
**PROVISIONAL PROGRAMME OF WORK AND BUDGET FOR 2018
(AND INDICATIVE BUDGET FOR 2019)**

PREPARED BY: IOTC SECRETARIAT, UPDATED 8 MAY 2017

OVERVIEW

1. The information contained in this document sets out the Budget Estimates for the IOTC Secretariat's Programme of Work for the financial period 01 January to 31 December 2018, together with indicative figures for the 2019 financial period.
2. The overall budget amount proposed for the Administrative Budget for **2018** is **US\$3,908,952** and is based on recommendations of the 2016 sessions of the Scientific Committee (SC19) and Compliance Committee (CoC13), as well as previous Commission decisions concerning the operations of the IOTC Secretariat. The 2018 budget proposed represents a nominal 3.75% gross increase over the corresponding 2017 budget (US\$3,767,528).
3. The Programme of Work for the IOTC Secretariat is based on the assumption that the nature and extent of the activities undertaken will remain within the scope outlined in this document. Any new activities agreed to during the 21st Session of the Commission (S21) which have a budgetary consequence, will require an amendment of the budget presented here.
4. As required by the Commission's Financial Regulations, the following information is provided in support of the budget estimates:
 - **Administrative budget (Appendix I)** – for 2018 and indicative budget for 2019 (Gross salary costs, Operating expenditures, Contingencies, additional contribution by the Rep. of Seychelles and the FAO Project Servicing costs, deficit contingency and Meeting Participation Fund).
 - **Supplementary details (Appendix II)** – Details of the operating expenditures for 2018 which contains supplementary details for the Operating expenditures of the Administrative Budget (line items 2.1 to 2.12).
 - **Special budgets (Appendix III)** – Extra-budgetary funding for 2018 (US\$2,138,600) and indicative for 2019 (US\$1,795,700).
 - **Schedule of contributions (Appendix IV)** – Schedule of contributions for 2018 based on the Commission's contribution formula given in the Annex of the Financial Regulations. The formula is based on a scheme comprising an equal basic fee among all Members, a variable fee based, *inter alia*, on the catch and landings of species covered by the IOTC Agreement in the Area of Competence (held by the IOTC Secretariat), and the *per capita* income of each Contracting Party (statistics from the World Bank website - www.worldbank.org).

PROPOSED ADJUSTMENTS TO THE STRUCTURE OF THE SECRETARIAT

5. The proposed structure of the IOTC Secretariat is presented in [Fig. 1](#). This structure reflects some adjustments to the way that the Secretariat has been operating for several years, in order to improve the effectiveness of the Secretariat, and better match the workload of the different sections to the available resources.
6. The main feature of this revision in this plan is to turn the former post of Deputy Secretary/Science Manager into a dedicated Science Manager, who would be in charge of the Science Section still at P-5 level. By doing so, the Science Manager would be allowed to focus on technical issues of his/her expertise, removing the need to recruit a scientist who would also be capable to supervise the Compliance Section. It will also relieve the Science Manager from some of the administrative responsibilities, and focus on the

implementation of the multiple activities in support of science that the Secretariat has been coordinating in recent years.

7. The second step of this proposal is to align the Compliance and the Science sections, by bringing the Compliance Manager, head of the Compliance Section, to a P-5 level, from the current P-4 level. This is achieved by taking the P4 level post that was approved last year, and raising it to a P5. This brings the Compliance Section on par with the Science Section, in line with the comparable workloads and responsibilities of the two Sections. Also, it solves the potential conflict of having the head of the Compliance Section at the same level of the main Compliance Expert.
8. This alignment also distributes the responsibilities to support the Executive Secretary between the heads of the Compliance and Science Sections, both of whom, depending on the circumstances, can be deputised by the Executive Secretary.
9. The budgetary consequences of these proposals relative to the 2018 budget proposed last year are limited to the difference between a P4 and a P5 at the top of the Compliance Section. Estimating on the basis of the standard costs this would represent just an increase of 2% over the budget for salary costs.
10. In the Figure 1, the grey shade of the Data and the Administrative sections (which include IT services) highlight their role as service providers for the core Science and Compliance Sections, facilitating the mission of the latter of providing technical input to the Commission and its subsidiary bodies.

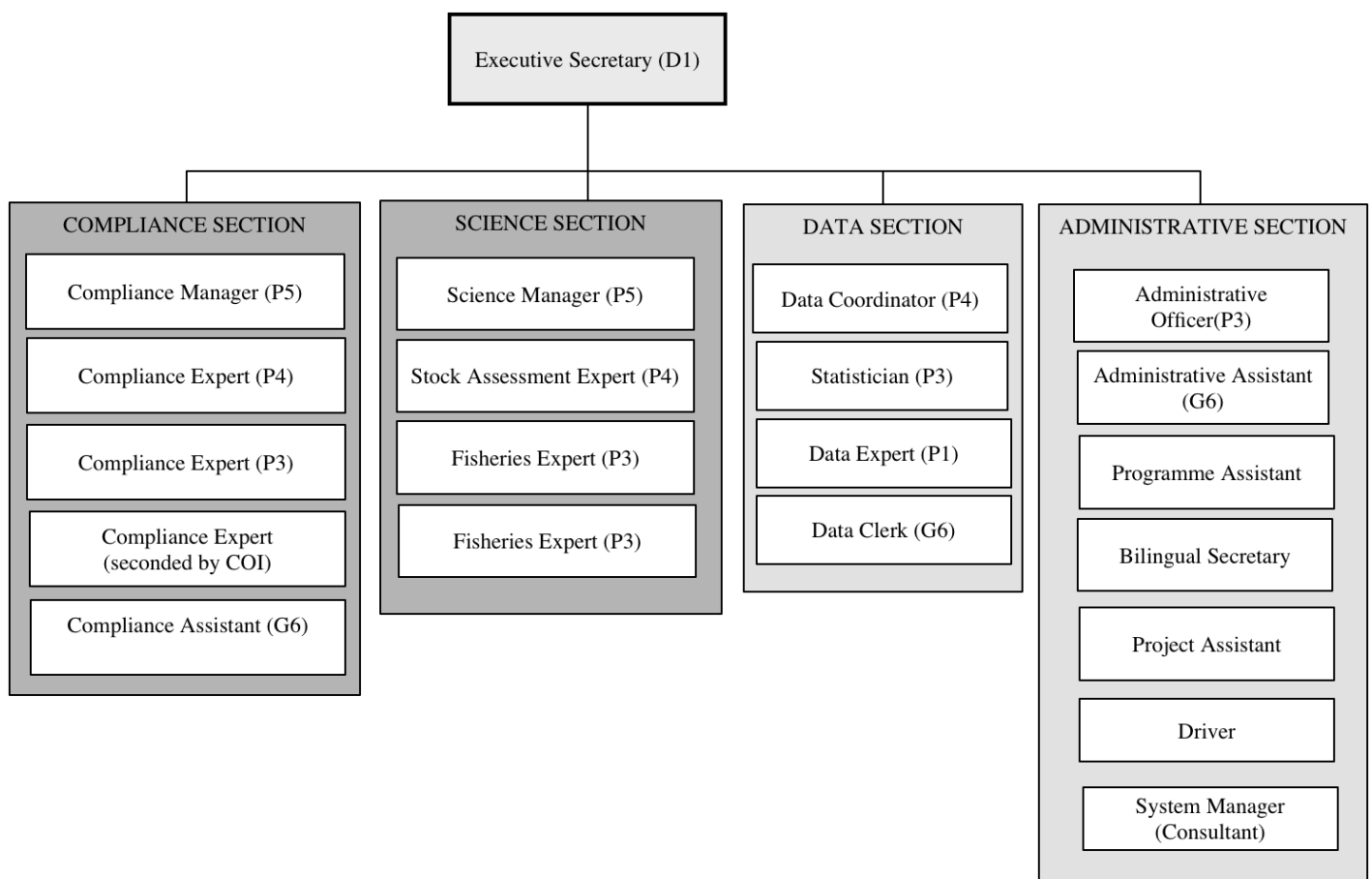


Fig. 1. Proposed structure of the IOTC Secretariat in 2018 and 2019

PROGRAMME OF WORK FOR 2018 AND TENTATIVELY FOR 2019

11. A description of the activities and outputs to be expected in 2018 and 2019 under the functional areas of the IOTC Secretariat are described in detail below.

FUNCTIONAL AREA 1: SUPPORT TO SCIENTIFIC ACTIVITIES (SCIENCE & DATA)***Data support***

12. A large proportion of the work under this functional area is dedicated to the acquisition and review of the data required for the scientific work of the Commission. The data are primarily collected and submitted by national fisheries agencies to the IOTC Secretariat in accordance with IOTC data collection and reporting requirements (i.e. Resolution 15/01 and Resolution 15/02). As the data is often submitted in various formats, before distribution they are converted into a common format, convenient for further analyses by the Scientific Committee's subsidiary bodies (Working Parties), or for dissemination to the general public, usually through the IOTC website.
13. The IOTC Secretariat will continue to assist developing coastal states in the Indian Ocean through the implementation of various capacity building activities, in particular support to data collection and data management, and organisation of training sessions and workshops.

Regional Observer Scheme (Resolution 11/04 and Resolution 16/04)

14. In 2018, the IOTC Secretariat plans to assist in the formulation and implementation of a pilot project to advance the implementation of the Regional Observer Scheme. A proposed plan, developed in consultation with the Scientific Committee, is expected to be discussed by the Commission at the S21. Extra-budgetary funding has been pledged for these activities.

Consultants: Stock assessment

15. Stock assessment and other consultants will be hired for the activities detailed in [Appendix II](#), which have been recommended by the Scientific Committee as high priority activities, to meet the requests of the Commission.

Invited Experts (Scientific): Non-Staff travel

16. The Scientific Committee and its Working Parties have repeatedly recognised that the participation of external experts, with considerable expertise in stock assessment or other complementary skills, enhanced the quality of the work conducted in the past five years and therefore, recommended that the Commission continues to support the participation of such scientific 'Invited Experts'. Four (4) invited experts will attend IOTC science meetings in 2018 (and 2019) as per [Table 1](#).

Table 1. Invited Expert attendance at the Commission's scientific subsidiary bodies in 2017 and 2018.

Science subsidiary body of the Commission	2018	2019
Working Party on Data Collection and Statistics	0	0
Working Party on Neritic Tunas	1	1
Working Party on Temperate Tunas	0	0
Working Party on Billfish	1	1
Working Party on Ecosystems and Bycatch	1	1
Working Party on Methods	0	0
Working Party on Tropical Tunas	1	1
Scientific Committee	0	0

Funding of Functional Area 1 (Support to scientific activities)

17. These activities are funded with the assistance of several initiatives ([Appendix III](#)), as well as the IOTC regular budget. The IOTC Secretariat has received/earmarked financing from the following agencies/projects:
- Grant Agreement with the European Union to undertake key elements from the Scientific Committee's program of work for 2018.
 - Common Oceans/ ABNJ Tuna Project on support of the Technical Committee on Management Procedures,

FUNCTIONAL AREA 2: SUPPORT TO COMPLIANCE ACTIVITIES

18. The IOTC Secretariat contributes by assisting the Compliance Committee and the Commission to better monitor levels of compliance, establish networks of compliance officers in the region, promote compliance activities and coordinate capacity building and training, as necessary.
19. In particular, and following the guidance from the Commission, the IOTC Secretariat has committed to a number of support activities that are expected to be undertaken over the next year, and these are described in the next paragraphs. These activities will largely be funded through extra budgetary resources in 2018 and 2019, though co-funding is expected by some donors ([Appendix III](#)).

Compliance Support Missions

20. The main concept in the capacity building efforts is that of Compliance Support Missions (CSM), that are intended to bring the work of the Commission closer to the CPCs. The CSM are a combination of capacity building and planning exercise to engage in activities that would help to address compliance issues of concerns that were identified during the review at the Compliance Committee.
21. The CSM and follow-up missions are carried out by staff from the IOTC Secretariat, primarily its Compliance Section, over a period of approximately one week, to an audience composed of national officers in offices involved in the implementation of IOTC Resolutions. For CPCs that have already benefitted of CSM, follow-up missions, over two to three days, are foreseen for the next inter-sessional period. These will take place at a minimum of twelve months following the CSM and the objective of the follow-up mission is for the Secretariat, together with the concerned CPC, to assess progress and/or difficulties being faced in the implementation of the Compliance Action Plan. A report on the outcome of these collaborative actions may be presented by the CPC to the Compliance Committee, establishing a baseline from which to measure progress in the strengthening of compliance.
22. To support those activities, one training package relating to the implementation of the IOTC Conservation and Management Measures has been updated; comprising of two CMM Training Manuals and Implementation sheets.

Regional Workshop on Compliance Issues

23. The Compliance Support Missions to individual countries are intended to provide an in-depth analysis of the challenges specific to the CPC in question. However, there are a number of technical challenges that are common to all CPCs, and a forum to discuss the experiences of officers directly involved will be useful in identifying potential issues that could lead to recommendations or clarifications on the measures adopted by the Commission.

Port State Measures

24. This component is specific to the implementation of Resolution 16/11 *on Port State Measures to prevent, deter and eliminate illegal, unreported and unregulated (IUU) fishing*. This training is primarily intended for field personnel and their supervisors, as it focuses more on the operational aspects of the Resolution on Port State Measures.
- Implement at national level, a training course for government officials on IOTC Port State Measures for CPCs in the region
 - Training in the use of the e-PSM application for government officials and vessels' agents.
 - Progress with development and debugging of the e-PSM application.
25. To support those activities, one training package has been developed relating to the implementation of Port State Measures to prevent, deter and eliminate illegal, unreported and unregulated (IUU) fishing activities.
26. Regional training on national interagency cooperation and regional cooperation with a view to foster the links between the national agencies involved in implementing PSM and to strengthen cooperation between port State and flag State CPCs.
27. The e-PSM application to facilitate the implementation of Resolution 16/11 has now been in use by some of the port State and flag State CPCs for a year.

Legal Assistance

28. Transposition of relevant IOTC CMMs into national legislation in accordance to Article X of the IOTC Agreement.

Funding of Functional Area 2 (Support to the compliance activities)

29. These activities are funded with the assistance of several initiatives, following presentation of the capacity building initiatives to potential financing agencies. Co-funding is also required from the IOTC regular budget. The IOTC Secretariat has received/earmarked financing from the following agencies/projects:
- Grant Agreement with the European Union to undertake follow-up missions of CSM and PSM and legal assistance to CPCs to transpose IOTC CMMs into domestic legislation.
 - World Bank Project (under SWIOFISH 2) through the Indian Ocean Commission (financing to undertake follow-up Compliance Support Missions and PSM training and to the implementation of the e-PSM application and to provide further legal assistance to CPCs to transpose IOTC CMMs into domestic legislation and the recruitment of and MCS Expert).
 - FAO Common Oceans ABNJ Tuna Project support to CSMs, regional workshops on compliance and support to training in e-PSM
30. These capacity building activities, which started in February 2013, are expected to continue during 2018 (and 2019). The estimated cost of the extra-budgetary activities are highlighted in [Appendix III](#).

Regional programme to monitor transshipment at sea

31. The implementation of the Regional Observer Programme to monitor transshipments at sea is now in its 9th year and it is anticipated that it will continue through 2018 and into the future. The present contract with the consortium of MRAG Ltd/Capfish will expire at the end of 2017 and a new tender will be carried out in the second semester of 2017 to issue a new contract. As has been the case in the past years, the Compliance Section will closely supervise and monitor the progress of its implementation by the consortium. As anticipated in Resolution 14/06, the cost of the implementation of this Programme falls on the fleets benefitting from the transshipment-at-sea activities, and therefore, the costs of this programme are not incorporated in the regular budget.

FUNCTIONAL AREA 3: COMMUNICATIONS

32. It has become evident that it is essential to maintain close contacts with the international community, including non-governmental organisations, representatives from different sectors of the industry, from the harvesting sector to retailers and buyers, and the general public. The objective is to provide all stakeholders with accurate information about the status of the stocks under the IOTC purview, as well as about the actions that the Commission is taking towards a better management of the resources and conservation of the environment.
33. Over the past five (5) years, there has been a marked increase in the number of requests for information from the public in general about the activities of the Commission. This has created a need for a more active role in this area by the IOTC Secretariat. These activities are expected to continue and result in a steadily increasing workload during 2018 and 2019.
34. The compilation and formatting of the documents presented at the scientific subsidiary bodies of the Commission are equally important activities under this area. The IOTC Secretariat will continue to maintain these entries, publishing all documents on the IOTC website (www.iotc.org) as it has been the policy since the first publication of data on the website.
35. The IOTC Web Site will be extended in the near future to incorporate tools to facilitate querying of the IOTC database, in particular catch and number of fishing craft tables. The website will remain the primary communication tool with the featured news feeds, providing the public with up-to-date information on the IOTC Secretariat's work and opportunities.
36. In line with its corporate communications policy, and considering the link of IOTC and FAO, FAO has proposed that the IOTC website be hosted by FAO at no additional cost to the Commission. Mindful of the concerns of the CPC's about the continuation of the services provided by the IOTC website to the Members,

the IOTC Secretariat held technical discussions with the relevant offices in FAO to clarify the special nature of the services rendered by the IOTC website. The results of these discussions are reported separately in document IOTC-2017-S21-05.

FUNCTIONAL AREA 4: SUPPORT TO MEETINGS

37. [Appendix V](#) lists the meetings scheduled for 2018 and 2019 that will require the support of the IOTC Secretariat. The schedule of meetings for the scientific subsidiary bodies are in accordance with the annual recommendation from the Scientific Committee.

Meeting participation fund (MPF)

38. The IOTC MPF has been budgeted at US\$200,000 per year and will be administered in accordance with the IOTC Rules of Procedure (2014):

- 75%: Shall be allocated to facilitating the attendance of developing Contracting Party scientists to the Scientific Committee and its Working Parties (US\$150,000);
- 25%: No more than 25% of the expenditures of the Fund in one year is used to fund attendance to non-scientific meetings (Rule XVI, para. 5) (US\$50,000).

39. The MPF budget will not be charged a Project Servicing Cost (PSC) by FAO ([Appendix I](#) and [Appendix II](#)).

FUNCTIONAL AREA 5: INFORMATION TECHNOLOGY SUPPORT

40. In 2018 and 2019 there are no expected major purchases of computer equipment anticipated other than those required to replace equipment deemed obsolete or out of order or for new staff ([Appendix II](#)). A better Internet connection has been contracted with the local service provider in 2017 that might result in slightly higher costs.

FUNCTIONAL AREA 6: ADMINISTRATION SUPPORT

41. A number of administrative functions continue to be handled by FAO. All personnel, overall accounting including contributions and overall expenditures, are managed from FAO Rome. The IOTC Secretariat has direct access to the budget status through the expenditure and revenue transactions summary reports. The IOTC Secretariat has a direct link to the FAO intranet, which is a source for training and reference material for all administrative procedures and this has improved the administrative processes.

42. As required by the Commission's Financial Regulations, the budget is presented to conform to the presentation required by Regulation III and consists of two components, 1) Administrative Expenditures and 2) Expenditure for Activities ([Appendix I](#) and [Appendix II](#)).

THE BUDGET FOR THE COMMISSION'S 2018 PROGRAMME OF WORK (AND TENTATIVELY FOR 2019)

43. The Administrative Expenditures cover staff salaries and overtime payments for General Service staff, employer's contributions to the pension fund and health insurance, and employer's contributions to pay for the costs of entitlement.

44. The Expenditure for Activities, or Operating Expenditures, covers consultants, duty travel, meetings, interpretation, translation, equipment purchases, office operating expenses, contingency funds and the Meeting Participation Fund.

45. As required under Regulation III.5 of the Financial Regulations, supplementary details for the General Operating Expenditures line item of [Appendix I](#) are provided in [Appendix II](#). The levels budgeted cover only the expenses envisioned to the Regular Budget of the Commission. The expenditures envisioned for Special Budgets or various extra-budgetary contributions are reflected in [Appendix III](#).

ADMINISTRATIVE EXPENDITURES (BUDGET LINE 1) ([Appendix I](#))

46. Staff costs are estimated based on costs incurred in December 2016 and the beginning of 2017. The positions planned in 2018 include a Compliance Manager, P-5 (replacing the already-approved Compliance

Expert, P-4), and a Fishery Officer (Data, P-1) (fully budgeted). A Science Officer (P-4) is included for half of 2018, as anticipated in the indicative budget presented in 2016.

PROFESSIONAL STAFF (BUDGET LINE 1.1)

47. All post costs for 2018 include basic gross salary and post-adjustment, as well other costs such as the contributions to the pension fund, medical insurance, and costs associated to entitlements of FAO staff such as travel of staff and their families on first appointment, education grant, home leave, establishment grant, rental assistance and repatriation upon termination of appointment.

GENERAL SERVICE STAFF (BUDGET LINE 1.2)

48. For 2018, total salary costs for the locally-hired General Service staff, are estimated to be higher than 2017 in anticipation of a major revision of the UN salary scale for Seychelles, retroactive to June 2016, when a salary survey took place.

EMPLOYER CONTRIBUTIONS: PENSION FUND, HEALTH INSURANCE, ENTITLEMENTS (BUDGET LINES 1.3, 1.4 & 1.5)

49. Based on the latest information, estimates for the entitlements cost in 2018 remain stable and in line with the budgeted figures in 2017. This element of the remuneration cost is an amount retained by FAO to cover the costs of entitlements of the staff such as home leave, education grants, etc. The contribution from each post is calculated by FAO on the basis of prorating the actual costs of entitlements amongst all posts of the same grade throughout FAO. For example, the contribution from a P-4 post is proportional to the costs of all entitlements used by all P-4 posts in FAO divided by the number of P-4 posts in the organization. Therefore, there is substantial variability in this component from year-to-year depending on the actual expenses incurred at the FAO-wide level.
50. In contrast to this, employer contributions to the Pension Fund, being a fixed proportion of the base salary, is a very predictable component. Health Insurance employer contributions also exhibited some variability throughout the year.
51. The post adjustment for professional staff has varied significantly throughout the past year and may not remain stable in 2018 due to fluctuation of US\$ currency exchange and a United Nations-wide Comprehensive Review of the Compensation Package which is being introduced gradually. The review will have an impact on the frequency of “place to place” surveys and the post adjustment calculations. All elements of remuneration, including monetary and non-monetary elements, have been reviewed and some of the changes have already been implemented in 2017. Other changes will be implemented gradually over 1-3 years. The overall objective of the review is to achieve a pay system that is simple and easy to administer.
52. In February 2014, the Food and Agriculture Organization of the United Nations (FAO) informed the IOTC Secretariat on the implementation of Improved Cost Recovery Uplift (ICRU) towards field project personnel costs (staff and consultants). FAO states that these charges are to recover the costs of central services provided by CSDU (security) and **CIO (information technology)** relating to field personnel. In 2014, FAO has reduced IOTC’s field security component from 4.8 percent of staff/consultant costs to 1.4 percent, while the information technology component of ICRU remains at 1.4 percent.
53. The Commission has expressed its disagreement at SCAF13 with the inclusion of ICRU, and requested that it be removed from future budgets.

OPERATING EXPENDITURES (BUDGET LINE 2) ([Appendix I](#) and [Appendix II](#))

CAPACITY BUILDING (BUDGET LINE 2.1)

54. The IOTC Secretariat continues to promote capacity building activities in the region through the use of the IOTC Regular Budget. The work carried out includes training and fact-finding missions to coastal developing States in the Indian Ocean to promote an enriched comprehension of compliance-related issues, and assess the need for support in the implementation of the measures adopted by the Commission. This is despite the non-expenditure of the Capacity Building budget line in 2016 due to ‘savings’. The IOTC

Secretariat intends to develop and implement capacity building activities in the following core areas in 2018 and 2019:

- a) **Science & Data** (training workshops):
 - i) Regional Observer Scheme [Resolution 11/04]; plus other applicable Resolutions [i.e. 12/06; 05/05 etc.];
 - ii) Data collection and reporting (i.e. Logbook) requirements [Resolution 15/01]; Mandatory statistical reporting requirements [Resolution 15/02].
- b) **Compliance** (support missions and training workshops):
 - i) Compliance Support Missions;
 - ii) Training on implementation of the Port State measures.
- c) **Science-Management Dialogue**:
 - i) A Science and Management Dialogue [Resolution 14/03] process dedicated to enhance the decision making response of managers to existing CMMs and recommendations made by the Scientific Committee to the Commission will continue, with the objective of:
 - Enhancing communication and to foster mutual understanding among fisheries managers, stakeholders and scientists;
 - Promoting the efficient use of scientific resources and information.

CO-FUNDING OF SCIENCE AND DATA GRANTS (BUDGET LINE 2.2)

55. The IOTC Secretariat has secured several multi-year extra-budgetary grants totalling €2,500,000 (approximately US\$2,750,000) which require co-funding of 20% from the IOTC (US\$430,000). This co-funding is provided, in some cases, by the institutions contracted to carry out these activities, or, to a large extent, it is provided in-kind (as opposed to cash) through staff time devoted to the coordination and implementation of these activities. A nominal amount has been incorporated into the IOTC Regular Budget under this line item. The 2017 component of the multi-year science grants is US\$1,430,400.

- Population Structure of IOTC Species in the Indian Ocean: Estimation with next generation sequencing technologies and Otolith micro-chemistry (2016-18): Three year grant from the European Union 1.3 m euro + 20% co-funding.
- Support to the IOTC Scientific Committee Program of Work: 18-month grant from the European Union 600,000 euro + 20% co-funding.
- Additional support to the IOTC Scientific Committee Program of Work (to be signed in 2018): 18-month grant from the European Union 600,000 euro + 20% co-funding.

56. In addition to these projects, the European Union (DG-Mare) has also pledged funding (€400,000) in support for the implementation of the pilot project on the Regional Observer Scheme.

CO-FUNDING OF COMPLIANCE GRANTS (BUDGET LINE 2.3)

57. The IOTC Secretariat has secured a grant for 2017, totalling €150,000 (approximately US\$169,868) which require co-funding of 20% from the IOTC. A nominal amount has been incorporated into the IOTC Regular Budget under this line item. The grant will be utilised to support capacity building activities to be undertaken by the Compliance Section.

CONSULTANTS (BUDGET LINE 2.4)

58. The provision for consultancies covers the cost of independent experts hired to provide supplementary expertise in areas where national officers or the IOTC Secretariat cannot cover in a given year, or which need to be enhanced. It also includes experts recruited to provide specific skills required for the work of the Commission such as stock assessments. On occasions, it has covered occasional short-term attachments at the IOTC Secretariat of scientists from the region, with capacity building as one of the objectives. Estimated travel expenses of the consultancies are added to this budget and are only an approximation as they depend on the country of origin of the consultants recruited.

59. The position of the Information Technology Manager has been partially financed, since the beginning of the operations of the IOTC Secretariat, by the Government of Seychelles as a way to defray the costs of operating the IOTC Secretariat in the Seychelles. Since 2012, the IOTC Secretariat has reached an

agreement with the Government of Seychelles by which, rather than hiring directly the IT Manager, Seychelles provides funds that go towards hiring a consultant to become the IT Manager.

DUTY TRAVEL (BUDGET LINE 2.5)

60. **Staff:** Travel is intended to cover field activities and attendance to meetings for staff as appropriate. UN rates are used for daily subsistence allowance and for ticketing. Also covers the participation of staff in IOTC meetings held outside of the Seychelles. Similar arrangements are foreseen in 2019.
61. **Non-Staff:** Four (4) invited experts are anticipated to attend IOTC science meetings in 2018 (and 2019) as per [Table 1](#).

MEETING COSTS (BUDGET LINE 2.6)

62. Support for meetings of the Commission and its subsidiary bodies. Meeting costs include rental of room facilities, incidentals such as functions, breaks, and equipment such as interpretation equipment, photocopying facilities and purchasing of office supplies needed to run the meetings.

INTERPRETATION AND TRANSLATIONS COSTS (BUDGET LINES 2.7 & 2.8)

63. The costs of interpretation and translation are presented separately to provide a clearer picture of the structure of these costs. The FAO Interpretation Unit makes a concerted effort to secure interpreters in the same region as meetings are taking place to lower travel costs accordingly. Interpretation is provided at the Commission and all Committee meetings. No simultaneous interpretation is provided in other meetings unless externally requested and funded. In contrast, translation is required throughout the year and depends on the number of documents produced for official distribution to Members and, therefore, is more difficult to provide a precise estimate, although the number of documents required for translation continues to increase. The travel costs for translation corresponds to the costs (honorarium and travel) of participation of a translator at the meetings of the Commission, Compliance Committee, the Standing Committee on Administration and Finance and the Scientific Committee.

EQUIPMENT (BUDGET LINE 2.9)

64. Equipment such as computer hardware and software will continue to be replaced as required. Some new office furniture will be required to accommodate staff and consultants.

GENERAL OPERATING EXPENSES (BUDGET LINE 2.10)

65. Operating expenditures include the costs associated with the office at the headquarters including communications costs (Internet, mail, telephone and fax services), as well as maintenance of the premises and vehicles available to the IOTC Secretariat. As part of the Headquarters Agreement, the government of Seychelles pays for the rental of the offices in Victoria, the electricity costs, and supplies one of the vehicles.

PRINTING (BUDGET LINE 2.11)

66. **Paperless work environment:** As the Commission has agreed to move to a mostly paperless workplace environment, the printing line has been zeroed as of 1 January 2017 and shall no longer be utilised. The General Operating Expenses line (2.10) is expected to have sufficient funds to cover the printing requirements of the IOTC Secretariat.

CONTINGENCIES (BUDGET LINE 2.12)

67. A contingency line has been incorporated to account for expenditures not anticipated at this time, as required by the IOTC Financial Regulations. Year 2018 was set at US\$87,123, in line with the provisional budget presented in 2016, and 2019 has been fixed at a nominal amount of US\$80,000.

ADDITIONAL CONTRIBUTION BY SEYCHELLES (BUDGET LINE 3)

68. The government of Seychelles provides an additional contribution every month. These funds are paid in Seychelles Rupees and are therefore converted at the UN operational rate of exchange, such that the dollar figure is variable. This additional contribution has been increased to include the funding of the IT Manager post, which was previously hired directly by the Government of Seychelles. The funds are incorporated in the revenue of the IOTC Secretariat.

FAO PROJECT SUPPORT COSTS (PSC) (BUDGET LINE 4)

69. Servicing costs of 4.5 % of the total budget of the Commission are charged by FAO as determined by the IOTC Agreement. Note, in the past, the FAO Finance Committee has rejected the requests of the Commission to waive these costs but the FAO Office of Strategy, Planning and Resource Management has granted IOTC the right to open a 0% PSC project for the Meeting Participation Fund.

DEFICIT CONTINGENCY (BUDGET LINE 5)

70. A temporary Deficit Contingency line was incorporated into the budget for 2017 (US\$150,000) to mitigate the impact of Members not paying their contributions as assessed. As presented in the indicative budget for 2018 presented last year, a similar line is not included for 2018, in spite of contributions still not being paid for some Members. As agreed at SCAF13 the Commission may want to consider the inclusion of a Deficit Contingency for future years as the Commission resumes the normal level of expenditures.

MEETING PARTICIPATION FUND (MPF) (BUDGET LINE 6)

71. The IOTC Meeting Participation Fund (MPF) has been set to US\$200,000 for the years 2018 and tentatively 2019, pending a review of the MPF requirements of the IOTC during the SCAF14 and S21 Sessions in 2017.

SPECIAL BUDGETS (EXTRA-BUDGETARY FUNDING)

72. In addition to the funds included in the IOTC Regular Budget for 2018 and tentatively for 2019, the Commission will benefit from substantial extra-budgetary contributions to the Science, Data and Compliance areas of the IOTC Secretariat from partners such as those detailed in [Appendix III](#).

73. Extra-budgetary resources are used to fund additional technical cooperation and capacity building activities. These are NOT intended to offset the Regular Budget, but rather, serve as additional resources to expand the Commissions work. The IOTC receives funds either in grants, earmarked through projects, or voluntary contributions.

74. In addition to the extra-budgetary funds received, there are contributions to the work of the IOTC Secretariat by other projects or initiatives, inter alia:

- a) The partners of the FAO Common Oceans ABNJ Tuna Project support to areas such as capacity building, in particular on Management Strategy Evaluation, data-poor assessment methods, Compliance Work and global t-RFMO work;
- b) The Indian Ocean Commission, via its SWIOFISH2 Project that is scheduled to provide support to the Compliance work in the SWIO for the coming six years.
- c) Other NGOs and private sector initiatives in various opportunities such as WWF, ISSF, Pew Charitable Trusts, and others.

RECOMMENDATION/S

75. That the SCAF:

- a) **NOTE** the Budget Estimates and supporting documentation for the IOTC Secretariat's programme of Work for the financial period 01 January to 31 December 2018, together with indicative figures for the 2019 financial period.
- b) **RECOMMEND** a budget and scheme of contributions for the 2018 financial period to the Commission for its consideration.
- c) **RECOMMEND** that the IOTC Secretariat publish a final version of the Programme of Work and Budget for 2018 and tentatively for 2019, based on the amendments made during the SCAF14, and as adopted by the Commission during its 21th Session. The final Program of Work and Budget shall be published on the IOTC website (iotc.org) for ease of reference and transparency.

- d) **RECOMMEND** that the Commission take note of the shortfall in the payment of some Parties, and recommend a long-term strategy, noting the Deficit Contingency budget line will not be applied from 2018.

APPENDIX I

Proposed budget for 2018 and indicative budget for 2019 (in US\$)

Budget item description		2016 Actual Expenditures	2017	2018	2019
1	<u>Administrative Expenditures</u>				
1.1	Professional				
	Executive Secretary (D1)	-	161,303	163,907	168,824
	Science Manager (P5)	78,249	144,842	147,947	152,385
	Compliance Manager (P5)	117,276	75,000	145,000	149,350
	Science Coordinator (P4)	-	0	57,654	115,000
	Data Coordinator (P4)	91,778	113,971	115,308	118,767
	Stock Assessment Expert (P4)	17,688	113,971	116,308	119,797
	Compliance Coordinator (P4)	-	127,971	131,500	135,445
	Compliance Officer (P3)	124,894	81,917	95,779	98,652
	Statistician (P3)	101,488	99,728	102,717	105,799
	Fishery Officer (Science P3)	74,063	98,363	102,258	105,326
	Administrative Officer (P3)	55,799	95,779	98,970	101,939
	Fishery Officer (Data P1)	-	60,000	91,000	93,730
1.2	General				
	Administrative Assistant	14,630	14,927	15,445	15,908
	Compliance Assistant	11,721	11,664	11,950	12,309
	Office Assistant	9,692	11,296	11,747	12,099
	Database Assistant	14,630	15,335	15,869	16,345
	Office Assistant	8,604	7,972	8,259	8,507
	Driver	7,981	7,274	7,465	7,689
	Overtime	5,535	5,000	5,000	5,150
	Total Salary costs	734,026	1,246,313	1,444,083	1,543,022
1.3	Employer Pension & Health	205,518	311,578	418,651	447,476
1.4	Employer FAO entitlement fund	382,830	535,118	607,582	771,511
	Adjustment entitlement fund	(25,620)			
1.5	Improved Cost Recovery Uplift	43,239	0	0	0
	Total staff costs	1,365,613	2,093,009	2,470,316	2,762,009
2	<u>Operating Expenditures</u>				
2.1	Capacity Building	59,028	125,000	125,000	125,000
2.2	Co-funding Science/Data grants	0	130,033	130,000	60,000
2.3	Co-funding Compliance grants	0	63,974	65,000	65,000
2.4	Consultants	151,377	174,900	155,000	155,000
2.5	Duty travel	98,721	134,105	135,000	150,000
2.6	Meetings	68,182	107,000	105,000	120,000
2.7	Interpretation	146,044	140,000	140,000	140,000
2.8	Translation	107,673	111,000	105,000	110,000
2.9	Equipment	31,652	30,459	30,000	20,000
2.10	General Operating Expenses	53,582	73,027	50,000	80,000
2.11	Printing	4,388	0	0	15,000
2.12	Contingencies	4,956	69,672	10,000	10,000
	Total Operating Expenditure	725,604	1,159,170	1,095,000	1,050,000
	SUB-TOTAL	2,091,217	3,252,179	3,566,553	3,812,009

3	Additional Contrib. Seychelles	-17,657	-20,100	-20,100	-20,100
4	FAO Servicing Costs	93,403	148,032	162,499	171,540
5	Deficit Contingency	0	150,000	0	-
6	Meeting Participation Fund	211,022	200,000	200,000	200,000
	GRAND TOTAL	2,377,984	3,730,111	3,907,715	4,163,450
	Total change in budget year to year			4.8%	6.5%

APPENDIX II
Operating expenditures for 2018

Item Description	2018 (US\$)
<i>Capacity Building</i>	
Regional Observer Scheme: training (2 regional workshops) and materials	\$50,000
Regional Observer Scheme: Species identification cards (printing of hard copies and/or development of e-cards)	\$15,000
Ad-Hoc Compliance Capacity Building activities	\$40,000
To be decided upon needs/requests from Contracting Parties	\$20,000
Sub-Total	\$125,000
<i>Co-funding extra budgetary science and data grants</i>	
EU Stock Structure GCP/INT/233/EC: €1,300,000 = US\$1,529,487. 3 year project. 2017 = US\$500,000 (20% = US\$248,000 split between contracted organisation and IOTC; Other \$100,000:\$33,333 IOTC)	\$33,333
EU Science GCP/INT/258/EC: €600,000 = US\$667,000 (20% = US\$133,400 split over two years; Other \$133,400:\$66,700 IOTC)	\$66,700
Co-funding contingency	\$30,000
Sub-Total	\$130,033
<i>Co-funding extra budgetary compliance grants</i>	
EU Capacity Building grant GCP/INT/XXX/EC = €150,000 = US\$169,868 (20% = US\$33,974)	\$33,974
Co-funding contingency	\$30,000
Sub-Total	\$63,974
<i>Consultants</i>	
Information technology - \$2200 / month	\$26,400
Workshops on data poor techniques for stock assessment: Develop materials for training workshops and delivery (facilitated by the IOTC stock assessment scientist) (fees \$6,750 + travel \$5,000)	\$11,750
CPUE standardisations: Neritic tunas: CPUE standardisations for key neritic tuna fleets (Indonesia, I.R. Iran and India (3 total) (fees \$22,500 + travel \$15,000)	\$37,500
Neritic tuna stock assessments and capacity building (fees \$11,250 + travel \$5,000)	\$16,250
Billfish data poor stock assessment, including the development of CPUE series for coastal gillnet and fisheries other than industrial longline (fees \$11,250 + travel \$5,000)	\$16,250
Shark stock assessment (Blue shark) (fees \$11,250 + travel \$5,000)	\$16,250
Tropical tuna (Skipjack tuna) stock assessment (fees \$17,600 + travel \$5,000)	\$22,600
External peer review of the yellowfin tuna MSE	\$4,000

External peer review of the bigeye tuna MSE	\$4,000
Sub-Total	\$155,000
Duty Travel (Staff and Non-Staff)	
IOTC Staff Travel Plan 2017 (Meetings)	\$125,000
Invited Experts (Science) 2017	\$10,000
Sub-Total	\$135,000
Meetings	
S22 Incidentals	\$35,000
Working Parties	\$15,000
SC21 Seychelles	\$35,000
Working Party contingency planning: Seychelles	\$20,000
Sub-Total	\$105,000
Interpretation	
CoC15, SCAF15, TCMP02, S22 (Thailand)	\$70,000
TCAC04/05 (TBD)	\$30,000
SC21 (Seychelles)	\$40,000
Sub-Total	\$140,000
Translation	
Translation (General)	\$30,000
Translation (IOTC Consultant)	\$50,000
Travel for consultant	\$25,000
Sub-Total	\$105,000
Equipment	
Toners, anti-virus software, MSDN	\$8,000
Other IT equipment (hardware and accessories as needed)	\$9,000
Office furniture (Desks, chairs, partitions)	\$13,000
Sub-Total	\$30,000
General Operating Expenses	
Web Hosting, Email hosting	2,200
Office Tel/Fax and mobile phones - \$8500 / yr; Data Lines (internet) - \$32,000 / yr; Orbitica satellite telephone - \$822 / yr	41,400
Postal & Pouch - \$100 / mo	1,200

Vehicle Insurance and Vehicle Maintenance (Insurance 1,120/yr, Maint \$80 / mo; Vehicle Petrol - \$100 / mo; Vehicle Cleaning - \$40 / mo for 2 vehicles)-	4,720
Cleaning of Premises - \$320/mo	3,840
Office Supplies (Stationery; Kitchen; Bathroom; Newspapers; Contingencies)	20,000
Maven website dev+/maintenance	1,640
Sub-Total	75,000
Contingencies	
As required by the Financial Regulations	10,000
Operating Expenditures Total	\$1,095,000

APPENDIX III

Extra-budgetary resources secured (black) and proposed (red) for the years 2018 and 2019 (US\$)

Description	Institution	2017 (US\$)	2018 (US\$)
<i>Science</i> : Population Structure of IOTC Species in the Indian Ocean: Estimation with next generation sequencing technologies and Otolith micro-chemistry (2016-18).	European Union 80% (€1.3m over 3 yrs) Others 20% (US\$100,000 in 2017) Others 66:33 IOTC	\$500,000 \$67,000	\$330,000 \$42,000
<i>Science and data</i> : Support to the IOTC Scientific Committee Program of Work.	European Union 80% (€600K) Others + IOTC 20% (\$133,700, 50:50)	\$667,000 \$66,700	\$667,000 \$66,700
<i>Science and data</i> : Support to Regional Observer Scheme pilot	European Union 80% (€400K)	445,000	
<i>Science and Data</i> : Support to development of second phase of MSE for yellowfin and bigeye tunas	FAO ABNJ Tuna Project	165,000	150,000
<i>Compliance</i> : Support to capacity building activities of the Compliance Section.	World Bank/SWIOFISH2	-	\$400,000
<i>Compliance</i> : Electronic Port State Measures Applications: technical support and national training.	World Bank/SWIOFISH2	\$42,500	
<i>Compliance</i> : Regional Workshop Supporting IOTC Resolutions.	FAO ABNJ Tuna Project	-	\$80,000
<i>Compliance</i> : Compliance Support Missions; Follow-up Compliance Support Missions and Port State Measures.	EU World Bank/SWIOFISH2	\$30,000 \$39,700	\$30,000
<i>Compliance</i> : Administrative and operational support to the implementation of port State measures.	SWIOFISH2	\$35,500	-
<i>Compliance</i> : Legal assistance - Review fisheries law and regulations to ensure that the legal framework is adequate to allow the Members to implement the Resolutions adopted by the Indian Ocean Tuna Commission.	EU World Bank/SWIOFISH2	\$30,000 \$20,000	\$30,000
<i>Compliance</i> : Guide for IOTC data and information reporting (design and printing).	World Bank/SWIOFISH2	\$30,200	-
	TOTAL	\$2,138,600	\$1,795,700

APPENDIX IV
Indicative schedule of contributions for 2018 (in US\$)

Country	World Bank Classification in 2015	OECD Membership	Average catch for 2013-2015 (in metric tons)	Base Contribution	Operations Contribution	GNP Contribution	Catch Contribution	Total Contribution (in USD)
Australia	High	Yes	4,881	\$13,475	\$16,990	\$133,029	\$14,700	\$178,193
China	Middle	No	71,610	\$13,475	\$16,990	\$33,257	\$43,131	\$106,853
Comoros	Low	No	5,832	\$13,475	\$16,990	\$0	\$3,513	\$33,978
Eritrea	Low	No	219	\$13,475	\$0	\$0	\$132	\$13,607
European Union	High	Yes	205,162	\$13,475	\$16,990	\$133,029	\$617,841	\$781,335
France(Terr)	High	Yes	0	\$13,475	\$0	\$133,029	\$0	\$146,503
India	Middle	No	175,804	\$13,475	\$16,990	\$33,257	\$105,886	\$169,608
Indonesia	Middle	No	363,291	\$13,475	\$16,990	\$33,257	\$218,809	\$282,531
Iran, Islamic Republic of	Middle	No	230,110	\$13,475	\$16,990	\$33,257	\$138,594	\$202,316
Japan	High	Yes	15,218	\$13,475	\$16,990	\$133,029	\$45,830	\$209,323
Kenya	Middle	No	975	\$13,475	\$16,990	\$33,257	\$587	\$64,309
Korea, Republic of	High	Yes	17,211	\$13,475	\$16,990	\$133,029	\$51,830	\$215,324
Madagascar	Low	No	8,655	\$13,475	\$16,990	\$0	\$5,213	\$35,678
Malaysia	Middle	No	22,312	\$13,475	\$16,990	\$33,257	\$13,438	\$77,161
Maldives	Middle	No	124,302	\$13,475	\$16,990	\$33,257	\$74,866	\$138,588
Mauritius	Middle	No	6,733	\$13,475	\$16,990	\$33,257	\$4,055	\$67,777
Mozambique	Low	No	2,903	\$13,475	\$16,990	\$0	\$1,748	\$32,213
Oman	High	No	34,370	\$13,475	\$16,990	\$133,029	\$20,701	\$184,195
Pakistan	Middle	No	58,753	\$13,475	\$16,990	\$33,257	\$35,387	\$99,109
Philippines	Middle	No	1,089	\$13,475	\$16,990	\$33,257	\$656	\$64,378
Seychelles	High	No	78,015	\$13,475	\$16,990	\$133,029	\$46,988	\$210,482
Somalia	Low	No	0	\$13,475	\$0	\$0	\$0	\$13,475
South Africa	Middle	No	0	\$13,475	\$0	\$33,257	\$0	\$46,732
Sri Lanka	Middle	No	130,958	\$13,475	\$16,990	\$33,257	\$78,876	\$142,598
Sudan	Middle	No	34	\$13,475	\$0	\$33,257	\$20	\$46,752
Tanzania	Low	No	8,927	\$13,475	\$16,990	\$0	\$5,376	\$35,841
Thailand	Middle	No	11,816	\$13,475	\$16,990	\$33,257	\$7,117	\$70,839
United Kingdom(Terr)	High	Yes	3	\$13,475	\$0	\$133,029	\$10	\$146,513
Yemen	Middle	No	46,128	\$13,475	\$16,990	\$33,257	\$27,783	\$91,505
Total				390,772	390,772	1,563,086	1,563,086	3,907,715

*Total contributions may vary from the sum of the four components by up to one dollar due to rounding.

APPENDIX V

Schedule of meetings to be supported by the IOTC Secretariat in 2018 and 2019 (does not include workshops or other non-formal IOTC subsidiary bodies)

Meeting	2018			2019		
	No.	Date	Location	No.	Date	Location
Technical Committee on Allocation Criteria (TCAC)	4 th	TBD	TBD	5 th	TBD	TBD
Technical Committee on Management Procedures	2 nd	TBD	TBD	3 rd	TBD	TBD
Compliance Committee (CoC)	15 th	TBD	TBD	16 th	TBD	TBD
Working Party on the Implementation of Conservation and Management Measures	1 st	TBD	TBD	2 nd	TBD	TBD
Standing Committee on Administration and Finance (SCAF)	15 th	TBD	TBD	16 th	TBD	TBD
Commission	22 nd _d	TBD	TBD	23 rd	TBD	TBD
Working Party on Neritic Tunas (WPNT)	8 th	3–6 March (4d)	TBD	9 th	TBD	TBD
Working Party on Temperate Tunas (WPTmT)	-	-	-	7 th	TBD	TBD
Working Party on Ecosystems and Bycatch (WPEB)	14 th	6-10 September (5d)	Kenya	15 th	TBD	TBD
Working Party on Billfish (WPB)	16 th	12–16 September (5d)	Kenya	17 th	TBD	TBD
Working Party on Tropical Tunas (WPTT)	20 th	30 October – 3 November (5d)	TBD	21 st	TBD	TBD
Working Party on Methods (WPM)	9 th	5–7 November (3d)	TBD	10 th	TBD	TBD
Working Party on Data Collection and Statistics (WPDCS)	13 th	28–30 November (3d)	Seychelles	14 th	TBD	Seychelles
Scientific Committee (SC)	21 th	1–5 December (5d)	Seychelles	22 th	TBD	Seychelles