

IOTC MID-TERM FINANCIAL REPORT FOR THE YEAR 2024

PREPARED BY: SECRETARIAT

PURPOSE

1. The IOTC Financial Regulations (2019) require for a mid-term review of IOTC finances to be prepared by the Secretariat and considered by SCAF and the Commission.

STATUS OF CONTRIBUTIONS TO THE AUTONOMOUS BUDGET IN 2024***As of 31 March 2024, around 38.5% of the 2024 budget has been received from Members***

2. The total of contributions requested from Contracting Parties for the 2024 budget was (US)\$4,401,862.
3. As of 31 March 2024, a total of \$1,695,316 has been received. Note however, this amount of contributions may include some outstanding contributions due from years prior to 2024.
4. Details on the status of contributions are available in Appendix 1.

EXPENDITURES FOR THE FIRST 3 MONTHS OF 2024***As of 31 March, around 18% of the 2024 budget has been spent.***

5. The total budget for 2024 is \$4,401,862 and as of 31 March the Commission has spent \$787,150 (18% - see Table 1).
6. The staff-related budgets¹ (totaling \$2,846,055) are expected to be underspent; any delays in the timing of the recruitment of the new P4 Fishery officer (Data), the P4 Stock Assessment Officer and the new Fishery Officer (Data) may have a significant impact on the rate of expenditure and reduce overall spending. There could also be differences at year-end for expenditures on local salaries due to USD-SCR exchange rate fluctuations and unforeseen post adjustment changes.
7. Spending on the operations-related budgets² is, overall, on track, with a total of \$226,914 spent out of a budget of \$1,154,530 (20%).
8. The meeting budget was overspent in 2023 and may be overspent in 2024 if no hosts come forward with proposals for meetings. The 2024 meeting budget was set at \$84,000 and as a contingency, the Commission agreed that savings and, if necessary, the WCF would be used to cover any additional requirements in 2024. It is still not known if the WCF will be needed in 2024 to augment meeting costs.
9. 40% of the travel budget has been used after 3 months but these costs include all of the travel expenditures for the annual meetings in Thailand. Some extra budgetary funds are also available for travel through the ongoing EU project so the travel budget is expected to be sufficient.
10. Spending on translation is advanced after 3 months due to funds being committed for translation service contracts that extend across the year.

¹ Staff costs comprise salary costs and entitlements. Estimates of salary costs are relatively accurate as they are derived from extrapolations of current salaries. However, employer contributions to the pension and health funds can be variable and are more difficult to predict as they are determined by FAO and may change anytime during a budget year. The SCAF is advised that while the Secretariat provides best estimates for staff costs, it has no control over the final expenditures in this section of the annual budget.

² Note that the operations expenditure figures in the table include "hard commitments" made to contractual agreements such as purchase orders and contracts.

TRANSFER OF APPROPRIATIONS BETWEEN BUDGET SUB ITEMS

In accordance with the Final Regulations (2019), the Executive Secretary may authorize the transfer of up to [15] percent of appropriations between sub-items as specified in Article III.5 of this Regulation upon approval from the Chairperson of the Commission until a mid-term review.

11. No transfers are currently being proposed in 2024.

MEETING PARTICIPATION FUND

12. As mentioned in IOTC-2024-SCAF21-05, the average annual expenditure for the MPF is over \$252,990, and the budget available for 2024 is \$290,000, including the contingency of 40,000 from the WCF.

13. As of 31 March 2024, \$15,511 has been spent under the MPF. This does not include all of the travel expenditures for the current meetings which will be accounted for in April.

14. Under Agenda Item 6.1, the SCAF has been requested to provide feedback from the small Working group on MPF Rules of Procedure.

REGIONAL OBSERVER PROGRAMME

15. The Regional Observer Programme (ROP) contract is managed on a May to April calendar cycle. The Programme is on track. A new contract will be awarded for ROP services in 2024-25 and a call for funds was made to participants for a total of \$694,833. As of 31 March 2024, \$484,373 has been received.

OTHER FINANCIAL ELEMENTS

16. The Secretariat received \$638,117 from the European Union as the first tranche to cover the funding of a new project in 2023-24. The multi-year project will continue to support a range of scientific and compliance related activities that have been prioritized by the Commission through its technical bodies.

17. In response to the Commission's commitment to reduce the environmental impacts of the IOTC activities related to headquarters' operations (Resolution 22/01) the second vehicle used by the Secretariat was retired in late 2023. In addition, a new, more fuel efficient, replacement vehicle has been provided by the Government of Seychelles as the primary vehicle.

USE OF THE WORKING CAPITAL FUND IN 2024

Permission to use the WCF already granted

18. Meetings. See paragraph 8.

19. Meeting Participation Fund up to \$40,000. This amount will be transferred from the WCF to the MPF if required. See also, paragraph 12.

20. IOTC Website (as required).

Permission to use the WCF being sought in 2024

21. The IOTC IT infrastructure is ageing and does not comply with FAO specifications. It will therefore require some updating. The Secretariat is in consultation with FAO about bringing its infrastructure in line with FAO policies as well as updating critical components as required.

SUGGESTED ACTION BY THE STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

That the SCAF:

- a) **NOTE** the mid-term financial report for the year 2024.
- b) **NOTE** that additional funds may be required for a consultancy to fully review the IOTC IT infrastructure. Funding for this will be first taken from savings in other budget lines, then, only if required, from the Working Capital Fund.

Table 1. Comparison between budgeted expenditures and actual expenditures as of 31 March 2024 (in US\$).

	TOTAL BUDGET 2024	EXPENDITURES		
		AS OF 31 March 2024	BALANCE	% SPENT
PRO STAFF				
BASE SALARY (& post adj)	1,492,717	299,565	1,193,152	20%
PENSION & HEALTH	439,873	90,901	348,972	21%
FAO ENTITLEMENTS & RENTAL	659,061	88,561	570,500	13%
ICRU	75,308	0	75,308	0%
GS STAFF	-	-	-	
BASE SALARY	89,101	20,602	68,499	23%
PENSION & HEALTH	44,155	11,292	32,863	26%
FAO ENTITLEMENTS	40,939	9,031	31,908	22%
ICRU	4,902	0	4,902	0%
TOTAL STAFF	2,846,055	519,951	2,326,104	18%
OPERATIONS				
CAPACITY BUILDING	65,000	-	65,000	0%
CO-FUNDING SCIENCE/DATA GRANTS	-	-	-	-
CO-FUNDING COMPLIANCE GRANTS	-	-	-	-
CONSULTANTS/SERVICE PROVIDERS	422,180	38,018	384,162	9%
TRAVEL (STAFF)	145,000	57,445	87,555	40%
MEETINGS	84,000	19,079	64,921	23%
INTERPRETATION	220,000	379	219,621	0%
TRANSLATION	105,000	98,960	6,040	94%
EQUIPMENT	20,000	823	19,177	4%
GOE	83,350	12,210	71,140	15%
CONTINGENCIES	10,000	-	10,000	0%
TOTAL OPERATIONS	1,154,530	226,914	927,616	20%
SEY add. Contribution	(28,750)	-	(28,750)	0%
PSC	180,026	24,774	155,252	14%
Deficit Contingency	-	-	-	0%
MPF	250,000	15,511	234,489	-
GRAND TOTAL	4,401,862	787,150	3,614,711	18%

Appendix 1. Status of Member contributions to the IOTC autonomous budget (in US\$)

	1	2	3	4
Member	Outstanding Contribution 1 January 2024 (all years prior to 2024)	Contribution due for 2024	Received Contributions in 2024	Total Outstanding Contributions
AUSTRALIA	0	194,014	194,014	0
BANGLADESH	50,309	74,642		124,951
CHINA	0	108,674		108,674
COMOROS	218,872	78,431		297,303
EUROPEAN UNION	0	889,123	889,123	0
FRANCE	0	161,908		161,908
INDIA	0	161,390	161,390	0
INDONESIA	0	323,001		323,001
IRAN	410,225	223,224		633,449
JAPAN	0	214,592		214,592
KENYA	0	72,241		72,241
KOREA, Rep. of	0	242,677		242,677
MADAGASCAR	31,496	38,573		70,069
MALAYSIA	0	83,471		83,471
MALDIVES	0	154,276		154,276
MAURITIUS	0	84,966	84,966	0
MOZAMBIQUE	137,062	37,333		174,394
OMAN	0	241,418		241,418
PAKISTAN	106,596	95,763		202,359
PHILIPPINES	0	51,861	51,861	0
SEYCHELLES	0	259,708		259,708
SOMALIA	250	15,179		15,429
SOUTH AFRICA	0	70,693	67,764	2,929
SRI LANKA	0	131,285		131,285
SUDAN	387,909	15,280		403,189
TANZANIA	0	79,898		79,898
THAILAND	0	83,656	83,656	-1
UNITED KINGDOM	0	162,542	162,542	0
YEMEN	789,597	52,047		841,643
Total	2,132,318	4,401,862	1,695,316	4,838,864

Table 1.1 Ex Member Outstanding Contributions

Member	Total Outstanding Contributions
BELIZE	47,092
ERITREA	337,698
GUINEA	143,295
SIERRA LEONE	66,097
VANUATU	26,251
Total	620,433

Total Outstanding Contributions

Members	4,838,864
Ex-Members	620,433
Total	5,459,297