

**AGREEMENT ON THE INTERNATIONAL DOLPHIN CONSERVATION PROGRAM**

**38<sup>TH</sup> MEETING OF THE PARTIES**

San Diego, California (USA)  
22 October 2018

**MOP-37-01 AIDCP BUDGET (ADDENDUM)**

**1. Supplies and equipment: observer safety equipment and subscriptions**

Since 2016, the Parties to the AIDCP and IATTC CPCs have been asked to consider supplying on-board observers with electronic safety devices (see Documents [IATTC-90 INF-C](#) and [MOP-36 INF-A](#); also proposals [MOP-33 A-1](#), [IATTC-92 H-1](#), [MOP-35 A-1](#), and [MOP-36 A-1](#)). The Secretariat recommends that two electronic devices be issued to observers for use at sea: a Personal Locator Beacon (PLB), which would transmit satellite-based GPS coordinates if an observer fell overboard, and a satellite-based two-way communication device, which would allow observers to contact their program office independently of the vessel's communication systems. Specifically, the Secretariat recommends *ResQ Link 406* PLBs, and *InReach SE+* communicators; the latter involve both an activation fee and monthly charges.

The United States has increased its original offer of US \$75,000 towards the cost of purchasing this equipment for IATTC observers to US\$ 100,000; therefore, reducing the total cost of the observer safety equipment in **Table 2** from US\$ 142,750 to US\$ 117,750. The Secretariat considers that this equipment is important for observer safety, and accordingly has included the cost of these devices for all AIDCP observers, including national programs, in the recommended budget for 2019 (**Table 2**). **Table 1** shows the breakdown of these costs. The adjusted amount to be covered by the 2019 budget is approximately US\$ 107,750. The estimated, subsequent annual cost for 2020 and beyond would be US\$ 88,300 (US\$ 60,000 for data services and US\$ 23,800 for replacement of old/damaged equipment).

<b>TABLE 1. Cost of purchase of safety devices and first year of operation (all AIDCP observers), in US\$</b>				
<b>Purchase</b>				
<b>Equipment type</b>	<b>No. of observers</b>	<b>Unit cost</b>	<b>Total</b>	
PLB ( <i>ResQ Link 406</i> )	250	242	60,500	
2-way communication device ( <i>InReach SE+</i> )	250	324	81,000	
Subtotal, equipment			141,500	
<b>Annual operating and replacement costs</b>				
<b>Equipment type</b>	<b>No. of observers</b>	<b>Activation</b>	<b>Operation</b>	
PLB ( <i>ResQ Link 406</i> )	250	0	0	
2-way communication device ( <i>InReach SE+</i> )	250	25	240	
Subtotal, operation first year (250 (25+240)) *			66,250	
<b>Total, equipment+operation, first year</b>			<b>207,750</b>	
United States contribution			(100,000)	
<b>Financing needed in 2019 AIDCP budget</b>			<b>107,750</b>	

\*Annual operating costs, subsequent years: approximately US\$ 60,000 for data services and US\$ 28,300 for equipment replacement (assuming average lifespan of 5-years).

**2. RECOMMENDED BUDGET, 2019**

**Table 2** presents the 2019 recommended budget as presented at the 37<sup>th</sup> meeting of the parties (Column A);

the Secretariat's best estimate of anticipated income and expenditures in 2019 utilizing the 14.95 / m<sup>3</sup> rate and the additional US\$ 25,000 received from the United States in columns B and C; and then further reducing the observer compensation and benefits by the US\$ 284,500 included in the original 2019 recommended budget (Column C).

TABLE 2. 2019 budget scenarios (US\$)			
	A*	B	C
<b>ON-BOARD OBSERVER INCOME</b>			
Vessel assessments - Class 6	2,731,097	2,466,750	2,466,750
IATTC portion of observer program	1,008,029	1,008,029	1,008,029
Inactive and sunk vessel assessments	4,272	4,272	4,272
<b>TOTAL OPERATIONAL INCOME</b>	<b>3,743,398</b>	<b>3,479,051</b>	<b>3,479,051</b>
<b>A. ON-BOARD OBSERVER COSTS</b>			
<b>Direct costs:</b>			
Observer compensation and benefits	1,980,347	1,980,347	1,695,847
Observer travel	90,000	90,000	90,000
Observer supplies and equipment	142,750	117,750	117,750
Observer training	42,000	42,000	42,000
<b>Subtotal</b>	<b>2,255,097</b>	<b>2,230,097</b>	<b>1,945,597</b>
<b>Indirect costs:</b>			
IATTC HQ staff: scientific/technical	715,000	715,000	715,000
IATTC field offices	390,000	390,000	390,000
<b>Total, On-board observer costs</b>	<b>3,360,098</b>	<b>3,335,098</b>	<b>3,050,597</b>
<b>B. OTHER COSTS</b>			
IATTC HQ staff: administrative	321,300	321,300	321,300
AIDCP meetings	55,000	55,000	55,000
Other AIDCP direct costs	7,000	7,000	7,000
<b>Total, Other costs</b>	<b>383,300</b>	<b>383,300</b>	<b>383,300</b>
<b>TOTAL AIDCP PROGRAM COSTS</b>	<b>3,743,398</b>	<b>3,718,398</b>	<b>3,433,897</b>
Excess of expenditures over revenue	-	(239,347)	(45,154)
Vessel assessment rate per m <sup>3</sup>	\$16.58	\$14.95	\$14.95
Break even rate per m <sup>3</sup>	\$16.58	\$16.40	\$15.22

\* Recommended budget as presented in document MOP-37-01

### 3. VESSEL ASSESSMENT RATE FOR FUNDING THE RECOMMENDED AIDCP BUDGET FOR 2019

Ideally, the vessel assessment rate needed to fund the budget for a given year takes into consideration the 30% of the observer program costs covered by the IATTC, and then divide remainder by the total well volume of those vessels anticipated to be active in that year, which is based on the Class-6 purse-seine vessels on the current Regional Vessel Register. The resulting vessel assessment rate would fund the program for that year and should be approved in conjunction with the budget as presented. If the Parties choose to make adjustments to the budget before approving it, the corresponding assessment rate would be recalculated by applying this same procedure to the adjusted budget. In any case, the budget and the corresponding assessment rate should be adopted together, so as to avoid a disconnect between the approved budget and the revenue needed to fund it. As an example, **Table 3** shows this calculation for the recommended 2019 budget in document MOP-37-01.

<b>TABLE 3. Vessel assessment rate to fund the AIDCP budget, 2019</b>	
Total 2019 recommended budget	US\$ 3,743,398
IATTC contribution (30%)	(US\$ 1,008,029)
Net budget requirement, 2019	<b>US\$ 2,735,369</b>
Anticipated well volume of AIDCP vessels active in 2019	165,000 m <sup>3</sup>
Corresponding vessel assessment rate	<b>US\$ 16.58 /m<sup>3</sup></b>