

Doc 7515/16



The ICAO Financial Regulations

Approved by the Assembly and published
by authority of the Secretary General

Sixteenth Edition — 2017
*(incorporates all amendments approved by
the 39th Session of the Assembly on 5 October 2016)*

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Published in separate English, Arabic, Chinese, French,
Russian and Spanish editions
by the INTERNATIONAL CIVIL AVIATION ORGANIZATION
999 Robert-Bourassa Boulevard, Montréal, Quebec, Canada H3C 5H7

For ordering information and for a complete listing of sales agents
and booksellers, please go to the ICAO website at www.icao.int

Fourteenth edition 2011

Fifteenth edition 2014

Sixteenth edition 2017

Doc 7515/16, ICAO Financial Regulations

Order Number: 7515

ISBN 978-92-9258-283-8

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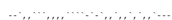
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This edition incorporates amendments approved by the 39th Session of the Assembly under Resolution A39-34. This edition replaces Doc 7515/15.

Throughout this publication, the use of the male gender should be understood to include male and female persons.



THE ICAO FINANCIAL REGULATIONS

Article I Applicability¹

1.1 These Regulations² shall govern the financial administration of the International Civil Aviation Organization.

Article II Finance Committee of the Council

2.1 For the purpose of assisting it in administering the finances of the Organization, the Council shall appoint a Finance Committee which shall be chosen from among the Representatives of the members of the Council and which shall be responsible to it. The Finance Committee shall:

- a) exercise the functions assigned to it by these Regulations;
- b) make such examinations of the Organization as it deems necessary for ensuring that the amounts voted or otherwise authorized are properly spent and that the most efficient and economical method of carrying out the approved programmes is observed; and
- c) deal with any matter referred to it by the Council.

2.2 The proceedings of the Finance Committee shall be governed by Rules of Procedure established by the Council.

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1. Articles IV, V and VI govern the Regular Programme Budget, its formulation, approval, execution and funding and do not apply to Technical Cooperation Programme Funds. Pertinent provisions apply to the Administrative and Operational Services Cost Fund, in particular Regulations 4.1, 4.2, 4.4–4.9 inclusive, 5.1, 5.5, 5.7 and 5.8. See also Article IX.
 2. Annex A provides a Glossary of Terms to be used for the interpretation of these Regulations.

Article III Financial Year

3.1 The financial year shall be the period 1 January to 31 December inclusive.

Article IV The Budget

REGULAR PROGRAMME

4.1 Regular Budget Estimates proposed by the Secretary General for each financial year shall be submitted to the Council.

4.2 The Secretary General's Regular Budget Estimates shall cover all income and expenditures for each of the financial years to which they relate and shall be presented in Canadian dollars.

4.3 The Secretary General's Regular Budget Estimates shall present the resources necessary to meet the results required to comply with the Business Plan for which the estimates are presented.

4.4 The Secretary General's Regular Budget Estimates shall be divided into Programme, Programme Support, and Management and Administration. While Programme relates to Strategic Objectives, Programme Support and Management and Administration relate to Supporting Strategies. For each Strategic Result and Supporting Strategy, the budget estimates will contain required resources, and also expected results, outputs and key performance indicators to measure progress made towards the attainment of results.

4.5 The Council shall refer the Secretary General's estimates to its Finance Committee with any general guidance that it considers appropriate. The Finance Committee shall report to the Council on the Secretary General's estimates.

4.6 The Council, after considering the Secretary General's estimates and the report made thereon by the Finance Committee, shall submit, for each financial year, its budget estimates to the Assembly.

4.7 The Council's Regular Budget Estimates shall be accompanied by:

- a) a letter of transmittal from the President of the Council on behalf of the Council;
- b) a message from the Council giving an explanation of the Regular Budget Estimates of the Organization for the relevant financial year;
- c) a draft budget resolution for each financial year, approved by the Council and recommended for adoption by the Assembly; such resolution shall specify the proposed appropriations required for the relevant financial year. The total of the proposed appropriations required for each financial year shall be considered as the Total Authorized Appropriation, once approved. The draft budget resolution shall also specify the manner in which it is proposed to finance the Total Authorized Appropriation for each financial year, and other relevant information;
- d) comparative statements showing the appropriations and expenditures of the last completed financial year, the appropriations voted for the current year, and the amounts requested in the estimates; and
- e) supporting schedules of personnel services showing positions and such other schedules and explanations as the Council may deem necessary and useful.

4.8 The Council's estimates, with their accompanying documentation, shall be transmitted to all Member States by such means as will ensure, apart from unforeseen contingencies, that they will be received at least 50 days prior to the opening of the session of the Assembly at which they are to be considered.

4.9 Amendments to the estimates may, however, be submitted by the Council to the Assembly at any time prior to the adoption of the budget by the Assembly.

4.10 The budget resolution, as defined in Regulation 4.7 c), shall be voted by the Assembly by Strategic Objectives and Supporting Strategies and by Total Authorized Appropriation.

4.11 After the adoption of the budget by the Assembly, any request for supplementary appropriations outside the provisions of Regulation 5.2 shall be submitted to the Assembly by the Council in a form consistent with, and following the procedure of, the annual budget.

Article V

Appropriations³

5.1 The Total Authorized Appropriation, as defined in Regulation 4.7 c) and voted by the Assembly, shall constitute an authorization to the Secretary General to incur expenditures and make advances and payments for the results specified in the Regular Budget, up to the amounts so voted.

5.2 The Council may, in respect of a given financial year, approve appropriations in excess of the budget voted by the Assembly as follows:

- a) up to an amount not exceeding 2 per cent of the Total Authorized Appropriation in respect of the first year following adoption of the budget, 4 per cent of the Total Authorized Appropriation in respect of the second year and 2 per cent of the Total Authorized Appropriation in respect of the third year, to meet unforeseen and mandatory expenditures other than those specified in Regulation 5.2 b) and c);
- b) up to 2 per cent of the total annual appropriation for urgent new projects, in support of the Strategic Objectives, not included in the framework of the approved budget; and

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3. Non-cash expenditures not requiring an outlay of funds, such as depreciation, amortization and goods and services provided to the Organization without charges, are not included in the appropriations but are included in the estimates for authorization purposes.

- c) irrespective of a) and b) above, up to the amount by which, for one or more financial years not yet submitted to the Assembly, actual miscellaneous income exceeds the amount of income taken into account by the Assembly in approving the appropriations for that year or those years to finance expenditure on projects related to the efficient delivery of the Organization's Business Plan.

5.3 Action under Regulation 5.2 shall constitute an authorization to the Secretary General to incur expenditures and make advances and payments for the purposes for which such appropriations were provided, up to the amounts so provided.

5.4 Any action taken under Regulation 5.2 shall be reported by the Council to the next session of the Assembly.

5.5 Appropriations shall be available for expenditures during the financial year to which they relate.

5.6 The Secretary General up to 10 per cent per appropriation for each Strategic Objective or Supporting Strategy and, above this percentage, the Council, irrespective of its authority under Regulation 5.9 to effect transfers between Strategic Objectives or Supporting Strategies, may determine that any unspent balance of appropriations in any financial year be carried over to the following year. The total of expended and carried over appropriations shall not exceed the Total Authorized Appropriation plus amounts carried over from the previous year. Any balance of unspent appropriations and appropriations not carried over to the following year shall be cancelled.

5.7 Appropriations shall remain available after the end of the financial year to which they relate to the extent that they are required to discharge expenditures incurred during that year.

5.8 Transfers between Strategic Results within each Strategic Objective may be effected by the Secretary General.

5.9 Transfers from one Strategic Objective or Supporting Strategy to another may be effected by the Secretary General up to an amount not exceeding 20 per cent of the annual appropriation for each of the Strategic Objectives or Supporting Strategies to which the transfer is made. Above