



4th Meeting of the Finance and Administration Committee Adelaide, Australia, 18-22 January 2017

FAC 4 – Doc 05 Rev.1

Draft budgets and allocations for the financial years 2017-18 and 2018-19

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 2.4 requires that the draft budget be accompanied by details of the appropriations and expenditures for the previous year.

The proposed budget for 2017-18 and the forecast budget for 2018-19 are included in Table 1. General descriptions for all items are provided in the table.

Table 2 shows the appropriations and expenditures as at 31 October 2016 for the current financial year 2016-17.

Table 3 contains the schedule of Member contributions based on the draft budget for 2017-18 respectively, using the current agreed formula.

Table 4 contains the schedule of Member contributions based on the forecast budget 2018-19. This schedule considers the current agreed formula as well.

Table 1: Proposed and forecast SPRFMO budgets for the years 2017-18 and 2018-19 (NZD)

Budget Items (including detailed cost estimates) ¹	2016 Forecast For 2017-18	2017 Proposal for 2017-18	2017 Forecast for 2018-19
Personnel Salaries (P5, P3, P2, 2 GS): \$590 000 Insurances: \$22 000 Temporary personnel: \$25 000 Training and other: \$13 000	\$650 000	\$650 000	\$675 000
Premises and Equipment Premises: \$46 000 IT hardware: \$12 000 Other: \$10 000	\$76 000	\$70 000	\$72 000
Meetings and Travel SPRFMO SC/Annual meetings: \$70 000 Home leave: \$10 000 Other meetings: \$10 000	\$90 000	\$90 000	\$95 000
Information and Communication Telephone, internet & other IT: \$10 000 Website expenses: \$5 000 Database regular costs: \$15 000 <i>Database development: \$50 000, (see NOTE)</i>	\$25 000	\$30 000	\$80 000
Other Operational Expenses Auditors: \$7 000 Printing: \$5 000 Bank and post services: \$4 000 Hospitality: \$4 000 Other: \$10 000	\$29 000	\$30 000	\$31 000
Subtotal	\$870 000	\$870 000	953 000
Scientific Support (see FR2 para 3)	\$20 000	\$12 000	\$20 000
Developing States (see FR2 para 3)	\$20 000	\$20 000	\$20 000
Total	\$910 000	\$902 000	\$993 000

The SPRFMO financial year starts on the 1 July and ends on the 30 June of the following year. Table 1 shows the proposed budget for the financial year 2017 to 2018 (column 2) in comparison with the forecasted amounts from last year (column 1), and with the forecasted budget for the following financial year, 2018-2019 (column 3).

It is important to recognise that the proposed 2017-2018 budget includes a new local staff member (VMS and IT Manager). However, the proposed budget does not contain any other costs associated with the VMS system, which the Commission is expected to adopt at the 2017 Annual Meeting.

NOTE: The Secretariat strongly recommends to add \$50 000 for database development also into the upcoming 2017-2018 budget if the Commission decides to develop a SPRFMO VMS.

¹ Costs estimates for sub-items are approximate and preliminary; they may be subject to changes depending on actual cost developments, emerging requirements and unforeseen circumstances.

Table 2: 2015-2016 Budget and expenditure as at 31 October 2015.

Item	Budget 2016 – 17	Expenditure YTD as at 31 October 2016
Personnel	\$560 000	\$173 300
Premises and Equipment	\$70 000	\$16 300
Meetings and Travel	\$70 000	\$18 100
Information and Communication	\$44 000	\$14 500
Other Operational Expenses	\$46 000	\$20 000
Subtotal	\$790 000	\$242 200
Scientific Support	\$20 000	\$20 000
Developing States	\$20 000	\$20 000
Total	\$830 000	\$282 200

Table 3: Schedule of contributions based on the draft budget for 2017-18, calculated in accordance with paragraph 4.7 (d) of the Financial Regulations and based on catches reported by 11 November 2016.

NOTE: The contribution formula is under review and assessed contributions will change if a new formula is adopted in 2017.

2017/18 Financial year of the Organisation

Base fee 10%	National Wealth	30%	Catches	60%
	GNI	GNI per capita	Pelagic	45%
	15%	15%	Demersal	15%

Base catch years = 2013 to 2015

Budgeted Amount

\$ 902,000

Members	Base	Wealth component		Catches		Contribution
		GNI	GNI per capita	Pelagic	Demersal	
Australia	\$6 882	\$5 674	\$27 034	\$0	\$17 281	\$56 871
Chile	\$6 882	\$1 003	\$6 328	\$22 816	\$0	\$37 028
China	\$6 882	\$42 593	\$3 519	\$324 106	\$0	\$377 101
Cook Islands	\$4 832	\$1	\$6 752	\$0	\$0	\$11 585
Cuba	\$4 832	\$329	\$3 274	\$0	\$0	\$8 435
Ecuador	\$4 832	\$385	\$2 705	\$0	\$0	\$7 922
European Union	\$6 882	\$69 706	\$15 497	\$20 083	\$4 229	\$116 397
Faroe Islands	\$6 882	\$9	\$20 094	\$0	\$0	\$26 984
Korea	\$6 882	\$5 318	\$12 349	\$10 847	\$0	\$35 396
New Zealand	\$6 882	\$732	\$18 038	\$0	\$113 790	\$139 441
Peru	\$6 882	\$773	\$2 790	\$2 130	\$0	\$12 576
Russian Federation	\$6 882	\$6 627	\$5 130	\$1 000	\$0	\$19 640
Chinese Taipei	\$6 882	\$2 147	\$10 369	\$7 481	\$0	\$26 878
Vanuatu	\$6 882	\$3	\$1 422	\$17 438	\$0	\$25 746
Total	\$90 200	\$35 000	\$135 300	\$405 900	\$135 300	\$902 000

Last update 11/11/16

Table 4: Forecast of schedule of contributions based on the draft budget for 2018-19, calculated in accordance with paragraph 4.7 (d) of the Financial Regulations and based on catches reported by 11 November 2016.

NOTE: The contribution formula is under review and assessed contributions will change if a new formula is adopted in 2017.

2018/19 Financial year of the Organisation

Base fee	10%	National Wealth	30%	Catches	60%
		GNI	GNI per capita	Pelagic	45%
		15%	15%	Demersal	15%

Reference years = 2013 to 2015

Draft budget

\$ 993,000

Members	Base fee	Wealth component		Catches			Contribution
		GNI	GNI per capita	Pelagic	Squid	Demersal	
Australia	\$7,802	\$6,247	\$29,761	\$0	\$0	\$19,025	\$62,835
Chile	\$7,802	\$1,104	\$6,966	\$25,117	\$0	\$0	\$40,989
China	\$7,802	\$46,890	\$3,874	\$356,795	\$0	\$0	\$415,362
Cook Islands	\$5,320	\$1	\$7,433	\$0	\$0	\$0	\$12,754
Cuba	\$5,320	\$362	\$3,604	\$0	\$0	\$0	\$9,286
Ecuador	\$5,320	\$424	\$2,978	\$0	\$0	\$0	\$8,722
European Union	\$7,802	\$76,738	\$17,060	\$22,109	\$0	\$4,656	\$128,365
Faroe Islands	\$7,802	\$9	\$22,121	\$0	\$0	\$0	\$29,932
Korea	\$7,802	\$5,855	\$13,595	\$11,941	\$0	\$0	\$39,192
New Zealand	\$7,802	\$805	\$19,857	\$0	\$0	\$125,270	\$153,735
Peru	\$5,320	\$851	\$3,072	\$2,345	\$0	\$0	\$11,587
Russian Federation	\$7,802	\$7,296	\$5,648	\$1,112	\$0	\$0	\$21,858
Chinese Taipei	\$7,802	\$2,363	\$11,415	\$8,235	\$0	\$0	\$29,816
Vanuatu	\$7,802	\$4	\$1,566	\$19,197	\$0	\$0	\$28,568
Total	\$99,300	\$148,950	\$148,950	\$446,850	\$0	\$148,950	\$993,000

Last update 11/11/16