

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.

Examination of audited Financial Statements for 2006

3.2 Noting that a review audit had been carried out on the 2006 Financial Statements and that an unqualified report had been provided by the auditor, the Commission accepted the audited Financial Statements for 2006.

Audit requirements for the 2007 Financial Statements

3.3 The Commission endorsed the advice of SCAF that a full audit be performed on the 2007 Financial Statements as previously determined in 2006 (CCAMLR-XXV, paragraph 3.3).

Secretariat Strategic Plan

3.4 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.

3.5 The Commission noted the various issues highlighted by the report as listed in CCAMLR-XXVI/6.

3.6 The Commission endorsed the recommendation of SCAF that a review of the Secretariat's data management and scientific functions should be undertaken by the Executive Secretary in 2008 following the new Science Officer's assumption of duties and a suitable settling-in period.

3.7 The Commission also noted the Secretariat's heavy and growing workload. The Commission agreed that, as the Secretariat's tasks continue to grow in complexity and content, there may be a concomitant need to strategically evaluate Secretariat staffing levels and funding, with prioritisation of task assignments also being necessary.

3.8 The Commission endorsed a proposal that the Compliance Officer would benefit from the Secretariat Professional Development Program by visiting various RFMOs (namely the Northwest Atlantic Fisheries Organization (NAFO) and the North East Atlantic Fisheries Commission (NEAFC)) in 2008. The Commission conceded that benefits from the visits to NAFO and NEAFC will accrue notwithstanding the differences between CCAMLR and these organisations. Argentina pointed out that caution should be exercised while undertaking cooperation with international organisations whose membership and objectives differ from those of CCAMLR.

3.9 The Commission noted changes to the Australian taxation system which has affected Secretariat Staff who are Australian citizens or permanent residents. The Commission agreed that, in principle, CCAMLR staff should be treated equitably compared to other Australian taxpayers. The Commission endorsed the SCAF recommendation that the Executive Secretary be given authority for the payment of the mature-age tax offset, and that the negative gearing payment be made as an interim measure from now on until clarity is received from the Australian Department of Foreign Affairs and Trade, and that dispensation be subject to a legal opinion. The Commission also agreed that the Executive Secretary should report back to SCAF until the issue is resolved.

Review of budget for 2007

3.10 The Commission approved the budget for 2007 as presented in Annex 4, Appendix II, noting the adjustments outlined in CCAMLR-XXVI/4, Part III.

Interpreting services for SCIC

3.11 The Commission recalled its deliberations of 2006 (CCAMLR-XXV, paragraph 3.11) and endorsed the recommendation of SCAF that a total of A\$88 000 be included in the 2008 budget for SCIC interpretation.

3.12 Many Members indicated their support for simultaneous interpretation services being available to SCIC meetings, and noted the advice of the SCIC Chair that SCIC interpretation is a high priority to facilitate SCIC's work. Argentina stated that by providing full interpretation services for SCIC meetings, the Committee's work will not only become more efficient but will also allow for enrichment of deliberations at SCIC, and increased participation for the benefit of all Members.

3.13 The Commission agreed that the proposed budget of \$88 000 for SCIC interpretation, comprising \$A22 000 for one-off set-up costs and \$A66 000 for interpretation services, should be included in the 2008 budget (see paragraph 3.22).

Wireless computer network

3.14 The Commission received advice that the wireless computer network had been installed and is fully operational and requested the Secretariat to monitor ongoing costs as full access is permitted. The Commission noted that there were concerns about misuse of the facility, especially with respect to internet access, and supported the application of charges for excessive use in those circumstances. The Commission agreed that the wireless computer network was useful, but it also agreed that this was an evolving situation which needed monitoring with a view to ensuring full access to the system during all CCAMLR meetings.

Contingency Fund

3.15 The Commission noted that expenditure of A\$25 850 had been incurred from the Contingency Fund to purchase an emergency generator to ensure an uninterrupted power supply to the Secretariat's computer servers.

3.16 The Commission noted that the Contingency Fund will be reimbursed from the General Fund at the end of the 2007 financial year.

Professional Staff salaries

3.17 The Commission agreed with the SCAF recommendation that this item be kept on the agenda and further consideration deferred to its next meeting.

Budget for 2008

3.18 The Commission received advice from SCAF that SCIC had requested funding of A\$50 000 for a Compliance Evaluation Workshop to be held in conjunction with the Working Group on Ecosystem Monitoring and Management (WG-EMM) in 2008, and funding of A\$100 000 for a Performance Review of the organisation. Many Members expressed concern regarding the rapid growth of the Commission budget and as a consequence the Commission agreed that the funding for the Performance Review be included in the budget for 2008, but that the Compliance Evaluation Workshop be deferred until 2009. The Commission decided that the Performance Review and the SCIC interpretation were two priority items to be included in the 2008 budget.

3.19 The Commission noted the importance of the tasks presented in the Scientific Committee's proposed budget. It endorsed the SCAF recommendation that A\$91 000 for the CCAMLR-IWC Workshop be included in the budget, taking into account that this amount was equivalent to the contribution made by the IWC. It also noted that the total administrative cost attached to holding the meeting at the CCAMLR Secretariat would require an additional A\$32 000 being shared equally between CCAMLR and the IWC.

3.20 The Commission approved the Scientific Committee budget of A\$386 800 for inclusion in the Commission's budget for 2008.

3.21 The Commission requested that the Scientific Committee endeavour to prioritise its budget requests in the future and that the proposed budget increase for 2008 should not be seen as a precedent for the future.

3.22 The Commission endorsed the recommendation of SCAF to adopt the Commission's budget for 2008, as presented in Annex 4, Appendix II, less A\$50 000 representing the costs associated with the Compliance Evaluation Workshop, which was deferred until 2009 (paragraph 3.18).

3.23 The Commission noted that, while still being attached to the principle of zero real growth, it was not possible to limit the growth of the revised 2008 budget. Consequently, Members' contributions could not be held to zero real growth, and the Executive Secretary was directed to explore all opportunities for cost savings during 2008.

3.24 The Commission noted that the overall increase to Members' contributions for 2008 is 11.39%, as presented in Annex 4, Appendix II, taking into account China's full annual contribution for 2008.

Members' contributions

3.25 In accordance with Financial Regulation 5.6, the Commission granted Argentina, Belgium, Brazil, China, Japan, South Africa, Spain, Ukraine, USA and Uruguay an extension to the deadline for the payment of 2008 contributions. The Executive Secretary noted the unprecedented number of requests for extensions and respectfully requested that Members make every effort to pay their contributions as soon as possible.

3.26 The Commission noted that SCAF had discussed various options aimed at providing incentives for Members to pay their annual contributions by the due dates required in Financial Regulation 5.6. The Commission agreed with SCAF that the problem of late payments needs to be addressed, and requested that a possible solution be discussed at the 2008 meeting of SCAF.

Forecast budget for 2009

3.27 The Commission noted the forecast budget for 2009 as presented in Annex 4, Appendix II, supplemented by the A\$50 000 deferred from 2008 in respect of the Compliance Evaluation Workshop, and also noted the inclusion of funding for an ad hoc technical group meeting and publication of a *CCAMLR Science* special issue.

3.28 The Commission again noted the importance of reducing expenditure wherever possible to maintain the budget within its customary target of zero real growth (i.e. within inflationary limits only).

3.29 The Commission noted that the budget and Members' contributions tables, included in Annex 4 as Appendices II and III respectively, are replaced with revised tables reflecting the alterations made to the budgets for 2008 and 2009 during its deliberations. It also noted the resultant changes to Members' contributions for 2009.

Other

3.30 The Commission received advice from SCAF that it had considered the status of Ukraine in relation to Convention Article XIX.6 and the interpretation of the Commission's decision regarding definition of the 'period of default' attached to the timing of an individual Member's contribution, made at CCAMLR-XVIII, paragraph 3.12. The Commission also

noted that SCAF had received information relating to Ukraine's Member contribution payments for 2005, 2006 and 2007, and that the views of Ukraine's status in respect of its period of default varied.

3.31 The Commission noted that Ukraine had advised that A\$20 000, as part-payment for its contribution for 2007, would be forthcoming in the near future.

3.32 The Commission decided that the definition of the period of default set out in CCAMLR-XVIII, paragraph 3.12, would not be applied in these circumstances. It asked SCAF, at its next meeting, to discuss interpretation of Article XIX.6 of the Convention.

Chair and Vice-Chair of SCAF

3.33 The Commission noted that India had been appointed as Chair of SCAF for the 2008 and 2009 meetings, and that New Zealand had been reappointed Vice-Chair until the end of the 2008 meeting. The Commission paid appreciation to Dr Pott for his five years of chairing SCAF, and for presentation of its report.