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

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

FAC 9 – Doc 04 rev1 SPRFMO Report of Income *Secretariat*

1. Background

Financial Regulation 4.11 provides that the “Executive Secretary shall submit to each annual meeting of the Commission a report on the collection of annual contributions from Members, any voluntary contributions received, and any investment and other income received”.

The FAC is invited to:

- *note the information contained in this paper.*

2. Report of Income

2.1. Annual Member contributions

At the COMM9 in January 2021, the Commission agreed on the following interpretation with respect to annual contributions in arrears under the Financial Regulations, in line with Financial Regulation 4.9 “*overdue contributions are considered to be in arrears the date after they are due and payable*”, i.e., after 90 days from the date the Executive Secretary informed Members of the annual contribution¹.

The Commission also agreed on the following interpretation of when a Member with two years' worth of contributions in arrears is precluded from participation in decision-making. Based on Article 15.9 of the Convention, read with Financial Regulation 4.9, such a Member would not be “*in arrears with its payment of any monies owed to the Organisation by more than two years*” until more than two years from the date a particular payment became in arrears, that is, two years and one day from the date that payment was due and payable, i.e., 731 days.

Table 1 below shows the invoiced contributions (in NZ\$) by financial year as well as the current balance of amounts in arrears and overpaid amounts as of 30 November 2021. If a Member has an overdue contribution amount then the final column shows how long those monies will have been in arrears as of the final date of the upcoming annual meeting (assuming that they are not paid prior, and the final date of the annual meeting is the 28th January 2022).

¹ In accordance with Financial Regulation 4.8, the Executive Secretary Informed Members of the annual contributions for SPRFMO on 10th of March 2021, which meant 8th of June 2021 was the due date for Member’s contributions for Financial Year 2021-22

Table 1: Historic and Current Member Contributions to SPRFMO by Financial Year

Member	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Balance	Arrears (@28/01/22)
Australia	8 314	49 692	48 914	47 703	59 543	68 474	69 913	72 348	81 583	77 504	-	
Belize ²	2 021	12 079	8 295	5 428	-	-	-	-	-	-	-	
Chile	43 134	257 811	133 123	77 986	77 986	89 684	103 137	118 608	136 399	135 367	-131 123	234 Days
China	-	148 514 ³	152 481	181 114	211 659	225 752	259 615	288 385	331 643	319 975	-	
Cook Islands	1 963	11 733	11 078	8 879	10 959	12 060	12 584	12 930	14 870	17 100	-	
Cuba	2 041	12 200	7 869	6 168	7 528	8 657	8 657	9 676	11 127	11 450	-11 450 ⁴	234 Days
Ecuador	-	-	-	5 781	7 266	8 356	9 116	10 000	11 500	11 466	-11 466	234 Days
European Union	46 297	276 721	153 619	83 879	109 043	125 399	125 399	132 540	148 926	141 480	-	
Faroe Islands	8 638	51 630	39 429	22 610	23 435	26 950	30 993	35 642	40 988	46 022	-	
Korea	8 159	48 768	38 497	40 892	48 162	43 890	47 035	50 465	58 035	57 402	-	
New Zealand	17 183	102 706	124 466	102 813	121 899	132 824	152 748	165 108	185 720	176 434	-	
Peru	-	-	-	4 142 ²	26 020	29 923	34 411	37 606	40 586	38 557	-21 139	234 Days
Russian Federation	5 452	32 588	24 317	24 540	24 540	28 221	32 454	37 322	42 920	49 358	-	
Chinese Taipei	10 397	62 141	22 724	20 837	21 456	24 674	28 375	32 631	37 526	43 154	-	
United States of America	-	-	-	-	22 003 ²	71 787	82 555	94 938	109 179	114 637	-	
Vanuatu	-	26 315 ²	57 434	45 152	58 698	46 333	48 162	45 703	49 896	47 401	-	
Total invoiced	153 599	1 092 898	822 246	677 924	830 197	942 984	1 045 154	1 143 902	1 300 896	1 287 307	-	

This table was updated during the FAC9 meeting to reflect contributions that were either able to be verified as being received (Chile) or for which a bank transfer notification had been provided indicating that the funds were en-route and expected to be able to be verified during the 2022 Annual meeting (Ecuador).

² Belize's outstanding contributions of NZ\$ 27,823 for previous financial years from 2013 to 2016 has been written off as bad debt as at 30th June 2016.

³ China, Peru, USA and Vanuatu, acceded to the Convention after commencement of a FY, thus only paid a portion of the annual contribution in respect of that FY as per Convention Article 15.8.

⁴ At the FAC8 meeting in January 2021 the Secretariat informed the FAC that Cuba had experienced various bank wire transfer failures, and Cuba explained the difficulties with bank restrictions. Since then, the Secretariat met with its bank to discuss the unique situation and explored alternative ways of receiving contributions from Cuba. As a result, Cuba's previously outstanding contributions were able to be cleared early in 2021. However, in September 2021, the bank where SPRFMO's accounts are held updated its sanctions policy. Currently payments from Cuba have been suspended and the Secretariat is again exploring ways to facilitate Cuba making its contribution payments.



2.2. Voluntary contributions – Special Requirements Fund

The table below shows voluntary contributions received (in NZ\$) for the “Special Requirements Fund” as of 30 November 2021.

Table 2: Voluntary Contributions – Special Requirement Fund

Member	Voluntary Contribution (NZ\$)	Date
Chile	1 883	6 December 2013
China	24 106	16 September 2014
China	27 474	2 June 2015
China	27 368	14 September 2017
Total	80 831 ¹	As of 30 November, 2021

There have been no applications for technical assistance and/or capacity-building as per Paragraphs 6-9 of the SPRFMO Financial Regulations ANNEX 1.

¹ Note that there was NZ\$55,965 which was initially pledged to the Special Requirement Fund by the USA in 2019 but was allocated to the Developing States Fund at COMM8.



2.3. Voluntary contributions and other income

The table below shows CNCPs' & Members' Voluntary Contributions and other income received (in NZ\$) by Financial Year from different sources on a cash basis.

Table 3: CNCPs' & Members' Voluntary Contributions and Other Income

Income source	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
CNCP Contribution – Colombia							9 324		
CNCP Contribution – Curaçao						7 675	8 614	10 150	11 540
CNCP Contribution – Liberia				5 065	6 507	7 483	8 605	9 896	11 380
CNCP Contribution – Panama				8 390	16 217	14 007	16 108	16 492	23 062
Voluntary contribution – Australia							58 034		
Voluntary contribution – China				27 250			29 230	26 912	26 231
Voluntary contribution – EU	83 500		60 287	106 407		402 275	426 220	49 581	
Voluntary contribution – New Zealand						10 292			
Voluntary contribution – USA							175 890	151 219	
Other Income					536				
Interest earned by SPRFMO	7 409	32 298	12 534	9 150	25 519	24 966	20 935	8 647	501 ⁵
Total	90 909	32 298	72 821	156 262	48 779	466 698	752 960	272 897	46 483 72 714

2.4. CNCP voluntary contributions

In Financial Year 2020-21 and 2021-22 there are 3 Cooperating non-Contracting Parties to SPRFMO. Curaçao, Liberia and Panama continue to make voluntary financial contributions commensurate with what would be assessed should they become a Member. These contributions are totaled NZ\$ 45,982 in FY 2021-22.

2.5. Other recent voluntary contributions

European Union:

SI2.808674 – SPRFMO Regional Observer Programme (pre-financing of EUR 105,000 in FY2019-20). This project was scheduled to finish during December 2021; however, the European Union has agreed to extend this project until 31st December 2022.

⁵In FY 21-22, NZ\$ 501 is the amount of interest earned from the first 5 months of the year (1 July to 30 November 2021).



S12.829333 – Support to the Scientific Process and Data Management in SPRFMO (pre-financing of EUR 87,500 in FY2019-20). This project was scheduled to finish during December 2021; however, the European Union has agreed to extend this project until 30 June 2023.

S12.792480 – Support to Jack Mackerel Assessment and Data Validation: final payment of EUR 30,000 was received in Financial Year 2020-21. This project was completed in December of 2020 and had 2 general objectives:

- 1) Updating Jack mackerel Management targets and Management Plan by developing tools to evaluate alternative management strategies, including Management Strategy Evaluation (MSE) methodology and engaging in stakeholder consultation.
- 2) Defining the Jack mackerel habitat by supporting the analyses to define the habitat of Jack mackerel and supporting the development of the habitat working group.

China

The Voluntary contribution from China received NZ\$26,912 in August 2020 is to support squid sampling and genetic research in the SPRFMO Convention Area to further understand squid connectivity (also refer to COMM10-Doc06 - the 2022 SC multi-annual plan).

[In December 2021 NZ\\$26,231 was received from China to support squid sampling and genetic research in the SPRFMO Convention Area.](#)

United States of America

Under the Memorandum of Understanding between the National Oceanic and Atmospheric Administration, U.S. Department of Commerce, and the Secretariat of the South Pacific Regional Fisheries Management Organization NOAA provided US\$ 100,000 to support conservation and management of marine resources important to the United States. In 2020 and 2021, these fundings were used to support the Secretariat's compliance work for the observer program, vessel monitoring system work, and training and work of the new Compliance Manager.

Note on project items in relation to the budget:

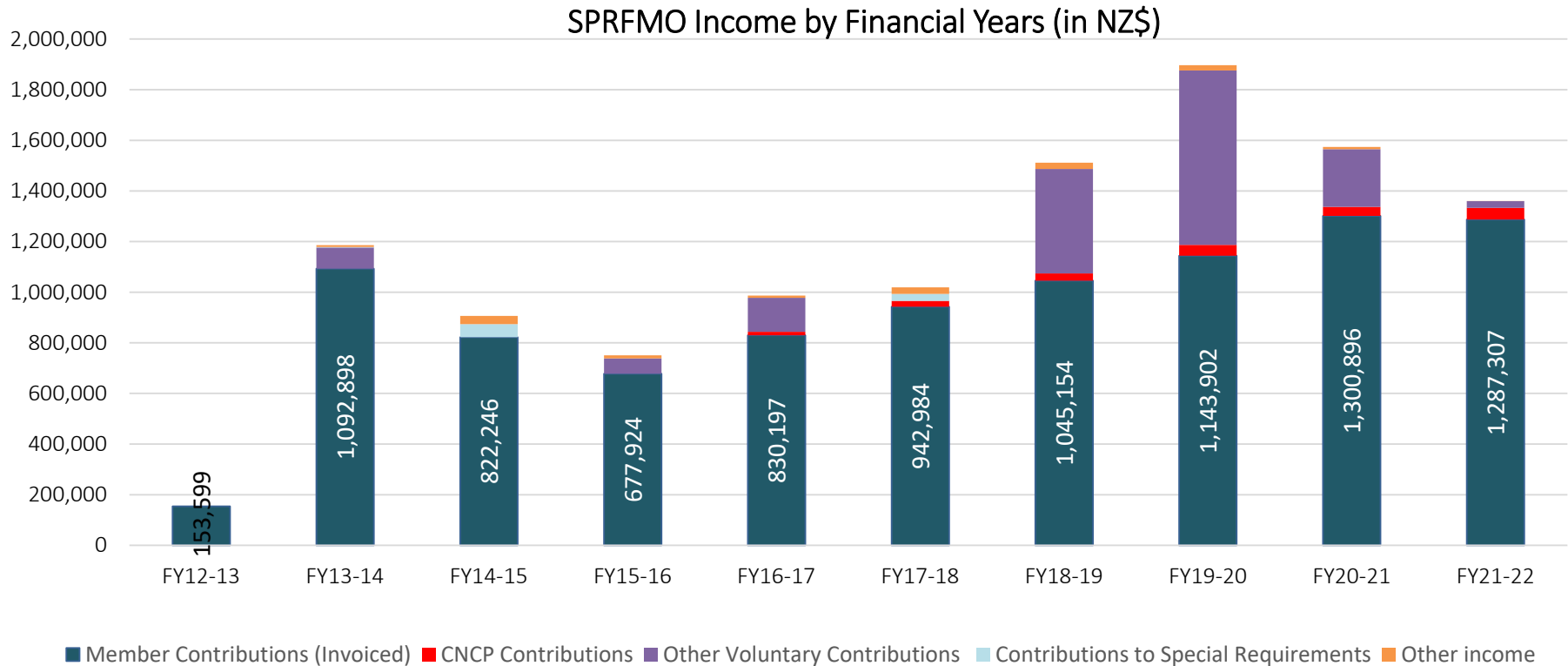
One of the EU's voluntary contributions (project S12.808674 - Support for the Establishment of a Regional Observer Programme in SPRFMO, received in 2019-20) has a direct effect on Budget Item 7.1. For this year and to be consistent with last year, the Secretariat has retained a Voluntary Contribution Affecting the Budget of NZ\$ 80,000 in the Draft Annual Budget for Financial Year 2022-2023 (refer to FAC9-Doc06).

In the future, it is the Secretariat's intention to report on all voluntary contributions consistently in this document and separate them from the main organisational budget. However, given the multiyear nature of the EU project S12.808674 to establish the SPRFMO Observer programme, it remains in the main organisational budget.



3. An Overview of SPRFMO Income by Financial Year

The Figure below provides a graphic overview of SPRFMO Income from Financial Year 2012-13 to Financial Year 2021-22⁶.



⁶ Acknowledging that Financial Year 2021-22 will end on 30 June 2022, this graphic shows the year-to-date income (up to 30th November 2021) for the current Financial Year; [this graph was updated at the FAC9 Meeting.](#)