

**The North Atlantic Salmon
Conservation Organization**

**Report of the Twenty-Fifth Annual Meeting of
the Finance and Administration Committee
2 June 2008, Gijón, Spain**

Chairman: Dr Boris Prischepa (Russian Federation)

Vice-Chairman: Mr Arni Isaksson (Iceland)

Secretary: Dr Malcolm Windsor

CNL(08)5

Contents

| | <u>Page</u> |
|---|-------------|
| Report of the Twenty-Fifth Annual Meeting of the Finance and Administration Committee | 1 |
| Annex 1 List of Participants | 5 |
| Annex 2 Agenda | 7 |
| Annex 3 2009 Draft Budget and 2010 Forecast Budget | 9 |
| Annex 4 List of Finance and Administration Committee Papers | 15 |

CNL(08)5

Report of the Meeting of the Finance and Administration Committee of the North Atlantic Salmon Conservation Organization Tryp Rey Pelayo Hotel Melia, Gijon, Spain Monday 2 June 2008

1. Opening of the Meeting

- 1.1 The Chairman, Dr Boris Prischepa (Russian Federation), opened the meeting and welcomed members of the Committee to Gijon.
- 1.2 A list of participants is contained in Annex 1.

2. Adoption of the Agenda

- 2.1 The Committee adopted its agenda, FAC(08)5 (Annex 2).

3. Election of Officers

- 3.1 The Committee unanimously re-elected Dr Boris Prischepa (Russian Federation) as its Chairman and Mr Arni Isaksson (Iceland) as its Vice-Chairman.

4. 2007 Audited Accounts

- 4.1 The Secretary introduced the audited accounts for 2007, FAC(08)2. The audited accounts indicate that there was a surplus of £10,065 which was paid into the Working Capital Fund in accordance with the Financial Rules. The Committee recommended to the Council the adoption of the 2007 audited accounts.

5. Relationship with ICES

- 5.1 The Secretary introduced document FAC(08)3 that reported on the relationship with ICES. Last year the Council had entered into a new Memorandum of Understanding (MoU) with ICES that will be subject to review every three years. During the year ICES had introduced a number of changes to its advisory process. The Secretary reported on the financial implications of different requests for scientific advice. For example, if NASCO did not seek peer reviewed advice but merely a compilation of information, savings of about 54% of the cost of the standard advice could be made. If there was no request at all then savings of about 67% of the cost of the standard advice could be made. The Secretary indicated that this was certainly not intended as a suggestion that advice or information was not required but simply to advise the Committee of the implications of the new MoU. ICES has made considerable progress in addressing NASCO's concerns about the timeliness and quality of presentation of the advice and it will be important to ensure that the new arrangements

for delivering the advice do not adversely affect these aspects and that ICES delivers advice that is independent and free from political influence under the new transparent process envisaged.

- 5.2 The Committee discussed the implications of the move to a multi-species approach in ICES. While it was felt that this should not affect the quality of NASCO's advice in any way, the Committee asked that the new arrangements for providing advice be kept under review by the Secretariat so that any issues that arise could be raised with the Committee and with ICES.

6. Consideration of the 2009 Draft Budget, Schedule of Contributions and 2010 Forecast Budget

- 6.1 The Secretary introduced the draft 2009 budget, FAC(08)4, which represented a reduction in real terms of about 4% compared to the 2008 budget. If the non-expenditure elements budgeted to allow the Organization to build its reserves were excluded the budget represented a reduction of about 16% in real terms. There are either no increases or reductions proposed in real terms in eleven of the thirteen budget expenditure headings. The Secretary outlined the reasons for the increases in the two other sections.
- 6.2 The Committee discussed whether rather than proposing a reduction in budget to the Council, it should further build the Organization's reserves, for example, to cover the cost of the 'salmon summit' proposed for 2010 or 2011. The Secretary advised the Committee that the Board had already made budgetary provision to cover the costs of the symposium.
- 6.3 The Committee also considered whether there is a continuing need to budget travel and subsistence costs for the President when on NASCO business. However, it was agreed to retain this element for the 2009 budget and to re-examine the need for budgetary provision in subsequent budgets. The Secretary confirmed that the reduction in the communications budget would not affect the Organization's ability to up-date the NASCO website.
- 6.4 The Committee agreed to recommend to the Council the adoption of the draft budget in Annex 3.

7. Appointment of Auditors

- 7.1 The Committee recommended to the Council the appointment of PricewaterhouseCoopers of Queen Street, Edinburgh, as auditors for the 2008 audited accounts, or such other company as may be agreed by the Secretary in consultation with the Chairman of the Finance and Administration Committee. However, it was agreed that, at its next meeting, the Committee would consider the desirability of changing auditors in the light of information from the Secretary on the cost and other implications of such a change.

8. Any Other Business

8.1 It was suggested that in re-developing the NASCO website, the Secretariat might review those of other RFMOs and look into having areas with information that was available only to NASCO delegates. The Committee noted that there would be discussions in the Council on progress with implementing NASCO's Public Relations Strategy.

8.2 There was no other business.

9. Report of the Meeting

9.1 The Committee agreed a report of its meeting.

9.2 The Chairman 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 4.

Note: On the recommendation of the Finance and Administration Committee the budget contained in Annex 3 was subsequently adopted unchanged by the Council.

List of Participants

Canada

Tim Young

Denmark (in respect of the Faroe Islands and Greenland)

Torsteen Overgaard

European Union

Staffan Ekwall

Aleksandra Kordecka

Iceland

Arni Isaksson

Norway

Oyvind Walso

Russian Federation

Boris Prischepa (Chairman)

Elena Samoylova

Svetlana Krylova

USA

Kim Blankenbeker

Secretariat

Malcolm Windsor

Peter Hutchinson

FAC(08)5

Agenda

1. Opening of the Meeting
2. Adoption of the Agenda
3. Election of Officers
4. 2007 Audited Accounts
5. Relationship with ICES
6. Consideration of the 2009 Draft Budget, Schedule of Contributions and 2010 Forecast Budget
7. Appointment of Auditors
8. Any Other Business
9. Report of the Meeting

FAC(08)6

***North Atlantic Salmon Conservation Organization
2009 Draft Budget and 2010 Forecast Budget (Pounds Sterling)***

| Section | Description | Expenditure | |
|---------|---|----------------|------------------|
| | | Budget 2009 | Forecast 2010 |
| 1 | Staff-related costs | 351,840 | 362,200 |
| 2 | Travel and subsistence | 44,500 | 45,400 |
| 3 | Research and advice | 53,440 | 55,000 |
| 4 | Contribution to Working Capital Fund | 40,000 | 40,000 |
| 5 | Meetings | 8,000 | 8,000 |
| 6 | Office supplies, printing and translation | 25,250 | 25,900 |
| 7 | Communications | 28,000 | 28,640 |
| 8 | Headquarters Property | 37,300 | 38,400 |
| 9 | Office furniture and equipment | 6,500 | 6,500 |
| 10 | Audit and other expenses | 10,000 | 10,210 |
| 11 | Tag Return Incentive Scheme | 4,200 | 4,500 |
| 12 | International Atlantic Salmon Research Fund | 0 | 0 |
| 13 | Contribution to Contractual Obligation Fund | 36,000 | 37,000 |
| | Total | 645,030 | 661,750 |

| | | Income | |
|----|-------------------------------------|----------------|------------------|
| | | Budget 2009 | Forecast 2010 |
| 14 | Contributions - Contracting Parties | 580,030 | 598,750 |
| 15 | General Fund - Interest | 8,000 | 8,000 |
| 16 | Income from Headquarters Property | 57,000 | 55,000 |
| 17 | Surplus or Deficit (-) from 2007 | 0 | 0 |
| | Total | 645,030 | 661,750 |

| Section 1 | Staff-related costs | Budget 2009 | Forecast 2010 |
|-----------|--|----------------|------------------|
| 1.1 | Secretariat members | 226,270 | 233,000 |
| 1.2 | Support staff | 25,810 | 26,500 |
| 1.3 | Staff Fund contributions, allowances, public liability, insurances and other staff-related costs | 99,760 | 102,700 |
| | Total | 351,840 | 362,200 |

| Section 2 | Travel and subsistence | Budget 2009 | Forecast 2010 |
|-----------|---------------------------------------|----------------|------------------|
| 2.1 | Travel to post and Annual Meeting | 8,500 | 8,500 |
| 2.2 | Official travel and subsistence | 32,000 | 32,900 |
| 2.3 | President's travel to represent NASCO | 4,000 | 4,000 |
| | Total | 44,500 | 45,400 |

| Section 3 | Research and advice | Budget 2009 | Forecast 2010 |
|-----------|-----------------------------|----------------|------------------|
| 3.1 | Annual contribution to ICES | 53,440 | 55,000 |

| Section 4 | Contribution to Working Capital Fund | Budget 2009 | Forecast 2010 |
|-----------|---|----------------|------------------|
| 4.1 | Working Capital | 40,000 | 40,000 |

| Section 5 | Meetings | Budget 2009 | Forecast 2010 |
|-----------|-------------------------|----------------|------------------|
| 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 |

| Section 6 | Office supplies, printing and translation | Budget 2009 | Forecast 2010 |
|-----------|--|----------------|------------------|
| 6.1 | Office supplies | 20,500 | 21,100 |
| 6.2 | Printing | 2,500 | 2,500 |
| 6.3 | Translations | 2,250 | 2,300 |
| | Total | 25,250 | 25,900 |

| Section 7 | Communications | Budget 2009 | Forecast 2010 |
|-----------|---|----------------|------------------|
| 7.1 | Telecommunications | 6,000 | 6,100 |
| 7.2 | Postage and courier services | 5,000 | 5,100 |
| 7.3 | Website | 9,000 | 9,200 |
| 7.4 | Communications, professional support and design | 8,000 | 8,240 |
| | Total | 28,000 | 28,640 |

| Section 8 | Headquarters Property | Budget 2009 | Forecast 2010 |
|-----------|--|----------------|------------------|
| 8.1 | Capital and interest payments | 0 | 0 |
| 8.2 | Maintenance, services and other building-related costs | 37,300 | 38,400 |
| | Total | 37,300 | 38,400 |

| Section 9 | Office furniture and equipment | Budget 2009 | Forecast 2010 |
|-----------|---------------------------------------|----------------|------------------|
| 9.1 | Furniture | 1,500 | 1,500 |
| 9.2 | Equipment | 5,000 | 5,000 |
| | Total | 6,500 | 6,500 |

| Section 10 | Audit and other expenses | Budget 2009 | Forecast 2010 |
|------------|---------------------------------|----------------|------------------|
| 10.1 | Audit and accountancy fees | 7,500 | 7,700 |
| 10.2 | Bank charges and insurances | 500 | 510 |
| 10.3 | Miscellaneous | 2,000 | 2,000 |
| | Total | 10,000 | 10,210 |

| Section 11 | Tag Return Incentive Scheme | Budget 2009 | Forecast 2010 |
|------------|------------------------------------|----------------|------------------|
| 11.1 | Prize money | 4,200 | 4,500 |

| Section 12 | Contribution to International Atlantic Salmon Research Fund | Budget 2009 | Forecast 2010 |
|------------|--|----------------|------------------|
| 12.1 | IASR Fund | 0 | 0 |

| Section 13 | Contribution to Contractual Obligation Fund | Budget 2009 | Forecast 2010 |
|------------|--|----------------|------------------|
| 13.1 | Contribution to Contractual Obligation Fund | 36,000 | 37,000 |

**Adjustments to 2008 contributions (Pounds Sterling)
to take into account confirmed 2006 Catch Statistics**

| Party | 2006 Provisional catch | 2006 Confirmed catch | 2008 Contribution based on provisional catch | 2008 Contribution based on confirmed catch | Adjustment to 2008 contribution |
|---------------------------------------|------------------------------|----------------------------|--|--|---------------------------------------|
| Canada | 132 | 137 | 51,942 | 52,521 | +580 |
| Denmark (Faroe Islands and Greenland) | 23 | 23 | 29,654 | 29,579 | -74 |
| European Union | 703 | 729 | 168,699 | 171,660 | +2,961 |
| Iceland | 113 | 114 | 48,057 | 47,893 | -164 |
| Norway | 931 | 931 | 215,320 | 212,312 | -3,008 |
| Russian Federation | 91 | 91 | 43,558 | 43,264 | -294 |
| USA | 0 | 0 | 24,951 | 24,951 | 0 |
| TOTAL | 1,993 | 2,025 | 582,180 | 582,180 | 0 |

Note: A positive adjustment represents an underpayment in 2008.

**NASCO Draft Budget Contributions for 2009 and Forecast
Budget Contributions for 2010 (Pounds Sterling)**

| Party | 2007 Provisional catch (tonnes) | Contribution for 2009 | Adjustment from 2008 | Adjusted contribution for 2009 | Forecast contribution for 2010 |
|---------------------------------------|--|--------------------------|-------------------------|--------------------------------------|--------------------------------------|
| Canada | 112 | 54,580 | +580 | 55,160 | 56,342 |
| Denmark (Faroe Islands and Greenland) | 25 | 31,493 | -74 | 31,418 | 32,509 |
| European Union | 441 | 141,888 | +2,961 | 144,849 | 146,467 |
| Iceland | 122 | 57,234 | -164 | 57,070 | 59,081 |
| Norway | 767 | 228,400 | -3,008 | 225,391 | 235,771 |
| Russian Federation | 63 | 41,577 | -294 | 41,283 | 42,919 |
| USA | 0 | 24,858 | 0 | 24,858 | 25,661 |
| TOTAL | 1,530 | 580,030 | 0 | 580,030 | 598,750 |

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

List of Finance and Administration Committee Papers

| | |
|----------|--|
| FAC(08)1 | Draft Agenda |
| FAC(08)2 | 2007 Audited Accounts |
| FAC(08)3 | Relationship with ICES |
| FAC(08)4 | 2009 Draft Budget and 2010 Forecast Budget |
| FAC(08)5 | Agenda |