

**INTER-AMERICAN TROPICAL TUNA COMMISSION
COMMITTEE ON ADMINISTRATION AND FINANCE
7TH MEETING
Bilbao, Spain
19 July 2019**

**CHAIR'S REPORT
AGENDA**

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1. Opening of the meeting	
2. Adoption of the agenda	
3. Review of the financial audit report	
4. Review of proposed budgets for 2020 and 2021	CAF-07-01
5. Financial contributions of Members:	
a) Regular budget (Resolutions C-15-05 , C-18-04)	
b) Special Fund for promoting institutional capacity-building (Resolution C-14-03)	CAF-07-02
c) Program to monitor transshipments at sea (Resolution C-12-07)	
d) Other	CAF-07-03
6. Other business	
7. Recommendations to the Commission	
8. Adjournment	

APPENDICES

1. List of attendees

The seventh meeting of the Committee on Administration and Finance was held in Bilbao, Spain, on 19 July 2019.

1. Opening of the meeting

The meeting was opened by the Director of the IATTC, Dr. Guillermo Compeán, who requested nominations to elect the Chair of the Committee since Mr. Lillo Maniscalchi, of Venezuela, resigned due to health reasons. Dr. Luis Fleischer, of Mexico, was elected.

2. Adoption of the agenda

The provisional agenda was adopted without changes.

3. Review of the financial audit report

It was reported that the financial audit report was provided to the Commissioners and heads of delegation. There were no comments.

4. Review of proposed budgets for 2020 and 2021

Ms. Nora G. Roa, from the IATTC staff, presented [Document CAF-07-01, "Review of proposed budgets for 2020 and 2021"](#). She explained the financial activity in 2018, the status of the contributions for 2019 and the requested and projected budgets for 2020 and 2021, respectively.

She noted that the budget needs to at least keep pace with inflation, which affects all expenditures related to the activities of the Commission, both at headquarters and abroad, including staff salaries and related benefits. She recalled that the scope of the activities of the Commission and its staff continues to grow, derived from both the broader mandate of the Antigua Convention and in response to the wishes and requests from Members, which has involved hiring more staff, as well as remunerating the current staff for increased work. It is therefore essential that the Commission adopt the requested budget for 2020 of US\$ 8,444,897.

Some Members pointed out that Document CAF-07-01 could be improved, for example, combining tables 5 and 6, presented in relation to Member contributions in arrears, and following a historical sequence.

Nicaragua and Ecuador expressed that they were unable to accept increases to the budget; a review process was therefore initiated to identify elements of the budget that could be reduced. The discussion focused on the option of reducing the percentage of the IATTC budget contribution to the AIDCP, not increasing salaries for field staff, considering that a Member host the 2020 annual meeting, although it was clarified that there was currently no offer to do so and only one Member had consulted the Secretariat on the costs involved in organizing the meeting.

Venezuela recalled that the increase presented by the Secretariat was around 3% and only considered the increase in the cost of living, which had been accepted in the past, and invited the delegations to consider this situation. Three contribution scenarios were presented: one considering the same budget as in 2019 (US\$ 8,133,836) without any increase, another one considering the budget requested by the Secretariat for 2020 (US\$ 8,444,897), and one considering an average amount between the two of US\$ 8,289,367.

It was concluded that the issue would be reviewed during the IATTC plenary meeting since, in order to approve the budget, it was necessary to review both the pending AIDCP budget (30% of which is provided by the IATTC), as well as the review and approval of projects that require funding.

5. Financial contributions of Members

a. Regular budget (Resolution C-16-07)

The Secretariat presented information on the Members' pending arrears, emphasizing that, as of 31 December 2018, they amounted to US\$ 5,400,371—which represents about 68% of the approved budget for 2018 (US\$ 7,977,003)—and that two Members, Venezuela and Panama, are two or more years behind on their contributions. The Secretariat noted that, even though the total pending contributions to date of \$5,822,579 represents almost 72% of the 2019 budget, it was not very far from the 80% of the budget of pending contributions reflected at the 2018 annual meeting.

Since there are past-due contributions for a significant amount, some delegations expressed the need for Panama to be present at this CAF meeting and the IATTC meeting in order to report and reestablish its commitment to making its pending payments. Delegations such as Nicaragua, Venezuela, Guatemala and Peru made comments on their outstanding contributions, indicating their intention to pay them as soon as their administrative processes are concluded. China mentioned that it was necessary to review an element of the formula applied to its country regarding an adjustment of its catch.

Several delegations asked about the status of the surplus and its availability, so it was explained that the surplus only exists in theory and does not have real funds and the corresponding explanation was given about the surplus to the 2017 carryover and the 2018 deficit. It was reiterated that it is essential that Members pay contributions on time, and that the situation of outstanding payments be resolved without further delay. Belize congratulated Colombia for having paid its past-due contributions.

b. Fund for promoting institutional capacity-building (Resolution C-14-03)

Mr. Ricardo Belmontes, from the Commission staff, presented Document [CAF-07-02, “Special fund for promoting institutional capacity-building”](#) for developing Members, established by Resolution C-14-03. He reported that the balance as of 30 April 2019 is US\$ 247,996.

In 2018, the activities developed with resources from the fund focused on supporting the participation of developing countries in meetings of the IATTC and the Scientific Advisory Committee (SAC), and the collection of shark data in Central American countries.

For 2019 and 2020, the following activities are expected to be carried out with resources from the fund:

1. Recruitment and training of port samplers and collection of shark fishery historic information from Central American sources.
2. Capacity-building seminar/workshop for decision makers from developing CPCs on topics such as concepts in scientific advice, the Commission's strategic work plan, research needs, etc.
3. Annual IATTC scholarship for developing scientific capacity in developing CPCs (2019).
4. Participation of representatives of developing Members in the annual meeting of the IATTC and its subsidiary bodies.

The Committee approved the recommendation to the Commission to approve these activities, emphasizing the need of using the fund mainly for building capacity in developing Members and not only for supporting attendance to meetings of the IATTC and its subsidiary bodies. Additionally, the need to develop criteria for the allocation of resources from the fund—such as application deadlines and performance reports—was stressed. The Secretariat was asked to draft proposals on this regard to be analyzed and reviewed during the next annual meeting.

c. Program to monitor transshipments at sea (Resolution C-12-07)

Mr. Belmontes presented Document [CAF-07-03, “Program to monitor transshipments at sea”](#), covering both the operational and financial aspects of the program in order to save time at the plenary meeting since this item is also included in the IATTC agenda.

For 2020, a budget of US\$ 1,305,000 is required, as well as the renewal of the contract with MRAG for a three-year period, from 2020 to 2022, with frozen costs during that period. The Committee approved these budgetary issues and decided to endorse them to the Commission.

The Committee was informed of a proposal to be submitted to the Commission on a recommendation from the Scientific Committee that, on the transshipment declaration, a column be included to record the species of shark being transshipped, in support of scientific research.

6. Other business

No other business was discussed.

7. Recommendations to the Commission

The Committee agreed to submit the following recommendations to the Commission:

1. Consider approving a budget for the IATTC considering three scenarios: the budget requested by the staff (US\$ 8,444,897); one considering no increase (same as in 2019 for US\$ 8,133,837); and another one that considers an average amount (US\$ 8,289,367). This would be considering whether new projects are approved and after knowing the AIDCP budget since 30% of its amount is contributed by the IATTC.
2. Approve the activities planned for 2019 and 2020 related to the special fund for supporting developing countries mentioned in section 5b of this report.
3. That the Secretariat draft a proposal on the allocation of financial support through the special fund, to be reviewed during the intersessional period.
4. Approve a budget of US\$ 1,305,000 for the program of transshipments at sea in 2020 and renew

the contract with MRAG for three years.

8. Adjournment

The meeting was adjourned at 17:10 on 19 July 2019.