

IOTC MEETING PARTICIPATION FUND: 2016 EXPECTED AND 2017 PROPOSAL

PREPARED BY: IOTC SECRETARIAT, 18 APRIL 2016

PURPOSE

To submit for the consideration of the Standing Committee on Administration and Finance (SCAF), the Meeting Participation Fund (MPF) historical and future expenditure levels to facilitate a better annual budget decision making process.

BACKGROUND

Eligibility: The IOTC Rules of Procedure (2014) detail a range of eligibility criteria for gaining access to the IOTC MPF. However, the core requirement is that the applicant must be from a *Developing Contracting Party*, which is defined as any Contracting Party (Member) that is under the categories of “Low” or “Middle” income, according to the criteria used in the most recent calculation of the annual IOTC budget contributions (see Annex of the IOTC Financial Regulations).

A core exclusion criteria is that for any Contracting Party of the Commission which is in arrears in the payment of its financial contributions to the Commission are not be eligible to benefit from the MPF if the amount of its arrears equals or exceeds the amount of the contributions due from it for the two preceding calendar years.

Commission and subsidiary bodies: There are currently 8 scientific subsidiary bodies of the Commission, 2 non-scientific subsidiary bodies, plus the Commission. These 11 bodies are those which the MPF is designed to serve.

Historical expenditure: The total MPF expenditure from the IOTC regular budget and extra-budgetary sources for the period 2010 to 2015, was **US\$ 1,175,659 (Table 1)**. Of this, **US\$818,345** was sourced from the IOTC Regular budget (including the initial allocation from ‘accumulated funds’). A further **US\$357,314** was provided by external partners as extra-budgetary contributions, the majority of which came from Australia (~**US\$225,000**).

Table 1. Historical expenditures against the IOTC Meeting Participation Fund, including from the initial allocation of ‘accumulated funds’, regular budget and extra-budgetary sources for the period 2010-15.

Year	Total expenditure (US\$)	Regular budget actual expenditure (US\$)	Extra budgetary actual expenditure (US\$)	Extra budgetary source
2010	57,429	57,429	0	Initial MPF Allocation from ‘accumulated funds’ (US\$200,000)
2011	157,186	157,186	0	
2012	195,502	108,263+17,747*	69,492	Australia
2013	315,952	240,547	75,405	Australia
2014	242,517	118,517	124,000	Australia, BOBLME, ABNJ
2015	207,073	118,656	88,417	Australia, China, ABNJ
TOTAL	1,175,659	818,345	357,314	

*FAO Project servicing costs 2010-12.

DISCUSSION

History: Noting that the first two years of the MPF were financed from ‘accumulated funds’ and that the process had not yet been fully developed, the average for the ensuing four years (2012-15) could be considered as a better reflection of historical annual MPF needs. The total average expenditure for the period 2012-15 was **US\$240,261**.

Projections: The IOTC is currently composed of 32 Contracting Parties. Of these, 25 are considered to be ‘*Developing Contracting Parties*’. However, six (6) of these have contributions in arrears which equals or exceeds the amount of the contributions due from it for the two preceding calendar years and have not been active in IOTC processes for a longer period. Thus, there are effectively 26 eligible Contracting Parties for MPF purposes, though this could change if any of the six make a budgetary contribution.

Over the past two year, the scientific meetings of the Commission have attracted MPF applications from 4-15 Contracting Parties depending on the subject matter. Similarly, the non-scientific meeting have attracted 11-13 applications, almost **half of those who are actually eligible**.

Noting the average of US\$240,261 for the past three years (Table 1), this number could easily be doubled should all eligible Contracting Parties apply for MPF.

Table 2 details the current proposed budget of US\$200,000 per year, plus any ‘extra-budgetary funds’ for 2016, 2017 and 2018. Incorporated into **Table 2** is a prediction of actual expenditure based on the assumption that applications to the MPF will be increased by a nominal 17%. However, the SCAF should note that if all eligible Contracting Parties (26) submitted applications to attend each of the eligible meetings (11) in 2016, then in accordance with the rules for the administration of the MPF, a total of 286 applications could be approved. This would represent a 493% increase from the 58 funded applications in 2015. This is however, considered unlikely.

Table 2. Proposed and predicted expenditure in 2016-18.

Year	Total expenditure prediction (US\$)	Regular budget (US\$)	Extra budgetary (US\$)	Extra budgetary source
Projections	Budgeted	Projected		Received
2016	290,000	200,000	75,000 15,000	Australia ABNJ
2017	290,000	200,000	90,000	Unknown
2018	290,000	200,000	90,000	Unknown

RECOMMENDATION/S

That the SCAF **NOTE** paper IOTC–2016–SCAF13–08, which detailed the Meeting Participation Fund historical and future expenditure levels to facilitate a better annual budget decision making process.