



IMPA POLICY ON RESERVES

Background

The International Maritime Pilots' Association (IMPA) is a not-for-profit professional technical body in consultative status at the International Maritime Organization (IMO) since 1973.

Membership subscriptions fund IMPA. The beneficiaries of the work of the Association are its Members, the International Maritime Organization (IMO), the shipping industry and civil society stakeholders in the safety of navigation, prevention of pollution and the efficiency of maritime trade.

Purpose of Reserves

IMPA may hold reserves for the following purposes:

1. To enable the Association to operate for two years in the event of a significant reduction in membership subscriptions. A significant reduction in membership is considered to be the loss of 50% of membership subscriptions.
2. To enable the Association to procure specific and specialised expertise to identify, assess and make recommendations on action to respond to opportunities or threats to the Association, the Association's objectives, or the interests of pilots and/or pilotage.
3. To enable the Association to act to limit the impact of uncertainty in its costs of operation by securing long-term agreements for services necessary for the proper functioning of the Association.

Level of Reserves

The level of reserves that the Association should maintain is:

1. Not less than one year of operating expenses (**£550,000**) plus all allowance for consultancy and special projects (**£100,000**)
2. Not more than two years of operating expenses (**£1,100,000**)

Minimum level of reserves is **£650,000**

The maximum level of reserves is **£1,100,000**

Policy Review

This policy shall be reviewed annually.

Approved: EC 90

Next Review: EC 92