
6TH MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE (FAC)

The Hague, The Netherlands, 23 to 27 January 2019

FAC 6 – Doc 06

SPRFMO Budget Development Analysis (2013/2014 – 2018/2019)

Secretariat

1. Background

The understanding of budget developments should be based on a single and comparable integrated presentation where similar expenses should be gathered around the same main Budget Categories.

This has not been always the case, as budget items rearrangements in previous Financial Years (FY) make a proper analysis and follow up difficult, preventing the understanding of the development of the Organisation from a financial point of view.

Since the Organisation establishment, the increase in complexity from a financial point of view has been reflected only quantitatively in the budget. The first SPRFMO FY2013-14 (NZD918,069)¹ and the last SPRFMO FY2018-19 budgets (NZD 1,103,000)² contain both 10 Budget Categories. Although quantitatively speaking the budgets are accurate, the lack of detail and the approach taken on presenting large Budget Items (in order to use the 10% transfer appropriations between categories in the budget adopted by the Commission)³ prevents a qualitative analysis on budget developments which is essential for analysing, understanding and forecasting future budget needs.

Table 1 and Figure 1 below follow a budget harmonization exercise aiming at presenting a coherent budget layout across the years.

2. Budget Layout

The Secretariat has revised the budget layout to provide further information not only aiming at being more transparent and accurate but also to facilitate a closer monitoring and an accurate analysis along the years.

The proposed new budget layout includes 9 Budget Categories, 52 Budget Items (corresponding to recurrent annual running cost of the Organisation) and 6 non-routine expenses (depending on the financial needs in that particular year).

The proposed budget layout is attached in Annex I (The same as the one circulated on 3 December 2018, R16-2018 as a Draft annual budget for the two succeeding financial years).

3. Final Consideration

It is proposed that this format be adopted so the Secretariat has a standard and accurate way of reporting to the Commission while having a financial perspective traceability allowing the Commission to better understand the Organisation from a financial point of view.

¹ First Commission Meeting Report, Annex R <http://www.sprfmo.int/assets/Meetings/Meetings-2013-plus/Commission-Meetings/1st-Commission-Meeting-2013-Auckland-New-Zealand/Annex-R-Budgets-for-the-first-five-month-period-and-the-first-full-financial-year.pdf>

² COMM6-Report ANNEX4a: Budget 2018-19 <http://www.sprfmo.int/assets/2018-COMM6/00-Report-and-ANNEXES/COMM6-Report-Annex-4a-Budget-2018-19.pdf>

³ SPRFMO Financial Regulations 3.3 <http://www.sprfmo.int/assets/Basic-Documents/Financial-Regulations-March-2018.pdf>



Table 1. Budget Categories by Financial Years

Budget Categories	Financial Year					
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Personnel cost	499 069	500 000	480 000	560 000	610 000	660 000
Meetings and Travel	85 000	85 000	88 000	70 000	90 000	100 000
Premises rent and associated services	20 000	41 046	50 000	50 000	50 000	64 500
Office equipment	10 000	10 000	10 000	20 000	20 000	17 500
Information and Communication	21 000	30 000	31 000	44 000	30000	68 000
Administration and operational expenses	103 000	120 600	121000	46 000	30 000	30 000
Developing states	10 000	15 000	18 000	20 000	15 000	20 000
Scientific experts	20 000	20 600	20 000	20 000	12 000	20 000
Regular review	0	0	0	0	15 000	15 000
SPRFMO VMS	0	0	0	0	67 000	108 000
Executive Secretary recruitment	150 000	0	0	0	225 000	0
Total NZ\$	918 069	822 246	818 000	830 000	1 164 000	1 103 000

Note: For comparison reasons, budget categories from FY 2013/2014 have been re-arranged to provide a comparable budget among the different FYs with FY 2019-2020.

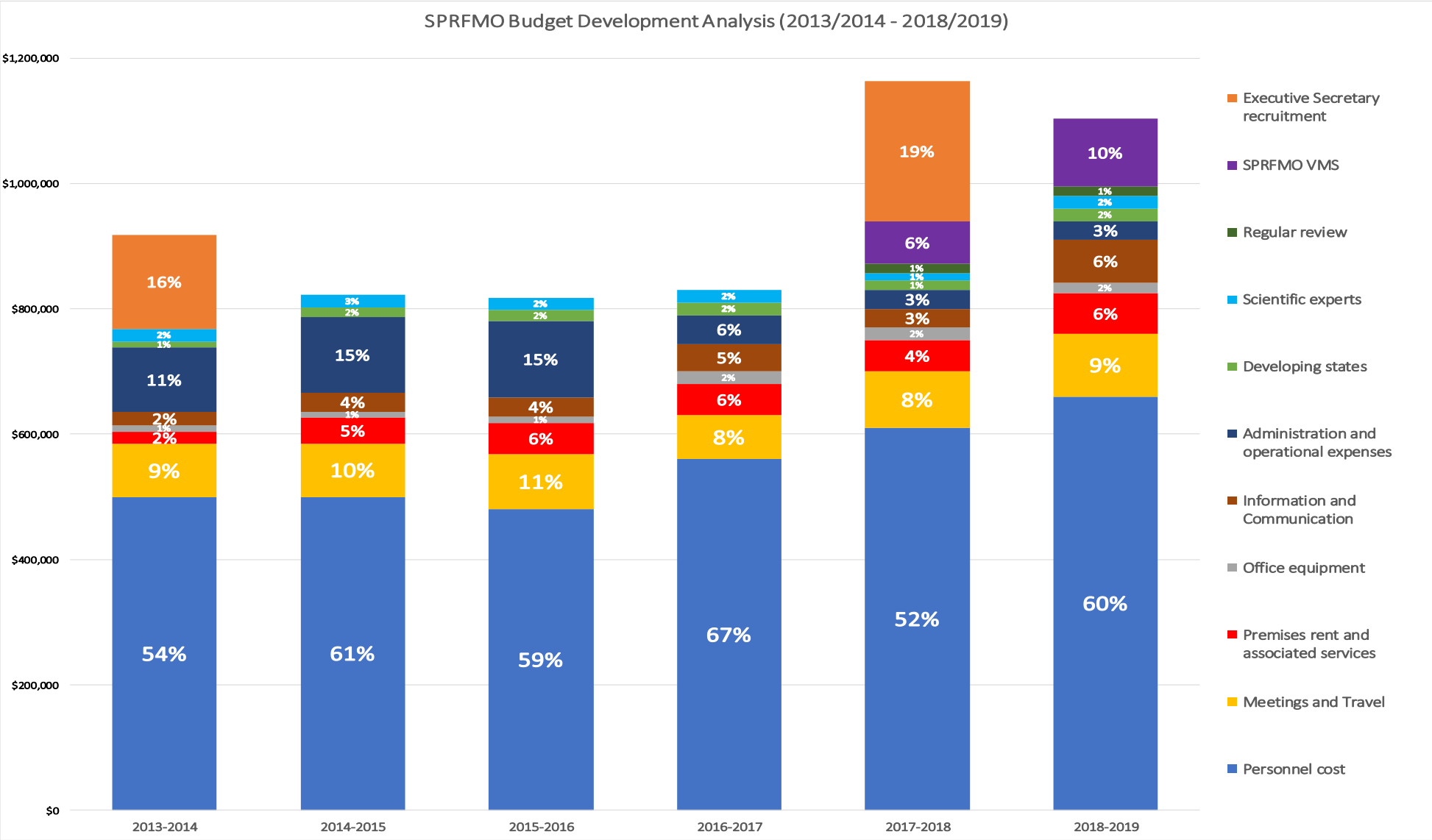


Figure 1. SPRFMO Budget Development Analysis (2013/2014 – 2018/2019)



ANNEX I - DRAFT ANNUAL BUDGET

South Pacific Regional Fisheries Management Organisation Proposed Budget for Financial Year 2019-20 and Forecast Budget for Financial Year 2020-21 (New Zealand Dollars)						
Main Budget Categories	Budget Items	2018-2019		2019-2020		2020-2021
		Adopted Budget 2018-2019 COMM6-Report ANNEX 4a	Forecasted 2019-2020	A Budget Proposal 2019-2020 Financial Regulation	B Budget Proposal 2019-2020 Performance Review	C Forecast Budget 2020-2021 Financial Regulation
1. Personnel Cost						
1.1	Salaries					
	Professional Category (PC)					
	Executive Secretary (P5)			206 000	206 000	210 000
	Data Manager (P3)			154 000	154 000	158 000
	Communication and Co-ordination Officer (P1)			96 000	96 000	98 000
	Compliance Manager (P3)			0	154 000	158 000
	General Services Category (GSC)					
	Finance and Office Manager			72 000	72 000	78 000
	IT and VMS Manager			72 000	36 000	36 000
	Data Analyst			36 000	0	0
	Total Staff Salary Cost	595 000		636 000	718 000	738 000
1.2	Insurance					
	Health Insurance (2 PC / 3 PC)			20 000	30 000	30 000
	Life Insurance (2 PC)			4 000	6 000	6 000
	ACC (1 PC and 2 GSC)			1 000	1 000	1 000
	Total Insurance Cost	25 000		25 000	25 000	25 000
1.3	Home Leave			7 000	7 000	18 000
1.4	Temporary Personnel Under Contract (Data Analyst)	30 000		0	0	0
1.5	Staff Training & Other Professional Development	10 000		15 000	15 000	15 000
1.6	Cost Associated with Staff Conflict Resolution			5 000	5 000	5 000
	Subtotal Personnel Cost	660 000	700 000	688 000	770 000	801 000
2. Premises and Equipment						
2.1	Premises					
	Office Moving Cost			0	0	0
	Office Renting			57 000	57 000	60 000
	Property Insurance			2 000	2 000	2 000
	Power			4 000	4 000	4 000
	Cleaning			2 000	2 000	2 000
	Total Premises Cost	64 500		65 000	65 000	68 000
2.2	IT/Computer Hardware	10 000		10 000	12 000	21 000
2.3	Office Equipment and Supplies	7 500		8 000	8 000	8 000
	Subtotal Premises and Equipment	82 000	83 000	83 000	85 000	97 000
3. Meetings and Travel						
3.1	Annual Commission Meeting	50 000		25 000	25 000	57 000
3.2	Scientific Committee Meeting	25 000		25 000	25 000	26 000
3.3	Other Meetings and Travel	15 000		25 000	25 000	26 000
3.4	Cost Associated with Hosting a Meeting	10 000		5 000	5 000	6 000
	Subtotal Meetings and Travel	100 000	132 000	80 000	80 000	115 000
4. Information and Communication						
4.1	Telephone and Internet	7 000		8 000	8 000	8 000
4.2	Computer Expenses and IT Support	3 000		4 000	4 000	5 000
4.3	Website Expenses	3 000		4 000	4 000	5 000
4.4	Database Regular Costs	25 000		25 000	25 000	25 000
4.5	Database Development	30 000		30 000	30 000	30 000
	Subtotal Information and Communication	68 000	60 000	71 000	71 000	73 000
5. Operational Expenses						
5.1	Auditors	8 000		8 000	8 000	8 000
5.2	Translation			24 000	24 000	12 000
5.3	Stationeries, Printing and Publications	5 000		5 000	5 000	5 000
5.4	Bank and Post Services	4 000		4 000	4 000	4 000
5.5	Hospitality	3 000		3 000	3 000	3 000
5.6	Other General Expenses	10 000		10 000	10 000	10 000
	Subtotal Operational Expenses	30 000	31 000	54 000	54 000	42 000
6. SPRFMO VMS						
6.1	Contingency (10% of annual fee)	10 000		10 000	10 000	10 000
6.2	Annual Fee	98 000		98 000	98 000	98 000
	Subtotal VMS	108 000	108 000	108 000	108 000	108 000
7. Non - Routine Expenses						
7.1	Performance Review	15 000	0	0	0	0
7.2	SPRFMO Observer Programme Accreditation Provider			185 000	185 000	0
7.3	2020 Annual Commission Meeting (Secretariat in NZ)			400 000	400 000	0
7.4	Rebuilding the Contingency Fund			0	50 000	50 000
7.5	Recruitment Compliance Manager (P3)			0	85 000	0
7.6	Translation CMMs			0	54 000	0
	Subtotal Non - Routine Expenses	15 000	0	585 000	774 000	50 000
Subtotal		1 063 000	1 114 000	1 669 000	1 942 000	1 286 000
8. Scientific Support	(see FR2 Para 4)	20 000	20 000	20 000	20 000	22 000
9. Developing States	(see FR2 Para 4)	20 000	20 000	30 000	30 000	35 000
Grand Total		1 103 000	1 154 000	1 719 000	1 992 000	1 343 000
	Observer Programme Accreditation					
	2020 Annual meeting to be organised by the Secretariat					
	Performance Review Recommendations					