

INTER-AMERICAN TROPICAL TUNA COMMISSION
COMMITTEE ON ADMINISTRATION AND FINANCE
7TH MEETING

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DOCUMENT CAF-07-01

**FISCAL YEAR 2018 RESULTS AND BUDGETS FOR FISCAL
YEARS 2020 AND 2021**

Requested budget, FY 2020	US\$	8,444,897
Projected budget, FY 2021	US\$	8,722,074

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This document presents the Commission’s financial activity for fiscal year¹ (FY) 2018, an update on the status of the contributions to the operating budget for FY 2019, the requested budget for FY 2020, and a budget projection for FY 2021.

1. INTRODUCTION

The IATTC’s annual budget is funded by contributions from the [21 Members](#) of the Commission. The budget is agreed by consensus of all Members, in accordance with Article IX.3 of the [Antigua Convention](#). The amount of each Member’s contribution to an agreed annual budget is derived from the formula established in Resolution [C-15-05](#).

The Committee on Administration and Finance (CAF), established by Resolution [C-12-02](#) in 2012, is responsible for providing advice and recommendations on matters related to the budget, financing, and administration of the Commission.

2. BACKGROUND

The [Antigua Convention](#) provides the Commission with a modern framework for its objective of ensuring the long-term conservation and sustainable use of the fish stocks of the eastern Pacific Ocean (EPO) covered by the Convention. The Convention mandates a number of activities that must be carried out by the Commission and its staff. These include the collection and analysis of a wide range of data, as well as research undertaken by IATTC scientific staff, which in turn forms the basis for advice to the Commission regarding conservation and management. This necessarily requires a budget adequate to support all of this work.

The resolutions adopted by the Commission can also add to the duties and responsibilities of the staff. For example, the implementation of a management measure limiting capacity (Resolution [C-02-03](#)) is tracked

¹ The IATTC’s fiscal year coincides with the calendar year, 1 January to 31 December

by means of the IATTC [Regional Vessel Register](#) (Resolution [C-11-06](#)). Thus, close coordination with the fisheries authorities and tuna industries of each Member is necessary in order to monitor the movement of vessels within and among fleets, which is in turn reflected in the Regional Vessel Register. The IATTC also manages the observer program to monitor transshipments at sea by carrier vessels in the EPO, which is regulated by Resolution [C-12-07](#). Programs implementing mandates such as these have budgetary implications because they require both human and technological resources. The Convention requires that the Commission have a staff qualified in administrative, scientific and technical areas, and sufficient for the “efficient and effective application” of the Convention. To meet this requirement, the Commission maintains an [internationally-recruited staff](#), most of whom work at the Commission’s headquarters in La Jolla, California (USA). Other IATTC staff work at field offices in Manta and Playas (Ecuador), Manzanillo and Mazatlán (Mexico), Panama City (Republic of Panama), and Cumana (Venezuela), and at the [Achetines laboratory](#) (Republic of Panama). The scientific staff’s activities are divided among four programs (Data collection and database, Biology and ecosystem, Stock assessment, and the Bycatch and International Dolphin Conservation Program), each of which is in turn divided into a number of specific projects.

Fundamental to the Commission’s work is the compilation of basic data on the fisheries (*e.g.* activities of fishing vessels, distribution of the fishing effort, and the amount and composition of the catches), which are obtained from onboard observer reports, vessel logbooks, cannery receipts, and information submitted by Members. Equally critical are the numerous research activities funded by the Commission’s budget and carried out by IATTC scientific staff in fields such as biology, behavioral studies, stock assessment, and ecology, that monitor not only the target stocks and bycatch species, but the health and function of the EPO ecosystem. The [research](#) undertaken at the Achetines Laboratory contributes to the understanding of the early life history, growth, and mortality of tropical tunas and the environmental dynamics that play an important role in the recruitment of fish to the fisheries.

Since 1976, the IATTC staff has conducted research on EPO dolphins associated with the tuna fishery, and since 1999 has provided the Secretariat for the [Agreement on the International Dolphin Conservation Program \(AIDCP\)](#) and administered the AIDCP’s On-Board Observer Program. The AIDCP mandates 100% observer coverage of fishing trips by large purse-seine vessels² in the EPO. The Commission’s budget covers 30% of the observer program costs; the remaining 70%, along with certain other costs associated with the IDCP, is covered by the budget of the AIDCP, which is funded primarily by contributions from the Parties to the AIDCP through assessments paid by participating vessels (see Document [MOP-39-01](#)). The funding level of 30%, established by the Commission at the inception of the Tuna-Dolphin Program in 1977, reflects the level of observer coverage of large purse-seine vessels required for the data collected to be statistically reliable, and these costs are also accounted for in the annual IATTC operational budget.

More detailed information on the staff’s [research activities](#) can be found on the IATTC [website](#).

3. THE IATTC BUDGET

For budgetary purposes, the activities of the Commission are divided into six categories:

A	Administration	D	Stock assessment program
B	Data collection and database program	E	Bycatch and AIDCP program
C	Biology and ecosystem program	F	30% of the AIDCP observer budget

Category A includes those costs not readily allocable to any specific program and which benefit the Commission in its entirety and are an element of the support provided as Secretariat to the AIDCP. In addition to general secretarial and clerical support (correspondence, filing, document management, meeting organization, etc.), these are broadly divided into **Administration and Management**, which includes financial planning, budgeting, accounting, management of human resources in the main office and in the field offices

² Carrying capacity greater than 363 t (IATTC Class 6).

and the Achotines Laboratory (payroll, benefits, recruiting, policies, procedures), and administrative coordination of scientific research, and **Policy**, which includes communication and relations, including cooperation and coordination, with Members and Cooperating Non-Members, relevant international organizations, both governmental and non-governmental, and other stakeholders, assistance and capacity-building activities, meeting and document preparation, participation in meetings related to the Commission's mandate and legal, institutional and procedural matters related to the operation of the Commission, including guidance on the correct implementation of policies, procedures, measures and rules adopted by the Commission and the AIDCP Parties. All other costs are allocated to the program(s) to which they pertain or which they benefit directly.

Category B includes salaries and benefits for staff assigned to the **Data Collection and Database Program**, and field office staff whose duties include obtaining statistical records of the tuna fishery directly from the fishing fleet and processing plants, providing the data necessary for assessing the effects of fishing on the abundance of the stocks. This category includes the processing of this data and the preparation of the corresponding reports as well as the provision of data in response to requests from CPCs. It also includes all activities related to the IATTC Regional Register of Vessels and its maintenance, including the lists and categories established in different resolutions.

Category C includes salaries and benefits for field office and scientific staff assigned to projects of the **Biology and Ecosystems Program**, designed to increase the available knowledge of the biology and ecology of tunas, billfishes and associated species in the EPO. This knowledge—along with catch and effort data—is used to parameterize models for assessing the effects of fishing and natural factors on the abundance, sustainability, and ecosystem structure of stocks.

The program encompasses several important activities, grouped into the following categories:

1. Investigations of the biology and behavior of tunas, and deriving population parameter estimates.
2. Tuna tagging experiments to obtain vital information on movements and population structure, along with growth, mortality, and exploitation rates.
3. Determination of the important features of the early life history of the fish and the factors that affect the recruitment of young fish to the exploitable population. This research is conducted at the Achotines Laboratory, and involves field and laboratory investigations of the key environmental and biological factors that control pre-recruitment survival of tunas. The key components of the program are described in Document [SAC-10-18](#).
4. Studies of key species of billfishes taken by commercial, artisanal and recreational fisheries in the EPO.
5. Ecosystem studies, which includes sampling and analysis of diets and tissues required to understand food-web dynamics, and analysis of biological, ecological and fisheries data to facilitate ecological risk assessment and ecosystem modeling.

Data for these types of research are obtained from sampling catches at ports of landing, analyses of information collected from vessel logbooks and by on-board observers, studies conducted at sea on research and fishing vessels, and laboratory experiments.

Category D includes salaries and benefits for scientific staff assigned to projects of the **Stock Assessment Program** related to the Commission's responsibilities regarding conservation and fisheries management. This program is divided into the following major areas of activity:

1. Stock assessments of tunas, billfishes, dolphins, and other species (*e.g.* sharks and dorado) as deemed necessary by the Members.
2. Participation in assessments conducted by other entities of stocks whose range includes the EPO (*e.g.* bluefin, albacore, billfishes) or for which hypotheses of stock geographic boundaries are being explored (*e.g.* Pacific-wide assessment of bigeye, billfishes).
3. Evaluation of current and proposed management measures. (*e.g.* using management strategy evaluation (MSE) to test harvest control rules with respect to reference points, and evaluate spatial and temporal closures).

4. Organizing workshops on stock assessment methodology (*e.g.* the fall workshop series, in collaboration with CAPAM, the Center for the Advancement of Population Assessment Methodology) and reviews of IATTC stock assessments.
5. Design and evaluation of sampling programs for fishery data collection and scientific experiments in the EPO.
6. Analyzing biological and fisheries data for input into the stock assessments.
7. Conducting research on stock assessment, stock assessment methodology, and related topics.
8. Providing analytical support for the other IATTC research programs.
9. Capacity-building for IATTC Members related to data collection, stock assessment, and evaluation of management options.
10. Participation in scientific meetings, scientific bodies, and peer reviews of stock assessments and research.

Category E includes salaries and benefits of field office staff and of scientific staff assigned to the **Bycatch and IDCP Program**'s projects related to the Commission's investigations of dolphins and other species caught incidentally in the tuna fisheries. The Bycatch and IDCP program is divided into the following major areas of activity:

1. Research and support for the reduction and management of bycatches of non-target species taken in fisheries for species covered by the Antigua Convention.
2. Modeling studies of the selectivities of different fisheries and gears, and their impacts on the ecosystem.
3. Gear workshops; developing recommendations for the adoption of dolphin-saving technology for fisheries involving dolphins, reduction of bycatches on FADs and bycatches of sea turtles in artisanal long-line fisheries, to include advice and technical assistance to fishermen.
4. Support for capacity-building with regard to tagging, bycatches, and shark fisheries.
5. Conducting workshops for vessel crews to promote the reduction of impacts of the fishery on non-target species and compliance with IATTC resolutions.

Category F includes a portion of salaries and benefits of scientific staff performing various tasks in support of the AIDCP that are not included in other programs, direct observer costs (*i.e.* salaries, benefits, travel costs, training, *etc.*) and costs associated with maintaining field offices.

This program is divided into the following major areas of activity:

1. Collection of dolphin data by observers aboard purse-seine vessels.
2. Collection by observers of fishery and biological data on catches and discards of tunas and associated species by the purse-seine fishery. The AIDCP budget covers 70% of the cost of these observers; the IATTC budget covers the other 30%.
3. Training of the observers who collect data for this program.
4. Editing of the data collected by observers, in support of the Data collection and database program.

The information is also used to support monitoring of compliance with measures established by the IATTC and AIDCP.

4. FISCAL YEAR 2018 OPERATIONAL EXPENDITURES

Table 1, Column 1 shows the original approved budget for 2018; Column 2 shows the actual expenditures in FY 2018, and Columns 3a and 3b the variances between the budgeted and actual costs.

Table 2 summarizes the financial results, by budget category and line item, as of 31 December 2018.

TABLE 1. 2018 budget	1	2	3a	3b
	Approved	Actual	US\$	%
HEADQUARTERS SALARIES AND BENEFITS:				
Salaries	3,547,928	3,454,669	(93,259)	(2.6)
Employee benefits:				
Group insurance:				
Medical insurance	347,000	291,810	(55,190)	(15.9)
Life, disability and personal accident insurance	28,000	26,717	(1,283)	(4.6)
International workmen's compensation insurance	14,000	5,423	(8,577)	(61.3)
Social security	239,323	240,933	1,610	0.7
Pension fund (IFCPF)	565,000	537,244	(27,756)	(4.9)
403(b) retirement plan	255,001	286,448	31,447	12.3
Subtotal, Headquarters salaries and benefits	4,996,252	4,843,244	(153,008)	
ANNUAL MEETING COSTS	100,000	149,042	49,042	49.0
OPERATING COSTS:				
Field office facilities and related supplies	100,000	80,328	(19,672)	(19.7)
Field office staff salaries	515,000	526,059	11,059	2.1
Headquarters office expenses	190,910	198,515	7,605	4.0
Purchase and maintenance of computer equipment	100,000	108,780	8,780	8.8
Vehicles:				
Purchase	30,000	29,005	(995)	(3.3)
Operation (fuel, maintenance, etc.)	24,305	20,446	(3,859)	(15.9)
Parking	14,000	12,825	(1,175)	(8.4)
Insurance, licenses and permits	6,000	4,156	(1,844)	(30.7)
Printing, postage and publication	20,000	8,194	(11,806)	(59.0)
Staff travel	120,000	120,212	212	0.2
IATTC meetings (excluding annual meetings)	80,000	102,757	22,757	28.4
Contracts:				
Annual audit and tax reporting	35,000	43,670	8,670	24.8
Payroll services	15,000	21,216	6,216	41.4
Other professional services	10,000	43,848	33,848	338.5
Bank and other fees	10,000	11,106	1,106	11.1
Subtotal, Operating costs	1,270,215	1,331,117	60,902	
Subtotal, Headquarters salaries and benefits + Operating costs + Annual meeting costs	6,366,467	6,323,403	(43,064)	
Observer program	849,624	801,131	(48,493)	(5.7)
TOTAL Operating budget	7,216,091	7,124,534	(91,557)	

TABLE 2. Operational expenses, in US\$, by budget category and line item, 2018³	A	B	C	D	E	Subtotal IATTC	F	TOTAL
HEADQUARTERS SALARIES AND BENEFITS:								
Salaries	784,646	554,223	1,005,294	647,237	463,269	3,454,669	164,972	3,619,641
Employee benefits:								
Group insurance:								
Medical insurance	68,042	64,009	97,515	29,734	32,510	291,810	15,233	307,043
Life, disability and personal accident insurance	5,373	6,194	7,059	2,823	5,268	26,717	483	27,200
International workmen's compensation insurance	1,025	1,247	1,596	923	632	5,423	436	5,859
Social security	54,860	36,665	71,896	44,468	33,044	240,933	11,566	252,499
Pension fund (IFCPF)	16,261	115,038	260,190	51,797	93,958	537,244	13,660	550,904
403(b) Retirement plan	49,751	19,968	30,100	45,825	140,804	286,448	7,577	294,025
Subtotal, headquarters salaries and benefits	979,958	797,344	1,473,650	822,807	769,485	4,843,244	213,927	5,057,171
ANNUAL MEETING COSTS	149,042	-	-	-	-	149,042	-	149,042
OPERATING COSTS:								
Field office facilities and related supplies	-	56,084	1,580	-	22,664	80,328	27,910	108,238
Field office staff salaries	-	233,047	195,749	-	97,263	526,059	69,046	595,105
Headquarters office expenses	33,792	645	157,757	1,170	5,151	198,515	-	198,515
Observer costs	-	-	-	-	-	-	490,248	490,248
Purchase and maintenance of computer equipment	98,851	264	3,712	4,224	1,729	108,780	-	108,780
Vehicles:								
Purchase	29,005	-	-	-	-	29,005	-	29,005
Operation (fuel, maintenance, etc.)	6,102	294	12,694	1,356	-	20,446	-	20,446
Parking	12,825	-	-	-	-	12,825	-	12,825
Insurance, licenses and permits	4,156	-	-	-	-	4,156	-	4,156
Printing, postage and publication	4,834	-	2,639	714	7	8,194	-	8,194
Staff travel	65,157	235	39,118	14,046	1,656	120,212	-	120,212
IATTC meetings (excluding annual meetings)	16,009	1,919	198	80,385	4,246	102,757	-	102,757
Contracts:								
Annual audit and tax reporting	43,670	-	-	-	-	43,670	-	43,670
Payroll services	21,216	-	-	-	-	21,216	-	21,216
Other professional services	29,692	-	14,156	-	-	43,848	-	43,848
Bank and other fees	9,558	-	1,548	-	-	11,106	-	11,106
Subtotal, operating costs	374,867	292,488	429,151	101,895	132,716	1,331,117	587,204	1,918,321
TOTAL operational expenses	1,503,867	1,089,832	1,902,801	924,702	902,201	6,323,403	801,131	7,124,534

³ A (Administration); B (Data collection and database); C (Biology and ecosystem); D (Stock assessment); E (Bycatch and AIDCP); F (30% of the AIDCP observer program)

The following provides additional detail about the individual line items presented in **Table 2**.

HEADQUARTERS SALARIES AND BENEFITS

Salaries: The permanent scientific, administrative, clerical, and technical personnel required to carry out the tasks assigned by the Commission. Headquarters staff salaries are based on US government salary scales.

Group insurance: Includes life, disability, medical, dental and accident insurance. To counteract the growing costs of health insurance in the United States, the IATTC now offers employees a cross-border medical plan which allows the option of using health care providers in Mexico.

Social security: Includes contributions to US social security paid by the Commission.

Pension fund (IFCPF): Includes the IATTC's original pension plan, administered by the International Fisheries Commissions Pension Society (IFCPS), which provides level funding over periods of three years based upon actuarial evaluations. As discussed in prior budget documents, and documented in the footnotes to the Commission's Annual Financial Statement audit, the IFCPF has experienced large deficits in prior years. Although the fund has shown some improvement, the triennial actuarial evaluation in January 2017 again showed a significant deficit, and this has been considered in future budget allocations. An updated actuarial report will be generated in 2020 and will be presented at the 8th meeting on the Committee of Administration and Finance.

403 (b) Retirement plan: Since 2002, the Commission has operated a defined contribution (403(b)) retirement plan, to which both employees and the Commission contribute.

BUDGETED OPERATIONAL COSTS

Field office facilities and related supplies: includes rent, utilities, insurance, telephone and office supplies for the Commission's field offices.

Field office staff salaries: includes costs related to permanent field office staff, as well as related taxes and benefits.

Observer costs: includes the required IATTC funding of the IDCP, which covers 30% of all direct observer costs such as wages, taxes, insurance, travel, equipment, and training. The amount is based upon the requested AIDCP budget in document [MOP-39-01](#), and is subject to change once the Parties to the AIDCP approve the budget for 2020.

Headquarters office expenses: includes utilities, insurance, telephone, and office supplies for both the La Jolla office and the Achotines Laboratory.

Purchase and maintenance of computer equipment: Includes major equipment purchases such as computers, software, licensing agreements, and office machines.

Purchase and operating costs of vehicles: includes purchase of vehicles, and related maintenance and fuel costs.

Insurance, licenses and permits: includes all vehicle and property insurance, vehicle registrations and regulatory agency fees.

Printing, postage and publication: includes all costs related to postage and printing needs.

Staff travel: includes travel and subsistence costs incurred by IATTC staff members to attend meetings or workshops sponsored by third parties. Does not include IATTC meetings.

IATTC meetings (excluding annual meetings): includes cost of venue and incidental costs incurred by IATTC staff members to attend IATTC meetings. Also includes costs for simultaneous interpretation services.

Contracts: includes legal and professional fees, auditing and payroll services, short-term contracts with specialists, and casual labor costs.

Bank and other fees: includes bank fees and other similar costs.

Line items with significant variances (> US\$ 20,000 and 20%) between the budgeted and actual costs (**Table 1**) were:

1. **IATTC meetings** (US\$ 22,757; 28.4%): US\$ 18,000 of the excess is due to increased costs related to the Scientific Advisory Committee meeting in May 2018 as interest and participation in the meeting continues to grow every year.
2. **Other professional services** (US\$ 33,848; 338.5%): Approximately US\$ 28,000 of the excess is due to non-budgeted costs of additional translation services required for the increased number of meeting documents.

The 2018 approved budget included US\$ 100,000 for the 93rd meeting of the Commission. As announced during that meeting, expenses exceeded the budgeted amount by approximately US\$ 49,000 because the minimum room reservation requirement was not met, and the IATTC was obligated to pay for those rooms. These costs are included in a separate line item in Tables 1 and 2.

5. 2018 SPECIAL PROJECTS

Table 3 summarizes the special project activity during 2018.

The IATTC staff routinely seeks and receives funding from outside sources to support its activities (**External**). Consequently, several projects in which the staff is involved are funded separately by the Members or other interested parties. The information on these projects is included for illustrative purposes only, as their budgets are determined, approved, and accounted for separately, and are not part of the IATTC's regular budget. For instance, since 2007 the IATTC staff has raised an annual average of approximately US\$ 95,000 in supplementary funding for research at the Achotines Laboratory, in addition to the US\$ 324,000 from the IATTC regular budget for utilities, fish food, and other supplies, and salaries for 16 locally-contracted staff, included in the Biology and Ecosystem Program.

The Commission approved six research projects and one study (*Management of the human resource function*), for which funds were allocated within the Commission's budget (**IATTC**). Three of them, which had minimal or no expenditures during 2018, are grouped into "Other projects". These funds are expected to be used during 2019. Because not all Member contributions were received during 2018, the budgeted projects could not be fully funded, therefore in some cases expenses exceeded income.

Some programs were derived from resolutions (**Resolution**), such as the program for monitoring transshipments at sea (Document [CAF-07-03](#)) and the Capacity Building Fund (CBF), established by Resolution [C-14-03](#) for strengthening the institutional capacity of developing countries. The CBF is essential to ensure the substantial and effective participation of those countries in the activities of the Commission, including its meetings. The fund is financed by a 2% levy added to the operating budget, and thus proportionately to each Member's contribution (Document [CAF-07-02](#)). In 2018 this amounted to US\$ 156,412, based on the approved operating budget of US\$ 7,820,591 for that year.

Not included in this document are research activities and projects recommended by the meeting of the Scientific Advisory Committee (IATTC-94-03), which would require additional funding, nor proposals by the staff for specific projects that are not currently funded (IATTC-94-02b).

TABLE 3. Special projects, 2018, in US\$			
Project (funding source)	Income	Expenses	+/(-)
External			
A.4.a Regional tuna tagging program, Phase I (EU)	44,005	44,005	-
D.2.a Electronic monitoring of purse-seine vessels (EU)	4,338	4,338	-
Plan of action for capacity management (EU)	41,934	41,934	-
M.2.a Estimation of post-release shark survival rate (EU/ISSF)	272,177	272,177	-
M.5.a Testing of non-entangling and biodegradable FADs (EU/ISSF)	17,502	17,502	-
2018 CAPAM workshop (ISSF/USA)	10,045	10,045	-
C.4.a Data collection on sharks (GEF/FAO)	47,050	47,050	-
C.4.a Shark sampling workshop (GEF/FAO)	124,551	124,551	-
H.8.a Design survey for EPO dolphin stocks (MEX)	95,343	95,343	-
Q.1.a Environmental Leadership & Training Initiative Phase 3 (Yale University)	152,274	126,895	23,379
	Subtotal	809,219	783,840
			23,379
IATTC			
J.2.a Relationship between vessel characteristics and fishing mortality	69,190	97,821	(28,631)
I.1.a Management Strategy Evaluation for tropical tunas in the EPO	100,531	143,993	(43,462)
X.1.a Workshop on spatial stock assessments of bigeye	31,026	18,302	12,724
- Management of the human resource function	62,057	76,950	(14,893)
Other projects	112,317	12,000	100,317
	Subtotal	375,121	349,066
			26,055
Resolution			
Transshipment program (C-12-07)	1,297,610	1,297,610	-
Capacity-building fund (CBF) (C-14-03)	97,064	45,326	51,738
	Subtotal	1,394,674	1,342,936
			51,738
Total		2,579,014	2,475,842
			101,172

An administrative fee is charged on all contracts for services provided by the IATTC staff to third parties that are covered neither in the IATTC nor AIDCP budgets. This includes research contracts and grants, as well as the placement of observers on vessels operating outside the IATTC Convention Area, and is included under other contract revenue in the audited financial statements. This income is in addition to the regular budget, and is used to cover unexpected costs not included in the approved budget.

6. STATUS OF MEMBER CONTRIBUTIONS, AS OF 31 DECEMBER 2018

As noted in the introduction, the Commission's primary source of income is the contributions of its Members. **Table 4** summarizes the status of the contributions specified in Resolution [C-17-03](#) received during 2018.

As of 31 December 2018, past-due contributions totaled US\$ 5,400,371, an increase of over US\$ 2,000,000 from the previous year. **Table 5** shows in greater detail the status of the contributions of Members that are in arrears.

TABLE 4. Member contributions received during 2018, in US\$				
	Payments of past arrears	Budget contributions		Total
		2018	Voluntary / 2019	
Belize	-	44,187	-	44,187
Canada	-	149,137	-	149,137
China	-	180,561	29,439	210,000
Costa Rica	-	101,046	-	101,046
El Salvador	-	76,746	46,330	123,076
European Union	-	394,377	-	394,377
France	-	128,801	-	128,801
Guatemala	16,145	34,107	-	50,252
Japan	-	389,667	-	389,667
Korea	-	237,127	-	237,127
Mexico	-	1,005,698	-	1,005,698
Nicaragua	-	71,491	-	71,491
Panama	621,202	-	-	621,202
Peru	1,363	84,561	-	85,924
Chinese Taipei	-	214,766	-	214,766
United States of America	-	1,746,553	3,447	1,750,000
Vanuatu	-	55,261	-	55,261
Total contributions	638,710	4,914,085	79,216	5,632,012
Unpaid 2018 contributions at year end		3,041,953 ¹		
Prepaid contribution in 2017		20,966		
2018 approved budget		7,977,004		

TABLE 5. Contributions in arrears, in US\$, as of 31 December 2018									
	Previous years						2018		Total, 31-DEC-18
	2013	2014	2015	2016	2017	Total, 31-DEC-17	Billed	Paid	
Colombia	*	*	*	306,339	279,534	585,873	351,584	-	937,457 ⁴
Ecuador	*	*	*	*	*	*	1,640,775	-	1,640,775 ⁴
Guatemala	*	*	*	*	16,146	16,146	50,202	50,252	16,096
Kiribati	*	*	*	*	*	*	41,441	-	41,441
Panama	429,594	396,980	356,551	359,070	477,072	2,019,267	606,497	621,202	2,004,562
Peru	*	*	*	*	1,363	1,363	84,561	85,924	-
Venezuela	*	*	*	*	374,480	374,480	385,560	-	760,040
Total	429,594	396,980	356,551	665,409	1,148,595	2,997,129			5,400,371

¹ No outstanding arrears during those years.

7. STATUS OF MEMBER CONTRIBUTIONS FOR 2019

The approved operating budget for FY 2019, is US\$ 6,804,821, plus US\$ 1,008,029 in funding for the AIDCP Observer Program, special funding of US\$ 161,500 in scientific research projects, and US\$ 159,487 for the capacity-building fund, for a total agreed budget of US\$ 8,133,837, as reflected in Resolution [C-18-04](#).

⁴ Balance was paid by 30 April 2019

Table 6 shows the status of unpaid contributions, totaling US\$ 7,012,885 as of 1 May 2019:

TABLE 6. Contributions outstanding, in US\$, as of 1 May 2019⁵				
	Previous years	FY 2018	FY 2019	Total
China	-	-	200,642	200,642
Ecuador	-	-	1,661,762	1,661,762
Guatemala	-	16,096	51,206	67,302
Kiribati	-	41,441	45,133	86,574
Mexico	-	-	1,049,109	1,049,109
Nicaragua	-	-	76,578	76,578
Panama	1,398,065	606,497	720,048	2,724,610
Peru	-	-	122,778	122,778
Vanuatu	-	-	57,432	57,432
Venezuela	374,480	385,560	206,058	966,098
Total	1,772,545	1,049,594	4,190,746	7,012,885

Despite the requirement that all contributions be paid by 1 March of the corresponding year, as of 1 May 2019, 52% (US\$ 4.2 million) of the 2019 budget contributions established in Resolution [C-18-04](#) are still pending (**Table 6**), and are thus considered in arrears. Given that most of the contributions due in any given year are not paid before the established deadline, the Commission may wish to consider creating additional incentives or penalties to improve compliance with that obligation.

8. JUSTIFICATION FOR INCREASE FROM THE APPROVED BUDGET FOR 2019 TO THE REQUESTED BUDGET FOR 2020

Table 7 shows the budget change requests, by line item.

Increase from approved 2019 to requested 2020 operational budgets:

The proposed increase of US\$ 436,461 in Operating costs from 2019 to 2020 includes funding for the following:

1. **Salaries and benefits (US\$ 212,114):**
 - a. 2% COLA (cost-of-living adjustment) and merit increases in salaries and benefits (US\$ 187,115).
 - b. Increased 403(b) retirement contributions due to increased staff (US\$ 24,999).
2. **Field office staff salaries (US\$ 15,000):**
A 2% COLA and merit increases in salaries and benefits.
3. **Research materials and supplies (US\$ 64,000):**
Due to the large number of items included under *Headquarters office expenses*, this line item has been further broken down, to account for research materials and supplies separately. The majority of expenditures are for the Ashotines Laboratory, specifically:
Four large fiberglass tanks for growth experiments with early-juvenile yellowfin tuna. [Studies of early-juvenile yellowfin](#) have become a priority research focus; specifically, studies of density-dependent growth of yellowfin 1-6 months of age, which are also of interest for stock assessments (**US\$ 32,000**)

⁵ Payments made subsequent to 1 May will be presented at the meeting of Committee on Administration and Finance in July 2019.

TABLE 7. Comparative figures, in US\$, by budget line item, FYs 2019- 2021				
	2019	2020		2021
	(approved)	+/(-)	(requested)	(projected)
HEADQUARTERS SALARIES AND BENEFITS:				
Salaries	3,865,024	187,115	4,052,139	4,193,543
Group insurance:				
Medical insurance	347,000	-	347,000	550,000
Life, disability and personal accident insurance	30,000	-	30,000	30,000
Workmen's compensation insurance	14,000	(4,000)	10,000	10,000
Social security	263,581	4,000	267,581	276,981
Pension fund (IFCPS)	515,000	-	515,000	515,000
403 (b) Retirement plan	305,001	24,999	330,000	341,000
Subtotal, Headquarters salaries and benefits	5,339,606	212,114	5,551,720	5,916,524
OPERATING COSTS:				
Field office facilities and related supplies	100,000	-	100,000	105,000
Field office staff salaries	530,000	15,000	545,000	560,000
Headquarters office expenses	165,910	-	165,910	165,910
Research materials and supplies	75,000	64,000	139,000	65,000
Purchase and maintenance of computer equipment	100,000	20,000	120,000	120,000
Vehicles:				
Purchases	-	72,000	72,000	36,000
Operational (fuel, maintenance, etc.)	29,305	(5,000)	24,305	24,305
Parking	14,000	16,000	30,000	30,000
Insurance, licenses and permits	6,000	-	6,000	6,000
Printing and postage	20,000	(5,000)	15,000	15,000
Staff travel	120,000	5,000	125,000	125,000
IATTC meetings (excluding annual meetings)	80,000	25,000	105,000	105,000
Contracts:				
Annual audit and tax reporting	45,000	-	45,000	45,000
Payroll services	15,000	5,000	20,000	20,000
Other professional services	35,000	-	35,000	35,000
Bank and other fees	10,000	2,000	12,000	12,000
Subtotal, Operating costs	1,345,215	214,000	1,559,215	1,469,215
ANNUAL MEETINGS:				
Meeting venue	120,000	10,000	130,000	140,000
Subtotal, Salaries and benefits, Annual meetings, and Operating costs	6,804,821	436,114	7,240,935	7,525,739
AIDCP program ⁶	1,008,029	347	1,008,376	1,025,313
Total, Operating costs	7,812,850	436,461	8,249,311	8,551,053
Various research projects	161,500	(161,500)	-	-
Director candidate travel costs	-	30,000	30,000	-
Subtotal	7,974,350	304,961	8,279,311	8,551,053
Capacity Building Fund ⁷	159,487		165,586	171,021
TOTAL BUDGET	8,133,837		8,444,897	8,722,074

⁶ Amount is based upon the AIDCP budget request and is subject to change (See current AIDCP finance document ([MOP-39-01](#))).

⁷ Actual amount is dependent upon the approved operational budget.

Generator rebuild. The Laboratory has two generators to provide essential uninterrupted power for the tuna broodstock tanks and other research facilities during outages, which occur quite frequently. Of the two, one (provided by ARAP) is not suited to high-saline tropical environments, and is unreliable; the other is reliable, but is 20 years old with 20,000 hours of operation. The manufacturer (Caterpillar) recommends rebuilding the generator after 10,000 hours (US\$ 32,000).

4. **Purchase and maintenance of computer equipment (US\$ 20,000):**
Additional equipment required for the increased number of staff.
5. **Purchase of vehicles (US\$ 72,000):**
Two vehicle replacements: Staff transportation van for the Achotines Laboratory, and a field office vehicle. The Achotines Laboratory provides transportation to and from work for the majority of the local staff; the current vehicle is 13 years old, with over 292,000 km of operation. Also, the vehicle for the Panama City field office is 11 years old, with over 309,000 km of operation. Replacing both would reduce repair and fuel costs and ensure continuity in staff transportation.
6. **Vehicle operational costs (US\$ (5,000)):**
Reduction in anticipated maintenance on newer vehicles.
7. **Parking (US\$ 16,000):**
Increased staff parking requirements.
8. **Printing documents, mail and publications (US\$ (5,000)):**
Decrease in printed material.
9. **Staff travel (US\$ 5,000):**
Adjustment due to general increases in costs.
10. **IATTC meetings (US\$ 25,000):**
Interest and participation in the Scientific Advisory Committee meeting continues to grow every year, requiring additional funds. The increase is needed to align the budget with anticipated costs.
11. **Payroll services (US\$ 5,000):**
Adjustment due to general increases in costs.
12. **Bank and other fees (US\$ 2,000):**
Adjustment due to general increases in costs.
13. **Annual meetings (US\$ 10,000):**
Adjustment due to general increases in costs.
14. **AIDCP program (US\$ 347):**
See [MOP-39-01](#) for explanation of this increase.

The 2020 requested budget includes US\$ 30,000 for Director candidate travel costs to attend the 2020 annual meeting; these are included in a separate line item outside the operational budget.

9. SUMMARY

The Director and the staff of the Commission recognize the need to minimize costs while ensuring that they fulfill their functions under the Antigua Convention and carry out the tasks assigned by the Members. However, 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, in view of the continuously rising costs of the supplies and goods that must be purchased as a normal part of the function of the Commission, as well as for all activities associated with meetings and the implementation of projects and programs.

With regard to staff salaries and related benefits, cost of living adjustments should be applied on an annual basis. It is important also to recall that the scope of the activities of the Commission and its staff continues to expand, not only because of the broader mandate derived from the Antigua Convention, but also in

response to the wishes and demands of the Members. This means hiring more personnel as well as compensating current staff for additional assigned tasks, and it is therefore essential that the Commission give due consideration to the levels of funding requested in this document and adopt the requested budget for 2020 in the amount of US\$ 8,444,897.

For the Commission and its staff to fulfill their functions in compliance with the Antigua Convention fully and efficiently, it is also essential that all Member contributions to the budget be paid in a timely manner, and that the situation related to the pending arrears of some Members be promptly resolved. The Commission could consider creating additional incentives or penalties to improve compliance.