

**Secretariat**

**FINANCIAL RULES  
of the CICA Secretariat**

**Article 1  
General Provisions**

The Financial Rules of the Secretariat of the Conference on Interaction and Confidence Building Measures in Asia, hereinafter referred to as “the Secretariat” and “the CICA” respectively; are an integral part of the Statute of the CICA Secretariat, which shall define the sources of financing, order of forming and implementation of budget of the Secretariat, and regulate the basic financial aspects of Secretariat’s activities.

**Article 2  
Sources of Financing for Secretariat’s Activities**

Financing for support the Secretariat’s activities shall be from the following sources:

a) Means for renting/construction of the building of the CICA Secretariat and expenditure concerning establishment of the Secretariat, shall be provided by the Host Country;

b) Means for remuneration, rent of residences/premises and accompanying expenditure, related to the maintenance of the Executive Director, Deputy Executive Director, Members of the Professional Personnel of the Secretariat, shall be provided by the Sending States;

c) Means for remuneration of the Members of the general/support personnel of the Secretariat, purchase of goods, services, assets, business trips of the Members of the Secretariat and other current expenditures, including expenditures for day-to-day functioning of the Secretariat, shall be provided from voluntary contributions.

### **Article 3**

#### **Budget of the Secretariat**

1. Budget of the Secretariat includes all incomes and expenditure of a financial period in a monetary and/or other forms.

2. The income shall comprise of:

a) Payments to budget of the Secretariat from voluntary contributions by the Member States, volume of which shall be unlimited;

b) Voluntary contributions in a monetary and/or other forms, could also be accepted from CICA Observer-States, other States, CICA Observer-Organizations, other international organizations and fora, legal and physical persons, subject to the approval of Member-States;

c) Other income.

3. The expenditure shall comprise of:

a) Remuneration of the Members of the General/Support staff of the Secretariat;

b) Purchase of goods and services;

c) Purchase of office furniture and equipment, motor vehicles and other means necessary for the functioning of the Secretariat;

d) Business trips of the Members of the Professional Personnel of the Secretariat;

e) Other current expenditure, including expenditure for day-to-day functioning of the Secretariat.

### **Article 4**

#### **Estimate of Expenditure**

1. The Secretariat's budget shall be implemented in accordance with the Estimate of Expenditure - the document that covers expenditures for a financial period.

2. The draft Estimate of Expenditure of a financial period shall be prepared and circulated to all Member-States by the Executive Director by the first half of the year for the approval of the Senior Officials Committee, hereinafter referred to as “the SOC”.

3. Transfer from one item to another within the limits of the approved budget might be made as may be agreed upon by the Member-States or at the next SOC meeting through consideration and approval of the new revised Estimate of Expenditure for the current financial year.

4. Balance of budgetary funds of the Secretariat, which is not utilized for its intended purpose by the end of a financial period, shall be incorporated into the income of the budget of the next financial period.

## **Article 5 Financial Period**

The financial period shall be the calendar year from 1 January through 31 December.

## **Article 6 Custody of Funds**

The Executive Director shall designate the banking account/accounts where the Secretariat funds shall be kept.

## **Article 7 Accountability**

1. Executive Director shall exercise control over and be accountable to the SOC for the management of financial resources of the Secretariat.

2. Executive Director shall present the annual accounts/report for each financial period to the SOC not later than March, 31<sup>st</sup> of the year following the accounted financial period.

3. The accounts of the Secretariat shall be maintained in USD and in the national currency of the Host Country. Accounting rates of exchange shall be

fixed according to the rates of the National Bank of the Host Country on the date of preparing the financial report.

4. At the end of each financial year the cash surplus or deficit shall be determined by calculating excess of income over expenditure, or excess of expenditure over income. In case of a cash deficit of the budget of the Secretariat the Executive Director shall inform the SOC and make proposals regarding the necessary financial measures to be taken.

## **Article 8**

### **Audit**

1. External Audit for the financial activities of the Secretariat shall be carried out at the discretion of the SOC not less than once in every four years by a body authorized by the SOC. The Executive Director shall present documents, necessary for conducting external audit, to the body so authorized.

2. After the audit is carried out, the audit report shall be circulated by the Executive Director to all the Member-States.