

## IOTC MEETING PARTICIPATION FUND: 2017 EXPECTED AND 2018 PROPOSAL

PREPARED BY: IOTC SECRETARIAT, 7 MAY 2017

### PURPOSE

- To submit for the consideration of the Standing Committee on Administration and Finance (SCAF), the Meeting Participation Fund (MPF) historical and future expenditure levels to facilitate a better annual budget decision making process.

### BACKGROUND

- Eligibility:** The IOTC Rules of Procedure (2014) detail a range of eligibility criteria for gaining access to the IOTC MPF. However, the core requirement is that the applicant must be from a '*Developing Contracting Party*', which is defined as any Contracting Party (Member) that is under the categories of "Low" or "Middle" income, according to the criteria used in the most recent calculation of the annual IOTC budget contributions (see Annex of the IOTC Financial Regulations).
- A core exclusion criteria is that any Contracting Party of the Commission who is in arrears in the payment of its financial contributions to the Commission is not eligible to benefit from the MPF if the amount of its arrears equals or exceeds the amount of the contributions due from it for the two preceding calendar years.
- Commission and subsidiary bodies:** There are currently eight scientific subsidiary bodies of the Commission, two non-scientific subsidiary bodies, plus the Commission. These 11 bodies are those which the MPF is designed to serve.
- Historical expenditure:** The total MPF expenditure from the IOTC regular budget and extra-budgetary sources for the period 2010 to 2016, was **US\$ 1,460,747 (Table 1)**. Of this, **US\$ 1,029,367** was sourced from the IOTC Regular budget (including the initial allocation from 'accumulated funds'). A further **US\$ 431,380** was provided by external partners as extra-budgetary contributions, the majority of which came from Australia (~US\$280,000).

**Table 1.** Historical expenditures against the IOTC Meeting Participation Fund, including from the initial allocation of 'accumulated funds', regular budget and extra-budgetary sources for the period 2010-16.

Year	Total expenditure (US\$)	Regular budget actual expenditure (US\$)	Extra budgetary actual expenditure (US\$)	Extra budgetary source
2010	57,429	57,429	0	Initial MPF Allocation from 'accumulated funds' (US\$200,000)
2011	157,186	157,186	0	
2012	195,502	108,263+17,747*	69,492	Australia *FAO Project servicing costs 2010-12.
2013	315,952	240,547	75,405	Australia
2014	242,517	118,517	124,000	Australia, BOBLME, ABNJ Tuna Project
2015	207,073	118,656	88,417	Australia, China, ABNJ Tuna Project
2016	285,088	211,022	74,066	Australia, China, ABNJ Tuna Project
<b>TOTAL</b>	<b>1,460,747</b>	<b>1,029,367</b>	<b>431,380</b>	

**DISCUSSION**

6. **History:** Noting that the first two years of the MPF were financed from ‘accumulated funds’ and that the process had not yet been fully developed, the average for the ensuing five years (2012-16) could be considered as a better reflection of historical annual MPF needs. The total average expenditure for the period 2012-16 was **US\$249,226**.
7. **Projections:** The IOTC is currently composed of 31 Contracting Parties (Belize withdrew 31 Dec 2016 and Guinea will withdraw at the end of 2017). Of these, 24 are considered to be ‘*Developing Contracting Parties*’. However, five of these have contributions in arrears which equals or exceeds the amount of the contributions due from it for the two preceding calendar years and have not been active in IOTC processes for a longer period. Thus, there are effectively 19 eligible Contracting Parties for MPF purposes, though this could change if any of the five make a budgetary contribution.
8. Over the past two years, the scientific meetings of the Commission have attracted MPF applications from 4-15 Contracting Parties depending on the subject matter. Similarly, the non-scientific meeting have attracted 11-19 applications, approximately **half of those who are actually eligible**.
9. Noting the average of US\$247,129 for the past three years (Table 1), this number could easily be doubled should all eligible Contracting Parties apply for MPF.
10. **Table 2** details the current proposed budget of US\$200,000 per year, plus any ‘extra-budgetary funds’ for 2017, 2018 and 2019. Incorporated into **Table 2** is a prediction of actual expenditure based on the assumption that applications to the MPF will remain similar to 2016. However, the SCAF should note that if all eligible Contracting Parties (26) submitted applications to attend each of the eligible meetings (11) in 2017, then in accordance with the rules for the administration of the MPF, a total of 286 applications could be approved. This would represent a 298% increase from the 96 funded applications in 2016. This is however, considered unlikely.

**Table 2.** Proposed and predicted expenditure in 2017-19.

<b>Year</b>	<b>Total expenditure prediction (US\$)</b>	<b>Regular budget (US\$)</b>	<b>Extra budgetary (US\$)</b>	<b>Extra budgetary source</b>
<b>Projections</b>	<b>Budgeted</b>	<b>Projected</b>		<b>Received</b>
<b>2017</b>	290,000	200,000	90,000	TBD
<b>2018</b>	290,000	200,000	90,000	TBD
<b>2019</b>	290,000	200,000	90,000	TBD

**RECOMMENDATION/S**

11. That the SCAF **NOTE** paper IOTC–2017–SCAF14–08, which detailed the Meeting Participation Fund historical and future expenditure levels to facilitate a better annual budget decision making process.