



PURPOSE OF THIS DOCUMENT

To inform the Standing Committee on Administration and Finance (SCAF) of the financial aspects of the Commission for the 2025 financial year (1 January to 31 December 2025).

STATUS OF CONTRIBUTIONS TO THE AUTONOMOUS BUDGET IN 2025

1. The total of contributions due in 2025 for the 2025 budget was \$4,401,862. As of 31 December 2025, a total of \$3,694,139 had been received (Table 1)
2. The cumulative total of outstanding contribution payments (Members and Ex-Members) has increased by around 23%, from \$3,119,984 as of 31 December 2024, to \$3,827,706 as of 31 December 2025. Details on the status of contributions are available in IOTC-2026-SCAF23-04.

It is important to pay contributions on time

3. As explained in the Contributions Outstanding report to SCAF, contributions are a central tenet of Membership of the FAO, and therefore IOTC.
4. The situation of outstanding contributions is not sustainable in the long term. It is essential to receive contributions as soon as possible after invoices are sent out because the FAO requires funds to be available from the IOTC budget at the start of each calendar year to cover all salaries and existing contracts (for consultants and other service providers) for that year. FAO will not contribute to the IOTC accounts to keep it afloat. Substantial funds must be available otherwise FAO will not renew staff contracts, enter any new contracts or commit to any procurement actions.

EXPENDITURES FOR THE YEAR 2025

The 2025 budget was underspent by \$654,503.

5. The total budget for 2025 was \$4,401,862 and the Commission spent (actuals) \$3,747,359. The level of under expenditure from the budget amounted to a total of \$654,503 (Table 1).
6. Explanatory notes on expenditures in 2025 are as follows:

Salaries – Professional grade staff (1.1)

7. Professional Salaries were considerably less than the budgeted figure, with an under-expenditure of \$242,165 (16%). This saving was primarily due to the P4 Stock Assessment post being vacant until February 2025, and the P3 Compliance Officer post being vacant from August 2025. Also, the NPO data Officer was only recruited in March 2025.

General Service staff (1.2)

8. There was a saving of \$21,786 (24%) in General Service salaries. This resulted from fluctuations in the Seychelles rupee exchange rate compared to the rate used during budget calculations. Table 2 provides additional details on salary-related costs for staff. Also the Data Assistant position became vacant from March after the internal promotion of the incumbent to the NPO Data Officer position.

Employer Contributions (1.3 & 1.4)

9. Despite an overall increase in the pension remuneration scales and health care costs, employer contributions to the Pension Fund and health insurance costs were 17% below budgeted figures, as a direct consequence of the vacant posts. The contributions to the FAO entitlement fund were 20% below budgeted figures. These entitlement

contributions are assessed by FAO for every project (including IOTC) by prorating actual costs of covering these entitlements across FAO. An additional Staff Cost Variance of \$69,850 was credited to IOTC at the end of the year. Table 2 provides additional details on salary costs related to employer contributions.

Table 1. Comparison between actual and budgeted expenditures in 2025 (in US\$).

	Budget Item Description	Budget	Actual	Variance	Percent Diff.
1 Administrative Expenditures - Staff Costs					
1.1	Professional Salaries	1,476,248	1,234,083	-242,165	-16%
1.2	General Service Salaries	89,447	67,661	-21,786	-24%
	Sub-total Salaries	1,565,695	1,301,744	-263,952	-17%
1.3	Employer contributions to Pension Fund and Health Insurance	501,121	413,553	-87,568	-17%
1.4	Employer contribution to FAO Entitlement Fund	650,411	518,174	-132,236	-20%
1.5	ICRU	78,647	60,560	-18,087	-23%
1.6	Adjustment staff cost variance	0	-69,850	-69,850	100%
1.7	Total Administrative Expenditures	2,795,874	2,224,181	-571,693	-20%
2 Operating Expenditures					
2.1	Capacity Building	104,885	53,524	-51,361	-49%
2.2	Consultants / Service Providers	442,180	392,787	-49,393	-11%
2.3	Duty travel	165,000	166,738	1,738	1%
2.4	Meetings *	90,000	215,698	125,698	140%
2.5	Interpretation	140,000	122,767	-17,233	-12%
2.6	Translation	115,000	110,512	-4,488	-4%
2.7	Equipment	10,000	10,099	99	1%
2.8	General Operating Expenses	79,800	58,014	-21,786	-27%
2.9	Contingencies	10,000	0	-10,000	-100%
2.10	MPF **	300,000	272,526	-27,474	-
	Total Operating Expenditures	1,456,865	1,402,664	-54,201	-4%
	SUB-TOTAL	4,252,739	3,626,845	-625,894	-15%
3	Additional Contributions Seychelles	-28,750	-29,120	-370	1%
4	Deficit Contingency	0	0	0	0%
	TOTAL	4,223,989	3,597,725	-626,264	-15%
5	FAO Servicing Costs	177,873	149,634	-28,239	-16%
6	GRAND TOTAL	4,401,862	3,747,359	-654,503	-15%
* Additional voluntary funding of USD 96,899 was received from the Australia for TCAC16					
** Actual MPF expenditures in 2025 were US\$ 272,526 but US\$ 300,000 was transferred into the fund					

ICRU - Improved Cost Recovery Uplift (1.5)

10. In 2014 FAO brought in 'Improved Cost Recovery Uplift' (ICRU) charges to cover field project personnel costs (for staff and consultants). These charges are to recover the costs of central services provided for security and information technology. The Commission has previously expressed its disagreement with the inclusion of ICRU in the IOTC budget (e.g. SCAF14) and a letter was sent from the Chair to FAO in 2024 requesting a further review. ICRU has continued to be applied by FAO hence there is an expenditure of \$60,560 in 2025 against a budget of \$78,647. This 23% decrease is a consequence of other administrative under-expenditures. Table 2 provides additional details on the allocation of the ICRU to staff.

Support to Capacity Building (2.1)

11. The budget line on Capacity Building shows \$53,524 of expenditures against the budgeted figure of \$104,885.

Consultants/Service Providers (2.2)

12. The total expenditure for consultants is made up of a range of expenditures relating to the support provided by consultants and service providers in undertaking workplan activities. The total expenditure for consultants and service providers in 2025 was \$392,787. This represents an under-expenditure of approximately 11%. This under expenditure was largely due to additional funds being available from an EC project.

Duty travel (2.3)

13. Duty travel mostly includes travel of the Secretariat staff to participate in meetings of the Commission but may include some travel to relevant events hosted by other organisations. A quarterly travel plan is compulsory and is submitted to FAO for approval. Travel continued as normal in 2025 and consequently, a total of \$166,738 was spent, representing a slight over-expenditure of approximately 1%. This outcome was anticipated given the ongoing trend of rising flight costs, which made it challenging for the Secretariat to keep travel expenses within the planned budget.

Meetings (2.4)

14. The budget for meetings in 2025 was significantly overspent by \$125,698. This was foreseen due to fewer members volunteering to host IOTC meetings and it was reported to the SCAF22 in May 2025. Upon the SCAF's recommendation, the Commission approved that, should the Meetings budget line need additional funds in 2025, these funds would first be taken from savings in other budget lines, then, only if required, on an exceptional basis, from the Working Capital Fund. In 2025, there were sufficient savings to cover the over-expenditure in meetings. The expenditures under this category included some travel of staff to meetings and the meeting facilities procured in Seychelles (WPNT, WPTmT, WPM and WPTT).
15. An additional voluntary contribution of \$96,899 was received from Australia to cover the costs of the TCAC16 meeting held in February 2026. These funds were fully committed in 2025 under the service provider contract. Taking this voluntary contribution into account, the actual over-expenditure under this budget line would have been \$28,799 (31%).

Interpretation (2.5)

16. The costs for interpretation included the interpreter fees (\$81,982) and travel costs (\$40,785). Efforts to minimise the numbers of interpreters required and to hire local staff whenever possible, led to some savings in recruitment and travel costs. The overall interpretation budget was underspent by \$17,233 (-12%). It must be noted that 2025 may not be a typical year for the hiring and travel of interpreters. The total costs depend on the location of the meetings (DSA and travel costs) and significant savings were possible in 2025 because of the availability of local interpreters at the meeting locations selected. Early planning and continuous liaison with the FAO Interpretation Unit enabled such savings.

Translation (2.6)

17. The translation budget line was slightly under-spent in 2025 by \$4,488 (4%). The upward trend in the volume of documents requiring translation continued and efficiencies in document production enabled the budget to stay on track.

Equipment (2.7)

18. The equipment budget was slightly over-spent by \$99(-1%). This covered the replacement of some new laptops,

displays and accessories.

General operating expenses (2.8)

19. General Operating expenses include a series of expenditures related to the normal functioning of the Secretariat office. Table 3 shows a detail of the costs for 2025. The difference between budgeted (\$79,800) and actual operating costs (\$58,014) represents a 27% saving. The reasons for this saving included a renegotiated contract with the Secretariat internet provider and savings related to the IOTC vehicle, as the Secretariat currently only uses one vehicle (to reduce costs as well as carbon footprint). A new vehicle has been provided by the Government of Seychelles resulting in further efficiencies and reduced operating costs.

Contingencies (2.9)

20. As required by provisions in the Financial Regulations, a contingency budget line provides for miscellaneous expenditures that are encountered by the Secretariat and do not fit into the pre-defined account structure of the operating expenditures. These funds were not used in 2025.

Meeting Participation Fund (MPF) (2.10)

21. A total of \$272,526 was spent from the MPF in 2025, and a transfer of \$300,000 was made from the main IOTC budget to the MPF, as approved by the Commission. Details on the status of the MPF are provided in IOTC-2026-SCAF23-05.

Additional Contributions by Seychelles (3)

22. The additional contribution from the Government of Seychelles has been negotiated under the IOTC Headquarters Agreement. This contribution is intended to defray some of the costs of operating the Secretariat, including costs of the Secretariat's Information Technology consultant. In 2025, IOTC received a total of \$29,120 from Seychelles and this was the last contribution to be received under the amended HQ agreement. This positive difference from the budgeted amount is due to exchange rate fluctuations.

FAO Servicing Costs (4)

23. The FAO Project Servicing Cost in 2025 was \$149,634, representing a reduction of 16% compared to the budgeted amount. The reduction in servicing costs was proportional to the total savings of the project in 2025.

Table 2. Detail of Staff-Related Costs During 2025 (in US\$)

	General Service Staff	Professional Staff
Base Salary Actual (including GS overtime)	67,661	881,699
Basic Medical Insurance Plan	23,716	56,901
Contribution to FAO entitlement fund	21,716	496,458
Pension plan	13,056	319,879
Post Adjustment		352,384
ICRU	3,455	57,105
Adjustment Staff Cost Variance	(1,997)	(67,853)
Total	127,608	2,096,573
Grand Total		2,224,181

Table 3. Detail of General Operating Expenditures in 2025 (in US\$)

Category	Actual Costs
Telephone	2,992
Internet	31,553
Postage/Courier	661
Office Supplies	3,629
Subscriptions and recruitment advertisements	1,886
Water	481
Cleaning	2,281
Vehicle operating and maintenance	212
Website hosting and development	11,811
Photocopier and printer	110
Miscellaneous/Environmental and Social Risk	2,397
TOTAL GOE	58,014

SUMMARY OF FINANCIAL STATUS – AS OF 31 DECEMBER 2025

24. An overview of IOTC’s financial status as of 31 December 2025 is provided in Table 4.

Overall, the 2025 budget was underspent by 15%.

25. A total of \$3,747,359 was spent in 2025 against the budget of \$4,401,862.

The total of outstanding contributions has increased by around 23% to \$3,827,706.

26. The cumulative total of outstanding contribution payments increased from \$3,119,984 as of 31 December 2024, to \$3,827,706 as of 31 December 2025 (an increase of around 23%).

27. The IOTC Secretariat continues to pursue payment of outstanding arrears and has been taking action in the form of general reminder circulars and letters addressed directly to CPCs.

The Working Capital Fund

28. 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.

29. No expenditures were charged to the WCF in 2025.

30. As of 31 December 2025, the WCF had a balance of \$7,657,854, which is an increase of \$309,701 from the balance at the end of 2024. The additional amount added to the WCF was possible through savings in the 2025 budget and interest added to the account (\$293,028).

Meeting Participation Fund

31. In 2025, the IOTC Meeting Participation Fund (MPF) was augmented by a transfer of \$300,000 from the main IOTC budget, \$9,000 of extra-budgetary contributions received from China, \$19,474 of extra-budgetary contributions received from Australia and \$10,311 interest added to the account. As of 31 December 2025, the MPF had a balance of funds of \$166,842.

32. Details on the MPF are provided in IOTC–2026–SCAF23–05.

Regional Observer Programme

33. The Regional Observer Programme (ROP) continued in 2025. The ROP contract underpinning this programme is managed on a May to April calendar cycle. Contributions, based on estimates of activities in 2025-26, amounting to \$630,797 were received from six ROP participants in 2025; in addition, \$17,680 was received as interest. A contract for ROP services in 2025-26 valued at \$544,863 was placed with the service provider with a further contract amendment adding an additional \$126,024. As of 31 December 2025, the ROP had a negative balance of

-\$18,724 including funds already committed to the ongoing contract. As a result of this, a new Call for ROP Funds was sent out early in 2026.

34. Details on the ROP are provided in IOTC–2026–CoC22–04a and 4b.

Extrabudgetary Voluntary Contributions

35. The SCAF requested the Secretariat to provide a table with the details and expenditures of the extrabudgetary funds provided by CPCS. Table 5 shows the details of all extrabudgetary funds received in 2025.

Table 4. Overview of IOTC’s financial status as of 31 December 2025 (in US\$)

	2025 Budget / Proposed Usage	2025 Actual Expenditure	Balance as of 31 December 2025	Comments
2025 budget	\$4,401,862	\$3,747,359	\$654,503*	
Working Capital Fund	\$0	\$0	\$7,657,854	Total includes USD 293,028 of interest for 2025
Meeting Participation Fund	\$300,000 plus extra-budgetary (\$28,474)	\$272,526	\$166,842	An extra-budgetary contribution to the MPF of \$9,000 was received from China and \$19,474 was received from Australia
Regional Observer Programme	N/A	\$750,313	-\$18,724	The contract underpinning this programme is managed on an April to May cycle. New funds have arrived in 2026.
Contributions outstanding			(\$3,827,706)	Increase of 23%

Table 5. Extrabudgetary Funds Received in 2025

CPC or Donor	Intended Use	Amount Received (USD)
European Union	Projects GCP/INT/1024/EC – Support to the IOTC Scientific and Compliance Committees (second payment)	\$100,000
	Project GCP/GLO/1317/EC-F – Support to draft the detailed requirements and elaboration of the functional and technical specifications and prototypes for the development of the IOTC DFAD and AFAD registers.	\$88,237
China	Voluntary Contribution to the Meeting Participation Fund	\$9,000
Australia	Voluntary Contribution to the Meeting Participation Fund	\$19,473.72

Australia	Voluntary Contribution to fund the TCAC16 meeting in Perth, Australia	\$96,899.22
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SUGGESTED ACTION BY THE STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

That the SCAF:

- a) **NOTE** paper IOTC-2026-SCAF23-06 which includes the Financial Statement and supporting documentation for the financial period 1 January to 31 December 2025.