

FINANCE AND ADMINISTRATION

3.1 The Vice-Chair of SCAF, Dr M. Mayekiso (South Africa), presented the report of SCAF (Annex 4). His report outlined the results of the Committee's discussions and recommendations for decisions by the Commission.

Examination of audited Financial Statements for 2008

3.2 Noting that a full audit had been carried out on the 2008 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 2008 (Annex 4, paragraph 2).

Audit requirements for the 2009 Financial Statements

3.3 The Commission, having approved a full audit for the 2009 Financial Statements (Annex 4, paragraph 3), accepted the recommendation of SCAF that a full audit also be performed on the 2010 Financial Statements in view of a new Executive Secretary taking up appointment in 2010.

Appointment of Auditor

3.4 Noting that the two-year appointment of the Australian National Audit Office (ANAO) expires on completion of the 2009 audit, the Commission accepted the recommendation of SCAF that the ANAO be appointed auditor for the 2010 Financial Statements in accordance with Financial Regulation 11.1 (Annex 4, paragraph 4).

Secretariat Strategic Plan

3.5 The Commission received SCAF's advice with respect to the Executive Secretary's report (CCAMLR-XXVIII/5), 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-XXVIII/5.

3.7 Addressing the outcomes of the Executive Secretary's review of the Secretariat's functions (CCAMLR-XXVIII/6), endorsed by the Commission in 2008 (CCAMLR-XXVII, paragraph 3.9), the Commission accepted SCAF's recommendations as set out in Annex 4, paragraph 8, that:

- The initial grading of P-4 should be confirmed for the Science Officer and Data Manager and P-3 for the Administration/Finance Officer (AFO). This should be the entry-level grading for the purpose of meeting the requirements of Staff Regulation 5.10.
- Subject to the Science Officer or Data Manager reaching the top of the P-4, and the AFO the top of the P-3 grading, and/or exceptional assessment of performance under the *CCAMLR Performance Management and Appraisal System (CPMAS)* endorsed by the Commission (CCAMLR-XXII, paragraph 3.4), advancement from ICSC Grading P-4 to P-5 should be considered for the former, along with advancement from Grading P-3 to P-4 for the latter, with the Commission's prior approval (Staff Regulation 5.5). Such consideration should be subject to independent evaluation by the ICSC. The process of considering such advancement would rest with the Commission.

3.8 The Commission noted that SCAF accepted (Annex 4, paragraph 9) that consideration be given to providing further salary advancement to the Compliance Officer based on the incumbent officer's performance and in recognition of the post's growing responsibilities and workload.

3.9 The Commission noted that a review of the post of Communications Officer should be undertaken in 2010 (Annex 4, paragraph 10).

3.10 The Commission noted that the suggestions for staff succession contained in CCAMLR-XXVIII/8 should be provided to the incoming Executive Secretary for future consideration, recognising that any recommendations with budgetary implications will need to be referred to SCAF (Annex 4, paragraph 13).

Review of budget for 2009

3.11 The Commission approved the budget for 2009 as presented in Annex 4, Appendix II.

3.12 The Commission noted that investments totalling A\$1.6 million were still in an uncertain situation with respect to their anticipated financial returns (Annex 4, paragraph 17).

Review of translation requirements

3.13 The Commission noted that translation will always have significant impact on the budget. It agreed with SCAF that all possible options for reducing translation requirements should be investigated before any proposal for additional translating staff could be considered (Annex 4, paragraph 21).

3.14 The Commission supported SCAF's request that the Secretariat consult informally with Members requiring translation to or from each of the four languages to determine their specific needs and for SCAF to consider the outcomes of the Secretariat's consultations at its 2010 meeting (Annex 4, paragraph 22).

Additional meeting space for SCIC

3.15 The Commission approved construction of additional meeting space for SCIC at a cost of A\$130 000 to be partially funded from the Asset Replacement Reserve (A\$40 000) with the balance (A\$90 000) being amortised over 10 years from interest accruing to Special Funds (Annex 4, paragraph 23).

Contingency Fund

3.16 The Commission noted that no expenditure had been incurred from the Contingency Fund in 2009 (Annex 4, paragraph 25).

3.17 It also 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 2009 financial year (Annex 4, paragraph 25).

CDS Fund

3.18 The Commission approved the CDS panel's request for expenditure of A\$20 877 for CDS Training Material and up to A\$70 000 for 'IUU Fishing in the CAMLR Convention Area – African Capacity Building Training'.

Budget for 2010

3.19 The Commission noted that SCIC had agreed not to convene an in-person meeting of DOCEP in 2010 and to reconsider the matter at the 2010 meeting of SCIC (Annex 4, paragraph 28). The Commission also noted that SCAF and SCIC supported the extension of the SCIC meeting room and that Japan would be making a new proposal to SCIC in 2010 for processing krill notifications.

3.20 The Commission noted the various tasks outlined in the Scientific Committee's proposed budget (SC-CAMLR-XXVII, section 11). Some A\$39 000 for funding of a WG-IMAF meeting would not be required for 2010 but A\$40 000 had been included to hold a proposed ad hoc TASO meeting in that year.

3.21 The Commission noted that SCAF had advised the Scientific Committee of its concerns at the costs of translating papers and reports and that it had urged the Scientific Committee to minimise the translation required. The Commission concurred with the SCAF recommendation that Fishery Reports for 2009 and 2010 should not be translated (Annex 4, paragraph 33).

3.22 The Commission approved the Scientific Committee budget of A\$347 500 for inclusion in the Commission's budget for 2010 (Annex 4, paragraph 34).

3.23 The Commission agreed that future budget presentations should only include the current income and subitem expenditure items. Detailed expenditure aligned with the Secretariat functional units identified in the Secretariat Strategic Plan should then be attached as an explanatory annex to the Financial Statements (Annex 4, paragraph 38).

3.24 The Commission adopted its budget for 2010. The budget includes expenditure of A\$4 484 000, as presented in Annex 4, Appendix II. The Commission noted that Members' contributions for 2010 were 1.02% less than for 2009 (Annex 4, paragraph 39).

Members' contributions

3.25 In accordance with Financial Regulation 5.6, the Commission granted Argentina, Belgium, Brazil, China, Germany, India, Japan, Republic of Korea, Russia, South Africa, Spain, USA and Uruguay an extension of the due date for payment of their 2010 Members' contributions.

3.26 Some Members noted that, as late payments cause financial difficulties for the Secretariat and can impact on the level of Members' contributions required in the following year, Members should make every effort to pay their contributions as soon as possible, preferably within the original deadline.

3.27 The Commission reiterated the provisions of Convention Article XIX.6 regarding arrears.

Distribution of surpluses

3.28 The Commission noted that SCAF had not received any proposals for the distribution of surpluses and agreed that the status quo should remain.

Forecast budget for 2011

3.29 The Commission noted the forecast budget for 2011 (Annex 4, Appendix II).

3.30 The Commission also noted that forecast budget figures are indicative only, and that care should be taken when they are used as a basis for financial budgeting by individual Members. It noted SCAF's concern that the budget should be maintained within its customary target of zero real growth (Annex 4, paragraph 45).

Other

3.31 The Commission noted that SCAF had agreed that CCAMLR-XXVIII/BG/15 'Notes on Recruitment of Executive Secretary' provided a record of experiences with the recruitment process in 2009 (Annex 4, paragraph 46).

3.32 The Executive Secretary informed the Commission that pursuant to paragraph 3.12, a credit event had occurred which resulted in the write-down of one of the Commission's investments by A\$76 300, or 1.2%, of its cash and investments portfolio. The Commission noted that this write-down will have a negative impact on interest income of approximately A\$3 500 in 2010 and subsequent years.

Chair of SCAF

3.33 The Commission noted India's reappointment as Chair of SCAF for the 2010 and 2011 meetings (Annex 4, paragraph 47).

3.34 The Commission expressed its deep appreciation to Mr K.P. Pandian (India) for his support as Chair of SCAF and to Dr Mayekiso for presenting the report.