

**Report of the Standing Committee on
Administration and Finance (SCAF)**

This is a preliminary version as adopted by SCAF
on Friday, 22 October 2021¹

¹ Preliminary in this case means that further proofreading and verification is still to be done by the Secretariat.

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Report of the Meeting of the Standing Committee on Administration and Finance (SCAF)

Opening of the meeting

1. Ms S. Langerock (Belgium), Chair of the Standing Committee on Administration and Finance (SCAF), opened the meeting.
2. SCAF considered its agenda as adopted by the Commission.

Annual Financial Statements

Examination of the Audited Financial Statements for 2020

3. Consistent with Financial Regulation 11.1, a full audit of the 2020 Financial Statements was completed in early 2021 (see COMM CIRC 21/43). The audit had identified no incidents of non-compliance with Financial Regulations or International Accounting Standards. SCAF accepted the Financial Statements as presented in CCAMLR-40/03 Rev. 1 and recommended these be accepted by the Commission.

Report of the Secretariat

Executive Secretary's Report

4. The Executive Secretary introduced CCAMLR-40/05, noting that his report included the third-year implementation report for the Secretariat's Strategic Plan (2019–2022) and associated Staffing and Salary Strategy, and was a basis for the assessment of the Executive Secretary's performance. The paper contained recommendations on staffing for 2022 and pre-employment screening for new staff members.
5. SCAF thanked the Executive Secretary and the Secretariat on the excellent progress made on the Strategic Plan during the year. SCAF thanked all staff, including those that had left this year, and welcomed newly appointed staff. SCAF congratulated the Secretariat on achieving international registration of the CCAMLR logo with the World Intellectual Property Organisation.
6. In 2019, SCAF requested that the Secretariat obtain further advice relating to the national police check and medical clearance contained in the Staff Regulations (SCAF-2019, paragraph 7ii). This advice was received and has resulted in changes in processes and procedures as noted in CCAMLR-40/05. SCAF endorsed the recommendation that the national police check and medical clearance remain in the Staff Regulations.

Gender-inclusive language

7. The Executive Secretary introduced CCAMLR-40/08 and noted that two years ago the Secretariat was tasked with investigating gender-inclusive language. He thanked the work of the translators in helping to understand what the consequences of gender-inclusive language would be and reported the recommendation in the paper to accept the changes made to the English and Spanish versions of the Rules of Procedure of the Commission. No changes were recommended for the French and Russian versions.

8. SCAF thanked the Executive Secretary and the Secretariat, noting that the Scientific Committee had endorsed similar changes for the Scientific Committee Rules of Procedure (SC-CAMLR-40, paragraph 7.1). SCAF recommended that the Commission adopt the revisions to the English and Spanish versions of the Commission's Rules of Procedure.

Options for publishing and printing meeting reports

9. The Executive Secretary introduced CCAMLR-40/09, which recommended that the Secretariat will no longer print bound copies of the meeting reports and only issue coil-bound copies upon request. SCAF endorsed this recommendation.

Current rules of access to CCAMLR meeting documents

10. The Executive Secretary introduced CCAMLR-40/10. The paper made three recommendations:

- authors of all papers submitted to CCAMLR meetings should be allowed to indicate if they agree for the Secretariat to release a document upon request
- Observer party administrator accounts should stay active all year
- historic documents should be released according to a set of rules.

11. SCAF could not reach a consensus on these recommendations. Noting the discussion of the Scientific Committee on this issue (SC-CAMLR-40, paragraphs 7.5 to 7.9), SCAF agreed to further discuss these issues via a joint e-group in the intersessional period.

Enabling Observers to circulate correspondence to the Commission and the Scientific Committee

12. The Executive Secretary introduced CCAMLR-40/11. The paper recommended that Observers be able to request the Secretariat to circulate information to Members.

13. It was noted that the Scientific Committee had agreed to a two-year trial of the creation of a new type of scientific circular to make it easy for Members to prioritise them (SC-CAMLR-40, paragraphs 7.10 and 7.11).

14. Many Members noted the importance of facilitating the participation of Observers in the work of CCAMLR to the fullest extent possible and supported that all Observers should be permitted to circulate information to the Commission. Any review by the Secretariat of such material prior to circulation should be limited to ensuring respect of CCAMLR confidentiality requirements.

15. While concurring with this in principle, other views were expressed that Members should still retain the prerogative to question contents and/or object to the distribution of any particular document put forward by Observers.

16. SCAF did not reach consensus on the recommendations in CCAMLR-40/11 and recommended that the Commission monitor the trial being undertaken in the Scientific Committee and return to this matter when the outcomes of that trial are reported.

Website update

17. The Secretariat introduced CCAMLR-40/13. The paper highlighted the proposed new web design and the ongoing development of the website in 2022 and 2023.

18. SCAF thanked the Secretariat for the ongoing work and endorsed the plans for the continuous development of the website in 2022 and 2023. SCAF also endorsed and recommended the Commission approve the website design.

Capacity building

Activities of the General Capacity Building Fund (GCBF)

19. The Secretariat introduced CCAMLR-40/12 Rev. 1. The paper presented the activities of the Fund during 2021, noting the provision of funds to successful grants.

20. SCAF noted the resignation of Ms Langerock from the Chair of the General Capacity Building Fund (GCBF) Panel and thanked her for her contributions.

21. SCAF thanked Dr M. Santos (Argentina) and Ms F. Harford (European Union (EU)) for their contributions to the GCBF Panel and noted their resignations.

22. SCAF recommended that the Commission accept the nomination of Ms C. Mulville from Argentina to the GCBF Panel.

23. SCAF recommended that the Commission appoint all other current members of the GCBF Panel for a further term of two years.

24. The Chair of SCAF called for additional nominations to fill positions on the GCBF Panel.

25. SCAF noted the report and accepted its recommendations.

General Science Capacity Fund (GSCF) terms of reference

26. SCAF recommended to the Commission the adoption of the General Science Capacity Fund (GSCF) terms of reference (CCAMLR-40/02), noting that the Scientific Committee had endorsed them during its meeting (SC-CAMLR-40, paragraph 7.22).
27. SCAF noted that a review of the terms of reference could be undertaken once feedback on their application was received from the Scientific Committee.

Review of 2021 Budget, 2022 Draft Budget and 2023 Forecast Budget

28. SCAF was advised that a further review of the layout of the budget paper had been undertaken with Special Funds included in one table with a view to making assimilation of the information easier to understand. Feedback on the presentation of the General Fund budget was welcomed from Members.

Review of 2021 Budget

29. SCAF was advised that a reduction in income has been projected which is primarily due to a reduction in income from interest earned and fewer notification fees than originally budgeted and noted that a deficit of A\$138 350 was forecast for 2021.
30. Expenditure in travel was also forecast to be lower in 2021, primarily as a result of the COVID-19 impact on international travel.
31. SCAF was advised that A\$10 000 had been included for initial expenditure relating to planning activities for the 40th anniversary celebrations of the Convention in April 2022. The remaining funding for these celebrations is included in the 2022 budget.
32. SCAF expressed concern regarding Members not maintaining compliance with financial obligations and encouraged Members to commit to taking the necessary measures to address the situation. Argentina, China, France, India and the Netherlands noted that contribution payments would soon be resolved. Brazil noted that administrative efforts are being made to resolve this issue.
33. SCAF approved the revised 2021 budget and recommended its adoption by the Commission.

Draft Budget for 2022

34. The draft budget for 2022 (Appendix I) is based upon the continued application of the Commission's policy of zero real growth for the calculation of the equal share of Members' contributions (Appendix II) (CCAMLR-XXXV, Annex 7, paragraph 30).
35. For 2022, this resulted in an increase to the equal share of Members' contributions of 3.6% in line with the Hobart consumer price index (CPI) in June 2021.

36. SCAF was advised that it was anticipated that interest rates would remain low.
37. SCAF noted the proposal of the Scientific Committee to extend the scholarships awarded in 2018, 2019 and 2021 (SC-CAMLR-40, paragraph 9.2) and thanked China for the transfer of A\$100 000 from the China Contribution Fund to the GSCF to cover this extension.
38. SCAF noted the Scientific Committee decision to transfer A\$50 000 from the CEMP Fund to the GCBF (SC-CAMLR-40, paragraph 7.26).
39. SCAF noted the Scientific Committee's approval of additional grants from the CEMP Fund (SC-CAMLR-40, paragraphs 7.24 to 7.27).
40. SCAF considered the Scientific Committee's request to provide funding from the General Fund of approximately US\$30 000 for a proposed workshop to review CCAMLR's decision rules (SC-CAMLR-40, paragraph 9.3). Most Members agreed that General Funds are available and should be used for this purpose. One Member did not agree, therefore SCAF referred this issue to the Commission.
41. SCAF noted the recommendation of the CDS Fund Review Panel (SCIC-2021, paragraphs 128 to 130) and approved A\$180 000 to be expended from the CDS Fund in 2022 for projects proposed in CCAMLR-40/14, covering an in-person CDS workshop, online CDS workshops and the first year of an e-CDS upgrade. SCAF also approved funding from the CDS Fund for CDS workshops in 2023 (items 1 and 2 in CCAMLR-40/14). SCAF noted that the continued funding of the e-CDS upgrade beyond 2022 required a review of activities undertaken with the funding during 2022.
42. SCAF approved the expenditure from the Compliance Fund of A\$33 425 to support a monitoring control and surveillance workshop in Chile (CCAMLR-40/15).
43. SCAF noted and thanked the EU for the anticipated additional grant of €200 000 for 2022 and 2023 which will primarily be used to support development of compliance analytical capability in the Secretariat and to support INTERPOL tracking information on activity related to toothfish illegal, unreported and unregulated (IUU) fishing activities (CCAMLR-40/15, paragraph 1).
44. Some Members noted their policy of zero nominal growth.
45. SCAF noted and approved additional funding of A\$70 000 for the 40th anniversary celebrations in April 2022.
46. SCAF approved the draft 2022 budget and recommended its adoption by the Commission.

Forecast Budget for 2023

47. SCAF noted the revised forecast budget for 2023, also based on an increase in CPI of 3.6% in line with Hobart CPI as presented in Appendix I. The 2023 budget is indicative only.

Other business

48. The Chair noted that SCAF does not have a Vice-Chair and called for expressions of interest.

49. SCAF and the Secretariat thanked Ms Langerock for her excellent chairing of the meeting.

Report adoption

50. SCAF adopted the report.

Close of the meeting

51. The Chair thanked all Members for their cooperation in conducting the meeting efficiently and effectively.

Review of 2021 Budget, 2022 Draft Budget and 2023 Forecast Budget

	2021 Budget	2021 Revised Budget	2022 Forecast	2023 Forecast	Notes
General Fund					
Income					
Core Members' Contribution	3 571 096	3 571 096	3 699 656	3 832 844	2021: As requested by the Commission in 2005 (CCAMLR-XXIV, paragraph 3.24) the current Members' contributions, including unpaid, are shown in Appendix II. 2021: Member contributions are calculated on the basis of a 1.5% increase. 2022 is calculated on the basis of a 4.8% increase to basic contributions and 2023 on the basis of a 4.8% increase.
Members' Special Contributions					
Interest	150 000	80 000	90 000	90 000	Interest rates remain low and predicted to remain so during 2021, 2022 and 2023 . Interest is dependent on actual rates, timing of receipts of Members' contributions, number of fishery notifications received. There is considerable uncertainty associated with each of these items.
Staff Assessment Levy (SAL)	550 000	500 000	550 000	550 000	The SAL represents income deducted from staff salaries in respect of tax. The actual SAL will not be known until the completion of the tax year and the staff members' tax returns have been assessed by the Australian Taxation Office.
Fund transfers – Forfeited Fishery Deposits					In line with the Strategic Plan 2019–2022, the deposit system has ceased with last forfeited deposits being transferred to the General Fund in 2020.
Fund transfers – other					
Sales (Tagging)	35 000	35 000	35 000	35 000	
Miscellaneous income – Fishery Notifications	700 000	650 000	686 672	711 392	
Miscellaneous income – Rent Contributions	435 800	435 800	448 874	462 340	Contributions from the Australian and Tasmanian governments are matched against the rent expenditure and are budgetted to increase 3% each year through to 2023.
Miscellaneous income – Grants			320 000	320 000	EU Grant for CDS related expenditure and INTERPOL program.
Miscellaneous income – Other	40 000	60 000	60 000	60 000	
Total income	5 481 896	5 331 896	5 890 202	6 061 577	
Expenditure					
Salaries	3 870 836	3 870 836	3 958 918	4 192 462	The final Salaries and Allowances expenditure will depend on the amount of overtime payable, particularly during annual meeting time, and payments required to the Staff Termination Fund. 2022 & 2023: Are budgetted based on the Strategic Plan 2019–2022 and include incremental and CPI increases.
Equipment (including depreciation)	248 610	248 610	253 582	258 654	
Insurance and Maintenance	252 000	252 000	258 300	264 758	The provisions across the forward estimates takes account of anticipated CPI increases.
Training	60 000	60 000	60 000	60 000	The training budget is projected to increase in line with the recommendation of the Strategic Plan 2019–2022 as an important tool to ensure staff remain up to date with the increasing complexity of Secretariat activities.
Meeting Facilities	375 000	375 000	375 000	378 000	The annual cycle of meetings in 2021 will be held online. This has substantial costs in overtime and external IT support and therefore remains at its usual budgetted amount. This budget item is forecast to have small increases annually. Final amounts of overtime associated with interpretation during the annual meeting will impact the final totals.
Travel	170 000	50 000	100 000	150 000	Due to COVID-19 restrictions, the travel budgets for 2021 and 2022 have been decreased.
Printing	18 000	18 000	18 000	18 000	
Communications	30 000	30 000	30 000	30 600	The budget for 2021, 2022 and 2023 has been decreased to reflect the actual, ongoing expense in this area.

	2021 Budget	2021 Revised Budget	2022 Forecast	2023 Forecast	Notes
Sundry (inc audit)	95 000	95 000	425 000	430 325	Increased in 2022 and 2023 to recognise recruitment expenses and EU Grant expenditure (nets again Grant Income)
Rent/COGS	460 800	460 800	483 874	497 340	Rent expenditure is predicted to increase by 2% annually.
40th Anniversary exp		10 000	70 000		
Transfer to WCF	- 76 001	- 76 001	- 113 106	- 61 867	In 2019 the WCF was established with a transfer from the General Fund. In subsequent years, the transfers ensure that the WCF remains at a balance equivalent to 3 months' budgeted expenditure.
Transfer to General Capacity Building Fund	- 150 000	- 150 000			
Transfer to General Science Capacity Fund					
Total expenditure	5 580 246	5 470 246	6 032 674	6 280 138	
Surplus/(Deficit)	- 98 350	- 138 350	- 142 472	- 218 562	
General Fund balance at 01 Jan	2 046 276	2 046 276	1 681 925	1 426 348	As forecast in the Strategic Plan 2019–2022, the General Fund balance slowly declines towards the approved year end balance of approximately A\$100 000.
General Fund balance at 31 Dec	1 721 925	1 681 925	1 426 348	1 145 919	
Outstanding contributions at 31 Dec		757 645			

Equity Funds	2021 Budget	2021 Revised Budget	2022 Budget	2023 Budget	Notes
Asset Replacement Fund					As the main item of income for the funds is interest, the only note added will be in relation to other income sources.
Income	25 000	30 000	30 000	30 000	Part of the budgetted income from hiring Secretariat meeting facilities are paid into this reserve.
Expenditure	- 40 000	- 40 000	- 40 000	- 60 000	The expenditure items are transfers are to the Staff Replacement Fund to cover the cost of the relocation expenses of newly appointed international officers.
Balance at 31 Dec	167 065	172 065	162 065	132 065	
Working Capital Fund (WCF)					The WCF was established in 2019 with a transfer from the General Fund and is maintained at 3 months of budgeted expenditure through further transfers from the General Fund.
Income	76 001	76 001	113 106	61 867	
Expenditure					
Balance at 31 Dec	1 395 061	1 395 061	1 508 167	1 570 034	
Staff Replacement Fund					See Asset Replacement Reserve notes above
Income	40 000	40 000	40 000	60 000	Budgeted expenditure for relocation of new international officers.
Expenditure	- 90 000	- 37 000	- 107 000	- 67 000	
Balance at 31 Dec	169 433	222 433	155 433	148 433	
Korea Contribution Fund					The voluntary contribution from Korea to the Korea Contribution Fund has been suspended for 2020 and 2021.
Income	185 700		185 700	185 700	Primarily expended on the ETL redevelopment, database redevelopment project and website rebuild.
Expenditure	- 325 000	- 100 000	- 100 000	- 125 000	
Balance at 31 Dec	99 214	138 514	224 214	284 914	

	2021	2021	2022	2023	
	Budget	Revised Budget	Forecast	Forecast	Notes

China Contribution Fund

Income				
Expenditure	- 30 000		- 150 000	- 50 000
Balance at 31 Dec	293 224	323 224	173 224	123 224

This Fund will cover travel to facilitate the engagement of Members and the Secretariat in training opportunities. A\$100 000 transferred to General Science Capacity Fund for scholarships.

Fishery Notification Fund (information only - included above)

Income				
Expenditure				
Balance at 31 Dec				

The Fishery Notification Fund was retired in 2019 and the balance of the Fund transferred to the General Fund.

Special Funds

General Capacity Building Fund (GCBF)

Income	278 573	3 182	53 321	2 246
Expenditure	- 150 000	- 100 000	- 125 000	- 50 000
Balance at 31 Dec	446 797	221 406	149 727	101 973

The GCBF began in 2019. A\$50 000 transferred from CEMP Fund to support Uruguay Grant by decision of the Scientific Committee. Terms of reference for the Fund have been established. From 2022, it is budgetted that A\$50 000 per annum will be used to half fund the increasing administrative and financial support required to manage the Special Funds.

Contingency Fund

Income				
Expenditure				
Balance at 31 Dec				

The Contingency Fund was retired in 2019.

Observer Fund

Income	2 149	1 000	1 000	1 000
Expenditure				
Balance at 31 Dec	145 442	144 293	145 293	146 293

VMS fund

Income				
Expenditure				
Balance at 31 Dec				

As approved in 2019, this Fund was retired.

CDS fund

Income	23 407	10 000	13 705	11 842
Expenditure	- 200 000	- 20 000	- 180 000	- 60 000
Balance at 31 Dec	1 383 861	1 550 454	1 384 159	1 336 001

Projected expenditure as approved by SCIC with only first year e-CDS upgrade and review in 2022.

Compliance fund

Income	501			
Expenditure			- 33 425	
Balance at 31 Dec	33 926	33 425		

Expenditure on approved Compliance Fund project will exhaust this fund in 2022.

MPA fund

Income	2 511	800	1 682	1 699
Expenditure				
Balance at 31 Dec	169 928	168 217	169 899	171 598

	2021	2021	2022	2023	
	Budget	Revised Budget	Forecast	Forecast	Notes

Enforcement Fund

Income	229			
Expenditure		- 15 475		
Balance at 31 Dec	15 475	Nil		

As approved in 2019, this Fund will be allocated to INTERPOL to assist with funding for the IUU Workshop. This remains COVID 19 affected.

General Science Capacity Fund

	2021	revised 2021	2022	2023
Income	5 392	2 500	103 420	3 114
Expenditure	- 120 000	- 20 000	- 134 000	- 115 000
Balance at 31 Dec	244 850	341 958	311 378	199 491

A\$100 000 transferred from China Contribution Fund to GSCF. As approved in 2019, A\$200 000 was transferred to the GSCF from the General Fund. 2022 and 2023 is budgeted with A\$40 000 expenditure for funding convenors and the balance on scholarships

CEMP fund

Income	10 694	5 000	6 679	7 569
Expenditure	- 40 000	- 50 000	- 170 000	- 50 000
Balance at 31 Dec	683 617	667 923	504 602	462 171

Expenditure on approved CEMP projects.

PRELIMINARY

Members' Contributions 2021, 2022, 2023
 General Fund Contributions – Payable by 31 May
 (all amounts in Australian dollars)

Member	Contributions 2021	Balance Outstanding 13 August 2021	Draft Contributions 2022	Forecast Contributions 2023
Argentina	128 901	136 044	133 490	137 318
Australia	146 273		151 590	156 082
Belgium	128 901		133 490	137 318
Brazil	128 901	384 021	133 490	137 318
Chile	135 844	135 829	140 724	148 303
China	149 150	149 150	154 589	160 836
European Union	128 901		133 490	137 318
France	158 029	158 155	163 841	168 446
Germany	128 901		133 490	137 318
India	128 901	128 901	133 490	137 318
Italy	128 901		133 490	137 318
Japan	130 273		134 920	138 574
Korea, Republic of	150 630		156 130	161 550
Namibia	128 901		133 490	137 318
Netherlands	128 901	128 901	133 490	137 318
New Zealand	133 780		138 575	142 374
Norway	224 420		233 043	256 163
Poland	128 901		133 490	137 318
Russia	130 888		135 561	139 374
South Africa	130 338	130 464	134 988	139 018
Spain	130 745		135 411	139 442
Sweden	128 901		133 490	137 318
Ukraine	136 692	136 692	141 608	148 851
UK	136 395		141 299	146 400
USA	128 901		133 490	137 318
Uruguay	130 827	101 513	135 497	139 615
Total	3 571 096	1 589 670	3 699 656	3 832 844