



Finance Committee

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Status of the trust funds of the Authority and related matters

Status of the trust funds of the International Seabed Authority and related matters

Report of the Secretary-General

I. Introduction

1. The present report covers the status of trust funds established pursuant to the financial regulations.

II. Endowment Fund for Marine Scientific Research in the Area

2. The Endowment Fund for Marine Scientific Research in the Area was established by the Assembly in its resolution [ISBA/12/A/11](#). The purpose of the Fund is to promote and encourage the conduct of marine scientific research in the Area for the benefit of humankind as a whole, in particular by supporting the participation of qualified scientists and technical personnel from developing countries in marine scientific research programmes and by providing them with opportunities to participate in international technical and scientific cooperation, including through training, technical assistance and scientific cooperation programmes.

3. As at 24 April 2020, the capital of the Endowment Fund stood at \$3,513,567 (see table 1).

Table 1

Status of the Endowment Fund for Marine Scientific Research in the Area as at 24 April 2020

(United States dollars)

Total capital	3 513 567
Accumulated interest income	806 350
Total income	4 319 917
Expenditure on marine scientific research activities	(610 209)
Total available funds (interest less expenditure)	196 141

* [ISBA/26/FC/L.1](#).



III. Voluntary trust fund for the purpose of defraying the cost of participation of members of the Legal and Technical Commission from developing countries and members of the Finance Committee from developing countries in the meetings of the Commission and of the Committee

4. The voluntary trust fund for the purpose of defraying the cost of participation of members of the Legal and Technical Commission from developing countries and members of the Finance Committee from developing countries in the meetings of the Commission and of the Committee was established in 2002 (Assembly decision [ISBA/8/A/11](#)).

5. As at 24 April 2020, the cumulative total of contributions to the fund amounted to \$1,129,353. Since April 2020, a contribution has been made by Global Sea Mineral Resources NV (\$10,000). Four contractors made optional voluntary contributions of \$6,000 each in 2020, in addition to paying their annual overhead charges.¹ The fund's total expenditure amounted to \$1,129,350, while expenditure from 1 January to 24 April 2020 came to \$21,679, leaving an available balance of \$3. The status of the fund as at 24 April 2020 is summarized in table 2 below.

Table 2

Status of the voluntary trust fund for the purpose of defraying the cost of participation of members of the Legal and Technical Commission from developing countries and members of the Finance Committee from developing countries in the meetings of the Commission and of the Committee as at 24 April 2020

(United States dollars)

Contributions	920 464
Grants from the Pioneer Fund/Endowment Fund	195 000
Interest income	13 889
Total income	1 129 353
Expenditure for participants and authorized activities	1 128 732
Bank charges	618
Total expenditure	1 129 350
Total funds available	3

IV. Voluntary trust fund to support the participation of members of the Council of the International Seabed Authority from developing States in the meetings of the Council

6. At its twenty-third session, in 2017, the Assembly requested the Secretary-General to create a voluntary trust fund to support the participation of members of the Council of the International Seabed Authority from developing States in the meetings of the Council (decision [ISBA/23/A/13](#)).

7. As at 24 April 2020, the fund had received contributions totalling \$87,502 from Global Sea Mineral Resources NV (\$20,000), Nauru Ocean Resources Inc. (\$20,000),

¹ Deep Ocean Resources Development, UK Seabed Resources Ltd., Nauru Ocean Resources Inc. and Marawa Research and Exploration Ltd.

Ocean Mineral Singapore Pte. Ltd. (\$20,000) and UK Seabed Resources Ltd. (\$27,502). There have been no new contributions since December 2019. The status of the fund as at 24 April 2020 is summarized in table 3.

Table 3

Status of the voluntary trust fund to support the participation of members of the Council of the International Seabed Authority from developing States in the meetings of the Council as at 24 April 2020

(United States dollars)

Total contributions	87 502
Support to delegates to the Council (as at 24 April 2020)	66 923
Total available funds (contributions less expenditure)	20 579

V. Trust fund for extrabudgetary support for the International Seabed Authority

8. The Authority receives extrabudgetary funds from member States and other donors to support non-regular activities or activities not funded from the approved budget of the Authority. The support may be given in the form of one-off contributions or funds for multi-year programmes or projects. The support is to be used in accordance with the terms agreed with the respective donors, including reporting and audit requirements. As at 24 April 2020, the total amount of extrabudgetary support received by the Authority amounted to \$885,627, comprising individual grants from the Pew Charitable Trusts (\$40,000), the African Development Bank (\$27,500), the Republic of Korea (\$54,168), the Korea Maritime Institute (\$25,000), the Norwegian Agency for Development Cooperation (\$524,069), the Natural Environment Research Council (United Kingdom of Great Britain and Northern Ireland) (\$10,000), the Department of Economic and Social Affairs of the United Nations Secretariat (\$90,000), Monaco (\$17,000), China (\$30,000), Ghana (\$25,000), the Institute for China-America Studies (\$14,988) and France (\$27,902).

9. For purposes of financial management and accounting and in order to avoid commingling extrabudgetary contributions with contributions to the general administrative budget of the Authority, the Secretary-General created, in March 2018, a multi-donor trust fund for extrabudgetary support for the activities of the Authority. The fund was established pursuant to financial regulation 5.5 and is to be administered in accordance with the financial regulations of the Authority, as provided for in financial regulation 5.6. The current status of the fund is shown in table 4.

Table 4

Status of the trust fund for extrabudgetary support for the International Seabed Authority as at 24 April 2020

(United States dollars)

Pew Charitable Trusts	40 000
African Development Bank	27 500
Republic of Korea	54 168
Korea Maritime Institute	25 000
Norwegian Agency for Development Cooperation	524 069
Natural Environment Research Council (United Kingdom)	10 000
Department of Economic and Social Affairs of the United Nations Secretariat	90 000

Monaco	17 000
China	30 000
Ghana	25 000
Institute for China-America Studies	14 988
France	27 902
Total contributions	885 627
Total expenditure as per project agreements	399 317
Total available funds (contributions less expenditure)	486 310
Interest	357
Bank charges	522
Total funds available	486 145

VI. Voluntary trust fund for the Special Representative of the Secretary-General of the International Seabed Authority for the Enterprise

10. During the first part of its twenty-fifth session, the Council requested the Secretary-General to establish a voluntary trust fund for the purpose of providing the requisite funds related to the work of the Special Representative of the Secretary-General for the Enterprise (decision [ISBA/25/C/16](#)). The fund was established on 1 March 2019. As at 24 April 2020, four contributions had been made to the voluntary trust fund, totalling \$31,816, of which \$25,848 had been spent to date. As at 24 April 2020, the balance stood at \$5,968.

VII. Establishment of the Cost Recovery Fund for the International Seabed Authority

11. In January 2020, pursuant to Financial Regulations 5.5 and 5.6, the Secretary-General established the Cost Recovery Fund of the International Seabed Authority by [ISBA/ST/SGB/2020/2](#). The purpose of the Cost Recovery Fund is to ensure a fair compensation of the resources of the Authority consumed by receiving the indirect cost charges and direct cost recoveries, considered as spendable income, related to extra-budgetary and voluntary contributions received by the Authority. These charges aim to ensure that the additional costs of supporting extrabudgetary activities, such as administrative, information communication technology, and other logistical costs, are not financed by the General Administrative Budget. The Cost Recovery Fund will allow the Secretariat to recover and account for indirect costs incurred in supporting activities and deliverables financed from extrabudgetary contributions and contract application fees.

VIII. Recommendations

12. The Finance Committee is invited to take note of the present report on the status of trusts funds maintained by the Authority, as well as the establishment of the Cost Recovery Fund.