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

Sixth session  
Bali, Indonesia  
19 – 23 April 2004

WCPFC/PrepCon/37  
23 April 2004

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**WORKING GROUP I: ORGANIZATIONAL STRUCTURE, BUDGET AND FINANCIAL  
CONTRIBUTIONS**

Summary report by the Chair of the Working Group to the sixth session of the  
Preparatory Conference

1. WG.I held three meetings during the sixth session of the Preparatory Conference. As agreed at the fifth session, the main objectives for the Working Group were to address in more detail matters relating to the organizational structure of the Commission Secretariat and to finalize its recommendations relating to the budget for the early years of the Commission and the way in which that budget will be financed.
2. The Working Group carried out its deliberations on the basis of a consolidated and updated working paper provided by the Interim Secretariat (WCPFC/PrepCon/WP.20). The paper sets out a proposal for the organizational structure of the Commission Secretariat, together with a provisional indicative budget for the early years of operation of the Commission and a scheme of assessed contributions, taking into account the discussions to date in WG.I and WG.II.

**Structure of the Commission Secretariat**

3. Following consideration of document WCPFC/PrepCon/WP.20, the Working Group decided to recommend the organizational structure and summary of functions for the staff of the Commission as shown in Annexes I and II. While recognizing the importance of the Science Manager, the Working Group agreed that there was no justification at present for a position of Deputy Director tied to a specific post in the Secretariat, but that the Executive Director should retain the flexibility to designate a senior staff member to deputize for the Executive Director and that the capacity to act in such a position should therefore be reflected in the duty statements of the senior staff members.
4. It was emphasized that an evolutionary and flexible approach should be taken to the establishment of the Secretariat, taking into account the availability of a funding base for the Commission as well as the number of members of the Commission. However, several participants stressed the importance of ensuring that the key functions of the Commission became operational as soon as possible. In this regard, it was emphasized that the position of Compliance Manager was a key function and should be given higher priority in the evolution of the Secretariat than suggested in the working paper. It was also recommended that the operation of the vessel register should be considered a core function of the Commission, to be established as soon as possible.

5. With respect to the terms and conditions of service for the staff of the Secretariat, it was noted that it had not been possible to date during the Preparatory Conference to consider draft Staff Regulations. In this regard, among the urgent tasks for the Executive Director, once appointed, would be the development of detailed duty statements for each of the approved Secretariat positions and the preparation and submission to the Commission of draft Staff Regulations setting out the terms and conditions of the Staff of the Secretariat, as well as the recruitment of key staff members.

6. Taking into account the size and composition of the Commission and the complexity of the managerial, administrative and substantive tasks to be completed during the early years of the Commission, it was agreed that it would be necessary to appoint an Executive Director of the highest possible calibre. With respect to the staff of the Commission, the Working Group decided to recommend that the Commission develop and adopt a system of salaries and allowances related to that applied by the agencies of the Council of Regional Organizations of the Pacific (CROP).

### **Provisional indicative budget**

7. The Working Group took note of the provisional indicative budget of the Commission for its first three full years of operation as contained in Annex IV of the Secretariat's working paper and noted that, in relation to the provision of scientific services, the budget was also consistent with the recommendations of Working Group II. The Group considered the proposed budget to be conceptually acceptable subject to the need to further refine the cost estimates for each line item as further information became available. In general, it was considered that the overall size of the budget (US\$1.5 - \$1.8 m) was likely to be a reasonable reflection of the likely costs involved in conducting the business of the Commission in its formative years.

8. The Group considered that it would be necessary to consider the actual budget for the first year of operation of the Commission (2005) at PrepCon VII, when more information was available concerning the number of members of the Commission and the likely extent of the Commission's activities during 2005. The likely scope of activities would depend, *inter alia*, upon the progress made in relation to the appointment of an Executive Director, as well as the status of arrangements for the hosting of the Commission Secretariat. The inevitable time lag in recruitment during the first year of operation of the Commission would also have a significant impact on the actual budgetary requirements for 2005. In preparing the budget for 2005, the need to avoid a disproportionate burden of costs falling upon those who had ratified the Convention at an early stage was highlighted, particularly since, at the present time, most of the Parties to the Convention are developing States which lack the capacity to meet the full costs of establishing the Commission.

9. In light of the need for clarity, and taking into account the provisions of article 18, paragraph 1, of the Convention, the Working Group recommended the adoption of the following format for the future presentation of the proposed budget of the Commission.

*Format for the proposed budget of the Commission*

Part 1:	Total expenses to be financed from assessed contributions (article 17, paragraph 1(a))	X – (a + b + c)
Part 2:	Total expenses to be financed from voluntary contributions (article 17, paragraph 1(b))	
	(a) Voluntary contributions	c
	(b) Independent and voluntary contributions by participating territories*	b
Part 3:	Total expenses to be financed from other funds received pursuant to article 17, paragraphs 1(c) and (d) **	a
	<b>TOTAL BUDGETARY REQUIREMENT</b>	<b>X</b>

\* As referred to in annex II to the rules of procedure of the Commission. Such contributions shall be based upon guidelines to be developed by the Contracting Parties concerned for discussion and approval at a later stage.

\*\* In accordance with Regulation 7 of the Financial Regulations, the Executive Director shall report to the Commission separately on the status and use of the Special Requirements Fund.

**Scheme of contributions**

10. The Working Group continued its discussions on the formula for assessed contributions to the budget of the Commission. It decided to recommend the adoption of a scheme of contributions determined according to the following formula:

(a) a 10 per cent base fee divided in equal shares between all members of the Commission;

(b) a 20 per cent national wealth component based upon an equal weighting of proportional gross national income (calculated on a three-year average) per capita and proportional gross national income (calculated on a three-year average); and

(c) a 70 per cent fish production component based upon a three-year average of the total catches taken within exclusive economic zones and in areas beyond national jurisdiction in the Convention Area of all the stocks covered by the Convention for which data are available (including the main target tuna species, as well as the four main billfish species (black marlin, blue marlin, striped marlin and swordfish)), subject to a discount factor of 0.4 being applied to the catches taken within the EEZ of a member of the Commission which is a developing State or territory by vessels flying the flag of that member.<sup>1</sup>

11. An indicative table of the contributions that would be payable by each potential member of the Commission against a budget of US\$1,565,300 is contained in Annex III. It was

<sup>1</sup> For the reasons noted in WCPFC/PrepCon/WP.13/Rev.1, paragraphs 14 – 16, it is to be noted that catch datasets for this purpose will for the time being be compiled by OFP-SPC.

emphasized that in preparing the budget and actual table of assessed contributions for 2005, the Interim Secretariat should try to update and further refine the statistical information from which the national wealth and fish production components are derived.

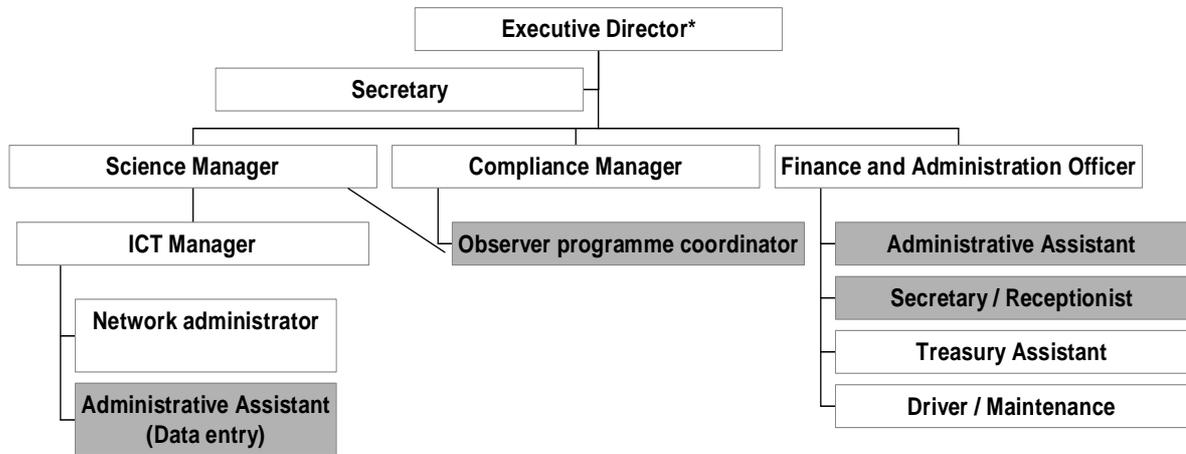
12. With respect to the territories and possessions listed in article 43 of the Convention, the Working Group noted that, in accordance with the proposed Annex II to the Rules of Procedure of the Commission, the possibility would exist for such territories and possessions to make independent and voluntary contributions to the budget of the Commission. The Working Group agreed that such contributions shall be based upon guidelines to be developed by the Contracting Parties concerned for discussion and approval at a later stage

### **Draft Financial Regulations**

13. The Working Group took note of an informal revised text of the draft Financial Regulations for the Commission (WCPFC/CRP.1) and recommended that the text be taken up by Plenary at PrepCon VII.

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Annex I  
**PROPOSED SECRETARIAT STRUCTURE: ORGANIZATION CHART**



\* The Executive Director may, as appropriate, decide to designate a senior staff member to deputize on his or her behalf.

Annex II  
**PROPOSED SECRETARIAT STRUCTURE: PROVISIONAL  
STAFFING LEVEL IN THE FIRST THREE YEARS OF OPERATION**

<i>Summary of functions</i>		<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>
<b>Executive Director</b>	Functions as prescribed in the Convention.	•	•	•
<b>Science Manager</b>	Review of scientific advice to the Commission; Secretary of Scientific Committee; manage contracts for science services, including development of specifications and standards for the provision of contracted science services.	•	•	•
<b>Finance and Administration Officer</b>	Monitor the budget and financial transactions of the Commission; internal oversight; manage contracts for technical services as necessary; supervisory office administration and personnel management.	•	•	•
<b>ICT Manager</b>	Manage the ICT requirements of the Secretariat, establish and maintain necessary database, network and communications services; ongoing management of service agreements with external providers for the provision of data services to the Commission.	•	•	•
<b>Compliance Manager</b>	Secretary to Technical and Compliance Committee; provide information and advice associated with the development and ongoing implementation of any regional compliance schemes; manage the Commission's VMS and vessel register either directly or through existing regional organizations and programmes or through commercial service providers.	•	•	•
Observer Programme Coordinator	Manage the Commission's observer programme in accordance with the Convention; provide support to the Compliance Manager and the Science Manager.			•
<b>Total professional staff</b>		<b>5</b>	<b>5</b>	<b>6</b>
<b>Network Administrator</b>	Maintain Commission WAN, LAN and website; user support; software management.	•	•	•
Administrative Assistant / Data Entry	Data entry; assist administration of the Commission's vessel register and observer programme.		•	•
<b>Treasury Assistant</b>	Record contributions, process payments and assist the finance and administration officer with respect to the monitoring of the budget; payroll.	•	•	•
<b>Secretary</b>	Secretary to Executive Director; maintain records and archives; press officer.	•	•	•
Administrative Assistant	Personnel records; meeting organization; travel and procurement, inventory.		•	•
Secretary / Receptionist	Reception, communications, meeting assistance; general clerical and secretarial assistance to professional staff.		•	•
<b>Driver / maintenance</b>	Official transport; vehicle and general maintenance; deliveries; customs clearance.	•	•	•
<b>Total GS (locality) staff</b>		<b>4</b>	<b>7</b>	<b>7</b>
<b>Total Staff</b>		<b>9</b>	<b>12</b>	<b>13</b>

## Annex III

**INDICATIVE TABLE OF ASSESSED CONTRIBUTIONS BY COMPONENT:  
NOTIONAL BUDGET OF US\$1,565,300, ASSUMING FULL PARTICIPATION\*  
(United States dollars)**

<b>Commission Members</b>	<i>Base fee 10% of budget</i>	<i>National wealth component 20% of budget</i>	<i>Catch component 70% of budget</i>	<i>Total contribution 100% of budget</i>	<i>% of budget by member</i>
Australia	6,020	17,283	7,224	<b>30,527</b>	1.95%
Canada	6,020	19,614	206	<b>25,841</b>	1.65%
China	6,020	8,949	9,839	<b>24,809</b>	1.58%
Cook Islands	6,020	3,275	96	<b>9,392</b>	0.60%
FSM	6,020	1,377	13,803	<b>21,200</b>	1.35%
Fiji	6,020	1,551	3,703	<b>11,274</b>	0.72%
France	6,020	27,355	6,906	<b>40,281</b>	2.57%
Indonesia	6,020	1,454	25,516	<b>32,991</b>	2.11%
Japan	6,020	58,656	347,671	<b>412,348</b>	26.34%
Kiribati	6,020	645	4,863	<b>11,529</b>	0.74%
Korea	6,020	9,519	173,162	<b>188,701</b>	12.06%
Marshall Islands	6,020	1,530	16,167	<b>23,717</b>	1.52%
Nauru	6,020	559	0	<b>6,579</b>	0.42%
New Zealand	6,020	9,188	13,892	<b>29,101</b>	1.86%
Niue	6,020	559	0	<b>6,579</b>	0.42%
Palau	6,020	4,848	34	<b>10,903</b>	0.70%
Papua New Guinea	6,020	499	28,582	<b>35,102</b>	2.24%
Philippines	6,020	1,373	40,768	<b>48,161</b>	3.08%
Samoa	6,020	1,011	2,134	<b>9,165</b>	0.59%
Solomon Islands	6,020	461	6,530	<b>13,012</b>	0.83%
Chinese Taipei	6,020	11,749	245,997	<b>263,766</b>	16.85%
Tonga	6,020	1,121	615	<b>7,756</b>	0.50%
Tuvalu	6,020	928	0	<b>6,948</b>	0.44%
United Kingdom	6,020	29,098	0	<b>35,118</b>	2.24%
USA	6,020	99,699	130,017	<b>235,737</b>	15.06%
Vanuatu	6,020	758	17,986	<b>24,764</b>	1.58%
<b>Total assessed contributions</b>	<b>156,530</b>	<b>313,060</b>	<b>1,095,710</b>	<b>1,565,300</b>	<b>100.00%</b>

\* Based on a indicative budgetary requirement as set out in WCPFC/PrepCon/WP.20, Annex IV.