States Parties or the possible requirement of expenditure unless it has received and taken account of a report of the Registrar on the budget implications of the proposal;</p>	<p>Rule 113.1. Decisions involving expenditures</p> <p>(a) The Tribunal shall not take a decision involving either a change in the budget approved by the Meeting of States Parties or the possible requirement of expenditure unless it has received and taken account of a report of the Registrar on the budget implications of the proposal;</p>	<p>No change.</p>

<i>Proposed financial rule</i>	<i>Existing financial rule</i>	<i>Explanation</i>
<p>(b) All heads of organizational units are responsible for preparing, and when requested, presenting to the Tribunal the statements on budget implications required under (a).</p> <p>Rule 114.1. Effective date</p> <p>These Rules shall become effective on 1 January 2021.</p> <p>Rule 114.2. Amendment of Rules</p> <p>(a) These Rules may be amended by the Meeting of States Parties;</p> <p>(b) Unless the Meeting of States Parties is seized of a specific proposal for amendment of a rule, the Tribunal, acting upon a proposal presented by the Registrar, may amend the Rules if the Tribunal is convinced that the amendment contributes towards better ensuring the principles of effective financial administration and the exercise of economy;</p> <p>(c) An amendment enacted by the Tribunal will apply provisionally until such time as the Meeting of States Parties decides to endorse the amendment. If the Meeting of States Parties decides not to endorse the amendment, the unamended rule, or any rule that the Meeting of States Parties decides to adopt in its place, shall become effective as of the day on which the Meeting of States Parties takes that decision.</p>	<p>(b) All heads of organizational units are responsible for preparing, and when requested, presenting to the Tribunal the statements on budget implications required under (a).</p> <p>Rule 114.1. Effective date</p> <p>These Rules shall become effective on 1 January 2005.</p> <p>Rule 114.2. Amendment of Rules</p> <p>(a) These Rules may be amended by the Meeting of States Parties;</p> <p>(b) Unless the Meeting of States Parties is seized of a specific proposal for amendment of a rule, the Tribunal, acting upon a proposal presented by the Registrar, may amend the Rules if the Tribunal is convinced that the amendment contributes towards better ensuring the principles of effective financial administration and the exercise of economy;</p> <p>(c) An amendment enacted by the Tribunal will apply provisionally until such time as the Meeting of States Parties decides to endorse the amendment. If the Meeting of States Parties decides not to endorse the amendment, the unamended rule, or any rule that the Meeting of States Parties decides to adopt in its place, shall become effective as of the day on which the Meeting of States Parties takes that decision.</p>	<p>Changed to reflect new effective date for proposed rules.</p> <p>No change.</p>