

14TH MEETING OF THE PARTIES

LA JOLLA (CALIFORNIA)
20 OCTOBER 2005

DOCUMENT MOP-14-05

AIDCP BUDGET

1. INTRODUCTION

This document presents forecast costs for 2005 and forecast costs and revenue for 2006 to support the AIDCP.

The 13th Meeting of the Parties in June 2005 raised the vessel assessment rate for 2006 from US\$ 12.552 to US\$ 14.184 per cubic meter of well volume, an amount sufficient only to offset the change in well volumes for vessels required by the AIDCP to carry an observer in 2006.

2. CURRENT FINANCIAL SITUATION

Table 1 shows forecast costs for the IDCP in 2005, and the estimated costs and revenue forecast for 2006.

The projection of revenue for 2006 is based on the amounts invoiced for vessels covered by the AIDCP (over 363 t capacity) and anticipated income from small and inactive vessels, and assumes that all payments are made on time. Projected expenditure incorporates a 3% increase for inflation in costs (except for observer remuneration) over that for 2005.

The forecast costs for 2005 have been reduced slightly from the estimates provided in June ([Document MOP-13-05b](#)); however, the revenue to date is less than the forecast. Accordingly, the expected deficit has increased from US\$ 136,475 to US\$ 166,947.

The first three options for savings of US\$ 20,000 for 2006, discussed in section 4 of this paper, have been included in the 2006 estimates.

Table 2 shows the line item detail supporting the summary of projected IDCP expenses for 2006 presented in Table 1.

Table 3 shows details of the allocation of the Secretariat staff's time to the IDCP-related tasks they perform in 2006.

3. DEFICITS

The AIDCP budget has been in deficit since 2002. The deficits for each year and the accumulated deficit are:

	US\$
2002	(221,640)
2003	(273,356)
2004	(107,215)
2005	(166,947)
Total	\$ (769,158)

The current budget anticipates an accumulated deficit at the end of 2005 of US\$ 769,158, which is slightly more than that projected in June 2005.

4. OPTIONS FOR REDUCING EXPENDITURE OF THE IDCP

The 13th Meeting of the Parties agreed that the issue of cost reduction should be discussed further in October 2005, along with a plan to eliminate the accumulated deficit. One such idea, a reduction in the number of meetings of AIDCP subsidiary bodies, was later agreed by the Parties. Another, suggested by

the Secretariat, to cover costs of staff participation in trial sets, was rejected.

The savings resulting from eliminating the meetings in February and some other possibilities are discussed below.

4.1. Reduction of frequency of meetings

The savings associated with eliminating the February meetings would be two days of hotel costs, plus travel and interpretation costs, assuming that this would not be offset by any significant concomitant increase in the duration of subsequent meetings.

The expected reductions are:

Hotel costs	\$2,500
Interpretation costs	\$3,300
Travel costs	\$2,100
Total	\$7,900

4.2. Restructuring of field offices

The Secretariat is in the process of restructuring its offices in Mexico; specifically, closing the office in Ensenada and opening an office in Manzanillo. As a result of this move, the staff will be reduced by one person. The long-term savings for the AIDCP are expected to be:

Salary and allowances	17,000
Observer travel	6,600
Rental costs	(575)
Total	\$ 23,025

The restructuring is not expected to be completed until March 2006, and the salary savings for that year will thus be 75% of the long-term projection of US\$ 17,000. In addition, moving and establishment costs are estimated to be US\$ 5,750. The savings in 2006 are expected to be US\$ 10,000.

4.3. Reduction of Secretariat staff supporting annual meetings

It has been the practice to support annual meetings with sufficient staff members to ensure that as much information and support as possible is available. In future it is proposed that this will be reduced by one senior staff member from the Tuna-Dolphin Group and by one member of the accounting and administration staff. The savings for the AIDCP, based on the costs of June 2005, are estimated as:

Travel and accommodation	\$3,000
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4.4. Observer documentation

Some observers are required to carry documentation as part of the International Maritime Organization's (IMO; a specialized agency of the UN) International Convention on Standards of Training, Certification and Watch keeping for Seafarers. Observers boarding vessels in Mexico are required to have a *Libreta del Mar*, which must be renewed every 5 years, at a cost of about US\$ 95. In Ecuador, observers are required to have a *Matrícula*, which initially costs US\$ 250, and must be renewed every 2 years at a cost of US\$ 140. There are no similar costs in other countries where observers board vessels. Waiving these costs would result in the following estimated savings for the IDCP:

Documentation costs	\$7,000
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4.5. Payment of assessments

From time to time vessel assessment payments are received in the form of checks drawn on banks outside the United States. The cost of collecting payment on these checks ranges from US\$ 150 to US\$ 250. If all assessments were paid either in checks drawn on US banks or by wire transfer, these costs would be eliminated. The payments received for 2006 include 10 checks on non-US banks.

5. 2007 ASSESSMENTS

In June, the Parties agreed that, at their next meeting, they would, as well as discussing options for reducing costs, discuss a plan for reducing the deficits. In addressing this, the Parties should be aware that the process of measuring the well volume of vessels is not yet complete, and it is likely that this will lead to further reductions in the aggregate well volume of the fleet. Accordingly, there may be a need to balance these changes with an increase in the assessment rate to maintain the total revenue.

TABLE 1. IDCP: Allocation of costs, 2005-2006

TABLA 1. PICD: Distribución de costos, 2005-2006

	2005		2006
(US\$)	(forecast— previstos)	See Table 2 Ver Tabla 2	(projected— proyectados)
COSTS-COSTOS:			
Covered at 70%-Cubiertos al 70%			
Gross costs-Costos brutos:			
Observers (wages, travel, equipment, training)		A	
Observadores (sueldos, viajes, equipo, entrenamiento)	1,434,605		1,430,044
IATTC scientific staff (part)		B	
Personal científico de la CIAT (porción)	837,060		845,139
IATTC field office staff and facilities (part)		C	
Personal e instalaciones de las oficinas regionales de la CIAT (porción)	228,729		235,016
Subtotal	2,500,394		2,510,199
70% of/del subtotal	1,750,276		1,757,139
Covered at 100%-Cubiertos al 100%			
Net alignments (travel)		E	
Alineamientos de la red (viajes)	16,056		16,538
Seminars for captains and crew (travel)		F	
Cursos de entrenamiento para capitanes y tripulantes (viajes)	-		-
IATTC administrative staff (part)		G	
Personal administrativo de la CIAT (porción)	349,245		363,215
Miscellaneous administrative costs		H	
Costos de administración misceláneos	15,717		16,189
Meetings of Parties and IRP (including staff travel)		I	
Reuniones de las Partes y del PIR (incluye viajes del personal)	55,887		46,664
Dolphin-safe certification		J	
Certificación <i>dolphin safe</i>	-		-
TOTAL COSTS – TOTAL DE COSTOS	2,187,181		2,199,744
REVENUE-INGRESOS:			
Total class 6 vessel assessments			
Total de cuotas de buques clase 6	1,939,253		2,108,859
Small and inactive vessel income			
Ingresos de buques pequeños e inactivos	80,982		68,817
TOTAL REVENUE – TOTAL DE INGRESOS	2,020,234		2,177,676
Surplus (deficit) – Superávit (déficit)	(166,947)		(22,068)

TABLE 2. IDCP: Detailed expenses, 2006 (US\$).

TABLA 2. PICD: Detalle de gastos, 2006 (US\$).

A	Observers Observadores	1,430,044	Travel—Viajes	85,547
			Salaries and benefits—Sueldos y prestaciones	1,325,629
			Equipment, forms, misc—Equipo, formularios, misc	8,946
			Training—Entrenamiento	9,922
C	IATTC field office staff and facilities (part) Personal e instalaciones de las oficinas regionales de la CIAT (porción)	235,016	Rent & storage (exc. utilities)—Alquiler y almacenamiento (exc. servicios públicos)	7,521
			Telephone—Teléfono	14,052
			Internet services—Servicio de internet	992
			Utilities—Servicios públicos	3,260
			Materials & supplies—Materiales y pertrechos	5,095
			Furniture & equipment—Muebles y equipo	1,074
			Purchase of vehicle- compra de vehiculo	
			Equipment repair & maintenance— Reparación y mantenimiento de equipo	1,505
			Postage—Franqueo	17,774
			Printing & reproduction—Imprenta y copiado	8,036
			Travel, Meals & entertainment—Viajes, Sustento y entretenimiento	6,073
			Vehicle (use and maintenance)—Vehículos (uso y mantenimiento).	15,007
			Contract labor—Mano de obra por contrato	122,481
			Contract labor (taxes)-- Mano de obra por contrato (impuestos)	17,225
			Legal & professional fees—Honorarios legales y profesionales	10,983
			Property insurance—Seguros de propiedad	970
			Vehicle insurance—Seguros de vehículos	1,594
		Tax, license, fees & permits—Impuestos, licencias, cuotas y permisos	1,374	
B	IATTC scientific staff (part) Personal de sede de la CIAT (porción)	845,139		
G	IATTC administration staff (part) Administración CIAT (porción)	363,215		
	Subtotal	1,208,354	Gross wages—Sueldos brutos	959,192
			FICA taxes—Impuestos de seguro social	73,347
			Retirement plan—Plan de retiro	82,651
			Group insurance—Seguro colectivo	93,164
E	Travel related to net alignments Viajes relacionados con alineamientos de la red	16,538		
F	Travel related to seminars for captains and crew Viajes relacionados con cursos de entrenamiento para capitanes y tripulantes	-		
H	Miscellaneous administrative costs Costos administrativos misceláneos	16,189		
I	Travel related to Meetings of Parties and other AIDCP meetings Viajes relacionados con Reuniones de las Partes y otras del APICD	46,664		

TABLE 3: IATTC staff time dedicated to AIDCP activities.

TABLA 3: Tiempo del personal de la CIAT dedicado a actividades del APICD.

B. Scientific staff (part) -- Personal científico (parte): US\$845,139			%
Scientific staff Personal científico	Chief Scientist Científico Princi- pal	Meeting preparation and attendance – Reuniones: preparación y asistencia	20
		Captain seminars – Seminarios de capitanes	11
		Correspondence — Correspondencia	24
		Database reporting – Informes sobre bases de datos	5
	Total	60	
2 staff-personas	Statistical analyses of observer data – Análisis estadísticos de datos de observadores	5	
	Preparation of documents for meetings – Preparación de documentos para reuniones	5	
	Total	10	
Secretarial Secretaría	1 staff-persona	Secretarial support—Apoyo de secretaría	60
Observer and data management Manejo de observadores y datos	12 staff-personas	Captain seminars – Seminarios de capitanes	1
		Trial sets – Lances de prueba	2
		Observer database maintenance and reporting – Mantenimiento de base de datos de observadores e informes	30
		Meeting preparation and attendance – Reuniones: preparación y asistencia	4
		Maintenance of tuna tracking and dolphin safe systems – Mantenimiento de sistemas de seguimiento de atún y <i>dolphin safe</i>	2
		Observer training, management, and field manual – Observadores: entrenamiento, manejo y manual	13
		Correspondence—Correspondencia	7
		Data entry – Captura de datos	14
		IRP database (captains, infractions) – Base de datos del PIR (capitanes, infracciones)	8
		Total	80
G. Administrative staff -- Personal administrativo: US\$363,215			
Director			28
Policy Política	2 staff-personas	Correspondence--Correspondencia	18
		Meeting preparation and attendance – Reuniones: preparación y asistencia	15
		Preparation of minutes – Preparación de actas	7
		Dolphin Safe issues – Asuntos <i>dolphin safe</i>	5
		Miscellaneous, including implementation of resolutions (tuna tracking plans; non-party and other compliance issues; etc.) – Miscelánea, incluye instrumentación de resoluciones (planes de seguimiento de atún, cumplimiento por no partes y otras cuestiones de cumplimiento, etc)	5
Total	50		
Computer support staff Personal de apoyo en informática	3 staff-personas	Maintenance of computer hardware and operating system – Mantenimiento de computadores y sistema operativo	14
		Web site and illustrations – Sitio de internet y gráficas	7
		Database programming – Programación de bases de datos	8
		Others -- Otros	1
Total	32		
Editing and translation Redacción y traducción	2 staff-personas	Preparation of correspondence and documents – Preparación de correspondencia y documentos	28
Support services not charged to the AIDCP – Servicios de apoyo no cobrados al APICD			
Accounting and personnel Contabilidad y personal	2 staff-personas		
Director's secretaries Secretarías del Director	2 staff-personas		