
**PREPARATORY CONFERENCE FOR THE COMMISSION
FOR THE CONSERVATION AND MANAGEMENT OF
HIGHLY MIGRATORY FISH STOCKS IN THE WESTERN
AND CENTRAL PACIFIC**

Second session
Madang, Papua New Guinea
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19 February 2002

**PREPARATORY CONFERENCE ORGANIZATIONAL FUND AND PREPARATORY
CONFERENCE SECRETARIAT**

Report of the Secretariat

1. In its decision of 28 April 2001 relating to arrangements for future sessions of the Preparatory Conference and for a Preparatory Conference Secretariat (WCPFC/PrepCon/8), the Preparatory Conference agreed, inter alia, to establish a Preparatory Conference Organizational Fund (PCOF), to be financed through voluntary contributions or funding in kind, and to establish a Preparatory Conference Secretariat, consisting of a head and such advisers as the Chairman considers necessary, to service future meetings of the Preparatory Conference. The purpose of the present report is to provide information to participants in the Preparatory Conference on the status of the PCOF and on the practical arrangements that have been made to administer the fund as well as on the arrangements that have been made with respect to the Preparatory Conference Secretariat.

Preparatory Conference Organizational Fund

2. The PCOF was established in July 2001. In accordance with paragraph 2 of document WCPFC/PrepCon/8, the PCOF is administered by the Director of the South Pacific Forum Fisheries Agency and may be used to offset the following costs:

- (a) In-country conference costs (where sessions hosted by a developing country);
- (b) Chairman's travel and associated costs;
- (c) Preparatory Conference Secretariat travel and associated costs;
- (d) appropriate retainer fees, consultancy fees and miscellaneous administrative expenses.

3. In accordance with paragraph 2 of document WCPFC/PrepCon/8, the Chairman of the Preparatory Conference and the Director of the South Pacific Forum Fisheries Agency were requested to develop guidelines for the administration of the PCOF, to be applied on a provisional basis pending approval of the Conference. The agreed guidelines, contained in an exchange of letters between the Chairman of the Preparatory Conference and the Director of the South Pacific Forum Fisheries Agency are set out in Annex 1.

4. As at 19 February 2002, donations to the PCOF had been made by the Governments of Australia, China, New Zealand, Papua New Guinea, Chinese Taipei and the United States. An

additional contribution direct to the Government of Papua New Guinea had also been made by the Government of the Republic of Korea. Annex 2 shows the status of the PCOF as at 19 February 2002 and a schedule of disbursements made.

Preparatory Conference Secretariat

5. The Preparatory Conference also decided to establish a Preparatory Conference Secretariat to service future meetings of the Preparatory Conference. (WCPFC/PrepCon/8, para. 5). It was agreed that the Secretariat would consist of a Head and such technical advisers as the Chairman considers necessary, having due regard to the need for economy and efficiency. In accordance with paragraph 6 of WCPFC/PrepCon/8 the Chairman was requested to identify and enlist the services of appropriate individuals with the necessary expertise, integrity and impartiality to form the Preparatory Conference Secretariat. The functions of the Preparatory Conference Secretariat would be as follows:

- (a) Preparation of background papers, documents and reports as required;
- (b) Maintaining the official records of the Preparatory Conference;
- (c) Assisting the Chairman and other officers in all tasks to facilitate Preparatory Conference outcomes;
- (d) Transmission of the official communications of the Preparatory Conference;
- (e) Organizational work and liaison with host governments for future sessions of the Preparatory Conference.

In carrying out its functions, the Preparatory Conference Secretariat would consult, as necessary, with other experts and regional and international organizations.

6. In accordance with the above decision of the Conference, in July 2001, the Chairman appointed Michael W. Lodge as Head of the Preparatory Conference Secretariat for a period commencing one month after the conclusion of the First Session of the Preparatory Conference and concluding one month after the Second Session of the Preparatory Conference. The terms of this appointment were set out in a letter of appointment drawn up by the Chairman after consultation with the governments which contributed initially to the PCOF. The arrangements for the appointment of the Chairman were set out in a note dated 30 November 2001 also drawn up after consultation with the governments which contributed initially to the PCOF for the purpose of recording certain understandings regarding the appointment. Since July 2001, the work of the Preparatory Conference Secretariat has been carried out by the Head of the Secretariat, in consultation with the Chairman. Additional help for the Chairman, primarily of a secretarial nature, has been provided in kind by the Government of New Zealand.

7. With respect to the substantive work outputs requested by the First Session of the Preparatory Conference, bearing in mind the need for efficiency, the Secretariat decided to engage the services of consultants to prepare reports for Working Group I and Working Group 2 in accordance with the terms of reference agreed by each working group.

8. It is, however, necessary to report that the workload of the Secretariat has been considerably higher than originally anticipated. While it has been possible to deal with most

issues using email, telephone and fax, the volume of correspondence and the number of issues that have arisen has required a considerable investment of time on the part of the Chairman and Head of the Secretariat beyond the level that was originally anticipated. The lack of a physical headquarters for the Secretariat and permanent support staff means that these officers are also required to devote time to routine functions such as record-keeping, maintenance of mailing lists and other administrative matters as well as substantive tasks. The main tasks carried out by the Secretariat since July 2001 include:

- (a) Establishment of the website for the Preparatory Conference, www.ocean-affairs.com;
- (b) Establishment and maintenance of an electronic mailing list;
- (c) Provision of information to participants through the website and electronic mailing list;
- (d) Liaison with host government for PrepCon 2;
- (e) Negotiation of administrative guidelines with the Director of the Forum Fisheries Agency;
- (f) Circulation of requests for contributions to the Preparatory Conference Organizational Fund and necessary follow-up;
- (g) Follow-up on work requested by WG.I and WG.II at the First Session;
- (h) Preparation of terms of reference for studies requested by WG.I and WG.II, identification of consultants and negotiation of consultancy contracts;
- (i) Ongoing supervision of consultants;
- (j) Drafting of meeting papers for PrepCon 2;
- (k) *Ad hoc* consultations with delegations on PrepCon issues

9. It is suggested that the Preparatory Conference may wish to review the way in which the arrangements for secretariat support to the process have operated in practice and to consider how best to strengthen the Secretariat as the Preparatory Conference continues. In this regard, it should be noted that the present arrangements may not be adequate to meet the demands of the process as the Preparatory Conference continues, particularly once it becomes necessary in due course to make practical arrangements for the establishment of the Commission and the entry into force of the Convention. In addition, it is suggested that the Preparatory Conference may wish to establish a mechanism to review and determine the appropriate level of compensation to be offered to the officers of the Secretariat. Such a mechanism might, for example, consist of a small committee of representatives of participating delegations.

Recommendations

10. The Preparatory Conference is invited to:

(a) approve the guidelines for the administration of the Preparatory Conference Organizational Fund as set out in Annex 1 to the present report;

(b) express its appreciation to those participating governments that have contributed to the PCOF or otherwise contributed financially to the Preparatory Conference;

(c) note the status of the Fund as at 31 January 2002 (Annex 2);

(d) note the existing arrangements with respect to the Preparatory Conference Secretariat;

(e) provide further direction with respect to the practical arrangements for a Preparatory Conference Secretariat and establish a mechanism to review and determine the appropriate level of compensation to be offered to the officers of the Secretariat;

(f) invite those participants that have not already done so, as well as to intergovernmental organizations and agencies, national institutions, non-governmental organizations and international financial institutions to make voluntary contributions to the Preparatory Conference Organizational Fund.

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Annex I

17 July 2001

**AGREED GUIDELINES FOR OPERATION OF THE PREPARATORY CONFERENCE
ORGANIZATION FUND**

Establishment:

1. As authorized by the Decision of the Preparatory Conference on Arrangements for Future Sessions of the Preparatory Conference for the Establishment of the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific (WCPFC/PrepCon/8), the Forum Fisheries Agency (FFA) shall establish the Preparatory Conference Organization Fund (PCOF) as a separate account with its bankers. The Fund shall be maintained in U.S. dollars.
2. Contributions to the PCOF received by FFA from donors shall be paid to the PCOF account. FFA will promptly advise the Chairman of the Preparatory Conference (“the Chairman”) of such receipts.

Purposes:

3. The PCOF will be used solely for the purposes set out in paragraph 2 of document WCPFC/PrepCon/8, namely:
 - (a) In-country conference costs (where sessions hosted by a developing country);
 - (b) Chairman’s travel and associated costs;
 - (c) Preparatory Conference Secretariat travel and associated costs;
 - (d) appropriate retainer fees, consultancy fees and miscellaneous administrative expenses;
 - (e) FFA management and administrative costs; and
 - (f) Any other costs approved in writing by the Chairman or Head of the Interim Secretariat.

Expenditure:

4. FFA’s role in relation to the PCOF and Preparatory Conference is to collect and bank donor contributions and to make payments as requested or agreed in writing by the Chairman or Head of the Interim Secretariat.
5. The Director of FFA, or person designated by him, will be responsible for arranging disbursement transactions from the PCOF in accordance with these guidelines and subject to requests by the Chairman or the Head of the Interim Secretariat acting on the Chairman’s behalf. As far as possible, such requests will be accompanied by relevant supporting documentation to justify the expenditure in the form of receipts, contracts, agreements, etc. Where payments of travel costs are requested, FFA will be advised of the approved allowance levels, class of travel, and itinerary.
6. In the absence of supporting documentation the Chairman’s written request or that of the Head of the Interim Secretariat will be sufficient authority for FFA to process the payment.
7. All expenditure from the PCOF must be specifically approved in writing by the Chairman or by the Head of the Interim Secretariat acting on the Chairman’s behalf. As far as possible, the

Chairman will provide FFA with an estimate of anticipated expenditure from the PCOF at each session of the Preparatory Conference.

8. The contracting principal in relation to any contracts for experts will be the Chairman, with FFA acting as the processor of consultancy payments. At all times during the period of these Agreed Guidelines, FFA is not the agent of the Chairman.
9. Where the PCOF is used to support in-country conference costs, the host country will be responsible for the prior submission to the Chairman, through FFA, of an estimated budget for costs associated with the hosting of the Preparatory Conference. The estimated budget must be approved by the Chairman before the expenditure of any funds from the PCOF for such purposes. FFA will not make any disbursement from the PCOF in respect of in-country conference costs unless such costs are specifically included in the approved budget.

FFA responsibilities:

10. FFA is responsible for the proper administration of the PCOF in accordance with these guidelines and good financial management practices.
11. FFA will not make any disbursement from the PCOF unless sufficient funds are deposited in the PCOF.
12. FFA will provide a current financial statement on the PCOF for each session of the Preparatory Conference.
13. The PCOF will be subject to the annual auditing procedures of FFA.

Preparatory Conference Chairman's responsibilities:

14. The Chairman will take all reasonable measures to facilitate FFA's administration of the PCOF and to ensure that FFA receives payment of its administrative costs at the standard programme support rate of 10% in the manner agreed between FFA and the Chairman.

Interest:

15. All interest earned on the PCOF shall be returned to the fund.

Completion of the PCOF:

16. The PCOF shall continue to operate until determined by the Preparatory Conference or by the Commission. The Preparatory Conference or the Commission shall determine the disbursement of funds from the PCOF on completion.

Annex II

Status of Preparatory Conference Organizational Fund as at 19 February 2002

	USD	USD
A. Contributions received (net) *		
Australia	51,440.00	
China	29,980.00	
New Zealand	41,480.00	
Papua New Guinea	26,154.34	
Chinese Taipei	10,000.00	
United States of America	87,000.00	
B. Other income		
Interest	583.37	
Total receipts	246,639.71	246,639.71
C. Disbursements		
(a) <i>In-country conference costs</i> **	0	
(b) <i>Chairman's travel and associated costs</i> ***	1,971.52	
(c) <i>Secretariat travel and associated costs</i> ***	10,477.53	
(d) <i>Retainers, consultancy fees and miscellaneous administrative expenses</i>	33,446.38	
(e) <i>FFA management charges</i>	1,287.59	
(f) <i>Other costs</i>	0	
Total disbursements	47,183.02	47,183.02
D. Fund balance		199,456.69

Notes:

* A contribution of USD 50,000 towards the costs of the second session of the Conference was made by the Republic of Korea direct to the Government of Papua New Guinea.

** Conference costs to be charged to the PCOF in respect of PrepCon 2 are estimated at USD 40,000. No disbursements have yet been made.

*** Additional disbursements of USD 6,000 are anticipated to cover per diems, travel expenses, etc.

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