

AGREEMENT ON THE INTERNATIONAL DOLPHIN CONSERVATION PROGRAM

9TH MEETING OF THE PARTIES

ANTIGUA (GUATEMALA)
23 JUNE 2003

DOCUMENT MOP-9-07

AIDCP BUDGET

1. INTRODUCTION

This document presents the actual costs for 2002 and proposed budgets for 2003 and 2004 to support all costs related to the AIDCP.

Since the 27th meeting of the IRP in June 2001, the Secretariat has expressed its concern regarding the future funding of the Program. The 2002 [Resolution on financing the IDCP](#) called for a budget for the IDCP to be presented to the Meeting of the Parties in June 2003. The budget presented here is based on information presented to the Working Group on Vessel Assessments and Financing in [Document VA-2-04](#), using revenue estimates based on the draft resolution prepared at that meeting (Appendix A). The 32nd meeting of the IRP in February 2003 endorsed the draft resolution and agreed to submit it for consideration by the Meeting of the Parties.

It should be noted that, although operating costs in general have increased with inflation at an annual rate of 2-3%, the vessel assessment rate of US\$12.552/m³ has not changed since 1999.

Four national programs have provided part of the observer coverage for the IDCP since the year indicated:

	Year	Coverage		Year	Coverage
Ecuador	2001	34%	Mexico	1992	50%
European Union	2003	50%	Venezuela	2000	50%

These programs reduce the Secretariat's variable costs of the IDCP (observers and field office staff) but not the fixed costs of supporting the Agreement. However, the current financial arrangements, established at the beginning of the IDCP when these fixed costs were relatively low, do not take this into account: the Secretariat simply returns to each of these national programs a percentage of the corresponding national fleet's assessments equal to the percentage coverage of the national fleet by the national program. During 2002 the variable costs accounted for 74% of the total costs supported by the assessments; thus, 26% of the funds currently returned to national programs were previously available to cover fixed costs. Of the assessments received to date for 2003, the 26% amounts to US\$399,000.

2. CURRENT FINANCIAL SITUATION

The vessel assessment fees paid so far for 2003 have totaled US\$1,535,173. Taking into consideration the cash on hand, the costs of the Program, together with the previous deficits, expenses for 2003 are forecast to exceed that revenue by US\$617,772. If only one-half of the previous year's deficit is to be recovered this year, as planned by the 32nd meeting of the IRP, the expenses and deficit will exceed that revenue by US\$526,921. The IATTC has no surplus cash to fund any additional deficits. In the absence of new funding the Secretariat would not be able to place observers one month before the existing funds run out, which is estimated to occur by August 15, 2003 (in the scenario that one half of the previous deficit is repaid). Thus, observers cannot be placed after July 15, 2003, without additional funding.

3. FINANCIAL FORECAST

Table 1 shows actual costs incurred for 2002 and the estimated costs and revenue for the IDCP forecast for 2003-2004. The estimates assume that inflation will increase general costs and salaries by 3%. The expenditure is an updated forecast of the information in [Document VA-2-04](#).

Vessel assessment revenue for 2003 and 2004 is based on the active purse-seine vessels of more than 363 T carrying capacity on the 2003 IATTC Regional Vessel Register and a rate of US\$12.552/m³. The other cost recovery estimated revenue for 2003 and 2004 is based on the draft resolution endorsed by the 32nd meeting of the IRP (Appendix A), using the illustrative rates in Appendix 7 of the minutes of that meeting (Appendix B).

Table 2 shows the line item detail supporting the summary of actual IDCP expenses for 2003 presented in Table 1.

Table 3 shows details of the allocation of the Secretariat staff's time to the tasks they perform in relation to the IDCP in 2003.

TABLE 1. IDCP: Allocation of costs, 2002-2004.

TABLA 1. PICD: Distribución de costos, 2002-2004.

(US\$)	2002	See Table 2 Ver Tabla 2	2003	2004
	(actual—reales)		(projected—proyectados)	
COSTS-COSTOS:				
Covered at 70%—Cubiertos al 70%				
Gross costs - Costos brutos:				
Observers (wages, travel, equipment, training)		A		
Observadores (sueldos, viajes, equipo, entrenamiento)	\$1,235,964		\$1,357,340	\$1,398,060
IATTC scientific staff (part)		B		
Personal científico de la CIAT (porción)	594,433		656,621	685,885
IATTC field office staff and facilities (part)		C		
Personal e instalaciones de las oficinas regionales de la CIAT (porción)	208,321		212,487	218,862
Contract services for data entry		D		
Servicios por contrato para captura de datos	18,015		18,376	18,927
Subtotal	\$2,056,733		\$2,244,824	\$2,321,734
70% of/del subtotal	1,439,713		1,571,376	1,625,213
Covered at 100%—Cubiertos al 100%				
Net alignments (travel)		E		
Alineamientos de la red (viajes)	9,191		8,754	14,167
Seminars for captains and crew (travel)		F		
Cursos de entrenamiento para capitanes y tripulantes (viajes)	3,117		3,179	3,274
IATTC administrative staff (part)		G		
Personal administrativo de la CIAT (porción)	298,474		324,608	336,663
IDCP travel (field office staff)		H		
Viajes PICD (personal de oficinas regionales)	13,817		12,653	14,135
Meetings of Parties and IRP (including staff travel)		I		
Reuniones de las Partes y del PIR (inclusive viajes del personal)	50,740		46,475	51,917
Dolphin-safe certification		J		
Certificación <i>dolphin safe</i>	4,076		4,198	5,000
TOTAL	\$1,819,128		\$1,971,243	\$2,050,369
REVENUE-INGRESOS:				
Total vessel assessments billed for the program year				
Total de cuotas de buques facturadas	1,637,426		1,671,303	1,500,000
Other Cost Recovery			458,341	458,341
Net alignments				
Alineamientos de la red				20,000
Dolphin safe certificates				
Certificados <i>dolphin safe</i>				4,000
Captains seminars				
Cursos de entrenamiento				13,000
Surplus (deficit) – Superávit (déficit)	(181,702)		158,401	(55,028)

TABLE 2. IDCP: Detailed expenses, 2003 (US\$).

TABLA 2. PICD: Detalle de gastos, 2003 (US\$).

A	Observers Observadores	1,357,340	Travel—Viajes Salaries and benefits—Sueldos y prestaciones Equipment, forms, misc—Equipo, formularios, misc Training—Entrenamiento	153,280 1,151,888 18,020 34,152
C	IATTC field office staff and facilities (part) Personal e instalaciones de las oficinas regionales de la CIAT (porción)	212,487	Rent & storage (exc. utilities)—Alquiler y almacenamiento (exc. servicios públicos) Telephone—Teléfono Internet services —Servicio de internet Utilities—Servicios públicos Materials & supplies—Materiales y pertrechos Furniture & equipment—Muebles y equipo Equipment repair & maintenance—Reparación y mantenimiento de equipo Postage—Franqueo Printing & reproduction—Imprenta y copiado Meals & entertainment—Sustento y entretenimiento Vehicle (use and maintenance)—Vehículos (uso y mantenimiento). Contract labor—Mano de obra por contrato Contract labor (taxes)-- Mano de obra por contrato (impuestos) Legal & professional fees —Honorarios legales y profesionales Property insurance—Seguros de propiedad Vehicle insurance—Seguros de vehículos Tax, license, fees & permits—Impuestos, licencias, cuotas y permisos	9,983 15,627 975 3,123 11,661 685 4,840 11,416 3,795 196 8,920 94,456 33,064 8,762 633 2,482 1,869
B	IATTC scientific staff (part) Personal de sede de la CIAT (porción)	656,621		
D	Contract services for data entry Servicios por contrato para captura de datos	18,376		
G	IATTC administration staff (part) Administración CIAT (porción)	324,608		
	Subtotal	999,605	Gross wages —Sueldos brutos FICA taxes—Impuestos de seguro social Retirement plan—Plan de retiro Group insurance—Seguro colectivo	812,080 61,929 64,650 60,946
E	Travel related to net alignments Viajes relacionados con alineamientos de la red	8,754		
F	Travel related to seminars for captains and crew Viajes relacionados con cursos de entrenamiento para capitanes y tripulantes	3,179		
H	IDCP travel (field office staff) Viajes PICD (personal de oficinas regionales)	12,653		
I	Travel related to Meetings of Parties and other ADCP meetings Viajes relacionados con Reuniones de las Partes y otras del APICD	46,475		
J	Dolphin-safe certification Certificación <i>dolphin safe</i>	4,198		
	Total	\$ 2,644,691		

TABLE 3: IATTC staff time dedicated to AIDCP activities.

TABLA 3: Tiempo del personal de la CIAT dedicado a actividades del APICD.

B. Scientific staff (part) -- Personal científico (parte): US\$656,621			%
Scientific staff Personal científico	Chief Scientist Científico Jefe	Meeting preparation and attendance – Reuniones: preparación y asistencia	20
		Captain seminars – Seminarios de capitanes	11
		Correspondence—Correspondencia	24
		Database reporting – Informes sobre bases de datos	5
		Total	60
	2 staff-personas	Statistical analyses of observer data – Análisis estadísticos de datos de observadores	5
		Preparation of documents for meetings – Preparación de documentos para reuniones	5
		Total	10
Secretarial Secretaría	1 staff-persona	Secretarial support—Apoyo de secretaría	60
Observer and data management Manejo de observadores y datos	11 staff-personas	Captain seminars – Seminarios de capitanes	1
		Trial sets – Lances de prueba	2
		Observer database maintenance and reporting – Mantenimiento de base de datos de observadores e informes	30
		Meeting preparation and attendance – Reuniones: preparación y asistencia	4
		Maintenance of tuna tracking and dolphin safe systems – Mantenimiento de sistemas de seguimiento de atún y <i>dolphin safe</i>	2
		Observer training, management, and field manual – Observadores: entrenamiento, manejo y manual	13
		Correspondence—Correspondencia	7
		Data entry – Captura de datos	14
		IRP database (captains, infractions) – Base de datos del PIR (capitanes, infracciones)	8
		Total	80
G. Administrative staff -- Personal administrativo: US\$324,608			
Director			28
Policy Política	2 staff-personas	Correspondence—Correspondencia	18
		Meeting preparation and attendance – Reuniones: preparación y asistencia	15
		Preparation of minutes – Preparación de actas	7
		Dolphin Safe issues – Asuntos <i>dolphin safe</i>	5
		Miscellaneous, including implementation of resolutions (tuna tracking plans; non-party and other compliance issues; etc.) – Miscelánea, incluye instrumentación de resoluciones (planes de seguimiento de atún, cumplimiento por no partes y otras cuestiones de cumplimiento, etc)	5
		Total	50
Computer support staff Personal de apoyo en informática		Maintenance of computer hardware and operating system – Mantenimiento de computadores y sistema operativo	14
		Web site and illustrations – Sitio de internet y gráficas	7
		Database programming – Programación de bases de datos	8
		Others – Otros	1
		Total	32
Editing and translation Redacción y traducción	2 staff-personas	Preparation of correspondence and documents – Preparación de correspondencia y documentos	28
Support services not charged to the AIDCP – Servicios de apoyo no cobrados al APICD			
Accounting and personnel Contabilidad y personal	2 staff-personas		
Director's secretaries Secretarías del Director	2 staff-personas		

Appendix A.

INTERNATIONAL DOLPHIN CONSERVATION PROGRAM

DRAFT RESOLUTION ON VESSEL ASSESSMENTS AND FINANCING

February 2003

The Parties to the Agreement on the International Dolphin Conservation Program:

[PREAMBLE]

Agree:

1. [Pending the completion of the measurement of well volume agreed by the IRP at its 30th meeting in June 2002, to apply a factor of 1.4 to convert the carrying capacity, in metric tons, of all purse-seine vessels on the IATTC Regional Vessel Register (“Register”) to well volume, in cubic meters, and calculate vessel assessments on the basis of the resulting calculated well volume.]
1. [In congruence with the decision to modify the reference system for vessel measurement from metric tons to cubic meters for the purposes of the payment of the vessel assessments for the observer program temporarily and until the measurement of well volume agreed by the IRP at its 30th meeting in June 2002 is completed, a factor of 1.4 will be applied to convert the carrying capacity, in metric tons, of all purse-seine vessel on the IATTC Regional Vessel Register to well volume, in cubic meters.]
2. All vessels required by the AIDCP to carry observers shall be assessed US\$[_____] per cubic meter of calculated well volume.
3. All vessels not required by the AIDCP to carry observers but included in the *Active Purse-Seine Capacity List* of the Register shall be assessed US\$[_____] per cubic meter of calculated well volume.]
4. Vessels on the *Inactive and Sunk Purse-Seine Capacity List* of the Register, excepting sunk vessels, shall be assessed US\$[_____] per cubic meter of calculated well volume.
5. All vessels contemplated in paragraph 2 that request a DML for a given year shall pay the required assessment by October 1 of the preceding year, pursuant to the AIDCP.
6. [All vessels contemplated in paragraph 2 that do not request a DML for a given year shall pay the required assessment by December 1 of the preceding year.]
7. Any vessel covered by this resolution but not contemplated in paragraph 2 shall pay the required assessment by December 1 of the preceding year.
8. Any vessel that does not pay the required assessment by the corresponding date shall be required to pay a surcharge of 50% of the assessment, additional to any sanction contemplated in Annex IV of the AIDCP.
9. In 2003 only, [all vessels required by the AIDCP to carry observers] [all purse-seine vessels] shall be required to pay, by August 1, the assessments for 2003 calculated pursuant to paragraph 1. Any vessel that does not pay the [supplementary] [required] assessment by the specified date shall be subject to a surcharge of 50% of this assessment.
10. [Any vessel that does not pay its required assessment for two consecutive years shall be considered to be undermining the AIDCP.]
11. [In 2003, if the assessment paid by a vessel for that year exceeds the assessment calculated pursuant to this resolution, the difference shall not be reimbursed.]
12. Unless the Parties decide otherwise, the annual increase in the fixed costs of the IDCP shall not increase by more than the rate of inflation in the United States of America in the previous year.
13. All assessments will be reviewed in 2005 with the aim of balancing the budget in that year.

Appendix B.

INTERNATIONAL DOLPHIN CONSERVATION PROGRAM
WORKING GROUP ON VESSEL ASSESSMENTS AND FINANCING
2ND MEETING

LA JOLLA, CALIFORNIA (USA)
3 FEBRUARY 2003

ILLUSTRATIVE CALCULATION OF VESSEL ASSESSMENTS (REVISED)

Based on the proposals in the draft resolution on vessel assessments and financing of 3 February 2003. All figures assume full participation by all vessels contemplated in the draft resolution. Portion assigned to national programs based on current percentage allocation of funds for coverage of vessels covered by the AIDCP.

	Class size	Capacity (mt)	Calculated well volume (m ³ ; mt x 1.4)	Rate per m ³ (US\$)	Additional revenue (US\$)		
					Total	National programs	Secretariat
2. Vessels required by the AIDCP to carry observers							
Difference from current well volume (m ³)	6	22,507	31,509	10.49	330,581	113,229	217,352
3. Other active vessels	1	340	476	2.00	952	-	952
Total capacity, by IATTC capacity class	2	2,410	3,374	3.00	10,122	821	9,301
	3	3,831	5,363	4.00	21,454	6,986	14,468
	4	5,005	7,007	5.00	35,035	11,681	23,354
	5	7,235	10,129	6.00	60,774	21,045	39,729
Total		18,821	26,349		128,337	40,533	87,804
4. Inactive vessels	1-4	2,260	3,164	2.00	6,328		
Total capacity, by IATTC capacity class	5	350	490	3.00	1,470		
	6	25,962	36,347	4.00	145,387		
Total		28,572	40,001		153,185		

SUMMARY OF CHANGES TO VESSEL ASSESSMENT REVENUE

	US\$
Additional revenue from Class 6 vessels (Draft resolution, item 2)	217,352
Revenue from Class 1-5 vessels (Draft resolution, item 3)	87,804
Revenue from inactive vessels (Draft resolution, item 4)	153,185
2002 deficit (Document VA-2-04)	(221,640)
2003 deficit (Document VA-2-04)	(236,701)
Surplus	0