
ANNOTATED AGENDA FOR THE 17TH MEETING OF THE STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

Chairperson: Mr. Hussain Sinan (Maldives)

IOTC Circular 2020-31 from the IOTC Chairperson informed the Commission that due to the COVID-19 pandemic and following consultations between the IOTC Chairperson, the Chair of the Standing Committee on Administration and Finance (SCAF) and IOTC Members, the 17th Session of the SCAF will be held by correspondence (email).

Holding the SCAF meeting by email presents the Commission with considerable challenges, especially with respect to how delegations are able to make 'interventions' and how the SCAF Chair can collate and interpret the inputs received in order to accurately reflect the views of the SCAF to the Commission.

The approach being used this year involves two main documents (this document, IOTC-2020-SCAF17-01c and IOTC-2020-SCAF17-MRD), in addition to the normal SCAF documents.

This document (IOTC-2020-SCAF17-01c)

IOTC-2020-SCAF17-01c is an annotated agenda. It contains:

- links to relevant documents
- some (dot point) comments to assist your consideration of an agenda item at hand
- recommended actions

NOTE: only credentialled delegations will receive access to the IOTC's SharePoint platform where they can make 'interventions' on the agenda items. Interventions will be made into the SCAF17 'Meeting Response Document' (IOTC-2020-SCAF17-MRD). The MRD will be shared by all credentialled participants and all participants will be able to see all interventions as they appear. The inputs received from delegations in the Meeting Response Document will form the basis of the SCAF17 meeting report.

1. LETTERS OF CREDENTIALS / ADMISSION OF OBSERVERS

- The list of credentialed CPCs and IOTC Observers involved in the meeting will be provided in document IOTC-2020- SCAF17-MRD.
- Written statements from Members that wish to make an intervention under this item will be made available on the website and appended to the SCAF17 Report.

Recommended action/s:

None

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

2. REPORT OF THE SECRETARIAT ON 2019

- Document: [IOTC-2020-SCAF17-03](#)

SCAF Chair's observations from the document:

Membership

- IOTC membership in 2019 comprised 31 contracting parties and 2 cooperating non-contracting parties.

Staffing

- There were several staff movements in the second half of 2019. However, by the time of the report the Secretariat has its full complement of staff Secretariat except for one position.

Logistic support in the facilitation of meetings

- The Secretariat continued to facilitate all IOTC meetings providing logistical support and preparation of reports and documents. 15 meetings were held in 2019.

Secretariat support to scientific activities

- The Science team facilitated the meetings of the Scientific Committee, eight scientific working party meetings and the TCMP and led the drafting of over 60 meeting documents. The Secretariat's stock assessment expert produced the 2019 yellowfin tuna, bigeye tuna and Indo-Pacific sailfish stock assessments. The Science team facilitated a training workshop on neritic tuna data poor assessment methods; managed a range of externally funded projects, and contributed to the respective joint Tuna RFMO working groups on FADs and Bycatch.
- The data team continued its work to strengthen the collection, storage and provision of IOTC data, and providing data compliance and support missions; technical assistance missions; and support for implementation of the Regional Observer Scheme and implementation of the ROS Pilot Project.

Secretariat support to compliance activities

- The Compliance team continued to provide a comprehensive range of services in support of the compliance processes of the Commission; including: maintaining all vessels' lists (Active, Authorised and IUU); providing advice and training in the implementation of CMMS; reporting on the status of compliance by CPCs; and drafting and producing Workshop, Working Party and Compliance Committee reports. The compliance team also supervises the implementation of Regional Observer Programme to monitor transshipments at sea; and manages several projects undertaken by consultants through extra-budgetary funding.
- The compliance team facilitated the 2019 meetings of the Working Party on the Implementation of Conservation and Management Measures and Compliance Committee, and in doing so produced over 70 supporting documents and reports.

Administration

- The Administration team continued to provide the essential range of services that maintains the Secretariat and its operations in support of the Commission's work. This includes, procurement and contract management, recruitment, financial management and reporting, travel (and management of the Meeting Participation Fund), meeting planning and logistics, and guidance and advice to staff about IOTC and FAO rules and procedures.
- FAO has provided the Secretariat with a new recruitment system and a new electronic tendering system for procurement and both these systems became fully operational in 2019. The roll out of FAO's new travel rules that require the early planning of travel in an effort to reduce costs though avoiding more expensive last-minute fares, was also completed in 2019. All FAO travel tickets are now required to be issued no less than 15 days before travel. This has implications for travellers using the IOTC meeting participation fund that are slow to provide travel details, because, unless there are exceptional circumstances, their travel will be denied.
- The FAO Office of the Inspector General (OIG) carried out an audit of the Commission between February and March 2019. The main objective of the audit was to assess whether the IOTC Secretariat is managing its administrative and financial operations in an economic, efficient and effective way. The major finding of the report was that "the Secretariat is now operating in a strong control environment and with general adherence to FAO's policies and procedures. Opportunities for further improvement were identified in the report, and have since been addressed.

Recommended action/s:

That the SCAF:

- a) **NOTE** paper IOTC-2020-SCAF17-03 which provides the SCAF with an update on the activities of the IOTC Secretariat in 2019.

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF.

3. FINANCIAL STATEMENTS

3.1. Financial Statement: Fiscal Year 2019

- [IOTC-2020-SCAF17-04](#)

SCAF Chair's observations from the document:

- The total budget for 2019 was US\$ 4,270,341 but the contributions received amounted to US\$ 3,990,829. This constituted a short fall of US\$ 279,512; furthermore, the contributions received in 2019 also included some contributions due from years prior to 2019.
- The Commission expenditures in 2019 amounted to US\$ 3,368,376, which equated to the total budget being underspent by US\$ 919,761. This under-expenditure was mainly due to lower staff costs (of 18%) due to vacancies. As a direct consequence of these vacancies, employer contributions to the Pension Fund and health insurance costs were 15% below budgeted figures; and the contributions to the FAO entitlement fund were 26% below budgeted figures. Entitlement contributions were further reduced by lower rental subsidies being introduced for Secretariat staff.
- In addition to the savings in staff-related costs, there was an overall saving of US\$ 259,418 (19%) in operating expenses. This included savings of US\$ 68,306 related to capacity building because the Secretariat was able to harness extra-budgetary resources and partnerships. The budget for meetings in 2019 was under-spent by \$ 77,087(53%) due to most of the costs related to many meetings being covered by hosts outside of Seychelles.
- In 2019, the IOTC benefitted from work undertaken using extra-budgetary funds. This included:

- five multi-year projects (that were in various stages of completion) funded by the European Union (DG Maritime Affairs and Fisheries) totalling US\$ 3,709,804.
- US\$ 1,360,889 provided by the fleets participating in the Regional Observer Programme.
- \$20,000 received from China and US\$ 26,337 from Australia for the IOTC Meeting Participation Fund
- \$38,010 provided by Australia as the first tranche of a US\$ 207,326 extra-budgetary contribution (approximately) to carry out a Management Strategy Evaluation for bigeye, yellowfin and albacore tuna.
- The Commission also benefitted from IOTC-relevant compliance activities being undertaken and paid for through the World Bank’s SWIOFISH 2 Project which is being implemented by the Indian Ocean Commission, with technical input from the IOTC Secretariat.
- According to the FAO financial system, as of 31 December 2019 the IOTC has a balance of funds of around \$2 million. These accumulated funds have built up as a result of some underspending, savings, vacant posts and because there was a sizeable contingency deficit allocation in the respective budgets of 2016, 2017 and 2019. The IOTC Financial Regulations (2019) established a ‘working capital fund’ to provide a transparent and strategic mechanism for the Commission to manage the use of any accumulated funds into the future.

Recommended action/s:

That the SCAF:

a) **NOTE** paper IOTC–2020–SCAF17–04 which includes the Financial Statement and supporting documentation for the financial period 1 January to 31 December 2019.

b) **NOTE** the formal establishment of the Working Capital Fund its current balance when considering the Programme of Work Budget for 2021/22

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC’s restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF

3.2. Contributions outstanding

- [IOTC-2020-SCAF17-05_Rev1](#)

SCAF Chair’s observations from the document:

- As of 31 December 2019, the cumulative total of outstanding contribution payments was US\$ 3,162,341 and this constituted an increase of 9% from the previous year. 10 Members and 3 ex Members had contributions in arrears.
- Seven members: Eritrea, I.R. Iran, Mozambique, Sierra Leone, Federal Republic of Somalia, Sudan and Yemen had contributions that were in arrears.
- If the history of non-payment of contributions from Eritrea, Iran, Sudan and Yemen continues into the future, it means that every year, the annual budget could effectively be reduced by around \$400,000. With the full complement of Secretariat staff now in place, the significant savings in staff costs attained in previous years will no longer be available to compensate for this budget short fall.

Chair’s comment: Members with contributions still in arrears are invited to inform the Commission how they intend to address this matter. Members that have long-term payment problems are invited to provide

the Commission with an update on their circumstances and a plan on how to reduce their outstanding commitments.

Recommended action/s:

That the SCAF:

a) **NOTE** the information presented in IOTC-2020-SCAF17-05_Rev1 on outstanding contributions

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF.

3.3. IOTC Meeting Participation Fund

- [IOTC-2020-SCAF17-06](#)

SCAF Chair's observations from the document:

- A total of 117 participants were supported by the MPF in 2019 and the total expenditure was US\$ 246,546.
- With a budget allocation of US\$ 200,000, extra-budgetary contributions received from China and Australia played an essential role in meeting the demand for MPF support in 2019.
- Since 2011, the number of IOTC bodies benefitting from the MPF has increased from 8 to 15. This is due to an increase in the number of non-scientific bodies being convened in recent years (and an increase the number of participants). This may require the current 25% allocation of the MPF to non-scientific meetings (Rule XVI.5: of the IOTC Rules of Procedure) to be reassessed in the future.
- A core exclusion criterion for the MPF is that any Contracting Party of the Commission that is in arrears in the payment of its financial contributions to the Commission is not eligible to benefit from the MPF. A revision to the definition of Arrears is pending in the (newly revised) IOTC Financial Regulations (2019) — a decision on the dates in Annex, Reg. 5 is expected to be made by the Commission in 2020.

Recommended action/s:

That the SCAF:

- NOTE** paper IOTC-2020-SCAF17-06 on the Meeting Participation Fund.
- NOTE** the importance of extra-budgetary contributions in meeting the current MPF demand.
- NOTE** the definition of 'arrears' will henceforth pertain to that described in the IOTC Financial Regulations (2019) and the dates specified by the Commission.
- NOTE** that the current allocation of MPF funding to scientific (75%) and non-scientific (25%) as per the IOTC rules of Procedure XVI.5 does not meet current requirements.

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF.

3.4. Mid-term financial report 2020

- [IOTC-2020-SCAF17-09](#)

SCAF Chair's observations from the document:

The IOTC Financial Regulations (2019) call for a mid-term review of IOTC finances to be prepared by the Secretariat and considered by SCAF and the Commission. In 2020, the sessions of the SCAF and Commission were re-scheduled from June to October; so the mid-term financial report was disseminated by IOTC Circular in July 2020.

Recommended action/s:

That the SCAF:

- a) **NOTE** the mid-term financial report 2020

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF

4. PROGRAMME OF WORK AND BUDGET ESTIMATES FOR 2021

4.1. Programme of work and budget

- [IOTC-2020-SCAF17-07](#)

SCAF Chair's observations from the document:

- The proposed budget for 2021 is US\$ 4,221,458 and is based on IOTC's normal operations and any updated instructions from the Commission. The proposed 2021 budget represents a 3% decrease from the corresponding 2020 budget.
- The major movements in the standard budget lines from 2020 to 2021 are due to:
 - a reduction in the MPF budget being requested in 2021. In 2020, due to the COVID-19 pandemic, the expenditure of the MPF budget is expected to amount to around \$25,000. As a consequence, the \$225,000 balance left over from 2020 will be used to offset the 2021 budget of \$250,000.
 - a reduction in the co-funding required for extra-budgetary funded projects. The budget for Co-funding in 2021 has been reduced by 86% (from US\$ 188,400 to US \$26,700) to match amount of co-funding required to complete the work being undertaken in existing projects in 2021. No new projects are currently in the pipeline.
 - an expected increase in staff costs. Staff costs are estimated to be 7.7% higher in 2021 due mainly to expected increases in employer contributions to the Pension Fund and health insurance, and FAO implemented Improved Cost Recovery Uplift (ICRU) charges as a result of the Secretariat being fully staffed.
- This budget is estimated on the basis of the Secretariat and Commission resuming normal, pre-COVID-19 activities. However, if COVID-19 restrictions persist, there will likely be an underspend for the operations-related budgets for meetings, capacity building activities and other items associated with travel.
- In 2019 the Commission deferred the recruitment of the Scientific Coordinator until 2021. The Secretariat feels that IOTC's current portfolio of projects can be delivered by the Secretariat's existing science team, with increased input from the Administrative Officer. Therefore, it is proposed that the recruitment of a Scientific Coordinator is again deferred. Furthermore, as the additional project management functions being required of the Administration Officer, it is proposed that the staff category of the IOTC Administration Officer be reclassified at P4 in light of the broader role and greater skills and experience expected. This change would be cost neutral with regard to the incumbent.

- The Secretariat will continue to provide services to meet the outcomes and outputs expected by the Commission through its support to the work outlined in the document that covers scientific activities; compliance activities; communications; meetings; information technology; and administration.
- The proposed Administrative Budget for 2021 of US\$ 4,221,458 corresponds to the contributions from members shown in Appendix 4.

Recommended action/s:

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 2021, together with indicative figures for the 2022 financial period.
- b) **RECALL** that the current allocation of the meeting participation fund budget, between science and non-science meetings (IOTC Rules of Procedure XVI.5) may not match current requirements.
- c) **RECOMMEND** that the current allocation of MPF funding to scientific (75%) and non-scientific (25%) as per the IOTC rules of Procedure XVI.5 be reassessed by the Commission.
- d) **ENDORSE** the deferral of the recruitment of a P4 Scientific Coordinator and reclassification the staff category of the IOTC Administration Officer to P4 in light of the broader role and greater skills and experience expected for covering the administrative aspects of the Coordinator's role.
- e) **RECOMMEND** a budget and scheme of contributions for the 2021 financial period to the Commission for its consideration.
- f) **RECOMMEND** that the IOTC Secretariat publish a final version of the Programme of Work and Budget for 2021 and tentatively for 2022, based on the amendments made during the SCAF17, and as adopted by the Commission during its 24th Session. The final Program of Work and Budget shall be published on the IOTC website (www.iotc.org) for ease of reference and transparency.

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF

4.2. Letter from Seychelles regarding contributions

- [IOTC-2020-SCAF17-08](#)

SCAF Chair's observations from the document:

A letter from the Government of Seychelles requests a waiver of its annual contributions. This letter was disseminated via IOTC Circular 2020-27 on 12 June 2020 and is presented to the SCAF for discussion.

Comment from the Secretariat:

- In September 2020, the Government of Seychelles paid its contributions in full.

Recommended action/s:

That the SCAF:

- a) **NOTE** the matter raised by Seychelles
- b) Provide advice to the Commission on the matter waiving annual contributions.

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF

5. FINALISATION OF THE IOTC FINANCIAL REGULATIONS (2019)

- [IOTC-2020-SCAF17-10](#)

SCAF Chair's observations from the document:

- Notwithstanding the 2019 adoption of the IOTC Financial Regulations by the Commission and their subsequent endorsement by the FAO Financial Committee, two clauses related to the payment of contributions (Annex, Reg 5) need to be confirmed by the Commission. This relates to (1) the latest date contributions should be paid in each budget year and (2) the date, in a budget year, when un-paid contributions will be in 'Arrears'.

SCAF Chair's Comment : please nominate dates.

Recommended action/s:

That the SCAF:

- a) **RECOMMEND** to the Commission the dates to be included in Annex Reg.5 of the IOTC Financial Regulations, namely:
 - (1) the latest date contributions should be paid in each budget year
 - (2) the date, in a budget year, when un-paid contributions will be in 'Arrears'.

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF

6. ANY OTHER BUSINESS

6.1. Election of the SCAF Chairperson and Vice-Chairperson

No document

- The first term of the current Chairperson (Mr Hussain Sinan - Maldives) ends in 2020.
- The first term of the current Vice-Chairperson (Mr Muhammad Farhan Khan - Pakistan) also ends in 2020.
- With respect to IOTC Rule of Procedure VII.1 'Elections of IOTC Chairperson and Vice-Chairpersons': bearing in mind that elections for the Chairperson and one Vice-Chairperson were planned to take place at S24 and may have required a vote to be held, the Commission has agreed to waive the election of Chairpersons and Vice-Chairpersons at S24, and subject to the availability of all the individuals concerned, to extend the tenures of the existing Chairperson and (two) Vice-Chairpersons until the conclusion of S25.
- In accordance with the above action taken by the Commission, it is proposed to waive the election of SCAF Chairpersons and Vice-Chairperson at SCAF17, and subject to the availability of all the individuals concerned, to extend the tenures of the existing Chairperson and Vice-Chairperson until the conclusion of SCAF18.

Recommended action/s:

To waive the election of SCAF Chairpersons and Vice-Chairperson at SCAF17, and subject to the availability of all the individuals concerned, to extend the tenures of the existing Chairperson and Vice-Chairperson until the conclusion of SCAF18.

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

Unless you state otherwise, the recommended action/s will be reported as being noted/endorsed by the SCAF

6.2. Date and place of the Sessions of the SCAF

No document

- *The SCAF meeting is held just prior to the Commission meeting therefore the date and place of SCAF19 will be determined by the Commission.*

Recommended action/s:

None

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

7. ADOPTION OF THE REPORT OF SCAF17

- *The Secretariat, with the SCAF Chair's oversight, will draft the SCAF17 report and circulate this for adoption by correspondence.*
- *Proposed time for the adopted SCAF17 report to be made available for the Commission (i.e. 2 weeks before the Commission meeting).*

Credentialed SCAF17 delegations will be invited to respond to this agenda item in the meeting response document (on IOTC's restricted access SharePoint platform).

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