



Administrative Instruction – Instruction administrative

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PROPERTY AND ASSETS MANAGEMENT

The Registrar, pursuant to section 3.2 of Presidential Directive ICC/PRES/D/G/2003/001 and for the purpose of implementing Financial Rules 110.11 and 110.20 to 110.27, Staff Regulation 1.2 (p) and Staff Rule 101.8(a), promulgates the following:

Section 1

Purpose

1.1 The objective of this Administrative Instruction (AI) is:

- a) to ensure the effective management of the property of the International Criminal Court (hereafter “the Court” or “ICC”), during the entire lifecycle of assets;
- b) to ensure the effective and efficient management and control of write-off and disposal of the property of the Court; and
- c) to ensure that all personnel of the Court, including elected officials, staff members, consultants, volunteers, interns and contractors who are entrusted with the use of, or have access to the Court’s property and assets, are aware of their roles and responsibilities regarding property use, replacement and disposal.

Section 2

Definitions

- 2.1 Tangible assets: Any assets with physical substance. Tangible assets of the Court shall include consumable supplies, equipment, buildings and land owned by or entrusted to the Court for use whether acquired by purchase, loan, lease, donation or any other means. The terms “property” or “assets” are sometimes used as equivalent for tangible assets.

- 2.2 Non-expendable property: Includes tangible assets valued at €1000 or more per unit at the time of purchase or donation with an expected lifecycle of one year or more. Value at the time of purchase includes related costs required to bring the asset into working condition such as delivery and installation costs and non-deductible taxes and import duties.
- 2.3 Real property: Real property consists of land and buildings regardless of value. Built-in-fixtures may be included to this category if their removal would be destructive in nature.
- 2.4 Special items: For asset management purposes, items that have a value below €1000 and are attractive in nature – i.e. have a higher than normal risk of theft or loss – will be described as “special items”, which for administrative purposes shall be treated as non-expendable property. Items with a value of €100 or less shall not be recorded as special items. The Logistics and Transport Unit shall identify and maintain a non-exhaustive list of items that fall into this category and publish it as Annex 1 to this AI.
- 2.5 Expendable property: Property and equipment with a purchase price under €1000 which does not fall into the special items category; property and equipment with a value over €1000 with an expected serviceable life of less than one year; and property that is identified as “individual issue”¹ shall be classified as expendable property. Property which by design is intended for consumption and is purchased with an intention to be used for this – e.g. office supplies – shall also fall into this category.

Section 3

Roles and Responsibilities

- 3.1 The Registrar is responsible for the management of the property of the Court in accordance with Financial Rule 110.20 (a).
- 3.2 The Registrar, acting in accordance with Financial Rule 110.20 (a), delegates to the heads of each Organizational Unit as these are specified in the SAP database, the responsibility to ensure that property and assets entrusted to the Organizational Unit are adequately managed, controlled and recorded.

General Services Section, Logistics and Transport Unit

- 3.3 As the central section dedicated to property management for all ICC Organisational Units, the Logistics and Transport Unit (LTU) of the General Services Section (GSS) is responsible for the consistent application of property management guidelines and for the coordination between all other functions involved in the entire asset lifecycle. This includes the following responsibilities:
- a) draft and maintain a register of administrative instructions, standard operating procedures and manuals on property management;
 - b) provide guidance to Organisational Units regarding consistent application of administrative instructions and standard operating procedures relating to property management;
 - c) inspect deliveries at central receiving and inspection point;

¹ “Individual issues” are items purchased by the Court to equip a staff member to fulfill their function, e.g. work clothing, safety shoes, etc.; these items are usually not transferable to a new user.

- d) register non-expendable property and special items in accordance with receiving and inspection procedures;
- e) conduct a physical inventory of the Court's property, once a year at the seat of the Court and every two years at offices away from the seat of the Court, as provided in Section 5.1 below;
- f) report on the status of the Court's registered assets as required by internal and external stakeholders;
- g) provide advice and counsel to property custodians on the storage and use of Court property;
- h) prepare and present cases to the Property Survey Board (PSB);
- i) retain records relating to PSB meetings including minutes and decisions, communicating such decisions as necessary;
- j) arrange for the disposal of written off property in a manner that is transparent, legal, responsible, cost effective and in the best interest of the Court while minimising cost and seeking to add value where possible;
- k) report to the Secretary of the PSB information relating to the actual disposal of assets;
- l) follow up with the owning Organisational Unit relating to items not located during the physical inventory and ultimately, report on this to the Secretary of the Property Survey Board for advice and further action;
- m) keep up to date records of non-expendable property and special items including responsible Organisational Units and asset custodians or final users, as provided in Section 4.2 below;
- n) upon disposal of non-expendable property and special items, deliver supporting documentation to Accounts Unit to process disposal in SAP Asset Accounting (AA) system; and
- o) maintain and update Annex 1 (special items) to this AI no less than every two years, as provided in Section 2.4 above.

Organisational Units

3.4 The primary responsibility for management of the Court's assets on a day-to-day basis lies with the Organisational Unit (OU) from whose budget assets were procured. Responsibilities are always assigned to the Head of the OU; the OU Head may delegate the role to an OU Asset Custodian(s) for day-to-day administration, care and tracking of assets and their allocation to end-users.

3.5 The head of each OU shall:

- a) assess the need for procurement of new assets or replacement of existing assets based on programme requirements and, provide any justifications as required by Budget Unit. For major purchases total cost of ownership and/or cost-benefit analysis may be required;
- b) use policies, processes and enforcement measures to promote greater utilisation of assets;
- c) assume the primary responsibility to ensure that property and assets entrusted to the Unit are managed, controlled and recorded adequately;
- d) properly identify assets from the outset of the procurement process;
- e) maintain the equipment in a good working order, utilising it in the manner intended;

- f) update the end-user detail in SAP AA (Asset Master data, Asset Tracking, Personnel number) for any equipment issued to an end-user²;
- g) address failures under warranty timely with the vendor either directly, through Procurement Section (if costs are likely to be incurred) or via LTU;
- h) evaluate failures or damage outside warranty period and determine a course of action in a timely manner;
- i) promptly report theft, damage or loss of property to the Safety and Security Section (SSS) for investigation;
- j) assist GSS, LTU team in locating assets during the annual inventory, including timely response to related enquiries;
- k) determine and report on the cause of shortages or overages, as identified during the physical inventory and communicated by the LTU, as provided in Section 5.4 below;
- l) identify and report non-expendable property and special items for write-off as soon as the need and reason to write off the asset(s) has been determined; and
- m) recommend the method of disposal of obsolete and/or unserviceable property.

Field Office Manager

3.6 The Field Office Manager (FOM) or the ranking manager, at an office away from the seat of the Court, shall:

- a) record non-expendable property and special items assigned to the Field Office in writing and communicate such to LTU to record the items in SAP AA;
- b) ensure that such record of items, including vouchers for issuances and transfers, is up to date;
- c) assume the primary responsibility to ensure that property and assets assigned to the Field Office are managed, controlled and recorded adequately;
- d) ensure that any events requiring the Property Survey Board's action shall be promptly communicated to the LTU at the seat of the Court;
- e) record the issuance and movement of registered items from one location to another directly in SAP AA or communicate it to the LTU to update this system; and
- f) provide support to the physical inventory process when it takes place, ensuring access to all areas and all property of the Court.

Property users

3.7 All personnel of the Court, including elected officials, staff members, consultants, volunteers, interns and contractors who are entrusted with the use of, or have access to the Court's property and assets, have an obligation to exercise reasonable care when utilising them. Property is always issued to elected officials or staff members who are responsible for day-to-day care even if final users are interns, consultants, volunteers or contractors.

3.8 All property users shall:

² Assistance is available to meet this requirement from Logistics/Asset Management.

- a) exercise reasonable care when using Court property to prevent damage and maintain it in good condition;
- b) exercise reasonable security measures to prevent theft or misuse;
- c) report lost, stolen, damaged or otherwise impaired property to the appropriate parties including but not limited to a direct supervisor or manager; and
- d) use Court property in the manner in which it was intended.

Budget and Finance Section

- 3.9 The Budget and Finance Section (BFS) shall make the financial adjustments of the accounts. The BFS shall:
- a) create and monitor a system of controls and procedures for the recording of non-expendable property and special items;
 - b) record disposals of non-expendable property including special items in the accounting system;
 - c) calculate depreciation for property, plant and equipment in line with established accounting policy;
 - d) review and update the detailed schedule of annual movement of property, plant and equipment value and accumulated depreciation;
 - e) investigate the potential obsolescence of property, plant and equipment;
 - f) oversee the periodic impairment reviews for property, plant and equipment; and
 - g) oversee the periodic physical inventory counts of property, plant and equipment.

Property Survey Board-

3.10 Pursuant to Financial Rule 110.22, Property Survey Board (PSB) members are nominated by the Registrar. The PSB shall consist of the following members:

- a) Logistics and Transport Officer (or Alternate), GSS;
- b) Chief (or Alternate), GSS;
- c) Chief (or Alternate), Information and Communication Technology Section;
- d) Senior Administrative Manager (or Alternate), Office of the Prosecutor;
- e) Legal Officer (or Alternate), Registry Legal Advisory Services Section; and
- f) Senior Finance Officer (or Alternate), BFS.

3.11 The Chairperson shall be elected by the Members. The Logistics and Transport Officer or his alternate shall serve as Secretary to the PSB and shall be responsible for preparing cases for presentation to the PSB and keeping minutes, as provided in Section 3.3 h) and i) above. The quorum for a meeting shall be the Secretary plus three Members or their Alternates.

3.12 The PSB assumes the following main responsibilities:

- a) investigate and report on loss, deficiency, surplus, serviceability, obsolescence or other irregularity involving property or assets belonging or entrusted to the Court;
- b) review cases requesting write-off of Court property, to determine whether such write-off was due to normal wear and tear or to other circumstances;
- c) discuss the accountability of staff members for loss or damage to Court property and report to the Registrar with a recommendation as to disciplinary action, if applicable;
- d) provide written advice and recommendations to the Registrar on the responsibility, if any, repair and disposal actions; and
- e) convene in sufficiently regular intervals in order to effectively discharge its functions.

Section 4

Property records and controls

- 4.1 Property records and controls shall be maintained for expendable property, non-expendable property, including special items and built-in fixtures that are part of real property (if planned lifecycle and replacement protocols of such fixtures are applicable).
- 4.2 For non-expendable property and special items, a central asset register will be maintained in SAP AA module by LTU of the GSS. For expendable property, the records and controls shall be maintained by the respective OU.

Non- expendable property and special items

- 4.3 All materials that are to be recorded as non-expendable property or special items will be so designated in SAP at the purchase requisition stage.
- 4.4 The LTU shall affix a bar code label to all non-expendable property during the Receiving and Inspection (R&I) process. All recorded items will be uniquely identified through their asset number (generated by SAP AA), bar code number and serial number. In addition, inventory records of property must, at a minimum, indicate the OU to which each item is assigned, the custodian (the official accountable) of the property, its current location and the acquisition details and original purchase information.
- 4.5 Every OU shall notify the LTU of the movement, issuance or transfer of items assigned to it, that have been registered in the central asset register. The transfer notification shall be achieved by sending copy of the handover voucher (Annex 2) or receipt (evidence of transfer) to the LTU, pursuant to Financial Rule 110.24. The OU shall comply with the provisions of Financial Rules 110.23, 110.24 and 110.25.
- 4.6 Non-expendable property delivered to offices away from the seat of the Court shall be reported to LTU in the prescribed manner.
- 4.7 Items on financial lease will be treated in the same way as property owned by the Court. Record of operating leases will be maintained separately by the OUs.

4.8 Asset custodian, final user and location of property will be recorded in the asset register. Movements of non-expendable property and special items between asset custodians, final users and locations will be recorded in SAP AA. The recipient of registered property will confirm the receipt electronically. The issuing party should ensure that confirmation from the recipient is received for any property issued.

Expendable property

- 4.9 OUs shall exercise control over their expendable property and ensure that appropriate controls are established as a safeguard from:
- a) excessive losses;
 - b) excessive consumption of specific items; and
 - c) use of property other than for official purposes pursuant to Staff Regulation 1.2 (p) and Staff Rule 101.8(a).

Section 5

Physical inventory

- 5.1 In order to ensure adequate control over Court property in accordance with Financial Rule 110.21, physical inventories of all non-expendable property and special items shall be completed at regular intervals, once a year at the seat of the Court and every two years at offices away from the seat of the Court.
- 5.2 The year-end physical inventory will be performed by an Inventory Committee of at least 3 members who are nominated for each year by the Chief of GSS. At least one member of the Inventory Committee should not be staff member of GSS.
- 5.3 The year-end physical inventory shall include all non-expendable property and special items acquired by the Court, including items pending write-off action and items that have been written off during the previous financial year. A summary statement of non-expendable property shall be provided to the Auditor no later than three months following the end of the financial period.
- 5.4 If the LTU identifies shortages, or overages to the physical inventory, the information will be provided to the respective OU which shall determine and report on the cause of the shortage or overage. A reasonable time limit, not exceeding one month, shall be established for the reconciliation to be completed. Such time limit may be extended in exceptional circumstances.
- a) In the event where an overage is identified, the origin of the item(s) shall be investigated by the OU and the LTU and the item(s) shall be included in the asset register by the LTU;
 - b) In the event where a shortage is identified and remains unresolved, either the OU or the asset management team shall refer the matter to the SSS for investigation under Section 6.5 below, and ultimately initiate the write-off procedure as an inventory adjustment.

Section 6

Property write-off and disposal

6.1 "Write-off" is the status ascribed to a non-expendable item when, for example, it is:

- a) no longer usable due to normal wear and tear;
- b) stolen or lost;
- c) damaged beyond economical repair;
- d) adjusted during inventory; or
- e) obsolete.

6.2 The term "written off" refers to a *status* in the inventory record and it is different from a disposal *method* which follows (see below).

Write-off due to normal wear and tear or obsolescence

6.3 The Head of an OU to whom the property is assigned, shall inform the Secretary of the PSB if the purchase value of the item(s) (individual or cumulative over a three month period) is less than €5,000. Upon approval for "write off" by the Secretary, the "written off" items shall be transferred to the LTU to arrange further for their disposal. An asset disposal voucher shall be issued at the conclusion of the process.

6.4 In the event where the purchase value (individual or cumulative over a three month period) exceeds €5,000, the Head of an OU shall refer the request for write-off to the Director of the Common Administrative Services Division (CASD) for approval through the Secretary of the PSB. If the request is approved, the Head of the OU shall release the materials to the LTU for disposal.

Write-off due to loss, theft or damage

6.5 Where loss, theft or damage occurred is due to an act or omission involving a staff member, the matter must be reported to the SSS, for the purpose of conducting an investigation (see Section 3.5(i) above)

6.6 The report or outcome of the investigation shall be communicated to the Secretary of the PSB, for further action. The investigation will report on responsibility, if any, attaching to any staff member for the loss or losses in accordance with Financial Rule 110.11.

6.7 The Secretary of the PSB may recommend:

- a) to the OU affected or to the BFS, in the event where accounts receivable or cash are involved, that write-off should be initiated; or
- b) to the Chairperson of the PSB, that a meeting of the PSB should be called for the purpose of making a recommendation to the Registrar on the write-off and reporting on the cause of any shortages or damage to the Court property. The Registrar will authorise write-off and finally determine the accountability of the Court personnel.

Disposal

6.8 Once write-off has been approved, the LTU shall take custody of the materials in order to arrange for their disposal. The options for disposal are:

- a) to discard;
- b) to sell as scrap;
- c) to trade in;
- d) to sell or donate, pursuant to Financial Rule 110.27 (a) and (b); and/or
- e) to "cannibalise" for parts.

Section 7

Damage to non-expendable property

- 7.1 In the event the damage does not lead to a write-off action, but requires an investment by the Court to repair the property or equipment, the Head of the OU involved shall report to the Secretary of the PSB and to the SSS that a non-expendable asset of the Court has been damaged to the point that funds need to be invested to return the item to functional state for use.
- 7.2 Based on the report from the SSS, the PSB shall determine the course of action, including Section 6.8 above.

Section 8

Final Provisions

- 8.1 This Administrative Instruction shall enter into force on 21 October 2014 and it supersedes ICC/AI/2013/001 on same subject.



Herman von Hebel