

INTER-AMERICAN TROPICAL TUNA COMMISSION
COMMITTEE ON ADMINISTRATION AND FINANCE
8TH MEETING (2020)¹

DOCUMENT CAF-08-01

**FISCAL YEAR 2019 RESULTS AND BUDGETS FOR FISCAL
YEARS 2021 AND 2022**

Requested budget, FY 2021	US\$	8,133,837
Projected budget, FY 2022	US\$	8,326,084

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This document presents the Commission’s financial activity for fiscal year² (FY) 2019, an update on the status of the contributions to the operating budget for FY 2020, the requested budget for FY 2021, and a budget projection for FY 2022.

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 Postponed until a later date to be determined

² 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, Stock assessment, and Ecosystem and bycatch), 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 vessels³ 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 parties of the AIDCP through fees of the participating vessels (see Document [MOP-41-01](#)). 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. These six categories have been updated to reflect the 2019 organigram presented at the 94th Annual meeting of the IATTC in Bilbao:

A	Administration and finance	D	Stock assessment program
B	Data collection and database program	E	Ecosystem and bycatch Program
C	Biology program	F	30% of the AIDCP observer budget

³ Carrying capacity greater than 363 t (IATTC Class 6).

A. ADMINISTRATION AND FINANCE

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 Finance**, which includes financial planning, budgeting, accounting, management of human resources in the main office and in the field offices and the Achotines Laboratory (payroll, benefits, recruiting, policies, procedures), and administrative coordination of scientific research, as well as translation services, and **Policy Compliance**, 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.

B. DATA COLLECTION AND DATABASE PROGRAM

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, coordination of the Observer program under the AIDCP and processing information collected by the observers. 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.

C. BIOLOGY PROGRAM

Category C includes salaries and benefits for field office and scientific staff assigned to projects of the **Biology Program**, designed to increase the available knowledge of the life history and behavior of tunas, tuna like-species, and other associated species in the EPO. 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 commercial fishing vessels, and laboratory experiments.

The Program encompasses two Groups which conduct several important research activities: **Life History and Behavior Group** and **Early Life History Group**.

The **Life History and Behavior Group** is responsible for the following major areas of activity:

1. Investigations of the biology and behavior of tunas, including deriving population parameter estimates.
2. Tuna tagging experiments to obtain vital information on movements and population structure, along with growth, mortality, and exploitation rates.

The research of the **Early Life-History Group** is mainly conducted at the Achotines Laboratory and includes the following activities (described in detail in Document [SAC-11-14](#)):

1. Field and laboratory experiments to investigate the key environmental and biological factors of the early life history of the tuna that affect the recruitment of young fish to the exploitable population.
2. Develop tools to forecast recruitment of young tuna to the exploitable population.

The scientific knowledge produced by the Biology Program—along with fishery-dependent data sources

(e.g. catch, effort and composition data)—is incorporated into population dynamics models for assessing the effects of fishing and natural factors on the abundance and sustainability of stocks (see activities of **Stock Assessment Program, Category D**). It is also used to parameterize the ecosystem models conducted under the research activities of the **Ecosystem and Bycatch Program** (see **Category E**).

D. STOCK ASSESSMENT PROGRAM

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. Based on the best available science, implement stock assessments of tunas, billfishes, dolphins, and stocks of other species (e.g. sharks and dorado) as deemed necessary by the Members, and conduct risk analysis for management of the tropical tuna fishery in the EPO.
2. Maintain active participation and/or collaboration in assessments conducted by other entities (e.g. International Scientific Committee for Tuna and Tuna-Like Species in the North Pacific Ocean, Secretariat of the Pacific Community) of stocks whose range includes the EPO (e.g. bluefin, albacore, billfishes, sharks) or for which hypotheses of stock geographic boundaries are being explored (e.g. Pacific-wide assessment of bigeye, billfishes, sharks).
3. Evaluation of the effect on the status of the stocks from current or any other types of proposed management measures (e.g. using risk analysis to evaluate the impact of management measures with respect to the reference points specified in the IATTC’s harvest control rule).
4. Conduct a comprehensive Management Strategy Evaluation (MSE) for the tropical tuna in the EPO and collaborate with other organizations in Pacific-wide MSEs (e.g. with ISC for albacore and Pacific bluefin tuna).
5. Design and evaluation of sampling programs for fishery data collection and scientific experiments in the EPO.
6. Analyze biological and fisheries data for input into the stock assessments.
7. Conduct research on stock assessment, stock assessment methodology, and related topics.
8. Provide analytical support for the other IATTC research programs.
9. Through collaborations with external studies, improve our understanding of the socio-economic aspects of sustainable fisheries for tropical tunas (e.g. POSEIDON with Ocean Conservancy).
10. Participation in scientific meetings, scientific bodies, and peer reviews of stock assessments and research.
11. Organize 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.

E. ECOSYSTEM AND BYCATCH PROGRAM

Category E includes salaries and benefits of field office staff and of scientific staff assigned to the **Ecosystem and Bycatch Program**. The duties of the program consist of assessing and mitigating the multidimensional impacts of the tuna fisheries as well as investigating their interactions with the environment and the ecosystem. These activities are conducted by two groups within the Program: the **Ecosystem** and the **Bycatch Mitigation and Gear Technology** Groups.

The **Ecosystem Group** is responsible for the following research activities:

1. Develop analytical tools to identify and prioritize species at risk for data collection, research and management.
2. Conduct Ecological Risk Assessments (ERAs) of EPO fisheries to identify and prioritize species at risk.

3. Conduct trophodynamic studies for defining key assumptions in EPO ecosystem models. This 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.
4. Ecosystem modeling studies. This includes improving analytical tools to evaluate anthropogenic and climate impacts of the EPO ecosystem.
5. In coordination with the **Ecosystem Group** and **Stock Assessment Program**, conduct spatiotemporal analyses to better understand the effect of key environmental drivers on the short-term as well as long-term (regime shift) fluctuations of abundance of tunas and prioritized bycatch species.

The **Bycatch Mitigation and Gear Technology Group** is in charge of the following research activities:

1. In collaboration with the fishing industry, conduct scientific experiments to: a) identify gear technology that will reduce bycatches and mortality of prioritized species; b) develop best practices for the release of prioritized bycatch species; c) develop best practices for mitigating the impacts of fishing on habitats in the EPO.
2. Conduct spatiotemporal analyses to identify areas of high bycatch/catch ratios for potential use in spatial management, and investigate alternative tools for bycatch mitigation.
3. In coordination with the **Stock Assessment Program**, improve our understanding of the effects of the operational characteristics of the fishery on fishing mortality, stock assessment, and management advice. This goal includes identifying and monitoring changes in technology and fishing strategies, investigate the relationship between the operational characteristics of the purse-seine fishery and fishing mortality, and study the impact of FAD operations on socio-economic aspects of sustainable fisheries for tropical tunas.

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

The observer program is divided into the following major areas of activity:

1. Collection 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 remaining 30%.
2. Training of the observers who collect data for this program.
3. Organize and perform seminars for vessel operators, that include information on the international agreements and regulations currently in force, as well as other pertinent information, as required by the AIDCP.
4. Editing of the data collected by observers, in support of the **Data collection and database program**.

The information collected and processed through the observer program is also used to support monitoring of compliance with measures established by the IATTC and AIDCP.

In addition to the research activities specified above, the staff working under all programs also participates in scientific meetings, meetings of other scientific bodies, and peer reviews of research as deemed necessary.

4. FISCAL YEAR 2019 OPERATIONAL EXPENDITURES

Table 1, Column 1 shows the original approved budget for 2019; Column 2 shows the actual expenditures in FY 2019, and Columns 3a and 3b the variances between the budgeted and actual costs.

TABLE 1. 2019 budget	1	2	3a	3b
	Approved	Actual	US\$	%
HEADQUARTERS SALARIES AND BENEFITS:				
Salaries	3,865,024	3,760,182	(104,842)	(2.7)
Employee benefits:				
Group insurance:				
Medical insurance	347,000	313,788	(33,212)	(9.6)
Life, disability and personal accident insurance	30,000	28,184	(1,816)	(6.1)
International workmen's compensation insurance	14,000	8,721	(5,279)	(37.7)
Social security	263,581	262,402	(1,179)	(0.4)
Pension fund (IFCPF)	515,000	564,202	49,202	9.6
403(b) retirement plan	305,001	333,712	28,712	9.4
Subtotal, Headquarters salaries and benefits	5,339,606	5,271,191	(68,414)	
ANNUAL MEETING COSTS	120,000	28,991	(91,009)	
OPERATING COSTS:				
Field office facilities and related supplies	100,000	81,687	(18,313)	(18.3)
Field office staff salaries	530,000	578,735	48,734	9.2
Headquarters office expenses	165,910	179,297	13,387	8.1
Research materials and supplies	75,000	66,155	(8,845)	(11.8)
Purchase and maintenance of computer equipment	100,000	86,492	(13,508)	(13.5)
Vehicles:				
Operation (fuel, maintenance, etc.)	29,305	25,413	(3,892)	(13.3)
Parking	14,000	4,643	(9,357)	(66.8)
Insurance, licenses and permits	6,000	7,442	1,442	24.0
Printing, postage and publication	20,000	7,029	(12,971)	(64.9)
Staff travel	120,000	164,036	44,036	36.7
IATTC meetings (excluding annual meetings)	80,000	99,055	19,055	23.8
Contracts:				
Annual audit and tax reporting	45,000	41,186	(3,418)	(8.5)
Payroll services	15,000	17,400	2,400	16.0
Other professional services	35,000	19,049	(15,951)	(45.6)
Bank and other fees	10,000	6,070	(3,930)	(39.3)
Subtotal, Operating costs	1,345,215	1,383,688	38,473	
Subtotal, Headquarters salaries and benefits + Operating costs + Annual meeting costs	6,804,821	6,683,870	(120,950)	
Observer program	1,008,029	811,513	(196,516)	
TOTAL Operating budget	7,812,850	7,495,383	(317,466)	

Table 2 summarizes the financial results, by budget category and line item, as of 31 December 2019.

TABLE 2. Operational expenses, in US\$, by budget category and line item, 2019⁴	A	B	C	D	E	Subtotal IATTC	F	TOTAL
HEADQUARTERS SALARIES AND BENEFITS:								
Salaries	905,898	553,047	1,074,176	720,716	506,345	3,760,182	174,186	3,934,368
Employee benefits:								
Group insurance:								
Medical insurance	72,799	64,759	99,643	41,169	35,418	313,788	14,473	328,261
Life, disability and personal accident insurance	8,357	3,979	6,983	3,059	5,806	28,184	792	28,976
International workmen's compensation insurance	2,000	1,349	2,367	1,037	1,968	8,721	269	8,990
Social security	63,267	37,580	72,594	53,070	35,891	262,402	12,251	274,653
Pension fund (IFCPF)	43,119	115,060	260,240	51,807	93,976	564,202	13,663	577,865
403(b) Retirement plan	61,431	20,802	34,423	53,367	163,690	333,712	7,570	341,282
Subtotal, headquarters salaries and benefits	1,156,871	796,576	1,550,426	924,225	843,094	5,271,191	223,204	5,494,395
ANNUAL MEETING COSTS	28,991	-	-	-	-	28,991	-	28,991
OPERATING COSTS:								
Field office facilities and related supplies	-	58,245	-	-	24,419	81,687	25,841	107,528
Field office staff salaries	140	249,365	223,568	-	104,464	578,734	77,977	656,711
Headquarters office expenses	29,605	361	143,973	339	5,019	245,452	-	179,297
Research materials and supplies	-	-	66,155	-	-	66,155	-	66,155
Observer costs	-	-	-	-	-	-	484,491	484,491
Purchase and maintenance of computer equipment	83,035	301	1,582	1,546	28	86,492	-	86,492
Vehicles:								
Operation (fuel, maintenance, etc.)	10,226	-	13,842	1,245	100	25,413	-	25,413
Parking	4,643	-	-	-	-	4,643	-	4,643
Insurance, licenses and permits	4,924	-	-	-	-	7,442	-	7,442
Printing, postage and publication	2,684	1,362	2,647	300	36	7,029	-	7,029
Staff travel	94,938	-	38,911	11,599	18,588	164,036	-	164,036
IATTC meetings (excluding annual meetings)	2,653	-	-	87,088	9,314	99,055	-	99,055
Contracts:								
Annual audit and tax reporting	41,186	-	-	-	-	41,186	-	41,186
Payroll services	17,400	-	-	-	-	17,400	-	17,400
Other professional services	14,473	-	4,576	-	-	19,049	-	19,049
Bank and other fees	5,170	-	3,418	-	-	6,070	-	6,070
Subtotal, operating costs	311,077	309,634	498,672	102,117	161,968	1,383,388	588,309	1,971,997
TOTAL operational expenses	1,496,939	1,106,210	2,049,098	1,026,342	1,005,062	6,686,870	811,513	7,495,383

⁴ A (Administration and finance); B (Data collection and database program); C (Biology program); D (Stock assessment program); E (Ecosystem and bycatch program); 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. The triennial actuarial evaluation in January 2020 has shown improvement.

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.

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

Research materials and supplies: includes sundries and research supplies supporting the Ashotines Laboratory.

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-41-01](#), and is subject to change once the Parties to the AIDCP approve the budget for 2021.

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

Purchase, parking and operating costs of vehicles: includes purchase of vehicles, and related maintenance and fuel costs as well as staff parking.

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 as well as costs for simultaneous interpretation services.

Contracts: includes legal and professional fees, auditing and payroll services, short-term contracts with

specialists, and casual labor.

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

BUDGET VARIANCE

The IATTC strives to maintain costs within budget, however, the following line item had a significant variance (> US\$ 20,000 and 20%) between the budgeted and actual costs (**Table 1**):

Staff travel (US\$ 44,036; 36.7%): Includes non-budgeted costs of approximately US\$ 14,000 related to ICCAT participation in the Training workshop on FAD data collection and the 2nd Meeting of the Joint Tuna RFMOs Working Group on FADS held in San Diego, staff visits to field offices as well as increased staff attendance at global meetings.

5. 2019 SPECIAL PROJECTS

Table 3 summarizes the special project activity during 2019.

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 Program.

The Commission approved eleven research projects and one study (*Management of the human resource function*), for which funds were allocated within the Commission's budget (**IATTC**). Four of them, which had minimal or no expenditures during 2019, are grouped into "Other projects".

Some programs were derived from resolutions (**Resolution**), such as the program for monitoring transshipments at sea (Document [CAF-08-03](#)) 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-08-02](#)). In 2019 this amounted to US\$ 159,487, based on the approved operating budget of US\$ 7,974,350 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-94-02](#)).

TABLE 3. Special projects, 2019, in US\$			
Project (funding source)	Income	Expenses	+/(-)
External			
A.4.a Regional tuna tagging program, Phase I (EU)	597,948	597,948	-
D.2.a Electronic monitoring of purse-seine vessels (EU)	76,433	76,433	-
Plan of action for capacity management (EU)	45,016	45,016	-
M.2.a Estimation of post-release shark survival rate (EU/ISSF)	3,056	3,056	-
M.5.a Testing of non-entangling and biodegradable FADs (EU/ISSF)	170,781	170,781	-
2019 Annual Meeting in Bilbao (EU/Min of Agric ESP)	385,826	385,826	-
C.4.a Data collection on sharks (GEF/FAO)	52,113	52,113	-
H.8.a Design survey for EPO dolphin stocks (MEX)	780,580	780,580	-
Q.1.a Environmental Leadership & Training Initiative Phase 3 (Yale University)	219,175	177,088	42,087
Observer Safety Equipment (NOAA/PSMFC)	181,019	181,019	-
Acoustic studies of Yellowfin Tuna (ISSF)	26,933	-	26,933
Nutritional studies of Yellowfin Tuna (Ichthus Unlimited)	21,150	-	21,150
Second joint working group on FADs (EU/GEF/FAO)	189,239	184,908	4,331
	Subtotal	2,749,269	2,654,768
			94,501
IATTC			
J.2.a Relationship between vessel characteristics and fishing mortality	126,034	98,927	27,107
2019 Annual meeting	121,002	28,991	92,011
I.1.a Management Strategy Evaluation for tropical tunas in the EPO	40,463	-	40,463
X.1.a Workshop on spatial stock assessments of bigeye	12,488	8,522	3,966
Workshop on Development and Communicate of MSE (WWF/IATTC)	12,813	194,201	(181,388)
Sorting grid	56,519	6,242	50,277
External review of Bigeye Tuna	-	105,659	(105,659)
Age and growth Workshop	-	24,790	(24,790)
Western Pacific out of area	44,337	44,337	-
Other projects	51,134	49,712	1,422
	Subtotal	464,790	561,381
			(96,591)
Resolution			
Transshipment program (C-12-07)	1,043,016	1,043,016	-
Capacity-building fund (CBF) (C-14-03)	190,982	253,906	(62,924)
	Subtotal	1,233,998	1,296,922
			(62,924)
Total	4,448,055	4,513,071	(65,016)

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 2019

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-18-04](#) received during 2019.

As of 31 December 2019, past-due contributions totaled US\$ 3,916,477, a reduction of approximately US\$ 1,500,000 from the previous year. **Table 5** shows in greater detail the status of the contributions of Members that were in arrears.

TABLE 4. Member contributions received during 2019, in US\$				
	Payments of past arrears	Budget contributions		Total
		2019	Voluntary / 2020	
Belize	-	45,825	-	45,825
Canada	-	150,239	-	150,239
China	-	200,642	20,000	220,642
Colombia	937,457	242,637	-	1,180,094
Costa Rica	-	127,305	-	127,305
Ecuador	1,640,775	1,603,444	-	3,244,219
El Salvador	-	43,455	-	43,455
European Union	-	473,734	-	473,734
France	-	135,989	-	135,989
Guatemala	16,096	9,344	-	25,440
Japan	-	404,764	-	404,764
Korea	-	255,425	-	255,425
Mexico	-	1,049,109	-	1,049,109
Nicaragua	-	76,578	-	76,578
Peru	-	83,765	-	83,765
Chinese Taipei	-	241,395	-	241,395
United States of America	-	1,746,553	-	1,746,553
Vanuatu	-	57,432	-	57,432
Total contributions	2,594,328	6,947,633		9,561,963
Unpaid 2019 contributions at year end		1,110,434		
Prepaid contribution in 2018		75,768		
2019 approved budget		8,133,836		

TABLE 5. Contributions in arrears, in US\$, as of 31 December 2019									
	Previous years						2019		Total, 31-DEC-19
	2014	2015	2016	2017	2018	Total, 31-DEC-18	Billed	Paid	
Colombia	*	*	306,339	279,534	351,584	937,457	242,637	1,180,094	-
Ecuador	*	*	*	*	1,640,775	1,640,775	1,661,762	3,244,219	58,318
Guatemala	*	*	*	*	16,096	16,096	51,206	25,438	41,864
Kiribati	*	*	*	*	41,441	41,441	45,133	-	86,574
Panama	205,372	356,551	359,070	477,072	606,497	2,004,562	720,048	-	2,724,610
Peru	*	*	*	*	*	-	122,778	83,765	39,013
Venezuela	*	*	*	374,480	385,560	760,040	206,058	-	966,098
Total	205,372	356,551	665,409	1,131,086	3,041,953	5,400,371			3,916,477

* No outstanding arrears during those years.

7. STATUS OF MEMBER CONTRIBUTIONS FOR 2020

The approved operating budget for FY 2020, the same as the approved budget for 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\$ 8,133,836, as reflected in Resolution [C-18-04](#).

Table 6 shows the status of unpaid contributions, totaling US\$ 7,892,766 as of 31 July 2020:

	Previous years	FY 2019	FY 2020	Total
Corea	-	-	268,955	268,955
Ecuador	-	-	1,639,008	1,639,008
Francia	-	-	151,641	151,641
Guatemala	-	-	29,312	29,312
Kiribati	41,441	45,133	44,611	131,185
Mexico	-	-	1,048,040	1,048,040
Panama	2,004,562	720,048	742,352	3,466,962
Peru	-	-	2,727	2,727
Venezuela	760,040	206,058	188,838	1,154,936
Total	2,806,043	971,239	4,115,484	7,892,766

Despite the requirement that all contributions be paid by 1 March of the corresponding year, as of 31 July 2020, 51% (US\$ 4.1 million) of the 2020 budget contributions established in Resolution [C-19-03](#) are still pending (**Table 6**), and are thus considered in arrears. As noted earlier, these contributions fund the AIDCP Observer Program, approved scientific research projects, the capacity building fund as well as general operations of the Commission. Therefore, the unpaid amounts affect all of the aforementioned activities. 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 RE-ALLOCATIONS FROM THE APPROVED BUDGET FOR 2020 TO THE REQUESTED BUDGET FOR 2021 AND SPECIAL REQUESTS FOR THE 2022 PROJECTED BUDGET

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

Reallocation of line items from the approved 2020 to requested 2021 operational budgets:

1. **Salaries and benefits (US\$194,009):**
 - a. 3% COLA (cost-of-living adjustment) and addition of one senior scientist position within the Ecosystem and Bycatch program for an increase in salaries and benefits (US\$ 233,325).
 - b. Reduction of International workman’s compensation insurance due to changes in the current market trends and negotiations (US\$ (4,000)).
 - c. Increased Social security contributions to correlate with increase in staff salaries (US\$ 23,400).
 - d. Reduction of Pension fund contributions by minimizing supplemental payments due to the 2020 actuarial report results (US\$ (113,715)).
 - e. Change in 403(b) retirement contributions reflect increased staff participation (US\$ 54,999).
2. **Field office staff salaries (US\$ 30,000):**
A 3% COLA increase in salaries and benefits.
3. **Vehicle running costs (US\$ (5,000)):**
Reduction of costs to reflect reduced costs of newer vehicles.
4. **Parking (US\$ (4,000)):**
Reduction of costs due to more stringent parking conditions.
5. **Printing documents, mail and publications (US\$ (10,000)):**
Decrease in printed material.

⁵ Payments made subsequent to 31 July will be presented at the meeting of Committee on Administration and Finance.

6. **IATTC meetings (US\$ 20,000):**
Adjustment due to general increases in costs.
7. **Payroll services (US\$ 5,000):**
Adjustment due to general increases in costs.
8. **Other professional services (US\$ (20,000)):**
Reduction of costs due to decreased translation outsourcing.
9. **AIDCP program (US\$ (48,509)):**
See [MOP-41-01](#) for explanation of this decrease.

Special requests for the 2022 projected operational budget:

1. **Research materials and supplies (US\$ 68,000)**
The Achotines Laboratory has two generators providing 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 over 20,000 hours of operation. A generator replacement is recommended with a cost of US\$ 68,000.
2. **Purchase of a vehicle and a tractor (US\$ 63,000):**
The Achotines Laboratory provides transportation to and from work for the majority of the local staff; the current vehicle is 14 years old, with over 300,000 km of operation. Replacing this vehicle would reduce repair and fuel costs and ensure continuity in staff transportation (US\$ 38,000). The access road from the Laboratory area to the boat ramp is a steep unpaved hill and the boat ramp itself is quite steep. To safely control the large boat/trailer combination when descending the hill and boat ramp during launch, as well as retrieval, a powerful and heavy tractor is required. The current tractor is 7 years old and has required multiple motor and clutch repairs, and replacement parts are difficult to source in the U.S. and not available in Panama requiring a full replacement of approximately (US\$ 25,000).

TABLE 7. Comparative figures, in US\$, by budget line item, FYs 2020 - 2022				
	2020	2021		2022
	(approved)	+ / (-)	(requested)	(projected)
HEADQUARTERS SALARIES AND BENEFITS:				
Salaries	3,865,024	233,325	4,098,349	4,200,806
Group insurance:				
Medical insurance	347,000	-	347,000	347,000
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	23,400	286,981	294,000
Pension fund (IFCPS)	515,000	(113,715)	401,285	322,800
403 (b) Retirement plan	305,001	54,999	360,000	369,000
Subtotal, Headquarters salaries and benefits	5,339,606	194,009	5,533,615	5,573,606
OPERATING COSTS:				
Field office facilities and related supplies	100,000	-	100,000	105,000
Field office staff salaries	530,000	30,000	560,000	576,791
Headquarters office expenses	165,910	-	165,910	165,910
Research materials and supplies	75,000	-	75,000	133,000
Purchase and maintenance of computer equipment	100,000	-	100,000	100,000
Vehicles:				
Purchase of a vehicle and a tractor	-	-	-	63,000
Operational (fuel, maintenance, etc.)	29,305	(5,000)	24,305	26,000
Parking	14,000	(4,000)	10,000	14,000
Insurance, licenses and permits	6,000	-	6,000	6,000
Printing and postage	20,000	(10,000)	10,000	10,000
Staff travel	120,000	-	120,000	120,000
IATTC meetings (excluding annual meetings)	80,000	20,000	100,000	100,000
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	(20,000)	15,000	15,000
Bank and other fees	10,000	-	10,000	10,000
Subtotal, Operating costs	1,345,215	16,000	1,361,215	1,509,701
ANNUAL MEETINGS:				
Meeting venue	120,000	-	120,000	120,000
Subtotal, Salaries and benefits, Annual meetings, and Operating costs	6,804,821	210,009	7,014,830	7,203,307
AIDCP program ⁶	1,008,029	(48,509)	959,520	959,520
Total, Operating costs	7,812,850	161,500	7,974,350	8,162,827
Various research projects ⁷	161,500	(161,500)	-	-
Subtotal	7,974,350	-	7,974,350	8,162,827
Capacity Building Fund ⁸	159,487	-	159,487	163,257
TOTAL BUDGET	8,133,837		8,133,837	8,326,084

⁶ Amount is based upon the AIDCP budget request and is subject to change (See current AIDCP finance document ([MOP-41-01](#))).

⁷ Research projects to be agreed upon and approved during the plenary meeting.

⁸ Actual amount is dependent upon the approved 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.

It is important 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 its 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 2021 in the amount of US\$ 8,133,837.

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.