
PROVISIONAL PROGRAMME OF WORK AND BUDGET FOR 2019 (AND INDICATIVE BUDGET FOR 2020)

PREPARED BY: IOTC SECRETARIAT

ABOUT THIS REVISION:

This revision is to correct the indicative schedule of contributions – Appendix 4. There are no other changes.

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 2019, together with indicative figures for the 2020 financial period.
2. The overall budget amount proposed for the Administrative Budget for 2019 is US\$4,504,151 and is based on recommendations of the 2017 sessions of the Scientific Committee (SC20) and Compliance Committee (CoC14), as well as previous Commission decisions concerning the operations of the IOTC Secretariat. The 2019 budget proposed represents a nominal 15% gross increase over the corresponding 2018 budget.
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 22nd Session of the Commission (S22) that 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 1) – for 2019 and indicative budget for 2020 (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 2) – Details of the operating expenditures for 2019 that contains supplementary details for the Operating expenditures of the Administrative Budget (line items 2.1 to 2.12).
 - **Special budgets** (Appendix 3) – Extra-budgetary funding for 2019 (US\$1,208,991) and indicative for 2020 (US\$261,310).
 - **Schedule of contributions** (Appendix 4) – Schedule of contributions for 2019 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 structure of the IOTC Secretariat is presented in Figure 1. This structure reflects some minor adjustments approved at S21 to correct the titles and grades of the staff. The budgetary consequences of these changes relative to the 2018 budget proposed last year are minimal.
6. The budget has been updated to include accurate staff cost figures collected from 2017 and includes a small increase of 3% to allow for staff cost increases. The budget line for Improved Cost Recovery Uplift (ICRU) has been included because ICRU continues to be applied by FAO. In the past two years, budget savings have been used to cover the ICRU costs but no savings are foreseen in 2019 if all staff positions are filled.

7. In 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.

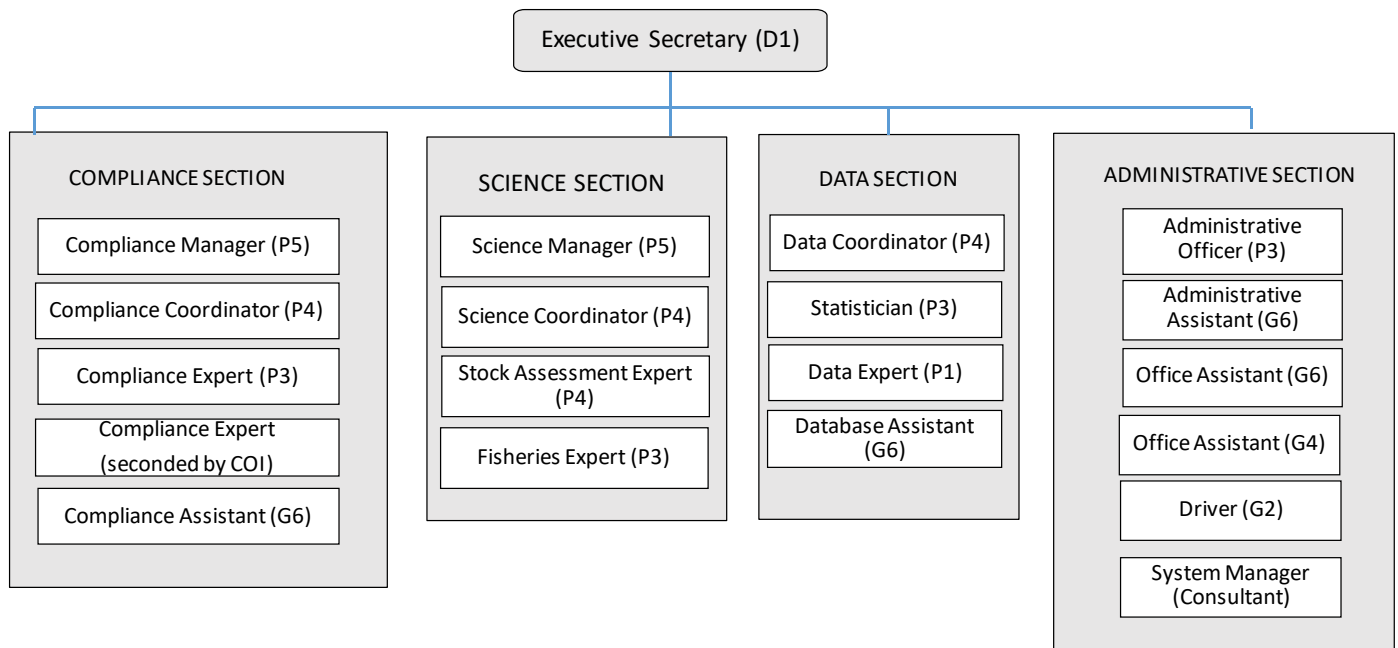


Figure 1. Structure of the IOTC Secretariat in 2019 and 2020

PROGRAMME OF WORK FOR 2019 AND TENTATIVELY FOR 2020

8. The IOTC Secretariat has six functional areas: 1. Support to Scientific Activities; 2. Support to Compliance Activities; 3. Communications; 4. Support to meetings; 5. Information technology support; 6. Administration support. Descriptions of the activities and outputs expected from each functional area in 2019 and 2020 under are provided below.

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

Data support

9. 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. 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 these data are 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.
10. 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)

11. In 2019, the IOTC Secretariat plans to implement a pilot project to advance the implementation of the Regional Observer Scheme. A funding proposal for this work is currently under consideration by the European Union.

Consultants: Stock assessment

12. Stock assessment and other consultants will be hired for the activities detailed in Appendix 2, 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

13. 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 2019 (and 2020) as per Table 1.

Table 1. Invited Expert attendance at the Commission’s scientific subsidiary bodies in 2019 and 2020.

Science subsidiary body of the Commission	2019	2020
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
Working Party on Implementation of Conservation and Management Measures	0	0
Scientific Committee	0	0
TOTAL	4	4

Funding of Functional Area 1 (Support to scientific activities)

14. These activities are funded with the assistance of several initiatives (Appendix 3), 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 to support activities of the Technical Committee on Management Procedures.

FUNCTIONAL AREA 2: SUPPORT TO COMPLIANCE ACTIVITIES

15. 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 as necessary, coordinate capacity building and training.

16. 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 3).

Compliance Support Missions

17. The main capacity building efforts comprise Compliance Support Missions (CSM), which aim 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 will help to address compliance issues or concerns that were identified by the Compliance Committee.

18. The CSM and follow-up missions are carried out by staff from the IOTC Secretariat, primarily the 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 12 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.

19. 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

20. 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

21. 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. It includes:
- training at a national level 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 vessel agents;
 - ongoing development and debugging of the e-PSM application.
22. To support those activities, a 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.
23. In addition, regional training is conducted on national interagency cooperation and regional cooperation with a view to foster the links between port State and flag State CPCs.
24. 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

25. 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)

26. 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
27. These capacity building activities, which started in February 2013, are expected to continue during 2019 (and 2020).

Regional programme to monitor transshipment at sea

28. The implementation of the Regional Observer Programme to monitor transshipments at sea is now in its 10th year and it is anticipated that it will continue through 2019 and into the future. The present contract with the consortium of MRAG Ltd/Capfish has recently expired and a new tender was carried out resulting in a new contract being issued to MRAG Ltd for a three-year period, renewable for an additional two years. As has been the case in the past years, the Compliance Section will closely supervise and monitor the progress of the ROP's 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

29. 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. To this end, the Secretariat will work to ensure accurate information about the status of the stocks under the IOTC purview, as well the actions that the Commission is taking towards a better management of the resources and conservation of the environment is readily available.
30. Over the past six 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 2019 and 2020.
31. 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.
32. 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.
33. 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 has been holding technical discussions with the relevant offices in FAO to assist with the smooth transfer of the IOTC website to a FAO platform. This work is ongoing.

FUNCTIONAL AREA 4: SUPPORT TO MEETINGS

34. Appendix 5 lists the meetings scheduled for 2019 and 2020 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)

35. 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)
36. Further meetings of the TCAC and TCPR may put a strain on the 75%/25% rule as these meetings will be considered as non-scientific meetings.
37. The MPF budget will not be charged a Project Servicing Cost (PSC) by FAO (Appendix 1 and Appendix 2).

FUNCTIONAL AREA 5: INFORMATION TECHNOLOGY SUPPORT

38. In 2019 and 2020 there are no expected major purchases of computer equipment anticipated, other than those required for new staff, or to replace equipment deemed obsolete or out of order (Appendix 2). A better Internet connection will be contracted with the local service provider in 2018 that should result in faster data transfer and less interruptions.

FUNCTIONAL AREA 6: ADMINISTRATION SUPPORT

39. A range 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.
40. 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 1 and Appendix 2).

THE BUDGET FOR THE COMMISSION'S 2019 PROGRAMME OF WORK (AND TENTATIVELY FOR 2020)

41. 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.
42. 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.
43. As required under Regulation III.5 of the Financial Regulations, supplementary details for the General Operating Expenditures line item of Appendix 1 are provided in Appendix 2. 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 3.

ADMINISTRATIVE EXPENDITURES (BUDGET LINE 1) (Appendix 1)

44. Estimates of staff costs are based on those costs incurred in December 2017 and the beginning of 2018 with a small increase of 3% to allow for salary progressions. It is planned to fill all vacant positions within 2018 so that the Secretariat will be fully staffed in 2019 (and 2020).

PROFESSIONAL STAFF (BUDGET LINE 1.1)

45. All post costs for 2019 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)

46. For 2019, total salary costs for the locally-hired General Service staff, are estimated to be higher than 2018 after a major revision of the local UN salary scale for Seychelles that was approved in January 2018. The salary scale was applied retroactively from June 2016 when the data was first collected.

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

47. Based on the latest information, estimates of the costs of FAO entitlements in 2019 represent an overall increase of approximately 41%. This is mainly due to higher staffing levels. However, it should be noted that the entitlements for 2018 were underestimated. 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.
48. 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. A small reduction is budgeted in 2019 based on the latest information available.

49. The post adjustment for professional staff has varied significantly throughout the past year and may not remain stable in 2019 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 and 2018. 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.

IMPROVED COST RECOVERY UPLIFT (ICRU) (BUDGET LINE 1.6)

50. In February 2014, the FAO informed the IOTC Secretariat on the implementation of Improved Cost Recovery Uplift (ICRU) charges which cover 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 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.

51. The Commission has previously expressed its disagreement with the inclusion of ICRU (e.g. SCAF14), and requested that it be removed from future budgets. However, the ICRU has continued to be applied by FAO and in 2017 the expenses were debited to staff costs (which had a surplus in 2017 due to vacant posts). As there are no savings expected from staff costs in 2019, a budget allocation is again required to cover ICRU.

OPERATING EXPENDITURES (BUDGET LINE 2) (Appendix 1 and Appendix 2)

CAPACITY BUILDING (BUDGET LINE 2.1)

52. 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. The IOTC Secretariat intends to develop and implement capacity building activities in the following core areas in 2019 and 2020 and the budget has been slightly reduced due to some activities being covered by extra-budgetary funds:

- 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)

53. The IOTC Secretariat has secured several multi-year extra-budgetary grants totalling approximately US\$2,164,359) which require co-funding of 20% from the IOTC. Some of this co-funding is provided in-kind (as opposed to cash) through staff time devoted to the coordination and implementation of these activities. However, the majority of the IOTC contribution is provided through sharing of activity costs. A

nominal amount has been incorporated into the IOTC Regular Budget under this line item to cover three grants as follows.

- 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 US\$1,529,487 + 20% co-funding. Estimated amount of IOTC contribution in 2019 is US\$86,000.
- Support to the IOTC Scientific Committee Program of Work: 24-month grant from the European Union US\$721,153 + 20% co-funding. Estimated amount of IOTC contribution in 2019 is US\$69,000.
- Support to the Implementation of the IOTC Regional Observer Scheme (to be signed in 2018): 24-month grant from the European Union US 871,034 + 20% co-funding. Estimated amount of IOTC contribution in 2019 is US\$50,000.

CO-FUNDING OF COMPLIANCE GRANTS (BUDGET LINE 2.3)

54. The IOTC Secretariat has secured a grant from the European Union for Technical Assistance to Developing Countries to Improve Compliance with IOTC Conservation and Management Measures totalling US\$216,346) which requires co-funding of 20% from the IOTC. A nominal amount of US\$30,000 has been incorporated into the IOTC Regular Budget under this line item to cover the estimated contribution from IOTC in 2019. The grant will be utilised to support capacity building activities to be undertaken by the Compliance Section.

CONSULTANTS (BUDGET LINE 2.5)

55. 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. Some consultants will be covered by extra-budgetary funds.

56. 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 2.6)

57. 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..

58. Non-Staff: four invited experts are anticipated to attend IOTC science meetings in 2019 (and 2020) as per Table 1.

MEETING COSTS (BUDGET LINE 2.7)

59. 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. The budget line for meetings has been increased by US\$40,000 to allow for the additional costs associated with the meetings in Seychelles (i.e. the SC, various Working Parties, TCP/R and TCAC).

INTERPRETATION AND TRANSLATIONS COSTS (BUDGET LINES 2.8 & 2.9)

60. 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 2.10)

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

GENERAL OPERATING EXPENSES (BUDGET LINE 2.11)

62. 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 2.12)

63. As the Commission has agreed to move to a mostly paperless workplace environment, the printing budget has been reduced in recent years. US\$20,000 was allocated in 2018 but this has been set back to zero for 2019. As the Secretariat does produce a range of printed items throughout the year (e.g. species identification guides, CMM implementation guides), efforts will be made to obtain funds for printing from external sources.

CONTINGENCIES (BUDGET LINE 2.13)

64. A contingency line has been incorporated to account for expenditures not anticipated at this time, as required by the IOTC Financial Regulations. US\$10,000 was budgeted in 2018 and this has been maintained for 2019 and 2020.

ADDITIONAL CONTRIBUTION BY SEYCHELLES (BUDGET LINE 3)

65. 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 (which 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)

66. 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)

67. 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. In the past, the deficit from non-payment of contributions has been covered from staff related savings. While the Deficit Contingency line was zeroed in 2018, the issue of non-payment of contributions continues to be a major financial risk to IOTC, and a Deficit Contingency amount of US\$150,000 has been included in the budget for 2019 and 2020. It is important to have this line as the full complement of staff is expected to be realised in 2019 and no staff related savings are expected, therefore there will be no ability to compensate for the non-payment of contributions.

MEETING PARTICIPATION FUND (MPF) (BUDGET LINE 6)

68. The IOTC Meeting Participation Fund (MPF) has been set to US\$200,000 for the years 2019 and tentatively 2020, pending a review of the MPF requirements of the IOTC during the SCAF15 and S22 Sessions in 2018.

SPECIAL BUDGETS (EXTRA-BUDGETARY FUNDING)

69. In addition to the funds included in the IOTC Regular Budget for 2019 and tentatively for 2020, 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 3.
70. 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.
71. 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

72. That the SCAF:
- a) **NOTE** the Budget Estimates and supporting documentation for the IOTC Secretariat's programme of Work for the financial period 1 January to 31 December 2019, together with indicative figures for the 2020 financial period.
 - b) **RECOMMEND** a budget and scheme of contributions for the 2019 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 2019 and tentatively for 2020, based on the amendments made during the SCAF15, and as adopted by the Commission during its 22nd 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 ongoing shortfall in the contribution payments, and re-introduce a Deficit Contingency budget, at least at the 2017 level of US\$150,000, from 2019 onwards until this situation improves.

APPENDIX 1
Proposed budget for 2019 and indicative budget for 2020 (in US\$)

		Actuals 2017	2018	2019	2020
1	Staff costs				
1.1	Professional				
	Executive Secretary (D1)	186,683	163,907	174,785	180,028
	<i>Science</i>				
	Science Manager (P5)	-	147,947	145,588	149,956
	Science Coordinator (P4)	-	57,654	110,540	113,856
	Stock Assessment Expert (P4)	103,412	116,308	108,327	111,577
	Fishery Officer (Science P3)	92,778	102,258	96,533	99,429
	<i>Compliance</i>				
	Compliance Manager (P5)	-	145,000	143,376	147,677
	Compliance Coordinator (P4)	111,630	131,500	133,488	137,493
	Compliance Officer (P3)	115,030	95,779	123,986	127,705
	<i>Data</i>				
	Data Coordinator (P4)	107,605	115,308	111,108	114,441
	Statistician (P3)	95,878	102,717	98,589	101,547
	Fishery Officer (Data P1)	-	91,000	55,917	57,594
	<i>Admin.</i>				
	Administrative Officer (P3)	106,628	98,970	111,689	115,040
1.2	General Service				
	Administrative Assistant	14,258	15,445	18,790	19,353
	Compliance Assistant	6,191	11,950	15,204	15,660
	Office Assistant	10,306	11,747	15,204	15,660
	Database Assistant	14,460	15,869	18,508	19,064
	Office Assistant	1,852	8,259	13,174	13,570
	Driver	7,777	7,465	10,095	10,398
	Overtime	-	5,000	5,450	5,614
	Total Salary Costs	974,487	1,444,083	1,510,351	1,555,661
1.3	Employer Pension and Health	279,556	418,651	409,075	421,347
1.4	Employer FAO Entitlement Fund	575,290	607,582	859,270	885,048
1.5	Adjustment entitlement fund	71,504			
1.6	Improved Cost Recovery Uplift	55,582	0	77,803	80,138
	Total Staff Costs	1,956,420	2,470,316	2,856,499	2,942,194
2	Operating Expenditures				
2.1	Capacity Building	60,780	125,000	100,000	100,000
2.2	Co-funding Science/Data grants	174,153	100,000	205,000	205,000
2.3	Co-funding Compliance grants	28,221	35,000	30,000	30,000
2.4	Misc. Contingencies		60,000	0	0
2.5	Consultants	230,994	155,000	155,000	155,000
2.6	Duty travel	126,977	135,000	150,000	150,000
2.7	Meetings	166,156	105,000	145,000	145,000
2.8	Interpretation	94,815	140,000	140,000	140,000
2.9	Translation	63,640	105,000	110,000	110,000
2.10	Equipment	22,033	30,000	25,000	25,000
2.11	General Operating Expenses	48,204	75,000	68,000	68,000
2.12	Printing	0	20,000	0	0
2.13	Contingencies	0	10,000	10,000	10,000
	Total OE	1,015,974	1,095,000	1,138,000	1,138,000
	SUB-TOTAL	2,972,394	3,565,316	3,994,499	4,080,194
3	Additional Contributions Seychelles	-15,783	-20,100	-20,100	-20,100
4	FAO Servicing Costs	144,319	160,439	179,752	183,609
5	Deficit Contingency	-	-	150,000	150,000
6	Meeting Participation Fund	202,945	200,000	200,000	200,000
	GRAND TOTAL	3,303,875	3,905,655	4,504,151	4,593,703

APPENDIX 2
Operating expenditures for 2019

Item Description	2019 (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	\$35,000
Sub-Total	\$100,000
<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. IOTC Contribution 2017 = US\$120,000; Estimated Contribution 2018 = 80,000; Estimated Contribution 2019 = 86,000	\$86,000
EU Science GCP/INT/305/EC: US\$721,153. IOTC Estimated Contribution 2018 = 69,000; Estimated Contribution 2019 = 69,000	\$69,000
EU Support to the Implementation of the IOTC Regional Observer Scheme GCP/INT/322/EC: IOTC Estimated Contribution 2018 = US\$37,350; Estimated Contribution 2019 = US\$50,000; Estimated Contribution 2020 = US\$37,150	\$50,000
Sub-Total	\$205,000
<i>Co-funding extra budgetary compliance grants</i>	
EU Technical Assistance to Developing Countries to Improve Compliance with IOTC Conservation and Management Measures GCP/INT/304/EC = US\$ 216,346; Estimated IOTC Contribution 2018 = 20,132; Estimated Contribution 2019 = 30,000	30,000
Sub-Total	\$30,000
<i>Consultants</i>	
Information technology - \$2000 / month	\$24,000
TCPR Consultant	\$18,000
IOTC Report Coordinator	\$15,000
Joint CPUE analysis for tropical tunas and albacore	\$30,000
Tropical tuna stock assessment	\$33,000
Albacore tuna stock assessment	\$30,000
Swordfish MSE	\$5,000
Sub-Total	\$155,000
<i>Duty Travel (Staff and Non-Staff)</i>	
IOTC Staff Travel Plan 2019 (Meetings)	\$130,000
Invited Experts (Science) 2019	\$20,000
Sub-Total	\$150,000
<i>Meetings</i>	

TCAC/TCPR Seychelles	\$45,000
S22, CoC, SCAF, TCMP Incidentals	\$5,000
Working Parties Seychelles	\$30,000
SC21 Seychelles	\$45,000
Working Party contingency planning: Seychelles	\$20,000
Sub-Total	\$145,000
Interpretation	
CoC16, SCAF16, TCMP03, S23 (TBD)	\$60,000
TCAC05 / TCPR02	\$40,000
SC21 (Seychelles)	\$40,000
Sub-Total	\$140,000
Translation	
Translation (General)	\$35,000
Translation (IOTC Consultant)	\$50,000
Travel for consultant	\$25,000
Sub-Total	\$110,000
Equipment	
Toners, anti-virus software, other software	\$8,000
Other IT equipment (hardware and accessories as needed)	\$10,000
Office furniture (Desks, chairs, partitions to create new work areas)	\$7,000
Sub-Total	\$25,000
General Operating Expenses	
Web Hosting, Email hosting and website admin	\$7,000
Office Tel/Fax and mobile phones - \$8500 / yr; Data Lines (internet) - \$32,000 / yr; Orbitica satellite telephone - \$800 / yr	\$41,300
Postal & Pouch - \$100 / mo	\$1,200
Vehicle Insurance and Vehicle Maintenance (Insurance 1,200/yr, Maint \$1,000 / yr; Vehicle Petrol - \$1,300 / yr; Vehicle Cleaning - \$500 / yr for 2 vehicles)-	\$4,000
Cleaning of Premises - \$375/mo	4,500
Office Supplies (Stationery; Kitchen; Bathroom; Newspapers; Water; Contingencies)	10,000
Sub-Total	68,000
Contingencies	
As required by the Financial Regulations	10,000
Operating Expenditures Total	\$1,138,000

APPENDIX 3
Extra-budgetary resources secured for the years 2019 and 2020

Description	Institution	2019 (US\$)	2020 (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 (US\$ 1,529,487 over 3 yrs) IOTC (In Kind contribution + US\$ 286,000, 2017 US\$120,000, 2018 US\$80,000, 2019 US\$86,000)	\$500,000	
<i>Science and data:</i> Support to the IOTC Scientific Committee Program of Work.	European Union 80% (US\$721,153, 50:50% 2018/19) IOTC (In kind contribution + US\$136,332, 50:50% 2018/19)	\$360,577	
<i>Science and data:</i> Support to the implementation of Indian Ocean Tuna Commission Regional Observer Scheme	European Union 80% (US\$ 871,034, 30/40/30% split over 2018/19/20) IOTC (In Kind contribution + US\$124,500, 30/40/30% split over 2018/19/20)	\$348,414	\$261,310
<i>Science and Data:</i> Support to development of second phase of MSE for yellowfin and bigeye tunas	FAO ABNJ Tuna Project	TBD	TBD
<i>Compliance:</i> Support to capacity building activities of the Compliance Section.	World Bank/SWIOFISH2	-	TBD
<i>Compliance:</i> Electronic Port State Measures Applications: technical support and national training.	World Bank/SWIOFISH2	TBD	
<i>Compliance:</i> Regional Workshop Supporting IOTC Resolutions.	FAO ABNJ Tuna Project	-	TBD
<i>Compliance:</i> Compliance Support Missions; Follow-up Compliance Support Missions and Port State Measures.	EU World Bank/SWIOFISH2	TBDTBD	TBD TBD
<i>Compliance:</i> Administrative and operational support to the implementation of port State measures.	SWIOFISH2	TBD	-
<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	TBD TBD	TBD
<i>Compliance:</i> Guide for IOTC data and information reporting (design and printing).	World Bank/SWIOFISH2	TBD	TBD
	TOTAL	\$1,208,991	\$261,310

APPENDIX 4
Indicative schedule of contributions for 2019

Country	World Bank Classification in 2016	OECD Membership	Average catch for 2014-2016 (in metric tons)	Base Contribution	Operations Contribution	GNP Contribution	Catch Contribution	Total Contribution (in USD)
Australia	High	Yes	5,180	\$15,014	\$18,767	\$150,138	\$18,095	\$202,015
Bangladesh	Middle	No	2,284	\$15,014	\$18,767	\$37,535	\$1,596	\$72,912
China	Middle	No	74,062	\$15,014	\$18,767	\$37,535	\$51,745	\$123,061
Comoros	Low	No	9,858	\$15,014	\$18,767	\$0	\$6,888	\$40,669
Eritrea	Low	No	219	\$15,014	\$0	\$0	\$153	\$15,167
European Union	High	Yes	203,030	\$15,014	\$18,767	\$150,138	\$709,259	\$893,178
France(Terr)	High	Yes	0	\$15,014	\$0	\$150,138	\$0	\$165,152
India	Middle	No	166,274	\$15,014	\$18,767	\$37,535	\$116,171	\$187,487
Indonesia	Middle	No	344,776	\$15,014	\$18,767	\$37,535	\$240,887	\$312,202
Iran, Islamic Republic of	Middle	No	237,832	\$15,014	\$18,767	\$37,535	\$166,167	\$237,483
Japan	High	Yes	15,942	\$15,014	\$18,767	\$150,138	\$55,691	\$239,611
Kenya	Middle	No	877	\$15,014	\$18,767	\$37,535	\$613	\$71,928
Korea, Rep of	High	Yes	21,358	\$15,014	\$18,767	\$150,138	\$74,610	\$258,529
Madagascar	Low	No	8,670	\$15,014	\$18,767	\$0	\$6,058	\$39,839
Malaysia	Middle	No	20,546	\$15,014	\$18,767	\$37,535	\$14,355	\$85,671
Maldives	Middle	No	124,578	\$15,014	\$18,767	\$37,535	\$87,040	\$158,355
Mauritius	Middle	No	10,470	\$15,014	\$18,767	\$37,535	\$7,315	\$78,631
Mozambique	Low	No	4,101	\$15,014	\$18,767	\$0	\$2,865	\$36,646
Oman	High	No	39,856	\$15,014	\$18,767	\$150,138	\$27,846	\$211,766
Pakistan	Middle	No	59,238	\$15,014	\$18,767	\$37,535	\$41,388	\$112,704
Philippines	Middle	No	762	\$15,014	\$18,767	\$37,535	\$533	\$71,848
Seychelles	High	No	96,586	\$15,014	\$18,767	\$150,138	\$67,483	\$251,402
Somalia	Low	No	0	\$15,014	\$0	\$0	\$0	\$15,014
South Africa	Middle	No	381	\$15,014	\$0	\$37,535	\$266	\$52,815
Sri Lanka	Middle	No	90,306	\$15,014	\$18,767	\$37,535	\$63,095	\$134,410
Sudan	Middle	No	34	\$15,014	\$0	\$37,535	\$23	\$52,572
Tanzania	Low	No	7,167	\$15,014	\$18,767	\$0	\$5,008	\$38,789
Thailand	Middle	No	12,431	\$15,014	\$18,767	\$37,535	\$8,685	\$80,001
United Kingdom(Terr)	High	Yes	3	\$15,014	\$0	\$150,138	\$10	\$165,162
Yemen	Middle	No	39,816	\$15,014	\$18,767	\$37,535	\$27,818	\$99,134
			Total	450,415	450,415	1,801,660	1,801,660	4,504,151

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

APPENDIX 5**Schedule of meetings to be supported by the IOTC Secretariat in 2019 and 2020***Does not include workshops or other non-formal IOTC subsidiary bodies*

Meeting	2019		2020	
	Date	Location	Date	Location
Technical Committee on Allocation Criteria (TCAC)	TBD	TBD	TBD	TBD
Technical Committee on Management Procedures (TCMP)	Week prior to S23	TBD	TBD	TBD
Compliance Committee (CoC)	Week prior to S23	TBC	Week prior to S24	TBD
Working Party on Implementation of Conservation and Management Measures (WPICMM)	TBC	TBC	TBD	TBD
Technical Committee on Performance Review (TCPR)	TBC	TBD	TBD	TBD
Standing Committee on Administration and Finance (SCAF)	Week prior to S23	TBD	Week prior to S24	TBD
Commission	May TBC 5 days	TBD	TBD	TBD
Working Party on Neritic Tunas (WPNT)	TBD	TBD	TBD	TBD
Working Party on Temperate Tunas (WPTmT)	TBD	TBD	TBD	TBD
Working Party on Ecosystems and Bycatch (WPEB)	3-7 September	La Reunion (TBC)	TBD	TBD
Working Party on Billfish (WPB)	9-13 September	La Reunion (TBC)	TBD	TBD
Working Party on Tropical Tunas (WPTT)	3 rd week October	TBD	TBD	TBD
Working Party on Methods (WPM)	3 rd week October	TBD	TBD	TBD
Working Party on Data Collection and Statistics (WPDCS)	November (TBD)	Seychelles	November (TBD)	Seychelles
Scientific Committee (SC)	November (TBD)	Seychelles	November (TBD)	Seychelles