

FINANCE AND ADMINISTRATION

3.1 The Vice-Chair of SCAF, Ms S. Jessep (New Zealand), presented the report of SCAF (Annex 4). Her report outlined the results of the Committee's discussions and recommendations for decisions by the Commission.

Examination of audited Financial Statements for 2007

3.2 Noting that a full audit had been carried out on the 2007 Financial Statements and that the auditor had identified no incidents of non-compliance with the Financial Regulations or International Accounting standards, the Commission accepted the audited Financial Statements for 2007 (Annex 4, paragraph 2).

Audit requirements for the 2008 Financial Statements

3.3 The Commission accepted the advice of SCAF that a full audit be performed on the 2008 and 2009 Financial Statements (Annex 4, paragraph 3).

Appointment of Auditor

3.4 The Commission endorsed the appointment of the Australian National Audit Office as its auditor for the 2008 and 2009 Financial Statements (Annex 4, paragraph 4).

Secretariat Strategic Plan

3.5 The Commission received SCAF's advice with respect to the Executive Secretary's report (CCAMLR-XXVII/6), which forms a key element of the annual assessment of his performance (Annex 4, paragraph 5).

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

3.7 Addressing the outcomes of the Executive Secretary's review of the Secretariat's data management and scientific functions (CCAMLR-XXVII/7), the Commission accepted SCAF's recommendations (Annex 4, paragraph 7) that:

- the initial ICSC grading of P-4 should be confirmed for both the Science Officer and Data Manager posts. This should be the entry-level grading for purposes of meeting the requirements of Staff Regulation 5.10;
- advancement through the increment gradings for each post shall proceed in accordance with Staff Regulation 5.9.

3.8 The Commission also noted (Annex 4, paragraph 8) that the above review had offered the suggestion that:

- subject to the Data Manager or Science Officer reaching the top of the P-4 grading, and/or exceptional assessment of performance under the *CCAMLR Performance Management and Appraisal Scheme* endorsed by the Commission, advancement from ICSC Grading P-4 to P-5 should be considered with the Commission's prior approval (Staff Regulation 5.5).

3.9 The Commission endorsed SCAF's recommendation (Annex 4, paragraph 9) that the grading of the Administration and Finance Officer's post should be reviewed in the 2008/09 intersessional period and that the grading of the three Secretariat professional posts should be reviewed at CCAMLR-XXVIII.

3.10 The Commission endorsed SCAF's recommendation (Annex 4, paragraph 10) that the Executive Secretary review the current grading of the Compliance Officer's post and present the results to the Committee's 2009 meeting.

3.11 The Commission noted the response from the Australian Department of Foreign Affairs and Trade to the letter of the Executive Secretary regarding negative gearing payments to CCAMLR employees. The Commission agreed that such staff continue to receive negative gearing payments (approximately A\$4 000 per year) in the interests of equitability with other Australian tax payers and that the matter be monitored by the Executive Secretary (Annex 4, paragraph 11).

3.12 The Commission noted the possibility of securing additional space during SCIC meetings in the Wombat Room by developing and conjoining the space between the Wombat Room and the adjacent premises (Annex 4, paragraph 13). The Commission requested the Executive Secretary to continue dialogue with the developer and neighbouring tenants. The Secretariat will report back to the next SCAF meeting or earlier, depending on the rate of progress.

3.13 The Commission recognised the Secretariat's heavy and growing translation workload (Annex 4, paragraph 14). It noted that translation costs amount to approximately one-quarter of the budget and an overwhelming majority of documents are submitted in English. The Commission noted that SCAF had discussed the idea of no longer translating all documents submitted in English into the three other official languages. It was noted that such a change in practice would have the potential to streamline the Commission's work to ensure that Members' needs are met as well as offering a source of savings. This approach should be based on a very careful analysis of the overall translation requirements of Members and CCAMLR's multilingual system, as provided for in the Convention.

3.14 The Commission endorsed SCAF's recommendation (Annex 4, paragraph 20) that:

- the Secretariat should provide Members with a detailed breakdown and costing of the Commission's translation requirements as of the end of 2008;
- the Secretariat should then coordinate intersessional work in consultation with Members to analyse the various categories of documents to be translated;

- Members review the outcomes of this work to identify potential savings in translation costs at the 2009 meeting of SCAF.

3.15 The Commission shared SCAF's concerns at the current situation where a number of long-serving staff are approaching retirement age (Annex 4, paragraph 22). It requested the Executive Secretary to pursue development of a clear Secretariat succession strategy

Review of budget for 2008

3.16 The Commission approved the budget for 2008 as presented in Annex 4, Appendix II.

3.17 The Commission approved the creation of a new Enforcement Trust Fund into which a donation from the Ocean Trust will be credited. The Fund is to be used to assist compliance and enforcement in the toothfish fishery, and perhaps support an intersessional workshop on compliance evaluation (Annex 4, paragraph 26).

Recruitment of Executive Secretary

3.18 The Commission endorsed the procedures and position requirements for the recruitment of the Executive Secretary as amended (Annex 4, Appendix IV).

Contingency Fund

3.19 The Commission noted that no expenditure had been incurred from the Contingency Fund in 2008.

3.20 The Commission noted that the balance of the Contingency Fund in excess of A\$110 000 following transfer of forfeited funds from new and exploratory fisheries applications, will be transferred to the General Fund at the end of the 2008 financial year (Annex 4, paragraph 31).

Performance Review

3.21 The Commission noted that the recommendation pertaining to updating the website included in the Review Panel Report (CCAMLR-XXVII/8, paragraph 6.1.2.4) was already listed on the Secretariat's task schedule for 2009.

3.22 The Commission agreed that the Review Panel Report should be placed on the CCAMLR website in conformity with the requirements of CCAMLR-XXVI, Annex 7, paragraph 10, as well as in the interests of openness and transparency. The Commission agreed that the Review Panel Report be accompanied by the following statement:

‘At its Twenty-sixth Meeting (2007), CCAMLR decided to undertake a performance review of the organisation during 2008. CCAMLR's decision provided for the review

to be carried out by a panel appointed by the Commission composed of nine persons as follows: four internationally recognised experts with CCAMLR experience; the Chair of the Antarctic Treaty Consultative Meeting's Committee for Environmental Protection; an expert nominated by CCAMLR non-governmental observers; and three external experts with experience in relevant areas of science, fisheries management and legal matters. Page 1 of the report provides the names of the Panel members.

The purpose of the performance review was to evaluate the Commission's performance against comprehensive criteria provided by the Commission and more generally against the objectives and principles set out in Article II of the Convention. The review panel's terms of reference, report structure and approach are provided on pages 1 to 3 of the Panel's report.

The Report of the CCAMLR Performance Review Panel is available here [link]. Responsibility for the content of the report rests exclusively with its authors.

The views and recommendations contained in the report do not necessarily reflect the views of the organisation, the Commission or its Members.'

3.23 The hyperlink to the webpage containing the English version of the report is www.ccamlr.org/pu/E/revpanrep.htm. Hyperlinks to the French, Russian and Spanish versions will be provided on the English webpage when the translations become available.

Budget for 2009

3.24 The Commission noted that SCIC had requested funding of A\$10 000 for an informal group to advance development of a Compliance Evaluation Procedure (DOCEP) (Annex 4, paragraph 39). It also noted that SCIC was considering the question of cost-recovery for processing krill fishery notifications.

3.25 The Commission endorsed the SCIC recommendation to amend Conservation Measure 10-05 to extend the use of the CDS Special Fund to include expenditure on programs aimed at enhancing cooperation with non-Contracting Parties (Annex 4, paragraph 39).

3.26 The Commission noted the various tasks outlined in the Scientific Committee's proposed budget (SC-CAMLR-XXVII, section 11). It endorsed SCAF's recommendation that A\$44 000 for funding a VME Workshop and A\$6 000 to produce a seabird poster should be included in the 2009 budget. It also noted that the costs of WG-IMAF would be separated from WG-FSA costs within the Scientific Committee budget (Annex 4, paragraph 41).

3.27 The Commission approved the Scientific Committee budget of A\$393 400 for inclusion in the Commission's budget for 2009 (Annex 4, paragraph 42).

3.28 The Commission agreed that additional one-off funding of A\$100 000 be included in the 2009 budget to improve Secretariat translation services (paragraphs 3.13 and 3.14).

3.29 The Commission adopted its budget for 2009, including expenditure of A\$4 333 000, as presented in Annex 4, Appendix II.

3.30 The Commission noted that the overall increase to Members' contributions for 2009 is 1.25%, compared to an inflation increase of 4.5% (Annex 4, paragraph 43). This is well within the zero real growth budgetary target of the Commission.

Members' contributions

3.31 In accordance with Financial Regulation 5.6, the Commission granted Argentina, Belgium, Brazil, China, India, Japan, Republic of Korea, Namibia, Russia, South Africa, Spain, Ukraine, USA and Uruguay an extension of the due date for payment of their 2009 Member contributions.

3.32 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 (Annex 4, paragraph 47). The Commission also noted that SCAF had requested Members to submit to its next meeting, proposals for distribution of the surplus (or part thereof) earned in any particular year back to Members who had paid their contribution by the due date (Annex 4, paragraph 47).

3.33 The Executive Secretary noted that more than half the Members had extended their due date for payment of their contributions to 31 May 2009. He requested that Members make every effort to pay their contributions as soon as possible given the current financial uncertainty and to facilitate stabilisation of the Commission's 2009 budget. Many Members indicated their support of this request.

3.34 Argentina informed the Commission that it had completed the payment of a small outstanding amount of its 2008 contribution which had remained unpaid due to currency exchange fluctuations. The Secretariat confirmed that such payment had been received, therefore Argentina's 2008 contribution had been paid in full.

Interpretation of Article XIX.6 of the Convention

3.35 The Commission noted SCAF's discussions held in response to the Commission's direction in 2007 to discuss interpretation of Article XIX.6 of the Convention (CCAMLR-XXVI, paragraph 3.32). Three options had been proposed by Members (Annex 4, paragraph 48). While some Members noted their preference for specific options, agreement could not be reached on any one option.

3.36 Argentina agreed with other delegations in that, insofar as there was no consensus with respect to the interpretation that should be given to Article XIX.6, it was convenient to preserve the flexible interpretation which its current wording allowed for. Argentina further stated that in SCAF some Members agreed that a lack of contribution payment was not as severe an issue as to merit grave concern of the Commission.

Forecast budget for 2010

3.37 The Commission noted the forecast budget for 2010 (Annex 4, Appendix II).

3.38 The Commission also noted that given the current international financial situation is very fluid, the figures are indicative only, and that care should be taken when they are used as a basis for financial budgeting by individual Members.

Special Funds

3.39 Belgium proposed the establishment of a SCAR-MarBIN Special Fund to allow Members to make voluntary financial contributions to SCAR-MarBIN. SCAR-MarBIN is currently managed by the Belgian Royal Institute for Natural Sciences, but its funding is only secured until the end of 2009. The database is extensively used by the Antarctic scientific community to access information on Antarctic species and their distribution.

Other

3.40 The Commission noted that it has some A\$1.6 million invested in financial instruments which have some exposure to organisations which are experiencing difficulties in the current economic climate (Annex 4, paragraph 52). It also noted that to date no losses have been incurred and that international financial markets continue to remain volatile.

Vice-Chair of SCAF

3.41 The Commission noted South Africa's appointment as Vice-Chair of SCAF for the 2009 and 2010 meetings (Annex 4, paragraph 53).

3.42 The Commission expressed its deep appreciation to Mrs V. Ramachandran (India) for her work as Chair of SCAF.