

# INTERNATIONAL SEABED AUTHORITY

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## Secretariat



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### SECRETARY-GENERAL'S BULLETIN

The Secretary-General, for the purposes of implementing Financial Rule 6.3, promulgates the following:

#### TERMS OF REFERENCE OF THE CONTRACTS REVIEW COMMITTEE

1. The Contracts Review Committee (CRC) is established under Financial Rule 6.3 to render written advice to the Secretary-General on procurement actions leading to the award or amendment of procurement contracts, which, for purposes of the Financial Regulations and Rules, includes agreements or other written instruments such as purchase orders and contracts that involve income to the International Seabed Authority (“the Authority”).

#### Composition and terms of office

2. The CRC shall consist of five members and a secretary appointed by the Secretary-General from among members of the staff of the Secretariat. Members shall be appointed for a term of two years and may be re-appointed.

3. The member of staff responsible for procurement shall serve as an ex officio member of the CRC and is responsible for preparing and presenting submissions to the CRC, but shall not take part in decision-making.

#### Functions and terms of reference

4. The recommendation of the CRC shall be obtained prior to any contractual commitment being made in any of the following circumstances:

(a) any proposed award to a single contractor in respect of a single or series of related requisitions which in total exceeds US\$ 40,000 during a calendar year;

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(b) any proposed amendment, modification or renewal of a contract previously reviewed by the CRC, where the amendment, modification or renewal, increases the contractual amount more than twenty per cent or US\$ 40,000, whichever is lower;

(c) any proposed amendment, modification or renewal of a contract previously reviewed by the CRC, where in the view of the officer responsible for procurement, such amendment in relation to the criteria on which the original award was made may significantly affect the procurement process or the original contract terms;

(d) any proposed amendment, modification or renewal of a contract not previously reviewed by the CRC where, during a calendar year, the aggregate amount of the contract now exceeds US\$ 40,000;

(e) any proposed contract or series of related contracts which involve income to the Authority during a calendar year of US\$ 40,000 or more, provided however, income resulting from implementation of approved recommendations of the Property Survey Board shall not be included;

(f) any other matter referred to the CRC by the Secretary-General.

5. Cases to be reviewed by the CRC are subject to the general principles of the Financial Regulations as well as the applicable Financial Rules.

### **Submissions to the CRC**

6. For all procurement actions that require CRC consideration, a written submission shall be prepared by the officer responsible for procurement. Where necessary, this may be done in collaboration with the requisitioning officer. Submissions should be comprehensive, factually correct and clear in order to facilitate the review of the procurement action. Submissions should be in sufficient detail to enable the CRC to obtain an accurate and complete description of procurement actions taken and the basis for the proposed award. All exceptions to the guidelines set out in Section 6 of the Financial Rules must be justified in writing and the submission should include a statement of the “basis of award and applicable financial regulation or rule.”

7. The CRC may request clarifications and/or additional information in connection with any submission made to it.

### **Procedure**

8. The CRC shall meet as often as is required for the efficient conduct of its business and the work of the Authority. At its first meeting each year, the CRC shall elect a Chairman from among its members. The Chairman shall serve for a term of one year, and shall be eligible for re-election.

9. A quorum for meetings of the CRC shall be three members.

10. As a general rule, the CRC should strive to make decisions by consensus. If consensus is not possible, the Chairman may resort to a simple majority vote.

11. In urgent cases, or where one or more members of the CRC are unavailable owing to travel or other reasons, the Chairman of the CRC may decide to follow a “pre-clearance procedure” whereby prior to a scheduled meeting, members would, using e-mail, exchange views, seek clarification and provide comments on a given written procurement action presentation. If, by using this procedure, the members

reach a full consensus recommendation on the case, the case needs not be presented and deliberated upon during a physical meeting of the CRC.

12. The functions of the secretary of the CRC are:

- (a) to maintain the files of the CRC;
- (b) in consultation with the Chairman to draw up the agenda for each meeting;
- (c) to keep true and accurate minutes of all meetings, which should be adopted by the CRC and counter-signed by the Chairman and secretary;
- (d) to maintain a full and complete record of all submissions made, and the recommendations of the CRC thereon; and
- (e) in cases where the pre-clearance procedure is used, to keep copies of all e-mail exchanges in the relevant CRC meeting file as they constitute part of the official records thereof.

#### **Recommendations and subsequent action**

13. Recommendations of the CRC shall be in writing and shall be signed by the Chairman. They shall be provided to the Secretary-General as soon as possible after each meeting of the CRC and shall be accompanied by a copy of the original submission to the CRC.

14. In order to avoid unnecessary liability to the Authority, the terms of every written procurement contract entered into on the basis of a recommendation of the CRC must be reviewed and approved in writing by one of the legal officers of the Authority prior to entering into any contractual arrangement.

#### **Review and amendment**

15. These terms of reference may be reviewed and amended from time to time by the Secretary-General.

Nii Allotey ODUNTON  
Secretary-General

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