



CCSBT-EC/1210/06

DRAFT 2013 BUDGET

Purpose

To agree a general budget for 2013.

Discussion

The draft general budget for 2013 is at Attachment A. The expenditure estimated for 2013 is approximately 4% lower than the expenditure approved for 2012. This is expected to result in a 14% decrease in Member contributions after the large saving from 2012 and carry forward of this amount to 2013 is taken into account. The reasons for the large expected savings were explained in CCSBT-EC/1210/05.

CCSBT Members have previously indicated a strong desire to keep fluctuations in contributions to within +/- 10% of the previous year's budget. However, due to the large cost savings in 2012, the expected reduction in contributions is outside of this range. Furthermore, unless equally large savings are made in 2013 (which are highly unlikely), then the required contributions for the 2014 budget are likely to be more than 10% above those for the 2013 budget.

In order to minimise year to year fluctuations in contributions caused by unusually large cost savings and years with fewer and/or cheaper meetings, the Secretariat recommends that the Extended Commission consider the concept of a "Contributions Stabilisation Fund" (CSF). This fund would be an "expense" item of the budget in years where contributions would otherwise decline (i.e. there would be a contribution to the fund in these years) and it would be an "income" source in the budget for those years where contributions would otherwise increase (i.e. there would be a withdrawal from the fund in these years). **Attachment B** provides a revision of the interim draft budget for 2013 that includes \$222,307 for the CSF. The amount specified here for the CSF is the amount that keeps Member contributions in the draft 2013 budget identical to those for the approved 2012 budget. The Extended Commission would be able to choose a different amount to add to the fund according to the needs of Members. If the concept of a Contributions Stabilisation Fund is accepted, it will be important to clearly specify that the fund is only for the purpose of assisting to stabilise year to year fluctuations in Member contributions and that contributions to and withdrawals from the fund would be determined at the annual meeting of the Extended Commission in conjunction with adopting the budget.

Meetings budgeted for 2013

In preparing the draft budget, the Secretariat has planned for the following meetings:

- A four day small technical meeting in Portland, Maine during July 2013 for work in relation to the operating model as recommended by the ESC. Two options in the USA were provided for this meeting (Portland, Maine and Seattle). A cost saving of approximately \$7,500 can be achieved by choosing the Seattle option instead of Portland.

- A four day meeting of the Ecologically Related Species Working Group (ERSWG) during April 2013 in Japan². This option was proposed by Japan at the August 2012 ESC meeting. However, the March 2012 meeting of the ERSWG recommended that the 2013 ERSWG meeting be held back to back with the 2013 ESC meeting in Canberra. A total cost saving of approximately \$45,000³ can be achieved if the ESC and ERSWG meetings are held back to back in Canberra.
- The Extended Scientific Committee (ESC) and Scientific Committee meetings to be held in Canberra with a duration of 6 days and with same members of the independent panel as at the 2012 meeting; and
- The Compliance Committee, Extended Commission and Commission meetings to be held in Adelaide, Australia and for the same durations as in 2012.

Main Variations in Expenditure since 2012

The main variations in expenditure for 2013 from that approved for 2012 are described below.

- (1) Annual (Extended Commission & Compliance Committee) meetings
 - The estimated cost for these meetings has reduced by 37% from that in the approved budget for 2012. This is because the budget approved for 2012 allowed for meetings in Tokyo in case a venue in Takamatsu City could not be obtained. The total costs for the meetings in Adelaide in 2013 are equivalent to those estimated for Takamatsu City in the revised 2012 budget.
 - It should be noted that funds have been included for participation of the ERSWG Chair at the annual meeting (funds were not approved for this in the 2012 budget due to cost saving measures).
- (2) Scientific and Extended Scientific Committee meetings
 - The estimated cost for this meeting has reduced by 11% in comparison with the approved budget for 2012.
 - The largest components of the reduction are reduced Secretariat costs and reduced equipment hire costs due to holding the meeting in Canberra.
 - CCSBT Circular #2012/028 indicated that the cost for the 2013 ESC meeting might increase by about 4% in comparison with the approved budget for 2012. This was because the Secretariat had incorrectly assumed that a stock assessment would be conducted in 2013 and that the full independent scientific panel would be required. However, the ESC recommends that the full stock assessment be conducted in 2014 and that the full independent scientific panel would not be required until then.
- (3) Sub-Committee Meetings
 - The estimated costs for sub-committee meetings in 2013 is 46% higher than in the 2012 approved budget. This is because two sub-committee meetings (ERSWG and an Operating Model Technical Meeting) have been budgeted for 2013 as opposed to only an ERSWG meeting in 2012.
- (4) Special Projects
 - The overall cost for special projects in 2013 is 12% lower than in 2012 approved budget. This is mainly due to fewer tag returns being expected in 2013.
 - A small amount has been allocated to provide assistance to developing States. This is a contingency to allow assistance such as a training trip by the Secretariat or an appropriate expert to a developing State.

² For budgeting purposes, a free venue in Tokyo has been assumed for this meeting.

³ Reducing the ERSWG cost by ~\$32,000 and reducing the ESC cost by ~\$13,000.

(5) Secretariat Costs

- The Secretariat costs are estimated to increase by 3% over the approved budget for 2012. The increase is primarily due to the departure of the current Deputy Executive Secretary, the recruitment of a replacement that is scheduled to occur during 2013 and provision for a 2.5% CPI increase in staff costs. There is also likely to be an increase in the cost for external translation of meeting reports during the changeover of Deputies.

(6) Office Management Costs

- Office management costs are estimated to be very similar to those in the budget for 2012, with a 1% decrease.

Calculation of contribution from Members

The calculation of Member contributions for 2013 is based on the nominal catches that were specified by the Extended Commission (EC) at CCSBT 16 (paragraph 49 of the EC's report) and repeated in the Annex to the CCSBT's Resolution on the Allocation of the Global Total Allowable Catch that was adopted at CCSBT 18.

DRAFT GENERAL BUDGET - 2013

INCOME	APPROVED 2012 BUDGET	DRAFT 2013 BUDGET	VARIATION (Draft 2013 from Approved 2012)
Contributions from members	\$1,553,962	\$1,331,654	
Japan	\$478,885	\$410,377	-\$68,508
Australia	\$478,885	\$410,377	-\$68,508
New Zealand	\$148,517	\$127,270	-\$21,247
Korea	\$158,431	\$135,766	-\$22,665
Fishing Entity of Taiwan	\$158,431	\$135,766	-\$22,665
Indonesia	\$130,812	\$112,098	-\$18,714
Staff Assessment Levy	\$79,700	\$73,900	-\$5,800
Carryover from previous year	\$243,438	\$387,977	\$144,539
Interest on investments	\$43,000	\$55,000	\$12,000
TOTAL GROSS INCOME	\$1,920,100	\$1,848,530	-\$71,570

EXPENDITURE	APPROVED 2012 BUDGET	DRAFT 2013 BUDGET	VARIATION (Draft 2013 from Approved 2012)
ANNUAL MEETING - (CC/EC/CCSBT)	\$362,200	\$229,200	-37%
Independent chairs	\$41,600	\$51,800	25%
Interpretation costs	\$61,200	\$53,800	-12%
Hire of venue and catering	\$138,500	\$57,400	-59%
Hire of equipment	\$75,800	\$28,600	-62%
Translation of meeting documents	\$10,000	\$10,000	0%
Secretariat expenses	\$35,100	\$27,600	-21%
SC/ESC Meeting	\$211,000	\$188,100	-11%
Interpretation costs	\$42,400	\$42,700	1%
Hire of venue and catering	\$7,500	\$24,800	231%
Hire of equipment	\$45,400	\$18,300	-60%
Hire of consultants - Chairs and Advisory Panel	\$78,100	\$98,100	26%
Translation of meeting documents	\$1,000	\$3,000	200%
Secretariat expenses	\$36,600	\$1,200	-97%
SUB-COMMITTEE MEETINGS	\$116,600	\$170,300	46%
Ecologically Relates Species WG Meeting	\$116,600	\$106,200	-9%
Special Meeting	\$0	\$0	-
Operating Model/Management Procedure Technical Meeting	\$0	\$64,100	-
SPECIAL PROJECTS	\$23,700	\$20,930	-12%
Operating Model/Management Strategy Development	\$5,400	\$5,400	0%
Development of the CPUE series	\$2,900	\$2,900	0%
Tagging program coordination	\$10,600	\$3,000	-72%
Participation of ERSWG Chair in joint tRFMO ByCatch WG	\$4,800	\$4,800	-
Assistance to Developing States	\$0	\$4,830	-
SECRETARIAT COSTS	\$1,071,300	\$1,105,800	3%
Secretariat staff costs	\$686,700	\$678,600	-1%
Staff assessment levy	\$79,700	\$73,900	-7%
Employer social security	\$116,700	\$122,300	5%
Insurance -worker's compensation/ travel/contents	\$16,300	\$13,200	-19%
Travel/transport	\$23,000	\$25,400	10%
Translation of meeting reports	\$25,000	\$50,000	100%
Training	\$2,000	\$2,000	0%
Home leave allowance	\$8,000	\$7,100	-11%
Other employment expense	\$2,200	\$2,300	5%
Recruitment & Repatriation expenses	\$63,500	\$89,700	41%
Staff liability fund (accumulating)	\$48,200	\$41,300	-14%
OFFICE MANAGEMENT COSTS	\$135,300	\$134,200	-1%
Office lease	\$53,900	\$55,900	4%
Office costs	\$54,600	\$50,900	-7%
Provision for new/replacement assets	\$14,600	\$15,200	4%
Telephone/communications	\$12,200	\$12,200	0%
TOTAL GROSS EXPENDITURE	\$1,920,100	\$1,848,530	-4%

DRAFT GENERAL BUDGET - 2013*(with inclusion of a contribution to the "Contributions Stabilisation Fund")*

INCOME	APPROVED 2012 BUDGET	DRAFT 2013 BUDGET	VARIATION (Draft 2013 from Approved 2012)
Contributions from members	\$1,553,962	\$1,553,961	
Japan	\$478,885	\$478,885	\$0
Australia	\$478,885	\$478,885	\$0
New Zealand	\$148,517	\$148,517	\$0
Korea	\$158,431	\$158,431	\$0
Fishing Entity of Taiwan	\$158,431	\$158,431	\$0
Indonesia	\$130,812	\$130,812	\$0
Staff Assessment Levy	\$79,700	\$73,900	-\$5,800
Carryover from previous year	\$243,438	\$387,977	\$144,539
Interest on investments	\$43,000	\$55,000	\$12,000
TOTAL GROSS INCOME	\$1,920,100	\$2,070,837	\$150,737

EXPENDITURE	APPROVED 2012 BUDGET	DRAFT 2013 BUDGET	VARIATION (Draft 2013 from Approved 2012)
ANNUAL MEETING - (CC/EC/CCSBT)	\$362,200	\$229,200	-37%
Independent chairs	\$41,600	\$51,800	25%
Interpretation costs	\$61,200	\$53,800	-12%
Hire of venue and catering	\$138,500	\$57,400	-59%
Hire of equipment	\$75,800	\$28,600	-62%
Translation of meeting documents	\$10,000	\$10,000	0%
Secretariat expenses	\$35,100	\$27,600	-21%
SC/ESC Meeting	\$211,000	\$188,100	-11%
Interpretation costs	\$42,400	\$42,700	1%
Hire of venue and catering	\$7,500	\$24,800	231%
Hire of equipment	\$45,400	\$18,300	-60%
Hire of consultants - Chairs and Advisory Panel	\$78,100	\$98,100	26%
Translation of meeting documents	\$1,000	\$3,000	200%
Secretariat expenses	\$36,600	\$1,200	-97%
SUB-COMMITTEE MEETINGS	\$116,600	\$170,300	46%
Ecologically Relates Species WG Meeting	\$116,600	\$106,200	-9%
Special Meeting	\$0	\$0	-
Operating Model/Management Procedure Technical Meeting	\$0	\$64,100	-
SPECIAL PROJECTS	\$23,700	\$20,930	-12%
Operating Model/Management Strategy Development	\$5,400	\$5,400	0%
Development of the CPUE series	\$2,900	\$2,900	0%
Tagging program coordination	\$10,600	\$3,000	-72%
Participation of ERSWG Chair in joint tRFMO ByCatch WG	\$4,800	\$4,800	-
Assistance to Developing States	\$0	\$4,830	-
SECRETARIAT COSTS	\$1,071,300	\$1,105,800	3%
Secretariat staff costs	\$686,700	\$678,600	-1%
Staff assessment levy	\$79,700	\$73,900	-7%
Employer social security	\$116,700	\$122,300	5%
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Training	\$2,000	\$2,000	0%
Home leave allowance	\$8,000	\$7,100	-11%
Other employment expense	\$2,200	\$2,300	5%
Recruitment & Repatriation expenses	\$63,500	\$89,700	41%
Staff liability fund (accumulating)	\$48,200	\$41,300	-14%
OFFICE MANAGEMENT COSTS	\$135,300	\$134,200	-1%
Office lease	\$53,900	\$55,900	4%
Office costs	\$54,600	\$50,900	-7%
Provision for new/replacement assets	\$14,600	\$15,200	4%
Telephone/communications	\$12,200	\$12,200	0%
OTHER COSTS	\$0	\$222,307	-
Contribution stabilisation fund	\$0	\$222,307	-
TOTAL GROSS EXPENDITURE	\$1,920,100	\$2,070,837	8%