

INTER-AMERICAN TROPICAL TUNA COMMISSION
COMMITTEE ON ADMINISTRATION AND FINANCE
12TH MEETING
Panama City, Panama
28-29 August 2025

MEETING REPORT

AGENDA

		Documents
1.	Opening of the meeting	
2.	Adoption of the agenda	
3.	Outcomes from the intersessional meetings of the Committee on Administration and Finance (CAF) (extraordinary) (23 June; 24 July 2025)	
4.	Review of the financial audit report	
5.	Review of proposed budgets for 2026 and 2027	CAF-12-01
6.	Financial contributions of Members:	
	6a. Regular budget (Resolution C-15-05)	
	6b. Special Fund for promoting institutional capacity-building (Resolution C-14-03)	CAF-12-02
	6c. Program to monitor transshipments at sea (Resolution C-22-03)	CAF-12-03
7.	Review and revision of the financial regulations of the Commission	
8.	Other business	
9.	Recommendations to the Commission	
10.	Adjournment	

APPENDICES

The 12th meeting of the Committee on Administration and Finance was held in Panama City, Panama, on 28-29 August 2025.

1. Opening of the meeting

The meeting was opened by the Chair of the Committee, Ms. Rachael Wadsworth of the United States. The following delegations were present at the meeting: Belize, Canada, China, Colombia, Costa Rica, Korea, Ecuador, El Salvador, the United States, France OT, Guatemala, Japan, Mexico, Nicaragua, Panama, Peru, Chinese Taipei, the European Union, Vanuatu, and Venezuela.

2. Adoption of the agenda

The provisional agenda was adopted without changes.

3. Outcomes from the intersessional meetings of the Committee on Administration and Finance (CAF) (extraordinary) (23 June; 24 July 2025; 7 August)

The Director of the IATTC reported that three intersessional CAF meetings were held by videoconference to promote discussion of the IATTC budget and to support the work of this CAF meeting. Topics such as

the preliminary 2026 budget projection, proposed changes to the AIDCP budget and auditing firms for 2026 were discussed in an initial and informal manner at the **first meeting**, which took place on 23 June 2025. There was insufficient time to begin discussion on the proposed formulas and financial regulations. A report of this meeting is available on the website: [Report of the intersessional meeting of the Committee on Administration and Finance \(Extraordinary\) June 2025](#).

The **second meeting**, held on 24 July 2025, provided a review of documents presented to past AIDCP meetings regarding the time spent by IATTC staff and observers in relation to AIDCP tasks, as well as the salary allocations corresponding to each organization. A report of the meeting is available on the website: [Report of the intersessional meeting of the Committee on Administration and Finance, July 2025](#).

The **third intersessional meeting** of the CAF was held on 7 August 2025 on a confidential basis with the aim of providing sensitive budget information requested by members to be considered in advance of the in-person CAF meeting in Panama on 30 August 2025.

The Chair noted that no formal consensus recommendations were reached at the intersessional meetings, but the CAF requested additional information needed for future meetings and outlined next steps for meetings.

4. Review of the financial audit report

Under this item of the agenda, the Committee heard a presentation from Moss Adams, the auditor, who merged with Baker Tilly. The auditor provided a review of the financial audit report and the recommendations from this report.

Suggestions for improvement from the auditor firm. The auditors provided an overview of several recommendations that are long standing to the IATTC for improvements. These include establishing IT administrator rights, completing an accounting manual, and conflict of interest statements for the IATTC.

One delegation asked if there were any signed letters from the staff regarding conflicts of interest. The Director responded that the employees in the La Jolla office had been sent a form for signature, but that this form was being adjusted for the field offices considering that relevant national laws and regulations are applied to employees of these offices. An example of this form was shared with the participants. It was recalled that the Antigua Convention clearly establishes principles to avoid conflicts of interest in its Article XII, paragraph 3, which states that: *"In fulfilling their functions, the Director and the staff of the Commission shall not act in any manner that could be incompatible with their status or with the objective and provisions of this Convention, nor shall they have any financial interests in activities such as investigation and research, exploration, exploitation, processing and marketing of the fish stocks covered by this Convention. Likewise, they shall also maintain as confidential, while they are employed by the Commission and thereafter, any confidential information they obtained or to which they had access during their employment."*

The United States recalled that at its 2024 meeting, the CAF had recommended that the Director implement all auditor recommendations and report on progress made in doing so. While acknowledging that difficulties may arise, the United States expected that the Director will proactively report on the implementation of these recommendations in the future.

The Committee also reviewed a list of four potential auditors for 2026, along with their quotes. The Committee requested additional information on costs and confirmation of availability for the auditors, which were provided later in the meeting.

Following this presentation, the IATTC Members emphasized some key points regarding the selection of an auditing firm for next year. They requested a comparative table of the four potential firms to help the Committee evaluate the pros and cons of each and make a recommendation to the Commission.

One member asserted that **separate accounting and auditing for the IATTC and the AIDCP** is

important, while maintaining good coordination so that appropriate decisions can be made regarding IATTC contributions to the AIDCP. Meetings between the two organizations should be held periodically.

Time spent by the auditing firm performing the work. Several delegations emphasized the importance of periodically renewing or changing firms to ensure transparency and bring new ideas and approaches to improve the accounting system.

5. Review of proposed budgets for 2026 and 2027

Ms. Claudia Hernández, the IATTC Accounting Coordinator, presented document [CAF-12-01](#) reporting on the Commission's financial activity for 2024. She explained how resources were used for different accounting items and the expenses incurred above the agreed-upon 20% for that year's budget. She also mentioned that no budget has been proposed for 2027 because the Secretariat lacks the necessary information and parameters for estimating it.

The Director of the IATTC presented the budget for 2026, as outlined in document [CAF-12-01](#). He noted that the expenses of the observer program are currently covered 30% by the IATTC and 70% by the AIDCP. This issue was discussed at the 50th Meeting of the Parties to the AIDCP, where a proposal for 50/50 coverage between the IATTC and the AIDCP was put forward from the AIDCP. He added that the 103rd IATTC meeting should make a decision on this matter and referenced the IATTC staff document recommending the contribution of 50/50 coverage between the IATTC to the AIDCP.

He emphasized that the Commission's activities continue to grow as a result of the broader mandate derived from the Antigua Convention and the evolution of the Commission's work established in various resolutions. This broader mandate includes retaining qualified staff and keeping pace with inflation. Thus, the requested budget for 2026 is US\$ 9,727,096, reflecting a 2% increase over the 2025 budget.

The Director of the IATTC gave a presentation on the percentage of work assigned to the staff between the IATTC and the AIDCP, and to on-board observers. He presented a table showing the distribution of tasks and pointed out that on-board observers devote much more time to IATTC tasks as they complete multiple compliance forms in accordance with IATTC provisions. He also explained the history of the allocation of observer program costs, in which the IATTC's 30% portion of the AIDCP budget prevails. He commented that, following an evaluation of the observers' work (explained in detail in documents [AIDCP-50-01 - On-board observers tasks analysis](#) and [AIDCP-50-02 - Percentage analysis of the time dedicated by the staff to AIDCP tasks](#)), it was concluded that 70% of AIDCP tasks are related to the IATTC, as these tasks cover issues such as turtles, sharks and compliance. Consequently, the Meeting of the Parties to the AIDCP concluded that the IATTC should cover at least 50% of the observer program costs.

He mentioned that the additional amount requested from the IATTC this time is around US\$ 500,000 in terms of allocating AIDCP-related costs between the two instruments. The lack of a uniform distribution formula is causing significant accounting problems.

Guatemala pointed out that the problem would not affect execution of the 2025 budget thanks to the temporary measures that have been taken. However, the decision to modify the cost allocation is crucial and cannot be postponed until 2026. Guatemala emphasized the importance of the IATTC approving the cost of services provided by the Secretariat for the observer program, as established in the Antigua Convention, as well as the AIDCP including these costs in its budget. Venezuela added that a restructuring in 2021 transferred management of observer expenses to the AIDCP, significantly affecting its budget in 2022 and 2023. El Salvador drew attention to the extraordinary meetings of the CAF, where the origin of the 50/50% proposal numbers had been explained.

The EU rejected that it was being asked to endorse a decision already made to change the allocation to 50/50 split between the IATTC and AIDCP. The EU pointed out that this needs discussion between the AIDCP and IATTC to understand the methodology and cannot be a decision from AIDCP imposing on the IATTC.

China inquired about the possibility of the new costs causing Members to deem the program too expensive and asked if the "50/50" model was fixed. The Secretariat clarified that the percentages are a recommendation based on the current distribution of work and are not a fixed model. China requested a calculation of the change in contribution of each member if changing from a 30% to a 50% contribution from the IATTC.

5. Financial contributions of Members

a) Regular budget (Resolution C-15-05)

The Chair provided an update that there were no new proposals for formulas to consider at this meeting as in the previous year and noted that there was no consensus on the new proposals for formulas. The United States noted that absent a consensus to use a different method, Resolution C-15-05 formula is in force and continues to apply until a new formula is adopted. The EU supported this claim and noted that it cannot accept a legal void on the formula and that the only logical approach is to work on the formula that we have. Guatemala, Panama, and Colombia disagreed that the formula in C-15-05 was in effect. Guatemala concluded the discussion by saying there was no consensus on the formula and that the members should focus on the budget.

The Director of the IATTC recalled that, as of 30 June 2025, there was an amount of **US\$ 6,918,853** in outstanding contributions from Members, making it imperative that all Members pay their budget contributions on time so that the Commission and its staff can fulfill their mandates and achieve their objectives.

He reported that Venezuela (US\$ 2,129,402); Panama (US\$ 1,470,250); Ecuador (US\$ 1,813,102); Mexico (US\$ 1,117,990); Korea (US\$ 244,181); Vanuatu (US\$ 53,086); and Kiribati (US\$ 90,482) are in arrears.

b) Special Fund for promoting institutional capacity-building (Resolution C-14-03)

Mr. Ricardo Belmontes, of the Commission's staff, presented document [CAF-12-02 - Special Fund for promoting institutional capacity-building](#). He reported that the balance of the fund was US\$ 607,488 as of 31 July 2025.

Due to workloads and the number of meetings held in 2024 and 2025, the activities planned and approved to be carried out with resources from the Fund were partially completed. The following activities are planned for the remainder of 2025 and 2026 with resources from the Fund. The activities and amounts for their implementation are detailed in Table 4 of document [CAF-12-02](#):

- Second training workshop: Introduction to methods used in tropical tuna stock assessments. (A first workshop was held after the 102nd annual meeting of the IATTC in Panama). A second workshop is planned for 2026.
- Training seminars for port inspections in accordance with Resolution C-21-07.
- Training seminar on various IATTC matters for administrative, legal, and enforcement authorities related to the application of IATTC regulatory measures.
- Annual IATTC scholarship for scientific capacity building in developing CPCs (three-month visit to the IATTC offices).
- Participation of representatives of developing Members in the annual meeting of the IATTC and its subsidiary bodies.

The Committee did not object to the above activities being carried out but requested that the corresponding amounts involved be specified and included.

c) Program to monitor transshipments at sea (Resolution C-22-03)

Mr. Ricardo Belmontes, of the Commission’s staff, presented document [CAF-12-03 - Regional program of observers for transshipments at sea](#). He focused his presentation on the Program's financial component, as the operational aspects had already been presented at the Scientific Advisory Committee meeting, and the compliance component had been submitted to the Review Committee for consideration.

He reported that the requested budget for 2026 was US\$ 1,110,000, and a decision must be made regarding whether to continue working with MRAG as their three-year contract expires at the end of 2025. He also reported on the new costs required by MRAG for 2026–2028, which include an increase in the cost per day at sea from US\$ 415 to US\$ 480. Alternatively, a call for tenders could be considered to hire another company that can provide the same quality of work at a lower cost.

The Committee expressed favorable views to continue working with MRAG for another three years, but requested a reduction in fees and instructed the Secretariat to carry out this task during the week of the IATTC meeting before making a decision.

7. Review and revision of the financial regulations of the Commission

This agenda item to review the financial regulations was postponed due to a lack of time to discuss the document. The CAF determined that subsequent meetings should allocate sufficient time to review the document.

8. Other business

No other business was discussed.

9. Recommendations to the Commission

As the Committee continued to meet after the two days set aside for its work, in addition to the recommendations below, some additional information was requested for continuing the work:

- That the Secretariat present budget and contribution scenarios to the CAF using the amount approved in 2023, as well as the requested budget.
- That a comparative table be presented of the various proposals for conducting the 2026 audit.
- That the Secretariat seek reductions in the costs of the transshipment program with the goal of continuing to work with MRAG for three more years.
- That the costs of the activities to be carried out in 2025-2026 for capacity building in developing countries be detailed.

In addition, the Director presented information requested by the EU on the number of staff that have worked for the IATTC over the past 20 years. This number has ranged from 43 staff to 51 staff over the years and is currently at 44 staff in 2025. The Director also clarified these numbers do not include the staff in the regional offices.

CAF-12 RECOMMENDATIONS	
Auditor	
	Recommend that the auditor reports be circulated 30 days in advance of the meeting.
	Request the IATTC Director circulate the template for the conflict-of-interest forms used for the field offices staff and circulate the template for the HQ staff if it is different and once it has been completed before the end of the year.

Recommend the Director finalize the accounting manual and chart of accounts before the 2026 CAF meeting and circulate it to the CAF for its information before the end of the year, if possible.

Recommend additional follow up with Baker Tilly and confirm via letter that they are interested in providing services for 2026.

Request that the Secretariat prepare and present to the CAF financial statements that clearly communicate the separate financial positions of the IATTC and the AIDCP.

Presenting budget information

With respect to the review of the proposed budget, recommend the Secretariat include the costs related to the cyber-attack as a separate line item in the budget.

Recommend the Director ensure that any budgetary information presented to the Commission or to the Finance Committee is verified by the Staff in advance to ensure that presented amounts are correct.

The financial statements that are part of the audit should be included in the financial year report.

Recommendation: Instruct the Secretariat to present, for the last three fiscal years and the current year, disaggregated financial statements that clearly separate operating or current revenues and expenses from extraordinary or non-operating revenues and expenses, including methodological notes with classification criteria, identification of non-monetary items, programmatic breakdown, and reconciliation with the audited financial statements. This information must be available at least 30 days prior to the next meeting and will be a necessary condition to model actual costs, assess sustainability, and consider formulas for the distribution of financial contributions. It will also allow the operating expenses budget to be limited to projected operating revenues —not total revenues—, which generally do not fully materialize within the same fiscal year.

With respect to the discussion about the AIDCP [Res. 25-01 para. 2 *“To accept the Secretariat's recommendation regarding the sharing of the cost of the On-Board Observer Program equally between the AIDCP and IATTC”*].

As a matter of procedure - Recommend that the Secretariat and CAF Chair seek to ensure that in the case of AIDCP budget issues that have implications on the IATTC budget, there is an opportunity to discuss within the IATTC or jointly with the AIDCP before a decision is made, to ensure that IATTC interests and views are appropriately considered.

Capacity Building Fund

For projects completed under the Capacity Building Fund, establish objectives for activities and include an indicator column for the CAF to consider if the objective of each activity met its objective.

For scholarships from the Capacity Building Fund, the CAF consider setting objectives for which these are to be used.

Recommend the Commission evaluate the 2% Capacity Fund allocation, and consider pausing or, just one time in 2026 as an exceptional case, reducing it this year in light of the health of the fund to develop the activities programmed for that year and other acute competing needs for funding.

Noting that para 7 of C-14-03 provides that the Commission should review the Capacity Fund and this was not completed in 2024, recommend the Commission consider this in 2026 and prioritize in the short-term accommodations to ensure continued core functions of the commission continue this year.
Recommend that courses and activities that take place under the capacity fund should be in both languages so that all member states can participate.
Recommend considering using capacity funds to focus on compliance by Member and Cooperating Non-Members.
Transshipments
Recommend the Secretariat work with MRAG to reduce the increased margin of the cost for the next 3-year period and report back to the CAF so a decision can be made on the extension of the contract.
Budget reductions
Recommend a closed session for a presentation of proposed budget reduction information and to clarify where the staff reductions would be in the organization.
Financial Regulations
Recommend an intersessional work be done to progress on revisions to the financial regulations before the next CAF meeting in 2026.
Request the Director, while the Commission decides on the update of the Financial Regulations, to draft and submit for consideration by the CAF a risk management policy within the budget execution processes. This policy should encompass the identification, assessment, and mitigation of risks applied to the planning, execution, monitoring, and evaluation of budgetary and financial management, under the principles of transparency, efficiency, and accountability. Special attention should be given to potential vulnerabilities such as budget deviations, regulatory non-compliance, and inefficiencies in resource allocation, with the aim of anticipating contingencies and strengthening financial resilience.
On-board Observer Program
The CAF notes a total estimated cost of the on-board observer program of \$2,717,228, without prejudice to a decision on the sharing of costs of the program between IATTC and AIDCP. Furthermore, the Committee notes that estimates for other costs to be born entirely by the AIDCP related to Secretariat services amount \$1,066,713

10. Adjournment

The meeting was adjourned at 5:00 p.m., Panama City time, on 6 September 2025.