

# 11<sup>TH</sup> MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE (FAC)

Manta, Ecuador, 25, 26, 27 & 30 January 2024

# FAC 11 – Doc 07 Draft Budget for Financial Year 2024-25 and 2025-26 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 where the Committee will adopt its recommendations to the Commission".

#### 2. Draft Annual Budget

This draft annual budget is prepared in accordance with Article 15 paragraph 4 of the Convention. The information contained in this document includes the:

- Adopted budget for Financial Year (FY) 2023-24 and the Forecasted budget for FY 2024-25 as agreed/presented during COMM11 (COMM11-Report Annex 5a).
- Proposed budget for FY 2024-25. The Net Total for FY 2024-25 (at NZ\$ 1,915,600) is significantly greater than the forecasted budget this is primarily due to a recommendation from the Scientific Committee for the Commission to consider funding connectivity research in jack mackerel (refer SC11-report, paras 99 102). There are also minor increases in staff associated costs and an increase in the number of observer programmes that are expected to seek accreditation in 2024.
- Forecast budget for FY 2025-26. This forecasted budget reflects the current consumer price index inflation rate in New Zealand (of 5.6%) and assumes that the Budget for FY 2024-25 is fully adopted and that there will be an identified host for the 2025 Annual SPRFMO Meeting (COMM13).
- Proposed budget items which are noticeably different from last year's forecasted budget figures are explained in Section 3 below.



### **DRAFT ANNUAL BUDGET**

Description		South Pacific Regional Fisheries Mana Proposed Budget for Financial Year 2024-25 and Foreca		2025-26		
Am Budget Categories						
A Personnel Cost	Main Budget Categories	Rudget Items				
1.1   Journey   Proposition College y Pro   Section Processing Proposition College y Pro   Section Processing Proposition College y Pro   Section Processing Proposition College y Proposition Colle	Walli buuget Categories	budget itellis				
Information Caregor (PC)  Construction (PC)  Test Start Solary (PC)  Test Solary (PC)  Test Start Solary (PC)  Test Sol	1. Personnel Cost					
Complete Security (PS)   20-6-50   27-125   27-20   20-50						
Complete Manager (PM)   2014 to 1974			264 510	271 120	272.000	205.00
Completion Manager (15)						285 00 230 00
Communication and Configuration   15.00   15						240 00
Communication   Communicatio						175 00
Trail Solf Solpy Cod   12   12   12   13   13   13   13   14   13   13   13		General Services Category (GSC)				
1.   mutanze		Finance and Office Manager	92 450	98 800	101 000	106 00
Health Insurance (SIT)   Size Processor   Size   Size Processor   Size P		Total Staff Salary Cost	948 955	976 022	992 000	1 036 00
April property   April 1990   100		1.2 Insurance				
### ACT   Read   GCT						50 00
Teal Insurance Cost   32,000   39,000   35,000   20,000						6 50
1.3   Horn Leave						100
1. Suff Training & Other Professional Development   20,000   20,						57 50 25 00
Subtotal Personnel Cost						20 00
2. Premises and Equipment  2. Premises and Equipment  2. Premises and Equipment  2. Premises and Equipment  2. Differ Sets (roudes continue area of Parect)		-				1 138 50
2.1 Premises	2. Premises and Equipment	0.000.000.000.000.0000	1 010 500	2007 022	1 003 000	1 100 00
Insurances   3.00   3.500   3.500   3.500   5.00	· •	2.1 Premises				
September   Sept		Office Rent (includes common area charges)	64 000	66 000	66 000	69 00
Clasming		Insurances	3 300	3 500	3 500	3 70
Total Premises Cord   78.200   78.800		Power	5 400	5 600	5 400	5 40
2.2   T/Computer Hardware/Equipment   15.000   18.000   3.000   3.500   3.000   3.500   3.000   3.500   3.000   3.500   3.00		Cleaning				3 50
3. Meetings and Travel 3.1 CTC and Annual Commission Meeting 3.2 Scentific Commission Meeting 3.3 CTC and Annual Commission Meeting 3.3 Scentific Commission Meeting 3.3 Cont Annual Commission Meeting 3.3 Cont Annual Commission Meeting 3.3 Cont Annual Commission Meeting 3.4 Cont Annual Commission Meeting 3.5 Scentific Commission Meeting 3.6 Cont Annual Commission Meeting 3.7 Cont Annual Commission Meeting 3.8 Cont Annual Commission Meeting 3.9 Cont Annual Commission Meeting 3.9 Cont Annual Commission Meeting 3.0 Control Meetings and Travel 3.0 Control Meeti						81 60
Subtotal Premises and Equipment  3.1 CTC and Annual Commission Meeting 3.2 Scientific Committee Meeting 3.3 Clotter Meetings and Travel  3.4 Cost Associated with Hosting and Travel 3.5 Committee Meeting 3.5 Committee Mee						12 00
3.1 CTC and Annual Commission Meeting 3.0 00 85 000 85 000 32 000 30 000 32 000 30 000 32 000 30 000 32 000 30 000 32 000 30 000 32 000 30 000 32 000 30 000 32 000						4 00
3.1. CTC and Annual Commission Meeting 30 000 32 00	Mootings and Traval	Subtotal Premises and Equipment	94 200	99 600	90 900	97 60
3 2 Colertific Committee Meeting 3 30 000 3 20 00 3 0000 3 30 00 4 1000 3 3 000 4 1000 3 3 000 4 1000 3 3 000 4 1000 3 3 000 4 1000 3 3 000 4 1000 3 3 000 4 1000 3 3 000 4 1000 3 3 000 5 3 0	o. Meetings and Traver	3.1 CTC and Annual Commission Meeting	60,000	85,000	85 000	85 00
3.3 Other Meetings and Travel 35 000 39 000 41 000 30 000 14 000 30 000 15 000		-				32 00
3.4   Cost Associated with Hosting a Meeting   131 000   163 000						41 00
4. Information and Communication 4.1. Telephone and Internet 4.2. Computer Expenses and IT Support 4.3. Website Expenses 4.4. Database Regular Costs 4.5. Database Regular Costs 4.5. Database Regular Costs 4.5. Database Development 5. Operational Expenses 5. I. Auditors 5. J. Auditors 5. J. Stationeries, Printing and Publications 5. J. J. Stationeries, Printing and Publications 5. J. J. Stationeries, Printing and Publications 5. J. J. J. Stationeries, Printing and Publications 5. J. J. J. Stationeries, Printing and Publications 5. J.		3.4 Cost Associated with Hosting a Meeting	6 000	7 000	7 000	7 00
4.1   Telephone and Internet		Subtotal Meetings and Travel	131 000	163 000	163 000	165 00
4.2 Computer Expenses and IT Support 4.3 Website Expenses 4.4 Database Pegular Cotts 4.4 Database Regular Cotts 5.5 Operational Expenses 5.5 Operational Expenses 5.5 Operational Expenses 5.5 Operational Expenses 5.6 Spread of the Contingency Fund 5.7 Non - Routine Expenses 5.8 Subtotal 5.9 Reprinting the Contingency Fund 7.3 Performance Review 7.4 Hosting the 2024 Annual meeting 7.3 Performance Review 7.4 Hosting the 2024 Annual meeting 7.5 Suctorial Cuppor fund 7.6 Contingency Fund 7.7 Spread (FR 2.4) 7.1 Spread (FR 2.4) 7.2 Rebeloping States fund 7.3 Grand Total 7.1 Spread (FR 2.4) 7.1 Spread (FR 2.4) 7.1 Spread (FR 2.4) 7.2 Rebeloping States fund 7.3 Grand Total 7.3 Spread (FR 2.4) 7.4 Spread (FR 2.4) 7.5 Spread (	4. Information and Communication					
A   3   Website Expenses   10 000   12 000   10 000   35 000   3		·				3 50
A						37 00
Auditors   Subtotal Information and Communication   213 000   125 500   125 000		· ·				12 00 37 00
Subtotal Information and Communication   213 000   125 500   125 000						50 00
5. Operational Expenses  5. 1. Auditors 5. 2. Stationeries, Printing and Publications 5. 3. Bank and Post Services 5. 000 5. 3. Bank and Post Services 5. 000 5. 00						139 50
Section   Sect	5. Operational Expenses		223 000	125 500	123 000	200 00
Same and Post Services   5000   5000   3500   3500   5.4     Hospitality   3000   3000   1500   1500     Solution   Sol		5.1 Auditors	10 000	12 000	10 000	12 00
Separation   Sep		5.2 Stationeries, Printing and Publications	4 000	4 000	3 000	3 20
Section   Subtotal   Section   Secti		5.3 Bank and Post Services	5 000	5 000	3 500	3 70
Subtotal Operational Expenses   10 000   10 000   5 000		5.4 Hospitality	3 000	3 000		1 60
Subtotal Operational Expenses 32 000 34 000 35 000  6. SPRFMO VMS  6.1 Contingency for unanticipated service charges 8 000 10 700 10 700 107 000 Subtotal VMS 112 000 117 700 117 700 117 700  7. Non - Routine Expenses  7.1 SPRFMO Observer Programme Accreditation Provider 7.2 Rebuilding the Contingency Fund 9 0 30 000 30 000 7.4 Hosting the 2024 Annual meeting 161 816 0 0 0 0 Subtotal Non - Routine Expenses 213 816 82 000 93 000 10 00		_				12 50
6.5 SPRFMO VMS  6.1 Contingency for unanticipated service charges  8 000 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 700 10 70 70 10 700 10 7		· ·				5 00
6.1 Contingency for unanticipated service charges  6.2 Annual Fee for VMS contracted services  Subtotal VMS  7. Non - Routine Expenses  7.1 SPRFMO Observer Programme Accreditation Provider  7.2 Rebuilding the Contingency Fund  7.3 Performance Review  7.4 Hosting the 2024 Annual meeting  Subtotal Non - Routine Expenses  8 000 10 700 107 000  117 700  117 700  117 700  63 000  63 000  7.4 Hosting the Contingency Fund  8 Subtotal Non - Routine Expenses  161 816  0 0  Subtotal  8 Expenses  1811 971  1678 822  1713 600  186 000  9. Scientific Support fund  (FR 4.6)  9. Scientific Support fund  (FR 5)  3 5 000  3 5 000  1	C CDDFNAO VAAC	Subtotal Operational Expenses	32 000	34 000	35 000	38 00
6.2 Annual Fee for VMS contracted services Subtotal VMS  7.1 SPRFMO Observer Programme Accreditation Provider 7.2 Rebuilding the Contingency Fund 7.3 Performance Review 7.4 Hosting the 2024 Annual meeting Subtotal Non - Routine Expenses  8. Contingency fund 8. Contingency fund 9. Scientific Support fund (FR 4.6) 9. Scientific Support fund (FR 5) 35 000 30 0	D. SPKFMU VMS	6.1 Contingency for yeartisinated as a live of	0.000	10.700	10.700	11-00
Subtotal VMS  7. Non - Routine Expenses  7. SPRFMO Observer Programme Accreditation Provider 7. Rebuilding the Contingency Fund 7. Performance Review 7. Subtotal Non - Routine Expenses 7. Sub						11 00 110 00
7. Non - Routine Expenses  7. 1 SPRFMO Observer Programme Accreditation Provider Rebuilding the Contingency Fund 7. 2 Rebuilding the Contingency Fund 7. 3 Performance Review 7. 4 Hosting the 2024 Annual meeting Subtotal Non - Routine Expenses 8. Contingency fund 9. Scientific Support fund 1. FR 2.4) 1. Developing States fund 1. Ref. 2.4) 1. Developing States fund 1. Ref. 2.4) 1. Developing States fund 1. Ref. 2.4) 1.						121 00
7.1 SPRFMO Observer Programme Accreditation Provider 7.2 Rebuilding the Contingency Fund 7.3 Performance Review 7.4 Hosting the 2024 Annual meeting Subtotal Non - Routine Expenses 8. Contingency fund 9. Scientific Support fund 1. ER 2.4) 1. Developing States fund 1. Result of the subtotal Scient fund 1. Result of the subtotal Scient fund 1. Result of the subtotal Scientific Support fund 1. Res	7. Non - Routine Expenses	- A - C - C - C - C - C - C - C - C - C	112 000	117 750	117 700	
Technic   Tech	•	7.1 SPRFMO Observer Programme Accreditation Provider	52 000	52 000	63 000	45 00
7.3 Performance Review 7.4 Hosting the 2024 Annual meeting Subtotal Non - Routine Expenses Subtotal 8. Contingency fund 9. Scientific Support fund (FR 2.4) 10. Developing States fund (FR 5) 35 000 30 000 3						
Subtotal Non - Routine Expenses     213 816     82 000     93 000       Subtotal     1 811 971     1 678 822     1 713 600     1       3. Contingency fund     (FR 4.6)     30 000     30 000     30 000       3. Scientific Support fund     (FR 2.4)     10 000     20 000     186 000       10. Developing States fund     (FR 5)     35 000     35 000     35 000       Grand Total     1 886 971     1 763 822     1 964 600     1 900       Voluntary Contributions affecting the budget     52 000     39 000     49 000			0	30 000	30 000	
Subtotal     1811 971     1 678 822     1 713 600     1       3. Contingency fund     (FR 4.6)     30 000     30 000     30 000       3. Scientific Support fund     (FR 2.4)     10 000     20 000     186 000       10. Developing States fund     (FR 5)     35 000     35 000     35 000       Grand Total     1 886 971     1 763 822     1 964 600     1 900       Voluntary Contributions affecting the budget     52 000     39 000     49 000		-		0	0	
3. Contingency fund (FR 4.6) 30 000 3		Subtotal Non - Routine Expenses				45 00
2. Scientific Support fund (FR 2.4) 10 000 20 000 186 000 10. Developing States fund (FR 5) 35 000 3		(50.4.6)				1 744 60
LO. Developing States fund     (FR 5)     35 000     35 000     35 000       Grand Total     1 886 971     1 763 822     1 964 600     1 900       Voluntary Contributions affecting the budget     52 000     39 000     49 000						30 00
Grand Total         1 886 971         1 763 822         1 964 600         1 900           Voluntary Contributions affecting the budget         52 000         39 000         49 000						176 00
Voluntary Contributions affecting the budget 52 000 39 000 49 000		(rn 5)				35 00 1 955 60
						1 900 00
Net Total 1 915 600 1 9 1 1 1 724 822 1 915 600 1 9 1 9 1 9 1 9 1 9 1 9 1 9 1 9 1 9 1			1 834 971	1 724 822	1 915 600	1 955 60



## 3. Forecasted Budget vs Proposed Budget

Category	Co	mparison	Explanation	
			Anticipated personnel costs for staff have increased mostly due	
1. Personnel Cost	Forecast Proposed Difference %	1 057 022 1 089 000 31 978 3%	to the trend in the USD-NZ\$ exchange rate (the exchange rate has steadily tracked upwards from 1.573 (January 2023) to 1.703 (November 2023). The increase in insurance cover reflects the increased number of staff dependants because of recent recruitment. To note, the September 2023 Consumer Price Index in New Zealand was 5.6%	
2. Premises and Equipment	Forecast Proposed Difference %	99 600 90 900 (8,700) -8.7%	Decrease in budgeted costs due to reduction in anticipated IT hardware requirements.	
3. Meetings and Travel	Forecast Proposed Difference %	163 000 163 000 0 0%	No change from forecast	
4. Information and Communication	Forecast Proposed Difference %	125 500 125 000 (500) -0.4%	No significant change from forecast. Some funds have been reallocated to support SPRFMO Database development to enable enhanced functionality and increased efficiencies.	
5. Operational Expenses	Forecast Proposed Difference %	34 000 35 000 1 000 2.9%	No significant change from forecast. Some funds have been reallocated to allow for a new sub item "legal advice" to support the provision of independent legal advice on an ad-hoc basis.	
6. SPRFMO VMS	Forecast Proposed Difference %	117 700 117 700 0 0.0%	The contingency amount recommended by the VMS Wo	
7. Non-Routine Expenses	Forecast Proposed Difference %	82 000 93 000 11 000 13.4%	The new figure reflects the latest indication of how many Observer programmes intend to seek accreditation during 2024.	
8. Contingency Fund	Forecast Proposed Difference %	30 000 30 000 0 0.0%	No change from forecast.  The location of the contingency fund has been moved out of non-routine expenses and made a separate category. This change means the fund will get more visibility and will simplify financial reporting (noting that for accounting purposes the contingency fund is a movement of equity and not an expense).	
9. Scientific Support	Forecast Proposed Difference %	20 000 186 000 166 000 >100%	This figure has been sourced from the SC multiannual workplan (SC11-Report Annex 5). As per FAC10, this figure now only includes activities that the Commission is being asked to fund. This includes support for the JM assessment, ongoing Connectivity research and a 2024 squid workshop. The status of the Scientific Support fund is reported in a standalone FAC paper.	
10. Developing States	Forecast Proposed Difference %	35 000 35 000 0 0.0%	No change from forecast. The Status of the Developing States Fund is reported in a standalone FAC paper.	
Voluntary Contributions affecting the budget	Forecast Proposed Difference %	39 000 49 000 10 000 25.6%	The only voluntary contributions which affect the budget items are those provided by the EU to support the observer programme accreditation. To note that this year the EU fund will not fully cover the expected observer programme expenses as one of the expected applicants is ineligible for such support. All voluntary contributions are reported in the SPRFMO Report of Income.	



Category	Comparison		Explanation		
Net Total	Forecast Proposed Difference %	1 724 822	Considering all the differences above, the Net Total in the budget proposed for Financial Year 2024-25 is up approximately 11% from the forecasted budget presented last year.		