



South Pacific Regional Fisheries Management Organisation

2nd Meeting of the Commission Manta, Ecuador: 27 - 31 January 2014

Report of the 1st Finance and Administration Committee

1. Opening

The participants were welcomed to the meeting by Mr Gordon Neil, Chairperson of the Committee.

2. Adoption of Agenda

2.1 The Provisional Agenda FAC-01-01 was adopted as the meeting's Agenda and is attached as Appendix 1.

2.2 The Executive Secretary reviewed the Meeting Documents listed in FAC-01-INF-01

3. Financial Statement for the period ended 30 June 2013

3.1 The Executive Secretary presented the Financial Statement for the five month period ended 30 June 2013. He noted that a statement of the transfer of appropriations between categories by the Executive Secretary, or approved by the Chairperson, were contained in FAC-01-02 (Note 9) and FAC-01-02_supp.

3.2 The Executive Secretary referred to the Accumulated Financial Surplus Account which at the end of the year contained \$54,736. It was suggested that any surplus above operational requirements could be used to address increased administrative costs arising from new compliance measures.

3.3 The Executive Secretary noted that the Auditor's report was attached at the end of the FAC-01-02. The Committee had no comment to forward to the Commission on the Audit Report.

3.4 There was no investment income during the period, however the Executive Secretary referred to Note 7 of FAC-01-02 which recorded there had been a transfer of funds held for the Interim Secretariat of \$125,430.

3.5 The Committee asked the Executive Secretary to prepare a proposal for it to consider at its next meeting prescribing conditions under which the Chairperson may authorise expenditures from the Accumulated Surplus Account to meet unforeseen and extraordinary expenses.

4. Draft Budget for the financial year 2014-15

The Executive Secretary presented the draft budget for the financial years 2014-15 and 2015-16 (FAC-01-03_rev1). The Committee noted the draft budget for 2015-16 and recommended that the Commission adopt the proposed budget for 2014-15 shown in Appendix 2.

4.1 The Committee noted the annual contributions for each member of the Commission for 2014-15. The representative of China noted difficulties with the likelihood of increased contributions in 2015-16 and asked that the provisions in the Financial Regulations concerning member contributions be reviewed at the next meeting of the Commission. The representative of Chinese Taipei suggested that future budget papers should highlight any significant changes in contributions for individual members.

5. Member Contribution Report

The Executive Secretary presented the Report of the Collection of Annual Contributions from Members (FAC-01-04). He noted since the report was prepared on 30 October 2013, that Chile has paid its outstanding contribution and that the European Union representative has informed him that it will be in a position to pay its outstanding contribution together with its 2014-2015 contribution after the latter has been approved at the 2nd Commission meeting. The EU clarified that late payments were due to financial years not coinciding. The Cook Islands delegation stated that it had budget timing problems for the initial payment but was expecting to fulfil its obligations.

6. Next meeting of the Commission

The delegation of New Zealand offered to host the next Commission Meeting and the Committee agreed to pass that advice to the Commission. The Committee discussed the possibility of moving the meeting to a little later in the year, noting difficulties with meeting immediately after Christmas and yet not causing difficulties for members and CNCPs in implementing the Commission's measures that applied in that year. The Executive Secretary was asked to consult members and CNCPs on the possibility of holding the meeting a week or so later in the year.

7. Other matters

A number of delegations suggested that in the future a two day meeting of the Compliance and Technical Committee should be scheduled immediately before the week of Commission meetings. The Committee agreed to recommend this to the Commission.

The delegation of Chile raised the possibility of CNCPs being invited to make voluntary contributions to the Commission's budget. In the discussion of the matter, the precedent of the system used by the West and Central Pacific Fishery Commission was noted. The Committee recommended that the Commission agree to investigate the possibility of a similar system.

8. Adoption of Report

The report was adopted by the Committee at 15:24 on the 30th of January.

9. Meeting Closure

The meeting closed after the adoption of the report.

Appendix 1
Finance & Administration Agenda

1. **Welcome and Introduction**
2. **Administrative Arrangements**
 - 2.1 Adoption of the Agenda
 - 2.2 Meeting Documents
3. **Annual Financial Statement for the SPRFMO for year ending 30 June 2013**
 - 3.1 Statement of transfers between categories (3.3 Financial Reg.)
 - 3.2 Accumulated Surplus Account (4.6 Financial Reg.)
 - 3.3 Auditor Report (9.9 Financial Reg.)
 - 3.4 Investment and other income (4.11 Financial Reg.)
 - 3.5 Advice on conditions under which Chairperson may authorize expenditure from the Accumulated Surplus Account.
4. **Draft Budget for financial year 2014 – 2015 (Art. 15 of the Convention: 2 Financial Reg.)**
 - 4.1 Formula for contributions to the budget (4.7 Financial Reg.)
5. **Member Contribution Report (including voluntary contribution) (4.8 Financial Reg.)**
6. **Next meeting of the Commission (Art. 13.2 of the Convention)**
7. **Other matters**
8. **Adoption of Report**
9. **Meeting closure**

Appendix 2

Draft Budget for financial year 1 July 2014 – 30 June 2015

Personnel Cost	\$500,000
Recruitment	\$0
Plant and Equipment	\$10,000
Travel and Accommodation	\$85,000
Scientific experts	\$20,600
Developing States	\$15,000
Contracted Services	\$100,000
Telephone, internet and website hosting	\$30,000
Rent and associated services	\$41,046
Other	\$20,600
Total	\$822,246