



**SECRETARIAT OF THE PACIFIC REGIONAL ENVIRONMENT
PROGRAMME (SPREP)**

**Financial Regulations for the Conference
of the Parties to the Waigani Convention**

*20 July, 2002
Majuro, Marshall Islands*

Approved Financial Rules

Financial Rules for the Administration of the Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region (Waigani Convention)

Purpose

Rule 1

These rules shall govern the financial administration of the Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region. In respect of matters not specially provided for by these rules, the Financial Regulations of the South Pacific Regional Environment Programme shall apply.

Definitions

Rule 2

In these Regulations, unless the contrary intention appears:

‘Convention’ means the Convention to Ban the Importation into Forum Island Countries of Hazardous and Radioactive Wastes and to Control the Transboundary Movement and Management of Hazardous Wastes within the South Pacific Region also referred to as the Waigani Convention.

‘Parties’ means countries who are Parties to the Convention.

‘Expenditure’ means costs directly associated with the convening of meetings of the Parties and implementing an agreed work programme for the Convention.

‘Budget’ means a statement of income and expenditure relating to the convening of meetings of the Parties and the operations of the Convention.

‘Director’ means the Director of the South Pacific Regional Environment Programme (SPREP).

Financial period

Rule 3

The financial period of the Convention shall consist of two consecutive calendar years beginning on 1 January of the first year and concluding on 31 December of the Second Year.

Budget

Rule 4

1. The Secretariat shall prepare the budget proposal for the following biennium and shall dispatch it to all Parties to the Convention at least six weeks before the opening of the meeting of the Conference of the Parties at which the budget is to be adopted.

2. The budget proposal shall be arranged in such form and in such Parts, Heads and Sub-Heads as the Parties may from time to time direct.

The budget proposal shall include the following documents:

- (a) A detailed statement dealing with each sub-head separately of estimated income and expenditure for the following two years and the basis of computation;
 - (b) A comparative table dealing with each sub-head separately, of actual income and expenditure during the last two fiscal years and of estimated income and expenditure for the following two years;
 - (c) A detailed statement showing the estimated financial position of the Convention; and
 - (d) Any other documents which the Parties may deem necessary and useful.
3. The Conference of the Parties shall consider the budget proposal and adopt a budget prior to the commencement of the financial period that it covers.
4. The budget for a biennium reflecting the work plan for the same period, as approved by the Meeting of the Conference of the Parties, shall constitute the authorisation to the Director to incur commitments and make payments within the allocations approved by the Meeting, provided always that, unless specifically authorised by the Conference of the Parties, commitments are covered by related income.
5. The Director may transfer within the budget, anticipated savings under any Part, Head or sub-head to meet anticipated expenditure under any other Part, Head or Sub-Head.

Funds
Rule 5

A Trust Fund for the Convention shall be established and managed by the Director. Contributions made pursuant to Rule 6 paragraph 1 (a), (b), (c), (d) shall be credited to this fund. All budget expenditures that are made pursuant to Rule 4, paragraph 4 above shall be charged to the Trust Fund.

Contributions
Rule 6

1. The resources for the financial operation of the Convention shall comprise:
 - (a) The contributions made each biennium by Parties based on a scale adopted by consensus of the Parties. Such contributions shall be due on the first day of the relevant biennium;
 - (b) Contributions made by the Parties in addition to those made pursuant to paragraph (a) above, by other States, as well as governmental, intergovernmental and non-governmental organisations and from other sources. Such contributions shall be used in accordance with such terms and conditions, consistent with the objectives of the Convention and the financial regulation for the financial administration of SPREP, as may be agreed by the Director and the contributor;
 - (c) The uncommitted balance of appropriations from previous financial periods; and
 - (d) Miscellaneous income.
2. All contributions shall be paid in United States Dollars. However, the Director is empowered to accept, at his discretion, the total or partial payment of contributions by a Party in currencies other than US dollars which are necessary for the functioning of the Convention.

3. The Director shall acknowledge promptly the receipt of all pledges and contributions and shall inform the Parties, every year, of the status of pledges and payments of contributions.

4. Contributions not immediately required shall be invested in interest bearing deposits at the discretion of the Director. The resulting income shall be credited to the Trust fund.

5. All funds shall be provided by contributions by the Parties to the Convention or by any other States or Organisations referred to in paragraphs 1 (a) and 1 (b) of this rule.

Audit
Rule 7

Unless decided otherwise by the Parties, the accounts and financial management of all funds governed by these rules shall be subject to internal and external audit process of SPREP.

Internal Control
Rule 8

1. The Director shall:

- (a) Establish detailed financial rules and procedures in order to ensure effective financial administration and the exercise of economy;
- (b) Cause all payments to be made on the basis of supporting vouchers and other documents which ensure that the services or goods have been received, and the payments have not previously been made;
- (c) Designate the officer(s) who may receive monies or incur obligations on behalf of the Convention and disburse Convention funds;
- (d) Maintain an internal financial control which shall provide for an effective current examination and/or review of financial transactions, in order to ensure:
 - (i) The regularity of receipt, custody and disposal of all funds and other financial resources of the Convention; and
 - (ii) The conformity of commitments and expenditure with the appropriations or other financial provisions approved by the Parties, or with the purposes and rules relating to the Trust Fund and Special Purpose Accounts.
- (e) Take all precautionary measures necessary to safeguard the property, equipment and supplies of the Parties; and
- (f) Arrange for the adequate protection of funds and property by insurance.

2. The Director may, after full investigation, authorise the writing off of losses of cash and other assets, provided that the value of all such items written off shall be reported to the meeting of the Parties.

3. Rules governing quotations and tendering procedures for procurement and disposal of equipment and supplies shall be established by the Director.

External Audit

Rule 9

1. The financial statements shall be submitted by the Director to the Auditor as soon as possible following the end of each fiscal year.
2. All liabilities in respect of the financing of assets shall be incorporated in the budget estimates and biennial financial statements.
3. The Auditors shall:
 - (a) Conduct their audit in accordance with generally accepted international auditing standards;
 - (b) Prepare a report expressing an opinion as to the fairness of the Convention's financial statement; and
 - (c) Conduct, at the request of the Parties, additional specific examinations and submit separate reports on the results of their examinations.
4. The Auditors shall submit their report to the Director as soon as possible following the end of the fiscal period to which they relate. The Director shall circulate the full report of the Auditors including comments on the financial operations of the Convention and accounts, together with such remarks as the Director may wish to offer to Parties six weeks prior to the next meeting of the Parties.

General Provisions

Rule 10

1. These Financial Rules are to apply to all financial activities of the Convention irrespective of the source of funds.

Rule 11

2. When the position of the Director is vacant, the Director's functions and powers shall be exercised by the Deputy Director in collaboration with the Chairperson of the Parties.
3. In the absence from SPREP headquarters, or during the incapacity, of the Director, the functions and powers of the Director as provided in these rules shall, during such periods, devolve on the Deputy Director. In the event that the Director and Deputy Director are both absent, an officer of the Director's choice shall be designated Officer-in-Charge with such functions and power as determined by the Director.

Rule 12

4. These rules shall enter into force immediately after their approval by the Parties. These rules may be amended by consensus of the Parties at any Ordinary Meeting with immediate effect.

Annex VI - Recommended Scale of Contributions to the Waigani Convention Budget

Parties	Percentage
Australia	40.0%
Cook Islands	2.0%
Federated States of Micronesia	2.0%
Fiji	2.0%
Kiribati	2.0%
New Zealand	40.0%
Niue	2.0%
Papua New Guinea	2.0%
Samoa	2.0%
Solomon Islands	2.0%
Tonga	2.0%
Tuvalu	2.0%
Total	100%