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TC.1/Circ.73
22 October 2019

REVISED RULES OF OPERATION OF THE TECHNICAL COOPERATION FUND

- 1 The Technical Cooperation Committee (TCC) approved, at its sixty-ninth session in June 2019, the Revised Rules of Operation of the Technical Cooperation (TC) Fund, which is aimed at aligning the rules with resolution A.1127(30) on the *Guiding Principles of IMO's Integrated Technical Cooperation Programme in support of the 2030 Agenda for Sustainable Development*.
- 2 The Council also approved the Revised Rules of Operation of the Technical Cooperation Fund at its 122nd session in July 2019.
- 3 The full text of the Revised Rules of Operation of the TC Fund is attached in the annex.
- 4 TC.1/Circ.67 is hereby revoked.

ANNEX

REVISED RULES OF OPERATION OF THE TECHNICAL COOPERATION FUND

Purpose

1 The Technical Cooperation Fund (TC Fund) was established by resolution A.593(14) of 20 November 1985, which also resolved that the interest from this fund should be used to assist the Technical Cooperation Programme of the Organization in accordance with proposals approved by the Assembly.

2 In accordance with the decisions of the Technical Cooperation Committee (TCC), the Council and the Assembly relating to IMO technical cooperation policies and the Integrated Technical Cooperation Programme (ITCP) and its guiding principles in support of the 2030 Agenda for Sustainable Development – as enshrined in resolution A.1127(30) – the resources of the TC Fund shall be used to assist developing countries in building human and institutional capacities for the effective implementation and enforcement of the global maritime standards adopted by the Organization.

Resources

3 The resources of the TC Fund shall include:

- .1 the initial capital base and subsequent transfers from the Trading Fund authorized by the Assembly in resolution A.1112(30);
- .2 such additional transfers from other funds of the Organization as may be approved by the Assembly;
- .3 contributions from Member States (including donations made under the contributions incentive scheme) and other donors (countries, institutions, the private sector and individuals); and
- .4 any income arising from investments of the TC Fund.

General principles for the allocation of the TC Fund resources

4 Unless otherwise directed by TCC, the Council or the Assembly, the resources of the TC Fund shall be used to finance or co-finance activities that support the objectives, priorities and key principles of ITCP.

5 The resources of the TC Fund shall be expended, so far as possible, in developing countries as well as for developing countries.

6 The Secretariat shall submit to TCC, for approval, proposals for the annual allocations of TC Fund resources to support the delivery of ITCP during a biennium. Such proposals shall identify the ITCP components to be supported, their relationship to the Organization's Strategic Plan, as well as their objectives and funding requirements.

7 Following approval by TCC, the proposals will be incorporated in the draft results-based budget for the biennium for approval by the Council and adoption by the Assembly.

8 Following approval of the annual allocations, any remaining resources shall continue to be maintained in the TC Fund.

Commitment/expenditure of TC Fund resources

9 The Financial Regulations and Financial Rules of the Organization shall govern the administration and use of TC Fund resources.

10 The annual budgets approved by the Assembly may be committed and expended following approval by the Secretary-General of programme implementation documents covering the corresponding ITCP components. Such documents shall be prepared by the Secretariat and shall include the following elements: justification, objectives, activities, expected outputs, inputs, budgets, and provisions for reporting, monitoring and evaluation.

11 TC Fund resources assigned to individual activities may be carried over to subsequent years if certain obligations which are created in respect of the activities in question have not yet been liquidated in the year of their approval.

12 The resources of the TC Fund may be drawn upon to fund temporarily approved ITCP expenditure pending receipt of agreed donor contributions. The resources of the TC Fund may also be used to fund expenditure on abortive work arising from the Organization's ITCP activities, with the agreement of the Secretary-General.

13 The Secretary-General may authorize transfers of TC Fund resources, within the approved budgets, for the following purposes:

- .1 to prevent the approved budgets from being tied up unnecessarily; and
- .2 to allow such resources to be transferred to other components of ITCP.

14 In circumstances when demands arise for which resources have not been programmed, the Secretary-General shall seek the Council's approval to draw upon the unprogrammed monies of the TC Fund.

Reporting on progress and impact

15 The Secretariat will report to TCC and the Council* on progress made in the delivery of those ITCP components that are being supported with TC Fund resources. Such reports will include data on:

- .1 the individual programmes that are being delivered with TC Fund resources and their relationship to the Organization's Strategic Plan;
- .2 the results of programme activities in the developing regions; and
- .3 expenditure/transfers authorized on the application of rules 12 to 14.

16 Every four years, the Secretariat shall submit to TCC and the Council a report providing an evaluation of the impact on the beneficiaries of the assistance delivered through ITCP and the TC Fund resources. The organization and execution of the evaluation shall be financed by the TC Fund.

* Through the reports of TCC sessions to the Council.