
7TH MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE (FAC)

Port Vila, Vanuatu, 14 to 18 February 2020

FAC 7 – Doc 08

Draft Budget for Financial Year 2020-21 and 2021-22

Secretariat

1. Background

Article 15.4 of the Convention provides that “*the Executive Secretary shall 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*”. Furthermore, the Financial Regulation 2.6 requires that the draft budget be accompanied by details of the appropriations and expenditures for the previous financial year.

2. Draft Annual Budget

In accordance with Article 15.4, the information contained in this document sets out:

- Adopted budget for Financial Year 2019-2020 and Forecasted budget for Financial Year 2020-2021.
 - As agreed during COMM7 ([COMM7-Report ANNEX 6c](#)).

- Proposed budget for Financial Year 2020-2021:
 - Those budget items which are noticeable different from the Forecasted budget figures are explained in Section 3 below.
 - In the interest of clarity, the voluntary contribution from the United States of America¹ in the amount of NZD 175 890 to support the Secretariat’s MCS work and facilitating the effective participation of developing State Contracting Parties, has been considered as a whole Budget Category acknowledging that the full amount will be allocated to these two main purposes.

- Forecast budget for Financial Year 2021-2022:
 - This forecasted budget assumes that Budget for Financial Year 2020-2021 is fully adopted and that there will be a host for the 2021 Annual Commission meeting.

¹ G110-2019 USA's Voluntary Contribution for SPRFMO.



DRAFT ANNUAL BUDGET

South Pacific Regional Fisheries Management Organisation					
Proposed Budget for Financial Year 2020-21 and Forecast Budget for Financial Year 2021-22					
(New Zealand Dollars)					
Main Budget Categories	Budget Items	FY 2019-2020		FY 2020-2021	FY 2021-2022
		Adopted Budget 2019-2020 COMM7-Report ANNEX 6c	Forecasted 2020-2021	Budget Proposal 2020-2021 Financial Regulation 2.1	Forecast Budget 2021-2022 Financial Regulation 2.1
1. Personnel Cost					
1.1	Salaries				
	Professional Category (PC)				
	Executive Secretary (P5)	206 000	210 000	218 000	229 000
	Data Manager (P3)	154 000	158 000	159 000	167 000
	Communication and Co-ordination Officer (P1)	96 000	98 000	98 000	103 000
	Compliance Manager (P3)	0	140 000	144 000	152 000
	General Services Category (GSC)				
	Finance and Office Manager	72 000	78 000	78 000	82 000
	IT Manager	36 000	39 000	39 000	41 000
	Total Staff Salary Cost	564 000	723 000	736 000	774 000
1.2	Insurance				
	Health Insurance (3 PC)	30 000	30 000	30 000	30 000
	Life Insurance (3 PC)	4 000	6 000	6 000	6 000
	ACC (1 PC and 2 GSC)	1 000	1 000	1 000	1 000
	Total Insurance Cost	35 000	37 000	37 000	37 000
1.3	Home Leave	7 000	18 000	8 000	18 000
1.4	Temporary Personnel Under Contract				
	Data Analyst	36 000	0	0	0
	Temporary Compliance Officer	36 000	0	0	0
1.5	Staff Training & Other Professional Development	15 000	15 000	15 000	15 000
1.6	Cost Associated with Staff Conflict Resolution	5 000	5 000	5 000	5 000
	Subtotal Personnel Cost	698 000	798 000	801 000	849 000
2. Premises and Equipment					
2.1	Premises				
	Office Renting	57 000	60 000	57 000	60 000
	Property Insurance	2 000	2 000	2 000	2 000
	Power	4 000	4 000	4 000	4 000
	Cleaning	2 000	2 000	3 000	3 000
	Total Premises Cost	65 000	68 000	66 000	69 000
2.2	IT/Computer Hardware	12 000	21 000	23 000	15 000
2.3	Office Equipment and Supplies	8 000	8 000	8 000	8 000
	Subtotal Premises and Equipment	85 000	97 000	97 000	92 000
3. Meetings and Travel					
3.1	CTC and Annual Commission Meeting	45 000	52 000	75 000	55 000
3.2	Scientific Committee Meeting	25 000	5 000	10 000	25 000
3.3	Other Meetings and Travel	35 000	26 000	26 000	28 000
3.4	Cost Associated with Hosting a Meeting	5 000	6 000	6 000	6 000
	Subtotal Meetings and Travel	110 000	89 000	117 000	114 000
4. Information and Communication					
4.1	Telephone and Internet	8 000	8 000	9 000	9 000
4.2	Computer Expenses and IT Support	4 000	5 000	5 000	6 000
4.3	Website Expenses	4 000	5 000	5 000	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	71 000	73 000	74 000	75 000
5. Operational Expenses					
5.1	Auditors	8 000	8 000	8 000	8 000
5.2	Stationeries, Printing and Publications	5 000	5 000	5 000	5 000
5.3	Bank and Post Services	4 000	4 000	4 000	4 000
5.4	Hospitality	3 000	3 000	3 000	3 000
5.5	Other General Expenses	10 000	10 000	10 000	10 000
	Subtotal Operational Expenses	30 000	30 000	30 000	30 000
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
7. Non - Routine Expenses					
7.1	SPRFMO Observer Programme Accreditation Provider	0	100 000	20 000	60 000
7.2	Rebuilding the Contingency Fund	20 000	20 000	20 000	20 000
7.3	Recruitment and installation of Compliance Manager	0	85 000	85 000	0
	Subtotal Non - Routine Expenses	20 000	205 000	125 000	80 000
Subtotal		1 122 000	1 400 000	1 352 000	1 348 000
8. Scientific Support	(see FR2 Para 4)	20 000	22 000	80 000	44 000
9. Developing States	(see FR2 Para 4)	30 000	35 000	35 000	35 000
Grand Total		1 172 000	1 457 000	1 467 000	1 427 000
USA Voluntary Contribution				175 890	
Net Total				1 291 110	



3. Forecasted Budget vs Proposed Budget for Financial Year 2020-2021

Budget Category	Forecasted NZD	Proposed NZD	Difference NZD	Explanation
3. Meetings and Travel	89 000	117 000	+ 28 000	<ul style="list-style-type: none">• The 9th Commission Meeting will be hosted by Peru in 2021². Based on the final Travel and Meeting cost for the 6th SPRFMO Commission Meeting (Peru, January 2018) this budget item needs to be increased by NZD 23 000.• The 8th Scientific Committee Meeting will be held in New Zealand, Napier³ (not in Wellington as forecasted), therefore, NZD 5 000 needs to be added.
7. Non-Routine Expenses	205 000	125 000	- 80 000	<ul style="list-style-type: none">• Based on the replies to Secretariat Letter R10-2019 “Intention to Pursue Accreditation under the SPRFMO Observer Programme” only one Member will look for accreditation from 1st January 2021, therefore the budget item 7.1 has been adjusted accordingly (deducting NZD 80 000) to cover this Member accreditation⁴.
8. Scientific Support	22 000	80 000	+ 58 000	<ul style="list-style-type: none">• The SC Multi-Annual work plan for 2020-21⁵ has budgeted NZD93 000 in order to deliver on Commission requests. Considering Financial Regulation 2.4 “<i>unspent appropriations may accrue between financial years</i>”, the increase in the Scientific Support Category has been set accordingly and increased by NZD 58 000.

As a result, the proposed budget for Financial Year 2020-2021 (NZD 1 467 000) is slightly over (+ 0.69%) the forecasted budget (NZD 1 457 000).

² [COMM7 Report](#), Page 5, Paragraph 40.

³ [SC7 Report](#), Page 50, Paragraph 370.

⁴ The EUR 150 000 contribution from the European Union allocated to the SPRFMO observer accreditation will cover its implementation until 31st December 2020.

⁵ [SC7 Report](#), Annex 5, Page 67.