

**AGREEMENT ON THE INTERNATIONAL DOLPHIN CONSERVATION
PROGRAM**

47TH MEETING OF THE PARTIES

**La Jolla, California
10-11 October 2023**

DOCUMENT AIDCP-47 INF-A(a)

**PROPOSAL (REVISED) OF THE CHAIR AND VICE-CHAIR OF THE
MEETING OF THE PARTIES**

USE OF THE AIDCP BUDGET SURPLUS

BACKGROUND AND EXPLANATORY STATEMENT

This proposed Resolution arises from the concern of how to use the surplus generated in the IDCP. Since 2015, a surplus has been generated year after year; this surplus is generated from the annual vessel contribution of US\$ 14.95 per cubic meter of well volume in accordance with Resolution A-18-01 paragraph 2, and which is largely destined to the Observer Program, which is the driving force and fundamental basis of the AIDCP. This surplus is depreciating year after year as it is not being utilized.

It should be noted that, since 2014, there have been no increases in observer remunerations, despite the fact that inflation has increased since then. Since 2019, an increase of ten dollars (US\$ 10.00) per day at sea for observers has been requested and the only way to achieve this is to increase the contribution per cubic meter of well volume of the vessels. Each time this issue has been discussed, some Parties have stated that they were unable to support it due to the financial situation of their industries. At the 45th Meeting of the Parties to the AIDCP (MOP) held in October 2022 in La Jolla, a proposal emerged, which was supported by the majority of the Parties attending that meeting, to finance this increase in observer remunerations with part of the surplus for three years and subsequently increase the contribution per vessel to maintain the costs of this increase.

A review of the budget as of 31 December 2022 showed a deficit of US\$ 275,679.00 and it is estimated that as of 31 December 2023 there will be a deficit of US\$ 324,316.00, which leaves **US\$ 2,245,035.00** available from the surplus.

For the above reasons, this proposal was conceived with the aim of using the surplus in 5 portions, as follows:

- 1. To cover the increase in observers' remuneration** for 3 years from 2024 to 2026, both from the IATTC and from the national programs, **48%** of the surplus would be used, which is equivalent to **US\$ 1,071,616.40** [42% of the surplus, which is equivalent to **US\$ 1,077,616.80**];
- 2. For dolphin-related research**, **38%** of the surplus would be used, which is equivalent to **US\$ 853,113.30** [44% of the surplus, which is equivalent to **US\$ 1,130,514.50**];
- 3. To finance the promotion of the achievements of the AIDCP**, as recommended by the Promotion Working Group and approved by the Parties, **5 %** of the surplus would be used, which is equivalent to **US\$ 112,521,75** [US\$ 128,467.55];
- 4. To work on the issue of safety of observers at sea**, **4%** of the surplus would be used for 3 years from 2024 to 2026, which is equivalent to an amount of **US\$ 89,801.40** [US\$ 102,774,04];

5. In order to ensure the continuation of the program and its execution, **5%** of the surplus, equivalent to **US\$ 112,521.75 [US\$ 128,467.55]**, would be set aside to provide a reasonable and necessary **contingency fund**.

6. Without prejudice to the portion corresponding to the national programs according to their percentage of observer coverage, the income from pending vessel contributions, which as of June 30, 2022, represents a total of US\$ 671,548, as well as the contributions corresponding to the IDCP, will be added to the above distribution, and any surplus generated as of 2023 will be incorporated as income to the budget for the following year.

It is important to emphasize that as has already been pointed out, the work of observers is fundamental for the achievements of the AIDCP, so the contributions are intended for the correct functioning of the AIDCP. In this case, using part of the surplus to cover a necessary increase in remunerations is justified and well-deserved.

In order for the percentages of surplus use and the overall amount to be in line with the amount of surplus reached by the end of 2021, in accordance with the proposals presented at the February 2023 meeting, the following should apply:

Concept	Surplus percent- age	Surplus amount US \$
Increase in observers' remuneration 2024-2026	48	1,077,616.80
Dolphin-related research	38	853,113.30
Promotion of the AIDCP achievements	5	112,251.75
Safety of observers at sea	4	89,801.40
Contingency fund	5	112,251.75

DRAFT RESOLUTION ON THE USE OF THE AIDCP BUDGET SURPLUS

The Parties to the Agreement on the International Dolphin Conservation Program (AIDCP):

Bearing in mind the commitment expressed in Article XV of the AIDCP that the Parties shall contribute to the expenses necessary to achieve the objectives of this Agreement, through the establishment and collection of vessel fees;

Considering that the work of the observers has been an important factor in the achievement of the Agreement's achievements;

Considering that the payment of fees based on the volume of wells recorded on the IATTC Regional Vessel Register as stipulated in Resolution A-18-01 has the purpose of ensuring the correct functioning of the AIDCP and considering that the Observer Program is the main basis for this functioning;

Considering that observers have not received an increase in their daily remuneration since 2014, even as inflation has significantly increased the cost of living;

Taking into account that since 2015 the AIDCP has been recording a surplus;

Considering that in 2022 there was a deficit of US\$ 275,679.00 and it is estimated that by 2023 there will be a deficit of US\$ 324,316.00 and that these would be deducted from the surplus as of 31 December 2021, leaving US\$ 2,245,035.00 available;

Noting that this surplus continues to depreciate as it is not used;

Agree to use the potential surplus generated up to December 2023 in the amount of **US\$ 2,245,035.00** as follows:

1. Increase by US\$ 10.00 the daily rate of pay at sea for all AIDCP observers as of January 1, 2024.
2. That 48 % of the surplus, i.e., **US\$ 1,077,616.40**, be used to increase the daily remuneration of all AIDCP observers by US\$ 10.00 over the next three (3) years, from 2024 to 2026.
3. That in 2026 an increase in vessel fees per cubic meter of well volume shall be agreed upon in order to cover on a continuous basis for 2027 and subsequent years the increase in observer remuneration, without detracting from the need for future increases to compensate for the effects of inflation.
4. That 38% of the surplus, i.e., **US\$ 853,113,30**, be used for research on dolphins, as approved by the Parties after analysis and recommendation by the scientific staff of the Inter-American Tropical Tuna Commission (IATTC). The above is in accordance with objective 2 of the AIDCP to eliminate dolphin mortality in the fishery.
5. That 5 % of the surplus, i.e., **US\$ 112,251.75**, be used for programs to publicize the achievements of the AIDCP, upon presentation of a program by the Secretariat for the next three (3) years from 2024 to 2026, as approved by the 45th meeting of the AIDCP held in October 2022, based on the recommendations of the Working Group to promote and publicize the AIDCP Dolphin Safe Tuna Certification System, as well as giving due consideration to the positions that suggest not addressing the issue of labeling.
6. That 4% of the surplus, i.e., **US\$ 89,801.40**, be used to work on the issue of safety of observers at sea for the next three (3) years from 2024 to 2026;
7. That 5 % of the surplus, i.e., **US\$ 112,251.75**, be used to maintain a reasonable and necessary fund to face any contingencies that may arise and thus ensure the continued operation of the Program.
8. Without prejudice to the portion corresponding to the national programs according to their percentage of observer coverage, the income from outstanding vessel contributions which, as of June 30, 2022, represents a total of US\$ 638,851, as well as the contributions corresponding to the IDCP and any possible surplus generated as of 2023, will be incorporated as income to the budget for the following year.
9. Work should be done immediately on AIDCP financial rules to regulate such situations as surpluses, their use in future years, and in general the way in which the AIDCP budget is managed.