
13TH MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE (FAC)

Panama City, Panama, 26 to 27 February 2026

FAC 13 – Doc 13

Draft Budget for Financial Years 2026-27 and 2027-28

Secretariat

1. Summary and recommendations

This paper submits a draft of the SPRFMO annual budget for the next two financial years as a basis for FAC to adopt its recommendations to the Commission.

The FAC is invited to:

- **Note** that the draft 2026-27 budget totals \$2,510,238, an increase of 26% on the current financial year and an increase of 15% on that forecasted for the year at COMM13;
- **Recommend** to the Commission a budget on this basis with any necessary adjustments for its adoption.

2. Background

Article 15.4 of the Convention requires that the 'Executive Secretary submit a draft of the annual budget for the two succeeding financial years to each member of the Commission together with a schedule of contributions not less than 60 days before the meeting of the Finance and Administration Committee where the Committee will adopt its recommendations to the Commission.'

The Executive Secretary has prepared this draft budget in consultation with the FAC Chairperson and in accordance with Article 15.4 of the Convention and Financial Regulation 2, taking full account of the need for cost effectiveness and meetings of the subsidiary bodies that may be required in the budget year. As in previous years, the excel workbook used to calculate the budget and Member contributions has been provided to the Heads of Delegation of Members and CNCs.

3. Overview of Annual Budgets Submitted

The submission contains four columns of annual budget as follows:

- Adopted budget for Financial Year (FY) 2025-26 and the Forecasted budget for FY 2026-27 as agreed during COMM13 ([COMM13-Report Annex 5a](#)).
- Draft budget for FY 2026-27. The Net Total (NZ\$2,510,238) is 26% more than the current financial year and 15% more than forecasted for the year at COMM13. The budgeting approach is elaborated below.
- Forecast budget for FY 2027-28. Much of this forecast is based on the draft 2026-27 budget adjusted for contractual increases (e.g. rent) and inflation at the rate of either the current New Zealand consumer price index rate (3%) or more where expected (e.g. insurances 6%).



4. Budgeting Approach

As the first budget drafted by the current Executive Secretary, it is based on a comprehensive review of each budget category and item. This included examining past expenditure and freshly assessing future expenditure required to run the Organisation cost effectively (as required by the Convention) and professionally.

Savings have been made for some budget items. Some increases are driven by external factors e.g. inflation, salaries determined by the UN and foreign exchange movements, insurances, some travel. Other increases are based on Members' deliberations e.g. Data Systems. In some cases increases reflect the Executive Secretary's assessment of where the Commission may appropriately consider investments to maintain or lift the Organisation's performance, through a combination of one-off investments and ongoing operating costs.

The table below details by budget category how the draft budget compares with the forecasted budget. In order of magnitude, the key changes are:

- Data Systems +\$190,000 – Data related items are now grouped together in a standalone 'Data Systems' budget category, separate from the more generic 'information and communication' category. This reflects the strategic importance of this spending and improves transparency. Two new items are included for Database Development and Member Implementation and Support, totalling \$150,000. The 'Meetings and Travel' category also includes \$20,000 of related Secretariat travel (which is also in the draft Travel Plan). The rationale and detail is elaborated in the draft Data Working Group (DWG) Strategy and Three-Year Workplan being considered by the DWG which will report to the CTC and FAC (FAC13-Doc13.2) and which in turn will provide advice to the Commission.
- Travel +\$124,000 – the forecasted budget underestimated the actual costs of the Scientific Committee meeting in the Faroe Islands. The location of COMM15 is to be determined so travel costs are based on the more expensive destinations to avoid under budgeting. New and additional costs are from the new Science Manager attending Scientific Committee workshops, Data System implementation mentioned above, and contingency funding for unforeseen meetings. Details are in the Travel Plan (FAC13-Doc13.1).
- Insurances +\$20,000 – forecasted staff medical and life insurances did not account for actual costs nor increases with the hiring of the Science Manager and premium increases of 6% per annum. The new travel insurance item represents a cost saving and risk reduction over past practice of buying insurance for individual trips.
- Finance and administration services \$0 – The budget reflects a continuation of engaging Findex New Zealand to provide financial services (running and improving systems), with the recruitment of an Administrative Officer (General Services Category). Services for the organisation would be enhanced without cost increases as this would be within the envelope forecasted for the former Finance and Administration Manager position. This is elaborated in a separate FAC paper.
- Scientific Support Fund -\$90,650 – no allocation is included because the combination of voluntary contributions and the timing of work means that the SFF balance is sufficient for the SC Workplan (FAC13-Doc11). This represents a budget saving over the forecasted amount.



Category	Comparison		Explanation
1. Personnel	Forecast Draft Difference %	1 456 800 1 449 140 -7 660 -1%	<p>Overall personnel costs decline because of the savings from replacing the Finance and Administration Manager position with an Administration Officer. This is costed as a part time role to complement the role of Findex New Zealand.</p> <p>Salary costs are based on 2025-26 actuals (some higher and some lower than forecast); then increased by 3% to provide for UN adjustments, step increases and exchange rate movements. During the past three years similar movements meant that appropriations were transferred from other categories into the personal costs category.</p> <p>Rental subsidy budget item is removed and instead included in salaries with other allowances e.g. for retirement, dependants. It was originally included to illustrate the cost of establishing this item at COMM12.</p> <p>Internship is a new budget item, costed at 9 months full time engagement, at NZ Adult Minimum wage (currently 23.50/hr = \$940 per 40 hour week). This is higher than the rate in the SPRFMO Secondments and Internships Policy and is set out in a separate FAC paper.</p> <p>Insurance costs increased in line with actual costs, including inflation and the Science Manager.</p> <p>Home leave cost savings are expected over the forecast.</p> <p>Staff training and development costs have increased to account for the Science Manager and using historic levels of funding per staff member.</p>
2. Premises and Equipment	Forecast Draft Difference %	102 200 103 00 800 1%	Marginal increase due to 5% insurance premium increases being higher than forecast
3. Meetings and Travel	Forecast Draft Difference %	193 800 319 198 125 398 65%	<p>The forecasted budget underestimated the actual costs of the Scientific Committee meeting in the Faroe Islands. Travel to COMM15 is based on the more expensive destinations to avoid under budgeting. New and additional costs are from the new Science Manager attending Scientific Committee workshops, Data System implementation mentioned above, and the inclusion of contingency funding for unforeseen meetings. Details are in the Travel Plan (FAC13-Doc13.1)</p> <p>Travel insurance is a new item to reflect the policy taken out in 2025-26 to reduce costs and risks over insurance for individual trips.</p>
4. Information and Communication	Forecast Draft Difference %	33 800 33 800 - -	No change. Budgeted as forecast
5. Data Systems	Forecast Draft Difference %	91 000 241 000 150 000 165%	Standalone Data Systems budget category, reflecting its significance and difference from generic Information and Communication budget category. An investment in data systems as per the draft DWG Strategy and Three Year Workplan.



Category	Comparison		Explanation
6. Operational Costs	Forecast Draft Difference %	38 700 144 100 105 400 272%	Most of the increase is from the Financial Services budget item, described above and within the envelope of the forecast budget. Savings from no longer employing a mail clearance service. Marginal increases of other items: Auditors – to reflect actual costs Legal advice – to inform a review of the Financial and Staff Regulations Employee Assistance Programme – provision for possible support for staff Other services – provision for unforeseen services Hospitality – to reflect actual costs and for Executive Secretary engagement with Wellington based Embassies of Members
7. Vessel Monitoring	Forecast Draft Difference %	126 000 123 000 -3 000 -2%	Costed more accurately than forecast based on the contract.
8. Non-Routine Expenses	Forecast Draft Difference %	15 000 30 000 15 000 100%	One of the Member programme evaluations budgeted for in 2025-26 did not eventuate so is included for 2026-27. The two Members' intentions to seek accreditation in 2026-27 are to be confirmed.
9. Contingency Fund	Forecast Draft Difference %	30 000 30 000 - -	No change from forecast. The status of the Contingency Fund is reported in the standalone FAC paper.
10. Scientific Support Fund	Forecast Draft Difference %	90 650 0 -90 650 -100%	This figure has been sourced from the SC Multiannual Workplan (SC13 Meeting Report, Annex 7) and the status of the Scientific Support Fund reported in the standalone FAC paper.
11. Developing States Fund	Forecast Draft Difference %	35 000 37 000 2 000 6%	An increase above the forecast amount is included to allow for inflation as the annual allocation has been \$35,000 since 2021-22. The status of the Developing States Fund is reported in the standalone FAC paper.
Voluntary Contributions affecting the budget	Forecast Draft Difference %	0 0 - -	Previous voluntary contributions which have offset the costs of budget items have concluded. All voluntary contributions are reported in the standalone SPRFMO Report of Income FAC paper.
Net Total	Forecast Draft Difference %	2 182 950 2 510 238 327 288 15%	



5. DRAFT 2026-27 AND FORECAST 2027-28 ANNUAL BUDGETS

South Pacific Regional Fisheries Management Organisation Budget for Financial Year 2026-27 and Forecast Budget for Financial Year 2027-28 (New Zealand Dollars)					
Budget Categories	Budget Items	COMM13		COMM14	
		Adopted Budget 2025-26	Forecasted Budget 2026-27	Draft Budget 2026-27	Forecast Budget 2027-28
1. Personnel					
	1.1 Salaries				
	Professional Category (PC)				
	Executive Secretary (P5)	312 500	326 000	346 100	356 473
	Data Manager (P3)	241 000	252 000	211 100	217 417
	Compliance Manager (P3)	252 000	258 000	270 700	278 780
	Communication and Co-ordination Officer (P1)	183 500	187 500	205 400	211 563
	Science Manager (P2)	56 167	177 000	191 000	196 644
	Rental Subsidy	15 000	20 000		
	General Services Category (GSC)				
	Administrative Officer	119 000	129 000	60 000	65 000
	Internship	0	0	33 840	34 855
	Total Staff Salary Cost	1 179 167	1 349 500	1 318 140	1 360 733
	1.2 Insurance				
	Medical Insurance	54 000	56 000	67 500	71 550
	Life Insurance	5 700	5 800	13 000	13 780
	ACC	500	500	500	500
	Total Insurance Cost	60 200	62 300	81 000	85 830
	1.3 Home Leave	25 000	30 000	26 000	65 000
	1.4 Staff training & development	15 000	15 000	24 000	25 000
	Subtotal Personnel Cost	1 279 367	1 456 800	1 449 140	1 536 563
2. Premises and Equipment					
	2.1 Premises				
	Office Rent	69 000	72 000	72 000	74 200
	Insurances	4 000	4 200	5 000	5 250
	Power	6 000	6 500	6 500	6 700
	Cleaning	3 500	3 500	3 500	3 600
	Total Premises Cost	82 500	86 200	87 000	89 750
	2.2 IT Equipment	12 000	12 000	12 000	12 360
	2.3 Office Equipment and Supplies	4 000	4 000	4 000	4 120
	Subtotal Premises and Equipment	98 500	102 200	103 000	106 230
3. Meetings and Travel					
	3.1 CTC, FAC and Annual Commission Meeting	84 000	84 000	118 750	67 500
	3.2 Scientific Committee Meeting	0 000	33 300	61 800	23 100
	3.3 Scientific Committee Workshops			22 800	22 800
	3.4 Data Systems Capacity Building			20 000	
	3.5 Other Meetings and Travel	42 500	47 500	64 848	61 922
	3.6 Meeting related expenses	6 500	7 000	7 000	7 210
	3.7 Streaming support	21 000	22 000	22 000	22 660
	3.8 Travel insurance			2 000	2 200
	Subtotal Meetings and Travel	154 000	193 800	319 198	207 392
4. Information and Communication					
	4.1 Telephone and Internet	2 500	2 800	2 800	2 900
	4.2 IT systems, software, support	20 000	21 000	21 000	22 000
	4.3 Website Expenses	8 000	10 000	10 000	10 300
	Subtotal Information and Communication	30 500	33 800	33 800	35 200
5. Data Systems					
	5.1 Database Hosting	37 000	39 000	39 000	42 000
	5.2 Database Support & Maintenance	50 000	52 000	52 000	55 000
	5.3 Database Development			100 000	0 000
	5.4 Member Implementation & Support			50 000	25 000
	Subtotal Data	87 000	91 000	241 000	122 000
6. Operational Costs					
	6.1 Professional services:				
	Financial Services			95 000	97 850
	Auditors	12 000	13 500	16 100	17 000
	Legal advice	12 500	12 500	15 000	13 000
	Employee Assistance Programme			1 000	1 000
	Other services			2 000	2 000
	6.2 Stationeries, Printing and Publications	2 500	3 000	3 000	3 090
	6.3 Bank and Post Services	2 800	3 000	2 000	2 060
	6.4 Hospitality	1 600	1 700	5 000	5 200
	6.5 Other General Expenses	5 000	5 000	5 000	5 150
	Subtotal Operational Expenses	36 400	38 700	144 100	146 350
7. Vessel Monitoring					
	7.1 VMS Maintenance Fee	112 000	113 000	110 000	112 200
	7.2 Contingency for vessel monitoring costs	0	13 000	13 000	14 000
	Subtotal VMS	112 000	126 000	123 000	126 200
8. Non - Routine Expenses					
	8.1 SPRFMO Observer Programme Accreditation Evaluation	60 000	15 000	30 000	0
	7.4 (2025-26) Science Manager (Installation)	74 000			
	Subtotal Non - Routine Expenses	134 000	15 000	30 000	0 000
Subtotal		1 931 767	2 057 300	2 443 238	2 279 935
9. Contingency Fund	(Financial Regulation 4.6)	0	30 000	30 000	30 000
10. Scientific Support Fund	(Financial Regulation 2.4)	70 600	90 650	0	43 000
11. Developing States Fund	(Financial Regulation 5)	35 000	35 000	37 000	39 000
Grand Total		2 037 367	2 182 950	2 510 238	2 361 935
Voluntary Contributions affecting the budget		45 000	0	0	0
Net Total		1 992 367	2 182 950	2 510 238	2 361 935