



WESTERN AND CENTRAL PACIFIC FISHERIES COMMISSION

P.O. Box 2356
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Pohnpei State
Federated States of Micronesia 96941
www.wcpfc.int

REQUEST FOR TENDER: EXPRESSIONS OF INTEREST

STUDY ON OPTIMIZATION OF WCPFC PROGRAM OPERATIONAL COSTS, INCLUDING THROUGH COST RECOVERY

Introduction

The Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (Convention) entered into force in June 2004 creating one of the first regional fisheries management organizations to be established since the 1995 adoption of the United Nations Fish Stocks Agreement (Agreement).

The objective of the Convention is to ensure, through effective management, the long-term conservation and sustainable use of highly migratory fish stocks in the western and central Pacific Ocean in accordance with the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and the Agreement. For this purpose, the Convention establishes a Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (WCPFC). A small Commission Secretariat is based at Kolonia, Pohnpei State, Federated States of Micronesia.

The Convention applies to all species of highly migratory fish stocks (defined as all fish stocks of the species listed in Annex I of UNCLOS occurring in the Convention Area and such other species of fish as the Commission may determine) within the Convention Area, except sauries. Conservation and management measures under the Convention are to be applied throughout the range of the stocks, or to specific areas within the Convention Area, as determined by the Commission. The Commission currently has 25 Members and eight Cooperating Non-Members. The three Pacific Overseas Territories of France and Tokelau are Participating Territories within the Commission. Additional information concerning the Commission, including copies of recent decisions, is available from the Commission's website (www.wcpfc.int).

The Commission's priorities include fairness and equity in the attribution of the organisations program and operational costs to members and to ensure that costs of the organisation are efficient and kept within reasonable bounds. In 2010 the Commission approved a study to review these

issues and to consider the application of a cost recovery model to the Commission's operational programs. The Terms of Reference (TOR) for this study is attached.

The Commission Secretariat invites the tender of expressions of interest (EOI) to complete the consultancy described in the TOR. The EOI will include a timetable for delivery of the consultancy outputs, with a due date of the draft report to the Commission Secretariat by 30 June 2011. The EOI should also include an estimate of the costs involved in undertaking the consultancy and importantly documented evidence of previous experience in successfully developing and applying cost recovery models in natural resource management environments and the background and experience of staff who will be engaged in this work.

In assessing the merits of all EOIs, institutional experience, quality of staff nominated, proposed methodology, price, cost efficiency and cost effectiveness will be important considerations in determining the preferred bidder. Requests for additional information relating to this consultancy should be directed to:

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Submission of EOIs should be made to the same address by close of business on Friday 20th February 2011.

CONSULTANCY STUDY ON OPTIMIZATION OF WCPFC PROGRAM OPERATIONAL COSTS, INCLUDING THROUGH COST RECOVERY

TERMS OF REFERENCE

1. These terms of reference (TORs) are for an independent consultancy to be competitively and transparently tendered by the Secretariat, and supported by the 2011 budget of the Commission. The Secretariat will advise CCMs of the process to tender the consultancy prior to contacting the consultant(s).
2. Recognizing that the following principles will be among the considerations that guide CCMs regarding the issues covered by this consultancy, the contracted consultant(s) shall also, as appropriate, consider the following when undertaking the work outlined in these TORs:
 - Fairness and equity across those that use and/or benefit from the services;
 - Cost-effectiveness;
 - Divisibility of the goods and services provided/resourced;
 - Achieving, where possible, cost savings on current services provided;
 - Avoiding disproportionate burdens on any CCM, particularly Small Island developing States and territories;
 - Minimizing or avoiding paying for goods and services more than once;
 - Enabling cost-recovery programs and the budget of the Commission to evolve and be responsive over time to changing priorities and needs;
 - Ensuring regional or national programs do not unduly subsidize the programs of the Commission; and.
 - Utilizing the capacity of existing regional, or sub-regional or national programs to perform certain technical secretariat functions for cost savings to minimize costs to members of the Commission, to the extent possible.
3. The scope of the consultancy shall include:
 - a. the Commission VMS;
 - b. the Commission Regional Observer Program;
 - c. the WCPFC Record of Fishing Vessels;
 - d. fees for carrier and bunker vessels; and
 - e. registration fees for observer delegations to Commission meetings.
4. The consultancy shall also analyze overall efficiencies in the Commission programs, with a focus on those items detailed in paragraph 3 above and identify areas where greater

efficiencies could be realized. The consultancy shall develop options for such areas that may result in reductions in the overall budget without compromising Commission operations.

5. The consultancy shall also analyze how a cost recovery scheme could result in shifts in contributions among CCMs, taking into account the formula set out Rule 5 of the Commission's financial regulations. In this regard, the consultancy shall analyze how any cost recovery system, besides contribution formulas, is employed by other international organizations.

6. The tasks of the consultancy shall include:

- a. **General** (to apply to each item identified in paragraph 3)
- b. Identify and break-down the full range of goods and services and associated costs of each program listed in paragraph 3, including services being provided by national programs, other organizations and service providers that are not currently covered by the Commission's budget;
- b. Identify which category of costs (e.g., fixed, variable, indirect and overhead costs) would most appropriate and practical to be fully recovered, partly recovered, or not recovered at all;
- c. Identify users, and the amount of benefits they accrue from the programs identified in paragraph 3 above;
- d. Examine "relative usage" (i.e., not all vessels are "using" the same amount of services) and identify options for recovery of varying amounts based on such usage;
- e. Develop scenarios for optimization of the services currently being provided;
- f. Develop options for the methods of cost recovery (directly at vessel level or through CCMs, or via fees or levies associated with other activities, such as fishing in high seas of the Convention Area), and whether they will require new services, personnel, or infrastructure (such as accounting and invoicing systems) in the Secretariat and at what cost; and
- g. Examine options for pro-rata arrangements to address partial usage of programs on a vessel and CCM basis.

Vessel Monitoring System

- h. Identify the costs for vessels already on the FFA Vessel Register and what costs are unique to being part of the WCPFC Pacific VMS;
- i. Examine the application of the VMS to different vessel gear types and ALC types and how costs would vary among them;

- j. Determine how fees are charged to fishing vessels or CCMs by other RFMOs or relevant regional, sub-regional or national institutions or organizations, and how those fees are calculated and assessed; and
- k. Compare the costs of reporting directly to the Commission VMS versus the FFA system.

Regional Observer Program (ROP)

- l. Identify those goods and services that are most appropriate to leave to national or regional programs versus those most appropriately provided by the Commission via the Secretariat;
- m. Identify the potential cost of services of the ROP in the future, and create a funding scheme based on projected higher levels of coverage and the extension of the program to gears or areas of the Convention Area that are not currently covered by the ROP; and.
- n. Determine how fees are charged to fishing vessels or CCMs by other RFMOs or relevant regional, sub-regional or national institutions or organizations, and how those fees are calculated and assessed.

Carriers and bunker registration fees

- p. Examine the costs of observer deployment on such vessels, and how it may be different than for deployments on purse-seine or longline vessels given possible differences in tasks, trip length, etc, and identify how this can best be serviced (e.g., using existing programs, a service provider, etc.);
- q. Examine the costs of participation in the VMS for such vessels; and
- r. Identify any other “vessel specific costs” that should be captured.

Register of Fishing Vessels

- s. Determine what if any fees are charged by other RFMOs or other relevant regional, sub-regional or national institutions or organizations;

Observer delegations

- t. Determine what if any fee is charged to observer delegations by other RFMOs or other relevant regional, sub-regional or national institutions or organizations, and how those fees are calculated and assessed.

6. With respect to the VMS item, in order to fully understand the impact of VMS costs, the consultants will have full access to all relevant cost information from all WCPFC VMS data providers (e.g., SATCOMS, ARGOS and the FFA) in order to carry out this study.

7. The contracted consultant(s) shall prepare a report in accordance with these TORs that will be provided to Secretariat 75 days prior to TCC7. The Secretariat will review and provide comment on the draft report within 15 days of receipt. The consultant(s) shall provide a revised draft addressing the comments received to the Secretariat within 15 days.

The Secretariat shall circulate the report to CCMs at least 30 days in advance of TCC7. TCC7 will provide advice and recommendations to WCPFC8 regarding the report.

8. The Finance and Administration Committee (FAC5) will also review the consultancy report and provide its advice and recommendations to WCPFC8.