



**The North Atlantic Salmon
Conservation Organization**

**Report of the Thirtieth Annual Meeting of
the Finance and Administration Committee
3 - 5 June 2013, Drogheda, Ireland**

Chairman: Mr Raoul Bierach (Norway)

Vice-Chairman: Mr Doug Twining (Canada)

Interim Secretary: Dr Peter Hutchinson

CNL(13)57

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Report of the Meeting of the Finance and Administration Committee of the North Atlantic Salmon Conservation Organization Westcourt Hotel, Drogheda, Ireland 3 – 5 June 2013

1. Opening of the Meeting

- 1.1 The Chairman, Mr Raoul Bierach (Norway), opened the meeting and welcomed members of the Committee to Drogheda.
- 1.2 A list of participants is contained in Annex 1.

2. Adoption of the Agenda

- 2.1 The Committee adopted its agenda, FAC(13)5 (Annex 2).

3. 2012 Audited Accounts

- 3.1 The Interim Secretary introduced the audited accounts for 2012, FAC(13)2. The Council had decided to change auditors for the 2012 accounts. He indicated that Chiene and Tait had completed the audit effectively and, as required, the accounts had been issued to the Parties by 15 February 2013. The 2012 budget had allowed for the use of the Organization's reserves held in the Working Capital Fund (up to £150,000) and the Contractual Obligation Fund (up to £45,050). The accounts confirm that it was not necessary to use the full amount of Working Capital (£147,995 was required) and the Contractual Obligation Fund was not used at all.
- 3.2 The Committee recommended to the Council the adoption of the 2012 audited accounts.
- 3.3 The President referred to a management letter that had been received from Chiene and Tait concerning the Staff Fund Rules, the potential of retention of Secretariat status for former employees, and the reference to a special review. These matters were discussed by the Heads of Delegations and the FAC. It was decided that the Parties will draft questions for Chiene and Tait regarding the scope of the analysis of the Staff Fund and retention of Secretariat status for former employees. Parties will also submit questions to seek clarification from Chiene and Tait on the products and cost of their conducting a special review. All questions to be submitted will be circulated to the Parties. The Interim Secretary would then relay these questions to Chiene and Tait on behalf of NASCO. The Interim Secretary will provide the response from Chiene and Tait to the Heads of Delegations who will then take a decision on how they would like to proceed. In the event that Chiene and Tait are unable to address all of the questions, then alternative arrangements will be considered by the Parties.

4. Relationship with ICES

- 4.1 In 2007, the Council had entered into a Memorandum of Understanding (MoU) with ICES that is subject to review every three years. In 2010, the Council had agreed to continue with the MoU.
- 4.2 The Committee recommended that the MoU with ICES continue for a further period of three years on the understanding that, during this period, there should be no increase in costs above the rate of inflation in Denmark. The Interim Secretary indicated that he had raised with ICES the possibility of receiving the advice earlier than the date specified in the MoU (10 May). The Committee asked that he continue to liaise with ICES on this matter, noting that it is particularly important to receive the advice early in years when catch advice is provided to inform negotiations of regulatory measures.

5. Consideration of the 2014 Draft Budget, Schedule of Contributions and five-year Budgeting Plan

- 5.1 The Interim Secretary introduced the Draft 2014 Budget, FAC(13)3. Last year, the Committee had requested that a more detailed break-down of the planned expenditure be shown within budget heads and the Secretariat had, therefore, developed a new format for the 2014 Draft Budget which the Committee welcomed. Following announcement that the Interim Secretary had been appointed as Secretary from 1 July 2013, a revised budget was developed. This budget assumed that because there would be no need to use the funds available in the 2013 Budget for relocation expenses, there would be a surplus at the end of the year which could be paid into the Working Capital Fund. The sums that had been budgeted for 2014 (£50,000) and 2015 (£50,000) for the Working Capital Fund had, therefore, been removed from the revised budget. The Committee also agreed that the loan from the Board (£25,000) should be repaid in full in 2014.
- 5.2 The Committee agreed to recommend to the Council the adoption of the revised 2014 Draft Budget and 2015 Forecast Budget, FAC(13)8. The budget as adopted by the Council, CNL(13)37, is included in Annex 3, together with a five-year budgeting plan (2014 – 2018) that was provided for information.
- 5.3 The representative of the US thanked the Interim Secretary for providing salary information and asked that this information continue to be given to the Committee with the annual budget proposal, on a confidential basis, in future.

6. MoU with the OSPAR Commission

- 6.1 In 2011, the OSPAR Commission had proposed that an MoU be agreed with NASCO. A Draft MoU, which had been developed by the OSPAR Commission, was considered at the Committee's 2012 Meeting. The Committee had developed a shorter, simplified text and it was agreed to resolve the matter inter-sessionally. Following further simplification of the text by the Secretariat, the MoU was agreed inter-sessionally by NASCO Heads of Delegations and sent to OSPAR whose Jurists and Linguists had made only minor editorial changes.

6.2 The Interim Secretary introduced document FAC(13)4, which contained the revised draft MoU with OSPAR. The Committee agreed the Draft MoU and recommended that it be adopted by the Council and sent to the OSPAR Commission for consideration at its Annual Meeting. Once the MoU has been accepted by the OSPAR Commission, it would then be signed by the President on behalf of NASCO. The Draft MoU (FAC(13)9) is contained in Annex 4.

7. Appointment of Auditors

7.1 The Committee noted that last year, the Council had agreed to appoint Chiene and Tait of Dublin Street, Edinburgh, as auditors for the 2012, 2013 and 2014 audited accounts.

8. Any Other Business

8.1 The Committee asked that the Secretariat obtain a quotation for re-printing the Handbook of Basic Texts and consult with the Parties so that a decision can be taken on whether or not to proceed.

9. Report of the Meeting

9.1 The Committee agreed a report of its meeting.

9.2 The Chair thanked the members of the Committee for their contributions and closed the meeting.

9.3 A list of Finance and Administration Committee papers is given in Annex 5.

List of Participants

Canada

Richard Nadeau
Doug Twining

Denmark (in respect of the Faroe Islands and Greenland)

Kristina Guldbaek
Jóannes Hansen

European Union

Marco D' Ambrosio

Norway

Raoul Bierach (Chairman)
Arne Eggereide
Heidi Hansen

Russian Federation

Konstantin Drevetnyak
Elena Samoylova

US

Kim Blankenbeker
Mary Colligan
Dan Morris
Patrick Pearsall
Nicole Ricci

Secretariat

Peter Hutchinson

FAC(13)5

Agenda

1. Opening of the Meeting
2. Adoption of the Agenda
3. 2012 Audited Accounts
4. Relationship with ICES
5. Consideration of the 2014 Draft Budget, Schedule of Contributions and five-year budgeting plan
6. MoU with the OSPAR Commission
7. Appointment of Auditors
8. Any Other Business
9. Report of the Meeting

CNL(13)37**North Atlantic Salmon Conservation Organization
2014 Budget and 2015 Forecast Budget (Pounds Sterling)**

	Budget 2014	Forecast 2015
Expenditure		
1. Staff-related costs	294,160	302,985
2. Travel and subsistence	28,000	28,000
3. Research and advice	65,000	67,000
4. Contribution to Working Capital Fund	0	0
5. Meetings	8,000	8,000
6. Office supplies, printing and translation	23,000	24,000
7. Communications	14,000	16,000
8. Headquarters Property	38,000	39,000
9. Office furniture and equipment	6,500	6,500
10. Audit and other expenses	7,800	8,000
11. Tag Return Incentive Scheme	4,800	4,800
12. International Atlantic Salmon Research Fund	25,000	0
13. Contribution to Contractual Obligation Fund	66,000	66,500
14. Contribution to Recruitment Fund	15,000	15,000
Total Expenditure	595,260	585,785
Income		
15. Contributions - Contracting Parties	534,260	524,785
16. General Fund – Interest	4,000	4,000
17. Income from Headquarters Property	57,000	57,000
18. Surplus or Deficit (-) from 2012	0	0
Total Income	595,260	585,785

2014 Budget & 2015 Forecast Budget (Pounds Sterling) - Expenditure by Sub-section

	Budget 2014	Forecast 2015
1. Staff-related costs		
1.1 Secretariat members	188,890	194,557
1.2 Support staff	35,780	36,853
1.3 Staff Fund contributions, allowances, & other staff costs	69,490	71,575
Total	294,160	302,985
2. Travel and subsistence		
2.1 Travel to post and Annual Meeting	7,000	7,000
2.2 Official travel and subsistence	21,000	21,000
Total	28,000	28,000
3. Research and advice		
3.1 Annual contribution to ICES	65,000	67,000
3.2 Other research and advice	0	0
Total	65,000	67,000
4. Contribution to Working Capital Fund	0	0
5. Meetings		
5.1 Costs of Annual Meeting	4,000	4,000
5.2 Costs of other meetings	4,000	4,000
Total	8,000	8,000
6. Office supplies, printing and translation		
6.1 Office supplies	17,000	18,000
6.2 Printing	4,000	4,000
6.3 Translations	2,000	2,000
Total	23,000	24,000
7. Communications		
7.1 Telecommunications	6,000	7,000
7.2 Postage and courier services	2,000	2,000
7.3 Website	6,000	7,000
7.4 Communications, professional support and design	0	0
Total	14,000	16,000
8. Headquarters Property		
8.1 Capital and interest payments	0	0
8.2 Maintenance, services and other building-related costs	38,000	39,000
Total	38,000	39,000
9. Office furniture and equipment		
9.1 Furniture	0	1,500
9.2 Equipment	6,500	5,000
Total	6,500	6,500
10. Audit and other expenses		
10.1 Audit and accountancy fees	4,300	4,500
10.2 Bank charges and insurances	1,000	1,000
10.3 Miscellaneous	2,500	2,500
Total	7,800	8,000
11. Tag Return Incentive Scheme	4,800	4,800
12. Contribution to IASRF	25,000	0
13. Contribution to Contractual Obligation Fund	66,000	66,500
14. Contribution to Recruitment Fund	15,000	15,000
Total Expenditure	595,260	585,785

2013 Budget Contributions (Pounds Sterling) Adjusted for Confirmed rather than Provisional 2011 Catches (tonnes)

Party	2011 catch (provisional)	2011 catch (confirmed)	2013 contribution (provisional)	2013 contribution (confirmed)	Adjustment
Canada	179	179	82,368	82,231	-137
Denmark (Faroe Islands and Greenland)	28	28	38,880	38,859	-21
European Union	512	510	178,272	177,305	-967
Norway	696	696	231,264	230,730	-534
Russian Federation	83	89	54,720	56,380	+1,660
USA	0	0	30,816	30,816	0
Total	1,498	1,502	616,320	616,320	0

Note: A positive adjustment represents an underpayment in 2013.

NASCO Budget Contributions for 2014 and Forecast Budget Contributions for 2015 (Pounds Sterling)

Party	2012 catch (provisional)	2014 contribution	Adjustment from 2013	2014 adjusted contribution	2015 forecast contribution
Canada	135	63,918	-137	63,781	62,785
Denmark (Faroe Islands and Greenland)	34	36,083	-21	36,062	35,443
European Union	410	139,707	-967	138,740	137,229
Norway	696	218,527	-534	217,993	214,651
Russian Federation	82	49,312	+1,660	50,972	48,437
USA	0	26,713	0	26,713	26,239
Total	1,357	534,260	0	534,260	524,785

Contributions are based on the official returns by the Parties (see CNL(13)13).

Column totals can be in error by a few pounds due to rounding.

Five-year NASCO Budgeted Expenditure and Income Projections 2014 – 2018

		2014	Forecast 2015	Forecast 2016	Forecast 2017	Forecast 2018
Expenditure						
1	Staff related costs	294,160	302,985	312,075	321,430	331,080
2	Travel & Subsistence	28,000	28,000	28,000	29,000	30,000
3	Research & advice	65,000	67,000	69,000	71,000	73,000
4	Contribution to Working Capital	0	0	0	0	0
5	Meetings	8,000	8,000	9,000	30,000	9,000
6	Office supplies, printing and translations	23,000	24,000	25,000	27,000	28,000
7	Communications	14,000	16,000	17,000	17,500	18,500
8	Headquarters Property	38,000	39,000	41,000	43,000	45,000
9	Office furniture & equipment	6,500	6,500	6,500	6,500	6,500
10	Audit & other expenses	7,800	8,000	10,000	11,000	12,000
11	Tag return incentive scheme	4,800	4,800	4,800	4,800	4,800
12	International Cooperative Research	25,000	0	0	0	0
13	Contribution to Contractual Obligation Fund	66,000	66,500	94,000	103,000	110,000
14	Contribution to Recruitment Fund	15,000	15,000	15,000	15,000	15,000
Total		595,260	585,785	631,375	679,230	682,880
Income						
15	Contributions of Contracting Parties	534,260	524,785	570,375	618,230	621,880
16	Interest Received on General Fund	4,000	4,000	4,000	4,000	4,000
17	Income from HQ property	57,000	57,000	57,000	57,000	57,000
Total		595,260	585,785	631,375	679,230	682,880

FAC(13)9

Draft Memorandum of Understanding between the North Atlantic Salmon Conservation Organization and the OSPAR Commission

The North Atlantic Salmon Conservation Organization (hereinafter 'NASCO') and the Commission established by the 1992 Convention for the Protection of the Marine Environment of the North-East Atlantic (hereinafter 'OSPAR Commission') have complementary competences, for the conservation and rational management of Atlantic salmon and for the protection of marine ecosystems, respectively, in the North-East Atlantic, including in areas beyond national jurisdiction.

RECOGNISING that under the Convention for the Conservation of Salmon in the North Atlantic Ocean:

- NASCO's objective is to contribute to the conservation, restoration, enhancement and rational management of salmon stocks in the North Atlantic Ocean, through consultation and cooperation, taking into account the best scientific evidence available to it;
- NASCO seeks to promote the acquisition, analysis and dissemination of scientific information pertaining to salmon stocks in the North Atlantic Ocean.

RECOGNISING that under the Convention for the Protection of the Marine Environment of the North-East Atlantic:

- The Contracting Parties to the OSPAR Convention agreed to take necessary measures to protect the maritime area against adverse effects of human activities so as to safeguard human health and to conserve marine ecosystems and the biological diversity of the maritime area and, when practicable, restore marine areas which have been adversely affected;
- The OSPAR Commission aims for the application of an integrated ecosystem approach.

NOTING that both the OSPAR Commission and NASCO have entered into a Memorandum of Understanding with ICES for scientific information and advice.

NASCO and the OSPAR Commission have reached the following understanding:

1. The Secretariats of NASCO and the OSPAR Commission will invite each other to participate as observers in meetings of common interest that they each may organize;
2. The Secretariats of NASCO and the OSPAR Commission will communicate, as necessary, to share information, including annual reports and data and, where appropriate, coordinate on matters concerning the conservation and rational management of Atlantic salmon and the protection of marine ecosystems in the North-East Atlantic;
3. The Secretariats of NASCO and the OSPAR Commission will report to their respective organizations on the actions each has taken pursuant to this Memorandum of Understanding;

4. Cooperation on specific issues within the scope of this Memorandum of Understanding may, if necessary, be specified in further detail through the development of separate sub-arrangements between NASCO and the OSPAR Commission.

This Memorandum of Understanding will come into effect following its signature by both Parties.

It may be terminated by either signatory by giving six months' written notice to the other signatory, prior to the proposed date of termination.

This Memorandum of Understanding may be modified by written, mutual consent, subject to approval by NASCO and the OSPAR Commission.

Signed on behalf of the OSPAR Commission:

Signed on behalf of NASCO:

OSPAR Commission Authority TBN

NASCO Authority TBN

Date:

Date:

FAC(13)0

List of Papers

FAC(13)0	List of papers
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FAC(13)3	2014 Draft Budget, 2015 Forecast Budget and Five-Year (2014 - 2018) Spending Plan
FAC(13)4	MoU with the OSPAR Commission
FAC(13)5	Agenda
FAC(13)6	Revised 2014 Draft Budget, 2015 Forecast Budget and Five-Year (2014 - 2018) Spending Plan
FAC(13)7	Draft Report of the Meeting of the Finance and Administration Committee
FAC(13)8	2014 Draft Budget, 2015 Forecast Budget and Five-Year (2014 - 2018) Spending Plan
FAC(13)9	Draft Memorandum of Understanding between the North Atlantic Salmon Conservation Organization and the OSPAR Commission
FAC(13)10	Revised Draft Report of the Meeting of the Finance and Administration Committee