

INTER-AMERICAN TROPICAL TUNA COMMISSION
COMMITTEE ON ADMINISTRATION AND FINANCE
4TH MEETING
La Jolla, California (USA)
23 June 2016

REPORT OF THE MEETING

AGENDA

	Documents
1. Opening of the meeting	
2. Adoption of the agenda	
3. Review of the financial audit report	
4. Review of budgets for 2017 and 2018	CAF-04-04
5. Financial contributions by Members:	
a) Regular budget (Resolution C-15-06)	
b) Special Fund for promoting institutional capacity (Resolution C-14-03)	CAF-04-05b
c) Program to monitor transshipments at sea (Resolution C-12-07)	
d) Other	CAF-04-05c
6. Other business	
7. Recommendations to the Commission	
8. Adjournment	

APPENDIX

1. List of attendees

1. Opening of the meeting

The Chairman of the Committee, Mr. Lillo Maniscalchi, of Venezuela, opened the meeting.

2. Adoption of the agenda

The provisional agenda was adopted without changes.

3. Review of the financial audit report

It was reported that the financial audit report was provided to the Commissioners and Heads of Delegation in advance of the meeting. No comments were made.

4. Review of budgets in 2017 and 2018

Ms. Nora Roa, of the IATTC staff, presented Document CAF-04-04, stating that an increase of the budget to US\$ 7,230,573 was being requested for 2017, first to keep up with inflation, which affects all costs related to the activities of the Commission, as well as all activities associated with meetings and the implementation of projects and programs. With regard to the staff, salaries should be adjusted to compensate for increases in the cost of living, and increases in the cost of health insurance and other necessities. She recalled that the activities of the Commission and its staff continue to grow, not only in

accordance with the broader mandate derived from the Antigua Convention, but also because of the additional tasks assigned by the Members. It is therefore essential that the Commission consider the requested budget. She emphasized that it is fundamental that all contributions of Members to the budget be paid in a timely manner, and that the situation with regard to the pending arrears of some Members be resolved promptly.

The budget items were reviewed in detail and compared with the report presented by the auditors to facilitate the Members' understanding of them. The variations, and the reasons for them, were emphasized, with explanations of the items for which increases were requested or economies proposed. Some of the items reviewed were IATTC staff salaries and the requested increase, the replacement of vehicles, printing costs, and payments to the pension fund, among others.

After a long discussion, it was agreed that the Committee would recommend approval of the salary increases, but without the requested retroactive increase, the purchase of a single vehicle in 2017 and an additional vehicle in 2019, and payments to the pension fund, but with reductions of staff travel expenditures. Cost savings were realized through a reduction of travel expenses for staff, and a reduction of funding for regional offices and related supplies.

The staff was asked to present three budget scenarios for consideration by the Commission showing each Member's contributions under each scenario.

In the first scenario, the budget would cover annual meeting expenses in 2017 (US\$85,000), and the second would assume that these costs were paid by a Member that offered to host the meeting. The third scenario would include the cost of opening and operation of a field office in Costa Rica.

The Committee agreed that, for the Commission to be able to consider the opening of a new field office, it would need a document that defined the need for the office and its functions, costs, and benefits. The Director responded that Puntarenas has become an important port for landings, so it would be useful to have personnel that could collect the corresponding data, also that the Government of Costa Rica has offered to provide the office facilities.

Ecuador, recalling the economic emergency resulting from the recent earthquake, requested an additional scenario in which Ecuador would pay the same contribution as in 2016, without any increase. However, some Members, while expressing their solidarity with Ecuador, made it clear that they could not agree to such exceptions in the calculation of contributions.

5. Financial contributions by Members

a. Regular budget (Resolution [C-13-06](#))

The Secretariat presented information on the outstanding debts by Members, highlighting two Members, Panama and Venezuela, are two years behind in their contributions, and could therefore lose the right to participate in decision-making, in accordance with Article XV, paragraph 4, of the Antigua Convention. Also, including the payments outstanding for 2016, the total outstanding contributions add up to US\$ 6,831,509, which is nearly equivalent to a year's budget.

Panama reported that it had recently made payments and that it would make great efforts to make contributions and gradually eliminate the balance of the arrears. Mexico, Ecuador, Venezuela and Vanuatu reported that their internal procedures were underway for them to cover their 2016 contributions in 2016 or outstanding balances.

b. Special Fund for promoting institutional capacity-building (Resolution [C-14-03](#))

Mr. Ricardo Belmontes, of the Commission staff, presented Document CAF-04-05b on the Special Fund established by Resolution C-14-03 for building institutional capacity in developing Member countries. He noted that the 89th meeting of the IATTC agreed that the budget of the Commission would include an additional 2% for that Fund, distributed among the Members in accordance with the formula for the annual

contributions. The amount of 2% of the 2016 budget is roughly US\$ 130,000, but as of May 2016, the fund had only received approximately US\$ 60,000, of which US\$ 14,325 has already been spent to support attendance by scientists from six Members to the meeting of the Scientific Advisory Committee (SAC) in May 2016.

The remaining funds, along with those that are hoped to be collected during the next months, would be used to support the creation of a standardized system of collection, processing and analysis of data; and training in the development of databases, statistics analysis, and stock assessment. Efforts will be made to retain funds in the amount of US \$30,000 to support the participation of developing Members at annual meetings of the Commission and subsidiary groups.

The Committee agreed to this plan for 2016, but emphasized that the predominant use of the Fund should not be to finance participation in meetings, but rather to strengthen the capacities of developing countries. Accordingly, the Committee requested that these countries work with the Secretariat to develop a plan for 2017 or identify specific projects to be financed by the fund, as well as for the meeting travel support to be financed by the Fund, which could motivate greater support from developed countries.

c. Program to monitor transshipments at sea (Resolution [C-12-07](#)).

Mr. Belmontes presented Document [CAF-04-05c](#), as well as information on the operational components of the transshipment monitoring program in Document IATTC-90-06. He noted that the program has been in place for seven years under a contract with the Marine Resources Assessment Group (MRAG) consortium, which implements the program. A budget of US\$ 950,000 is proposed for 2017, and it is recommended that Panama join the other participants in the program to share the costs, since the number of transshipments by Panamanian vessels had recently increased greatly.

Mr. Belmontes also reported that MRAG had proposed increasing the price it charges for the observers, from US\$ 333 to US\$ 340 per day at sea, and from US\$ 334 to US\$ 350, and those rates would be fixed for three years if a contract were signed for that period.

The Committee decided to recommend that the IATTC approve the budget of US\$ 950,000 for 2017, include Panama in the contribution calculations, and sign a contract with MRAG for a 3-year period.

6. Other matters

With regard to the outstanding budget contributions, the European Union, in addition to recalling the consequences implications of the application of Article XV, paragraph 4, of the Antigua Convention , emphasized that there should be a commitment by the debtor Members to pay promptly, and if there were no concrete results in that respect, in 2017 the EU would present a proposal to address this issue.

Panama stated that in a letter circulated by the Secretariat it expressed its commitment to make annual payments that would pay down its debt of about US\$ 2.100.000 completely within 10 years. Some Members stated that, in view of this commitment, Panama should be allowed to retain its right to participate in decision making this year, in the understanding that the matter should be decided at a meeting of Heads of Delegation.

7. Recommendations to the Commission

The Committee agreed to submit to the Commission the following recommendations:

- 1) Present three budget scenarios for 2017 to the Commission:
 - a) US\$ 7,065,552; includes US \$85,000 for the annual meeting in 2017.
 - b) US\$ 6,978,852; as for the first scenario, but not including the \$85,000 for the annual meeting in 2017.
 - c) US\$ 7,008,452; as for the second scenario, plus US\$ 29,020, the predicted cost of opening and operation of a field office in Costa Rica.

- 2) In relation to the Special Fund for promoting institutional capacity in developing countries, approve the use of the remaining resources from 2016 consistent with Table 2 of Document CAF-04-05b (Annex 2). For 2017, approve expenditures of up to US\$ 30,000 to support participation in the annual meetings of the Commission and its subsidiary groups, with the expectation of the development of a plan, to be drafted by developing Member countries, identifying specific projects for use of the remaining funds.
- 3) Approve a budget of US\$ 950,000 for the transshipment program for 2017, include Panama in the calculation of contributions to the program, and sign a 3-year contract with MRAG in order to freeze costs during that period.

8. Adjournment

The Chairman adjourned the meeting at 6:00 p.m. on 24 June 2016.