

## MEETING PARTICIPATION FUND (MPF) REPLENISHMENT OPTIONS

PREPARED BY: IOTC SECRETARIAT, 16 APRIL 2014

### PURPOSE

To submit for the consideration of the Standing Committee on Administration and Finance (SCAF) proposed options on how to replenish the Meeting Participation Fund (MPF).

### BACKGROUND

In order to base its management actions on the best scientific advice available, several scientific meetings are organized annually by the IOTC, including working parties for data collection, development of stock assessments and other stock status indicators. These working parties report to the Scientific Committee, which develops recommendations for the consideration of the Commission.

Up until 2010 the participation of developing CPCs to the IOTC Scientific Committee and its Working Party meetings had been limited, mostly due to the costs associated with travel and accommodation of participants. In order to facilitate their participation, and in line with the recommendations of the Performance Review Panel adopted by the Commission in 2009, the Commission adopted Resolution 10/05 On the establishment of a meeting participation fund for developing IOTC Members and Non-Contracting Cooperating Parties (CPCs).

The Resolution establishes a special Meeting Participation Fund (MPF) for the purposes of supporting scientists and representatives from IOTC Contracting Parties and Cooperating Non-Contracting Parties (CPCs) who are developing States to attend and/or contribute to the work of the Commission, the IOTC Scientific Committee and its Working Parties.

Initially US\$200,000 from the IOTC '*accumulated funds*' were set aside to establish the MPF, to be maintained in the future through sources to be identified by the Commission. The Fund was replenished in 2011, 2012 and 2013 by the Commission, to compensate for the expenditures, again through the IOTC '*accumulated funds*'. In addition, Australia contributed US\$69,492 in 2012 and US\$75,405 in 2013 to defray costs of participation of developing coastal states at the 16<sup>th</sup> and 17<sup>th</sup> Sessions of the Commission. The MPF has served to increase substantially the level of participation and capacity building of developing coastal states in IOTC meetings.

Table 1 provides a summary of expenditures and replenishments for the MPF from 2010 to 2013 inclusive. A total of US\$699,677 has been allocated to the MPF by the Commission and from Australia, of which a total of US\$742,286 has been spent. This means that as of 31 December 2013, we have over spent by US\$42,609.

**Table 1.** Balance of funds for activities supported by accumulated funds

<b>Support Meeting Participation Fund</b>			
<b>Contributions</b>			
Initial allocation	<b>2010</b>		200,000
Replenishment	<b>2011</b>		57,429
Australian contribution	<b>2012</b>		69,492
Replenishment	<b>2012</b>		97,351
Replenishment	<b>2013</b>		200,000
Australian contribution	<b>2013</b>		75,405
<b>Total income</b>			<b>699,677</b>
<b>Expenditures</b>			
	<b>2010</b>		57,429
	<b>2011</b>		157,186
	<b>2012</b>		179,755
	<b>2013</b>		315,952

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Project Support Costs	31,964
<b>Total expenditures</b>	<b>742,286</b>
<b>Balance (as of 31/12/2013)</b>	<b>-42,609</b>

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## ISSUE

The Resolution indicates that the MPF shall be financed from an initial allocation of US\$200,000 from IOTC's accumulated funds, and subsequently by voluntary contributions from Members and such other sources as the Commission may identify and the Commission will identify, at its 15<sup>th</sup> Session, a procedure for supplying funds to the MPF in the future.

The Commission has not yet identified a procedure for supplying funds to the MPF and up until now has relied on the IOTC accumulated funds to replenish the MPF. This is not a sustainable option for the future as it dissolves (or dissipates) the financial reserve of the Commission, which is at a historically low level, due to the increase in unpaid contributions and other budget risks such as over expenditures.

## PROPOSED OPTIONS

1. The classical approach is to rely on voluntary contributions to replenish the fund. However, this is not sustainable as the income stream would be unpredictable unless countries are able to pledge against the budgeted amount. Even then this does not guarantee any contributions.
2. Request the OECD countries (Australia, European Union, Japan, Korea, UK, and France) to make an additional contribution to replenish the fund. This would be based on the IOTC Financial Contribution formula.
3. Include a sum of US\$200,000 (or other amount) in the regular budget of the Commission to be shared by all CPCs. This will obviously increase the overall budget of the Commission. The provision here is that the fund will still be used to only support the participation of developing countries, as currently defined in the Rules of Procedure for the Administration of the MPF. Table 1 shows the indicative schedule of contributions for 2014 with a US\$200,000 amount added for MPF purposes.

## SUGGESTED ACTION BY THE STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

That the SCAF:

- a) **NOTE** the information presented in the document.
- b) **RECOMMEND** a course of action, including any priority, with respect to the implementation of the options presented.

**Table 1.** Indicative schedule of contributions for 2014 (in US\$)

Country	World Bank Classification in 2011	OECD Membership	Average catch for 2009-2011 ( in metric tons)	Base Contribution	Operations Contribution	GNP Contribution	Catch Contribution	Total Contribution (in USD)
Australia	High	Yes	5,385	\$10,445	\$12,453	\$117,740	\$14,927	\$155,565
Belize	Middle	No	Below 400t	\$10,445	\$0	\$29,435	\$120	\$39,999
China	Middle	No	65,407	\$10,445	\$12,453	\$29,435	\$36,257	\$88,590
Comoros	Low	No	5,328	\$10,445	\$12,453	\$0	\$2,954	\$25,852
Eritrea	Low	No	962	\$10,445	\$12,453	\$0	\$534	\$23,432
European Community	High	Yes	183,194	\$10,445	\$12,453	\$117,740	\$507,852	\$648,490
France(Terr)	High	Yes	19,978	\$10,445	\$12,453	\$117,740	\$55,383	\$196,021
Guinea	Low	No	Below 400t	\$10,445	\$12,453	\$0	\$276	\$23,174
India	Middle	No	143,708	\$10,445	\$12,453	\$29,435	\$79,677	\$132,010
Indonesia	Middle	No	356,862	\$10,445	\$12,453	\$29,435	\$197,859	\$250,192
Iran, Islamic Republic of	Middle	No	168,437	\$10,445	\$12,453	\$29,435	\$93,388	\$145,721
Japan	High	Yes	19,901	\$10,445	\$12,453	\$117,740	\$55,170	\$195,808
Kenya	Low	No	736	\$10,445	\$12,453	\$0	\$425	\$23,323
Korea, Republic of	High	Yes	2,196	\$10,445	\$12,453	\$117,740	\$6,089	\$146,727
Madagascar	Low	No	8,650	\$10,445	\$12,453	\$0	\$4,796	\$27,694
Malaysia	Middle	No	26,498	\$10,445	\$12,453	\$29,435	\$14,692	\$67,025
Maldives	Middle	No	98,100	\$10,445	\$12,453	\$29,435	\$54,391	\$106,724
Mauritius	Middle	No	774	\$10,445	\$12,453	\$29,435	\$429	\$52,762
Mozambique	Low	No	Below 400t	\$10,445	\$12,453	\$0	\$1,560	\$24,458
Oman	High	No	22,604	\$10,445	\$12,453	\$117,740	\$11,082	\$151,720
Pakistan	Middle	No	52,940	\$10,445	\$12,453	\$29,435	\$29,352	\$81,685
Philippines	Middle	No	636	\$10,445	\$12,453	\$29,435	\$353	\$52,686
Seychelles	Middle	No	75,911	\$10,445	\$12,453	\$29,435	\$42,088	\$94,421
Sierra Leone	Low	No	Below 400t	\$10,445	\$0	\$0	\$0	\$10,445
Sri Lanka	Middle	No	96,165	\$10,445	\$12,453	\$29,435	\$53,318	\$105,651
Sudan	Middle	No	Below 400t	\$10,445	\$0	\$29,435	\$19	\$39,898
Tanzania	Low	No	4,234	\$10,445	\$12,453	\$0	\$2,430	\$25,328
Thailand	Middle	No	20,964	\$10,445	\$12,453	\$29,435	\$11,623	\$63,956
United Kingdom(Terr)	High	Yes	Below 400t	\$10,445	\$0	\$117,740	\$49	\$128,234
Vanuatu	Middle	No	Below 400t	\$10,445	\$0	\$29,435	\$99	\$39,979
Yemen	Middle	No	32,374	\$10,445	\$12,453	\$29,435	\$17,949	\$70,282
<b>Total</b>				<b>323,785</b>	<b>323,785</b>	<b>1,295,141</b>	<b>1,295,141</b>	<b>3,237,853</b>