

FINANCE AND ADMINISTRATION

3.1 The Chair of SCAF, Dr H. Pott (Germany) presented the report of SCAF (Annex 4) outlining the results of the Committee's discussions and recommendations for decisions by the Commission. It was agreed that an additional appendix would be included with the report, presenting Members' individual contributions to the 2005 budget (Annex 4, Appendix III).

3.2 Chile drew the attention of Members to the format of the SCAF report, which is a good example of how clearly important discussions and decisions can be presented.

Examination of audited Financial Statements for 2003

3.3 Noting that a full audit had been carried out on the 2003 Financial Statements and that an unqualified report had been provided by the auditor, the Commission accepted the audited Financial Statements for 2003.

Audit requirements for the 2004 Financial Statements

3.4 The Commission endorsed the advice of SCAF that in view of the appointment of a new Administration/Finance Officer, a full audit was required for the 2004 Financial Statements.

3.5 The Commission appointed the Australian National Audit Office as its auditor for the 2004 and 2005 Financial Statements.

Secretariat Strategic Plan

3.6 The Commission received the advice of SCAF with respect to the Executive Secretary's report, which forms a key element of the annual assessment of his performance and noted the positive comments of the Committee, particularly in respect of staff issues, legal support, the preparation of an education package and the custody of funds for the Antarctic Treaty Secretariat.

3.7 Chile expressed particular appreciation of the development of the education package, which has been the subject of discussions with the Executive Secretary, with a view to ensuring its optimum use in the Chilean education system.

Members' activities

3.8 On advice from SCAF that reports of Members' activities should be retained, and with a view to improving the content and presentation of this important publication, the Commission directed the Executive Secretary to liaise with the Scientific Committee to formulate a proposal as to the contents of the reports and the requirements as to which aspects of the reports would be made publicly available.

Support for participation at meetings

3.9 The Commission noted that the participation of non-Contracting Parties in the CCAMLR meetings is of considerable value to its work. It recognised that the financial support for such attendance by Developing States that are party to the 1995 UN Fish Stocks Agreement could appropriately be sought from a special fund established under the Agreement. The Commission directed the Executive Secretary to liaise with FAO, as administrator of the fund, with a view to identifying the procedures necessary to enable such States to access the fund. Norway encouraged other Members that are party to the Agreement to make a contribution to the fund. At present, contributions have only been made by Norway and the USA.

3.10 The Commission decided that, when inviting FAO to participate in the 2005 meeting, a specific request would be made that the nominated representative be prepared to discuss the accessibility of the fund for participants at CCAMLR meetings.

Review of budget for 2004

3.11 The Commission noted the unanticipated increase in the 2004 budget due to the larger report of WG-FSA and the recruitment and handover costs relating to the new Administration/Finance Officer. The Commission agreed that the approved budget for 2004 should be revised as presented in Annex 4, Appendix II, including a projected surplus of A\$20 200.

Cost recovery

3.12 The Commission agreed with the recommendation of SCAF that the scheme for recovery of costs associated with the administration of new and exploratory fisheries be clarified as set out in Annex 4, paragraph 14, and incorporated the possibility of payment being made up to one month after the notification. It confirmed that:

- (i) a notification is required for each new and exploratory fishery, i.e. a single submission by an individual Member in respect of a single year, a single species group and one subarea/division;
- (ii) each notification should identify the companies and vessels intending to pursue the fishery;
- (iii) each notification should be accompanied, or followed within one month, by a payment of A\$8 000 in respect of each vessel intending to pursue the fishery, consisting of:
 - a fee of A\$3 000 representing the recovery of administrative costs;
 - a sum of A\$5 000, to be refunded when the vessel had commenced fishing in the fishery for the season in accordance with conservation measures

determined by the Commission. In the event of the Commission deciding that a notified fishery should not proceed in a particular year, this sum shall be refunded;

(iv) where payment is made by a fishing company rather than a Member, the Member should identify in the notification:

- the company making the payment
- the vessels in respect of which the payment is made.

If required by the Member, the Secretariat will issue an invoice to the fishing company in order to facilitate the payment being made.

3.13 The Commission noted that the Secretariat would prepare, for next year's meeting, a financial comparison of the non-refundable portion of the fees in relation to the relevant costs incurred.

Contingency Fund

3.14 The Commission noted the recommendation of Germany that the Contingency Fund be converted to a Working Capital Fund and the decision of SCAF not to consider any changes at this time as it has only recently been established and is strictly controlled. The Commission also noted that the fund had reached its targeted balance.

Budget for 2005

3.15 The Commission noted that consideration by SCAF of the salary structure for Professional Staff would be deferred to the next meeting.

3.16 The Commission received advice from SCAF that negotiations for the lease on the new Headquarters and meeting venue at 181 Macquarie Street, Hobart, are nearing completion.

3.17 The Commission indicated its great appreciation for the work done to progress this important issue by the Commonwealth Government of Australia, the Tasmanian State Government, the property owner concerned and the Secretariat. This work has culminated in an impressive solution to two of the Commission's most important long-term needs: a permanent Headquarters and a suitable venue for its annual meetings.

3.18 The Commission noted that costs for relocating to the new premises in July 2005 had been incorporated into the draft budget for 2005.

3.19 In order that next year's meetings can take place in the new facilities, and noting the intention to commit all parties to a 15-year contract, the Commission directed the Executive Secretary to work with the Governments of Australia and Tasmania to finalise agreements in this regard.

3.20 The Commission accepted that the Scientific Committee's budget, as presented in its report, should be incorporated into the Commission's 2005 budget.

3.21 The Commission endorsed the view of SCAF that, in order to ensure fiscal accountability, the Scientific Committee should clearly identify tasks and services and review requirements when soliciting funds for the contracting of consultants.

Multi-year funding of Scientific Committee projects

3.22 On the advice of SCAF, the Commission endorsed the establishment and use of a Special Science Fund to enable the deferral to future years of funding for specific tasks of the Scientific Committee. It agreed that this should be based on the rules as set out in Annex 4, paragraph 26.

3.23 The Commission also agreed that A\$4 500, budgeted in 2004 for expenditure on reviewing the Generalised Yield Model (GYM), should be carried forward for expenditure in future years in accordance with the above procedure.

Members' contributions

3.24 In accordance with Financial Regulation 5.6, the Commission granted Argentina, Belgium, Republic of Korea, Spain and Uruguay an extension to the deadline for the payment of 2005 contributions. It noted the advice of SCAF that Members concerned should make continued efforts to resolve their procedural difficulties in future years and that SCAF will continue to consider the possibility of interest charges or other means of encouraging earlier payment.

3.25 The Commission endorsed the recommendation that the same formula used for calculating Members' contributions in 2004 should be used in 2005 and that this should continue for subsequent years until a Member requests that it be reviewed.

3.26 Brazil noted that funds have now become available to enable its outstanding contributions to be paid in full very shortly. It expressed appreciation to all Members for their patience and understanding of Brazil's difficulties in this respect, extended to Brazil during this year's meeting.

Forecast budget for 2006

3.27 The Commission noted the forecast budget for 2006 as presented in Annex 4, Appendix II, and that no real growth in Member's contributions was anticipated. It confirmed the advice of SCAF that care should be taken by Members when using this forecast for their own financial budgeting.

CDS Fund

3.28 The Commission noted that the amount allocated for expenditure from the CDS Fund in respect of the C-VMS trial was not expected to be exceeded, and that no further requests for expenditure from the fund during 2004 had been received.

Administration/Finance Officer

3.29 The Commission joined with the Committee in expressing its deep regret on the impending departure of the current Administration/Finance Officer, Mr J. Rossiter.

3.30 Australia commended Mr Rossiter on his hard work and invaluable contribution to the running of the Secretariat and to the work of the Commission. The Executive Secretary also indicated his appreciation for the support provided by Mr Rossiter over many years both to himself and to the Secretariat.

3.31 The Commission expressed its appreciation for the efficient work of the Chair of SCAF in his management of the Committee and presentation of its report.