
IOTC MEETING PARTICIPATION FUND STATUSPREPARED BY: SECRETARIAT

PURPOSE

1. To submit for the consideration of the Standing Committee on Administration and Finance (SCAF), the Meeting Participation Fund (MPF) historical and future expenditure levels in support of the annual budget decision making process. This report is a requirement in accordance with Rule XVI.4: of the IOTC Rules of Procedure.

BACKGROUND

2. The IOTC Meeting Participation Fund (MPF) was set up by the Commission in 2010 through the adoption of Resolution 10/05 for the purpose of supporting scientists and representatives from IOTC Members and Cooperating non-Contracting Parties (CPCs) who are developing States to attend and/or contribute to the work of the Commission, the Scientific Committee and its Working Parties.
3. Since 2014, the IOTC Rules of Procedure (Appendix VIII) have guided the administration of the MPF. The rules 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 the Annex of the IOTC Financial Regulations).
4. The MPF currently serves nine scientific bodies (seven working parties, the Technical Committee on Management Procedures and the Scientific Committee); and five non-scientific bodies (the Technical Committee on Allocation Criteria, the Working Party on the Implementation of Conservation and Management Measures, the Standing Committee on Administration & Finance, the Compliance Committee, the Commission and the Special Sessions of the Commission).
5. 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.

Almost \$2.5 million has been spent from the MPF since 2010. The average annual expenditure is over \$254,000

6. Between 2011 and 2022, 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. The TCAC (having multiple meetings) and the addition of the WPICMM has increased demand on the MPF and also has required exemptions to the current 25% allocation of the MPF to non-scientific meetings (Rule XVI.5: of the IOTC Rules of Procedure) to be obtained.
7. The total MPF expenditure from the MPF for the period 2010 to 2022, was \$2,471,137 (Table 2). Of this, \$1,882,983 was funded from the IOTC regular budget (including the initial allocation from ‘accumulated funds’) and \$587,949 was funded from extra-budgetary contributions.
8. 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 annual average expenditures for the ensuing nine years (2012-19) together with 2022 was \$254,962. The years impacted by COVID-19 (2020 and 2021) were excluded from this calculation.

2022 BUDGET AND USAGE

9. The Commission approved a budget of US\$25,000 for the 2022 MPF which was duly transferred into the fund. This lower than-normal budget was agreed to because, at the time of the 2021 Commission meeting, there was a positive balance in the fund of \$312,982 due to savings from the COVID years. In 2022, the MPF was

augmented by \$18,000 of extra-budgetary contributions received from China and \$1,787 interest paid into the account by FAO. The total amount available in the MPF in 2022 was \$357,768.

10. The Covid-19 travel restrictions were mostly lifted in 2022, resulting in the resumption of in-person meetings. A decision was also made by the Commission to allow two participants per CPC to attend meetings, on an exceptional basis. The aim of this decision was to stimulate a return to participation at in-person meetings in 2022.

11. The total expenditures for the MPF in 2022 amounted to \$288,671 and this covered the costs of 111 participants.

12. According to the FAO Financial System, the balance of funds in the MPF as of 31 December 2022 was \$69,097.

Table 1. Numbers of participants supported by the MPF at IOTC meetings since 2014.

	Meeting Participation Fund								
	2014	2015	2016	2017	2018	2019	2020	2021	2022
WP Neritic Tunas	13	9	10	11	7	6	0	0	0
WP Temperate Tunas	3	-	4	-	-	1 Prep + 4 main	0	0	0
WP Billfish	8	9	6	8	5	8	0	0	0
WP Ecosystems and Bycatch	5	8	10	7	6	9	0	0	0
WP Methods	6	6	9	5	2	7	0	0	0
WP Data Collection & Statistics	3	5	6	10	9	8	0	0	0
WP Tropical Tunas	6	6	12	11	9	12	0	0	0
TC Management Procedures	-	-	-	13	8	6	0	0	0
Scientific Committee	12	14	12	14	13	11	0	0	26
Compliance Committee	12	10	14	13	10	10	0	0	18
SC Administration & Finance	8	10	14	11	7	10	0	0	20
Commission	13	10	14	15	10	11	0	0	22
TC Allocation Criteria	-	-	10	-	13	7	0	0	25
TC Performance Review					13	7	0	0	0
WP Implementation of Conservation and Management Measures					10	0	7	0	0
Total MPF participants	89	87	121	118	122	117	7	0	111
Expenditure (US\$)	\$242,517	\$207,073	\$285,088	\$202,945	\$250,903	\$246,546	\$21,324	0	\$288,671

Table 2. 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 2010-22.

Year	Start of year balance	Additional Regular Funds	Additional Extra Budgetary Funds	Extras (interest/FAO payments)	Total expenditure (US\$)	Regular budget expenditure (US\$)	Extra budgetary expenditure (US\$)	End of Year Balance	Extra budgetary source
2010	200,000				57,429	57,429	0	142,571	Initial MPF Allocation from 'accumulated funds' (US\$200,000)
2011	142,571	14,615			157,186	157,186	0	0	
2012	0	126,010	69,492		195,502	126,010	69,492	0	Australia
2013	0	240,547	75,405		315,952	240,547	75,405	0	Australia
2014	0	118,519	124,000	(2)	242,517	118,517	124,000	0	Australia, BOBLME, ABNJ Tuna Project
2015	0	118,387	88,417	(1,497)	207,073	118,656	88,417	(1,766)	Australia, China, ABNJ Tuna Project
2016	(1,766)	200,000	77,604	(3,461)	285,088	211,022	74,066	(12,711)	Australia, China, ABNJ Tuna Project
2017	(12,711)	200,000	20,000	1,150	202,945	182,945	20,000	5,494	China
2018	5,494	200,000	49,439	3,784	250,903	200,000	50,903	7,814	Australia, China
2019	7,814	200,000	46,337	1,683	246,546	200,000	46,342	9,288	Australia, China
2020	7,814	250,000	31,414	1,582	21,324	0	21,324	269,486	Australia (US\$ 13,414), China (US\$ 18,000)
2021*	269,486	25,000	18,000	495	-	0	0	312,981	China (US\$ 18,000)
2022*	312,981	25,000	18,000	1,787	288,671	270,671	18,000	69,097	China (US\$ 18,000)
TOTAL					2,471,137	1,882,983	587,949		

*US\$ 25,000 was transferred to the MPF

DISCUSSION

Demand on the MPF in 2022 was much higher than expected and the 2023 MPF budget may not be sufficient to cover demand

13. The balance of the MPF at the end of 2022 was \$69,097, compared to an expected balance of over \$100,000. With the expectation that the balance of the MPF was going to be in excess of \$100,000, in May 2022 the Commission set the 2023 MPF budget at \$0, with a contingency to allow up to \$150,000 of Working Capital Funds to be used to augment the MPF should additional funds be necessary. As it turned out, the amount available to the MPF for 2023 is \$219,097 (\$69,097 + \$150,000).

14. However, due to the current high costs of travel and given the full calendar of meetings planned for 2023, \$219,097 is unlikely to be sufficient to meet demand. For example, by the end of February around \$65,000 has been spent on the TCAC, Special Session and WPICMM. And using 2022 costs as an indicator, the 2023 Commission and associated meetings, 2nd TCAC meeting and the Scientific Committee meeting will likely cost another \$144,000. In addition, there will be the MPF costs associated with up to 6 working party meetings.

15. As mentioned above, the average annual expenditure for the MPF is over \$254,000, but the budget available for 2023 is \$219,097.

16. The SCAF is requested to provide guidance to Secretariat on how to manage the 2023 MPF budget. Options could include:

- **Use of the WCF.** If the normal level of participation is to be supported in 2023, then, on an exceptional basis, an additional contingency allocation could be made available from the WCF. Note that the approved level of budget for the MPF (since 2020) is \$250,000, and an additional allocation from the WCF of more than \$32,482 will exceed this amount.

17. The default strategy for the Secretariat, should an additional allocation not be made available, would be to prioritise eligibility to the MPF (Table 3). In accordance with the MPF Rules of Procedure section 2, the order of priority will be:

- First, to support eligible Members from least developed countries (LDC) (based on the [UN classification](#));

18. It is proposed that further priority will be given according to World Bank classification (see Appendix 7 of the S26 Report for WB classifications – [here](#)), Thus:

- Second priority will be eligible Members that have a World Bank classification of ‘low’ — Note, this group currently contains only LDC Members;
- third priority will be eligible Members that have a World Bank classification ‘Middle’ — Note however, this group contains 15 Members and additional criteria for prioritisation may be required.

Table 3. Classification of IOTC Members for 2023 Meeting Participation Fund purposes

Least Developed Countries	WB Classification ‘Low’	WB Classification ‘Middle’
Bangladesh, Comoros, Madagascar, Mozambique, Somalia, Sudan, Tanzania, and Yemen	Madagascar, Mozambique, Somalia, Sudan, and Yemen	(Bangladesh), China, (Comoros), India, Indonesia, Iran, Kenya, Malaysia, Maldives, Mauritius, Pakistan, Philippines, Seychelles, South Africa, Sri Lanka, Tanzania, Thailand

19. Other eligibility constraints related to the provision of prerequisite documents and the allocation of funding to science and non-science meetings (ROP XVI.5) will also apply.

20. This matter is also raised in the 2023 mid-term financial report (IOTC-2023-SCAF20-07).

The 2024 MPF budget and proposed 2025 budgets may not be sufficient to meet the expected increased demand and higher travel costs

21. The proposed 2024 and 2025 MPF budgets (\$250,000, respectively) may not be sufficient to meet the demand for the MPF and higher travel costs (flights and accommodation/meal allowances).

22. The SCAF is requested to consider this situation and if necessary provide guidance to the Commission on how to manage the risk of there not being sufficient funds to cover MPF demand in 2024 and future years. Some options could include:

- Maintaining the annual budget of the MPF at \$250,000
- Increasing the annual budget
- Changing the source of funding to the MPF (i.e. use contributions, WCF, or a combination of both).

The rules of procedure for the administration of the IOTC Meeting Participation Fund (Appendix VIII of the IOTC Rules of Procedure) are 10 years old

23. The current rules of procedure for the administration of the IOTC Meeting Participation Fund (Appendix VIII of the IOTC Rules of Procedure) were adopted in 2013. The rules of procedure are highly prescriptive but given the high demand for the MPF, they have become difficult to operationalise. It is also difficult to predict usage, maintain the 75%:25% budget attribution to science and non-science meetings and manage the fund over the

calendar year. These factors, along with the current level funding increase the risk of not having enough funds to support eligible Members participate in meetings (such as the Scientific Committee meeting) in the latter part of the year.

24. The Secretariat would like the SCAF to consider requesting a review of MPF, including the budget and efficacy of procedure for the administration of the IOTC Meeting Participation Fund (Appendix VIII of the IOTC Rules of Procedure).

SUGGESTED ACTION BY THE STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

That the SCAF:

- a) **NOTE** paper IOTC-2023-SCAF20-05 on the Meeting Participation Fund.
- b) **NOTE** the extra-budgetary contribution made to the MPF.
- c) **PROVIDE GUIDANCE** to the Secretariat on how to manage the issue of the MPF not being sufficient to meet demand in 2023.
- d) **PROVIDE GUIDANCE** to the Commission on how to manage the risk of there not being sufficient funds to cover MPF demand in 2024 and future years.
- e) **RECOMMEND** to the Commission that, on an exceptional basis, the current 75%:25% allocation of the MPF to science and non-science meetings (Rule XVI.5: of the IOTC Rules of Procedure) not be applied in 2024.
- f) **RECOMMEND** to the Commission that a review of the MPF be undertaken, including a review of the budget and the efficacy of the rules of procedure for the administration of the IOTC Meeting Participation Fund (Appendix VIII of the IOTC Rules of Procedure), and report to the SCAF in 2024.