
9TH MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE (FAC)

Held remotely, 18, 21 and 22 January 2022 (NZDT)

FAC9 – Doc05.3

Status of Scientific Support (SC) Fund & Developing States (DS) Fund

Secretariat

1. Background

Financial Regulation 2.4 provides that *“For the budget categories “Scientific Support (SC) and Developing States (DS)”, unspent appropriations may accrue between financial years, up to a limit of \$50,000 for the SC and \$30,000 for the DS. Beyond these levels such funds shall be treated as surplus and transferred to the accumulated surplus account. The Commission will review these categories once the defined level has reached or after 4 years, whichever occurs first, and at least every four years thereafter.”*

In accordance with Financial Regulation 2.4, the Secretariat established a separate account in 2017 for the Scientific Support and Developing States Fund respectively. These two Funds contain the accumulated unspent appropriations from previous Financial Years (beginning from Financial Year 2015-16).

At the FAC8 Meeting in January 2021, the FAC reviewed the Status of the Scientific Support Fund and Developing States Fund. The FAC noted that due to the global pandemic, several large budget items requiring in-person meetings were deferred or replaced by virtual method from the 2020-21 Financial Year, which resulted in the unusually large balance available in both Funds.

Notwithstanding Financial Regulation 2.4, in line with the SC8’s request and recognising the importance of the Developing States Fund, the Commission made an exceptional decision allowing for an amount of NZ\$34,715 to be carried forward for the Scientific Support Fund, and NZ\$36,632 for the Developing States Fund into the 2021-22 Financial Year, in order to support the deferred activities as well as future similar activities.

Noting the difficulty in planning activities in the current pandemic environment, during SC9 **the Scientific Committee recommended** *“that the Commission consider removing the cap in the financial regulations noting that the current cap reduced flexibility to undertake multi-annual activities or adapt the timing of activities. The SC acknowledged that the cap was originally introduced to avoid developing significant surplus of unused scientific funds, however the SC considered this risk could be managed through the budget process”*.

2. FAC9 considerations:

The basis for the proposed Scientific Support Fund allocation for 2022-23 of **NZ\$28,000** is the SC9 Multi-Annual Workplan ([SC9-Doc05_rev1](#)), in which new funding requirements have been identified (i.e., experts to support assessments, software upgrade and a squid workshop). The proposed allocation does not include any provision for the 2 Jack mackerel projects (on connectivity research and/or ageing techniques) as the funding source for these projects is yet to be determined.

Regarding the Developing States Fund and bearing in mind the discussions held during FAC8, the SPRFMO Secretariat has proposed that the allocation for the DS Fund remain at **NZ\$35,000** for Financial Year 2022-23.



These proposed budget amounts assume that the Organisation will carry on normal activities without undue restrictions caused by the COVID19 Pandemic or other similar disruptions.

The FAC9 is invited to:

- **Note** that management of the Scientific Support and Developing States funds (including operation of the caps) is considered in the Secretariat paper FAC9-Doc08.
- **Recommend** that the Commission approve the proposed budget amount of NZ\$28,000 for Budget Category 8 – Scientific Support for the Financial Year 2022-23 (as per FAC9-Doc06).
- **Recommend** that the Commission approve the proposed budget amount of NZ\$35,000 for Budget Category 9 – Developing States for the Financial Year 2022-23 (as per FAC9-Doc06).

Note that the above proposed budget amounts have been included into the Status of the Funds in Table 1 and Table 3; and that the forecast statuses are provided based on the assumption that the caps (NZ\$50,000 for SC Fund, NZ\$30,000 for DS Fund) in the Financial Regulations will be removed from Financial Year 2021-22.

3. Status of Scientific Support Fund and Developing States Fund

3.1 The Status of the Scientific Support Fund

Table 1 below shows the year-to-date status of the Scientific Support Fund up to 30th November 2021, as well as the forecast status for the Fund, which is in line with the expected expenses identified from the 2022 Scientific Committee Multi-Annual Workplan ([SC9-Doc05_rev1](#)).



Table 1: The Status of the Scientific Support Fund (Budget Appropriations)

| Financial Year | Budget NZ\$ | Work Plan Objective | Expenses NZ\$ | Remaining NZ\$ |
|-------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------------------|
| Amount available to be carried forward as of 30th June 2021¹ | | | | 84 715² |
| 2021-22 | 57 060 | Jack mackerel - assessment SC and other funds to support experts | 10 000 | 141 775 |
| | | GITHUB Annual Cost | 460 | |
| | Estimated subtotal for FY 2021-22 | | | 10 460 |
| 2022-23 | 28 000 (Proposed budget) | Jack mackerel - assessment SC and other funds to support experts | 10 000 | 159 315 |
| | | External support for the planning and execution of SC intersessional web meetings and workshops | 10 000 | |
| | | GITHUB Annual Cost | 460 | |
| | | Software upgrade to JJM model (upgrade diagnostics, explore embedding in FLR; 3-day online workshop/ capacity building) | 8 000 | |
| | | Squid Workshop including potential assessment techniques and appropriate measures of fishing effort (prior to SC10) | 10 000 | |
| | | Habitat Monitoring Symposium - Symposium on Habitat Monitoring prior to the 2023 meeting of the Commission to review the state of the art of habitat research in order to recommend specific lines of investigation in this topic within the framework of the SPRFMO | 63 000 | |
| | Estimated subtotal for FY 2022-23 | | | 101 460 |
| 2023-24 | 20 000 (Forecast budget) | Jack mackerel - assessment SC and other funds to support experts | 10 000 | 77 855 |
| | | GITHUB Annual Cost | 460 | |
| | | VME Encounters and benthic bycatch -Develop a research programme within the SPRFMO Convention Area to allow the determination of taxon- specific estimates of catchability for VME indicator taxa. The total cost ³ for such a programme will need to be determined. | 23 600 | |
| | | Other (Crosscutting issues) – intersessional meetings | 10 000 | |
| | Estimated subtotal for FY 2023-24 | | | 44 060 |

¹ For detailed historical expenses, please refer [SC9-Doc09 Status of the SC Fund](#).

² As per FR 2.4 (which caps the Scientific Support fund at NZ\$ 50k), and the FAC8 recommendation to exceptionally carry forward NZ\$34,715 if the COVID-19 pandemic continues to limit activities.

³ The SC recommended that this amount and the voluntary contribution from Australia (voluntary contribution NZ\$58K) be used to commence a research programme within the SPRFMO Convention Area to allow the determination of taxon-specific estimates of catchability for VME indicator taxa.



3.2 Other voluntary contributions to Scientific activities

Voluntary contributions have been received from European Union, China, and Australia for supporting SC activities. The Table 2 below shows the year-to-date status for voluntary contributions supporting SC activities:

Table 2: Current balance for voluntary contributions supporting Scientific activities

| Period | Member | Contribution | Related SC Activities | Proposed/ Committed Expenses | Balance NZ\$ |
|-------------------------|-----------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------------|
| Jan 2019 to Dec 2020 | EU | 167 000 | Support to jack mackerel assessment and data validation in SPRFMO (project led by WUR) | 167 000 | 0 |
| Jul 2019 | China | 29 230 | To support squid sampling and genetic research in the SPRFMO Convention Area (Chile, China, and Peru). | 19 400 | 0 |
| Aug 2020+ | China | 26 912 | To support the stock structure and genetic studies regarding the jumbo flying squid | 26 170 | 742 |
| Dec 2021+ | EU | 91 850 | MSE workshop Benchmark workshop | 50 100 41 750 | 0 0 |
| 2023+ | Australia | 58 034 | The 2022 Scientific Committee Multi-Annual Workplan (SC9-Doc05_rev1): Develop a research programme within the SPRFMO Convention Area to allow the determination of taxon-specific estimates of catchability for VME indicator taxa. | 58 034 | 0 |

4. Status of Developing States (DS) Fund

Since 2015, the Developing States Fund has been used to support developing States Members to participate in the Commission's annual meetings and Scientific Committee's workshops/meetings. Due to the global pandemic, budget items requiring in-person meetings were replaced by virtual meetings from the 2020-21 Financial Year, thus there is no expense occurred up to 30th November 2021.

Table 3 below shows the year-to-date status, as well as the forecast status for this Fund for the next two years:



Table 3: Status of the Developing States Fund

| Financial Year | Budget NZ\$ | Meeting/Workshop | Member Supported | NZ\$ | Remaining NZ\$ |
|------------------------------------------|-----------------------------|------------------------------------------------------|------------------|---------------------------|----------------|
| 2015-16 | 18 000 | The 4 th Commission Meeting | Cook Islands | 6 130 | |
| | | | Cuba | 2 173 | |
| | | Subtotal expense for FY 2015-16 | | | 8 303 |
| 2016-17 | 20 000 | The 5 th Commission Meeting | Cuba | 1 555 | |
| | | | Peru | 6 000 | |
| | | | Vanuatu | 3 722 | |
| Subtotal expense for FY 2016-17 | | | 11 277 | 18 420 | |
| 2017-18 | 15 000 | The 6 th Commission Meeting | Cuba | 1 430 | |
| | | | Vanuatu | 10 458 | |
| | | The 6 th SC Workshop | Ecuador | 3 117 | |
| Subtotal expense for FY 2017-18 | | | 15 005 | 18 415 | |
| 2018-19 | 20 000 | The 6 th SC Meeting | Cook Islands | 7 040 | |
| | | | Ecuador | 3 540 | |
| | | | Peru | 7 510 | |
| | | The 7 th Commission Meeting | Cook Islands | 5 196 | |
| | | | Cuba | 4 730 | |
| | | | Ecuador | 4 957 | |
| | | | Peru | 5 330 | |
| Subtotal expense for FY 2018-19 | | | 38 303 | 112 | |
| 2019-20 | 30 000 | The 7 th SC Meeting | Cook Islands | 7 925 | |
| | | | Ecuador | 2 435 | |
| | | The 8 th Commission Meeting | Cuba | 5 050 | |
| | | | Peru | 4 035 | |
| Subtotal expense for FY 2019-20 | | | 19 445 | 10 667 | |
| 2020-21 | 55 965 ⁴ | <i>International travel prevented due to COVID19</i> | | 0 | |
| Subtotal expense for FY 2020-21 | | | 0 | 66 632⁵ | |
| 2021-22 | 35 000 | <i>International travel prevented due to COVID19</i> | | 0 | |
| Estimated subtotal for FY 2021-22 | | | 0 | 101 632 | |
| 2022-23 | 35 000 (Proposed budget) | <i>International travel assumed to resume</i> | | 35 000 | |
| Estimated subtotal for FY 2022-23 | | | 35 000 | 101 632 | |

⁴ USA Voluntary contribution to the Developing States Fund, as per Adopted Budget for Financial Year 2020-21 (COMM8-Report Annex 6d)

⁵ As per FR 2.4 (which caps the Developing States Fund at NZ\$ 30k), and the FAC8 Recommendation to exceptionally carry forward NZ\$36,632 for the Developing States Fund into the 2021-22 Financial Year.