

Council

CNL(12)7

***Report on the Activities of
the North Atlantic Salmon Conservation Organization
in 2011***

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Note: This Report is not intended for publication but is submitted to the Council under Article 5, paragraph 6 of the Convention which requires the submission of an annual report to the Parties. The report is a summary of the activities of the Organization in 2011, focusing on the actions taken. Full details of the work of the Organization are contained in the reports of the Twenty-Eighth Annual Meetings of the Council and Commissions and in the report of the Finance and Administration Committee.

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Report on the Activities of the North Atlantic Salmon Conservation Organization in 2011

1. Introduction

- 1.1 NASCO held its Twenty-Eighth Annual Meeting in Ilulissat, Greenland, at the invitation of Denmark (in respect of the Faroe Islands and Greenland). The Organization greatly appreciated the excellent arrangements made by the hosts.

2. Council

- 2.1 The Twenty-Eighth Annual Meeting of the Council was held during the period 4 - 6 June 2011, under the Presidency of Ms Mary Colligan (US). Representatives of all the Parties, and observers from France (in respect of St Pierre and Miquelon), two inter-government organizations, nine accredited non-government organizations and the Organization of Fishermen and Hunters in Greenland attended the meetings.

- (a) 'Next Steps for NASCO'

Final Report of the Aquaculture, Introductions and Transfers and Transgenics Focus Area Review Group

- 2.2 The final report of the Aquaculture, Introductions and Transfers and Transgenics Focus Area Review Group was presented. The Group had completed its Terms of Reference by reviewing a FAR for EU (Ireland) and by developing an overview of common management and scientific approaches to challenges, as reported in the FARs. The Review Group had considered carefully the feedback it had received and in some cases the assessments in its draft report had been revised to take into account feedback from the Parties. The Council acknowledged the Review Group's report and thanked the Group for its work.

Report of the 'Next Steps for NASCO' Review Group

- 2.3 The report of the 'Next Steps for NASCO' Review Group was presented. The Group had reviewed progress in implementing the Strategic Approach under each of the seven challenges it identifies. The Group recognised that while NASCO has moved quickly in implementing the measures in the Strategic Approach, these relate mainly to process. The Group made some recommendations for further actions relating to these challenges and proposed that additional feedback be sought during the Special Session at the 2011 Annual Meeting, with a view to considering updating of the Strategic Approach.
- 2.4 For the next cycle of reporting, the Review Group had suggested some streamlining and recommended that in the new Implementation Plans greater emphasis should be placed on the activities and actions each jurisdiction plans to take over a period of five

years. It recommended that there should be greater emphasis on monitoring and evaluation of activities with clearly described identifiable, measurable outcomes and timescales. It also recommended that, in future, Focus Area Reports should be developed around specific themes and that progress on Implementation Plans could be assessed through the Annual Reports, which would be reviewed. On the proposal of the Review Group, the Council agreed to establish a Working Group on Future Reporting under Implementation Plans and Evaluation of these Reports. The Working Group was asked to complete its work prior to the external performance review (see paragraph 2.7 below) and report back to the Council at its Twenty-Ninth Annual Meeting. The Terms of Reference for the Working Group were as follows:

- (a) Develop new guidelines for the preparation of Implementation Plans, drawing on document NSTF(06)10 but with greater emphasis on monitoring and evaluation and including criteria for acceptability, and guidelines for the preparation of Annual Reports. These guidelines should describe the content and format of these reports, the timing for submission of these reports, and the timing and process for distribution of these reports;
- (b) Develop a process for the review of Implementation Plans and Annual Reports including the criteria to be used for the reviews, the timing of the reviews, the composition of the Review Groups, and arrangements for reporting on the reviews;
- (c) Develop a schedule for the development and review of Implementation Plans, submission and review of the Annual Reports, and planning for and conduct of theme-based FAR Special Sessions.

2.5 The Council agreed that it would consider the need for revisions to the Strategic Approach for NASCO's 'Next Steps' and possible changes to its meeting schedule and agendas in the light of the findings of the external performance review. The Council also agreed that it would consider NASCO's future role on aquaculture in the light of the report of the Working Group on Future Reporting under Implementation Plans and Evaluation of these Reports and the findings of the external performance review.

Progress in implementing a Public Relations Strategy

2.6 A report was made on progress with further development of the NASCO and IASRB websites. Since 2010, information on approximately 1,500 rivers had been included in the rivers database following verification by the jurisdictions and it is anticipated that when complete the database will hold information on around 2,500 rivers. Further work has been undertaken to enable mapping of the information. The Council agreed that once the web pages for the rivers database are completed, they should be made available for viewing by the jurisdictions on a test site so that Parties can provide feedback to the Secretariat before the pages are made publicly available.

Arrangements for the External Performance Review

2.7 The Council adopted Terms of Reference for an external performance review and made budgetary provision to cover the costs of the panel members. The Council agreed to the appointment of Mr Michael Shewchuk (nominated by UN DOALOS), Ms Judith Swan (nominated by FAO) and Mr Kjartan Hoydal (Secretary of NEAFC). The Council also agreed that:

- the criteria attached to the TORs are to be used by the Review Panel as it determines appropriate;
- the review should examine the past, present and future of NASCO and the fitness of the organization given the current challenges facing the salmon;
- the Review Panel should produce a report which critically evaluates the performance of NASCO and makes recommendations for change and improvements;
- the Review Panel should decide how best to carry out its work including the need to hold a second meeting;
- the President and Secretary should provide logistical support to the Panel including background material and points of contact.

(b) Annual Reports on Implementation Plans

2.8 A summary of returns was presented. The representative of the European Union highlighted several positive developments in this report.

(c) Liaison with the North Atlantic Salmon Farming Industry

2.9 The report of the Liaison Group was presented. The Liaison Group had reviewed the final report of the Aquaculture, Introductions and Transfers and Transgenics Focus Area Review Group, considered reporting arrangements on the BMP Guidance, agreed on possible actions to improve communication of the Liaison Group's work and discussed the evolution of the Liaison Group. The Liaison Group requested that, going forward, NASCO Parties should carefully consider the following in its 'Next Steps' process:

- the extent of NASCO's role with respect to aquaculture, introductions and transfers and transgenics;
- the roles and responsibilities of the Parties, industry and NGOs with respect to NASCO's role;
- activities and studies that would best serve NASCO's role going forward.

2.10 With regard to reporting on the BMP Guidance, the Liaison Group had noted that the 'Next Steps for NASCO' review would be considering future reporting in relation to all of NASCO's agreements, and had agreed to reconsider the reporting requirements under the BMP Guidance in the light of this review. ISFA had indicated after the meeting that it would prefer to engage directly with the Parties through a seat at the NASCO Annual Meeting, consistent with that afforded to the NGOs.

2.11 The Council decided that, in view of the ongoing 'Next Steps' process and the external

performance review, it would consider the most appropriate approach to continuing its liaison with the salmon farming industry, which it greatly valued, at its 2012 meeting. The Council agreed that the Liaison Group did not need to meet prior to the 2012 Annual Meeting. The Council agreed that the Constitution of the Liaison Group should be changed to allow for election of both a Chairman and Vice Chairman.

(d) *New or Emerging Opportunities for, or Threats to, Salmon Conservation and Management*

2.12 Information was provided in the ACOM report from ICES and in the annual reports by the Parties on their Implementation Plans.

(e) *Incorporating Social and Economic Factors in Salmon Management*

2.13 A progress report on the work of the Sub-Group was presented. The Sub-Group had further developed web pages relating to socio-economic values and a proposal for a Special Session on socio-economics to be held during the 2012 Annual Meeting. The objective of the 2012 Special Session is to provide an opportunity for a more detailed exchange of information on how jurisdictions are incorporating socio-economic factors in decisions relating to: management of salmon fisheries; habitat protection and restoration; and aquaculture and related activities.

2.14 The Council agreed that it was important to make progress on this topic and asked the Sub-Group to liaise with the NASCO Secretariat on the arrangements for a half day Special Session to be held at the 2012 Annual Meeting. The Council believes that this session would have most value if it included a small number of presentations illustrating different concepts of how socio-economic factors are used in salmon management. The Session should also allow for feedback on the usefulness of the NASCO Guidelines and consideration of NASCO's future work on this topic. The Sub-Group was asked to proceed and develop the programme for the Special Session. The Council suggested that the Sub-Group might wish to consult EIFAAC with a view to its involvement in the Special Session. Following the Annual Meeting the Council agreed to postpone the Special Session until the 2013 Annual Meeting.

2.15 The Council agreed that the new web pages should be made publicly available on the NASCO website. The Parties were asked to provide, to the extent possible, by the end of the calendar year updated information for inclusion in the tables relating to 'rod and line' and 'net and trap' fisheries with a view to making these available on the website.

(f) *The International Atlantic Salmon Research Board (IASRB)*

2.16 The report of the meeting of the Board was presented.

(g) *The St Pierre and Miquelon Salmon Fishery*

2.17 A report was tabled containing information on management of the fishery, details of catches and of the number of licenses issued and the sampling programme in 2010. France (in respect of St Pierre and Miquelon) had reiterated that it wishes to retain its

observer status and to develop scientific cooperation with NASCO, given that salmon fishing is a traditional, seasonal activity for the inhabitants of the islands. The Council expressed its appreciation for the information provided and welcomed resumption of the sampling programme, including genetic analyses.

- 2.18 The representative of the NGOs recognised the subsistence nature of the fishery but noted that it exploits salmon of US and Canadian origin including endangered stocks. The NGOs believe therefore that France (in respect of St Pierre and Miquelon) should accede to the NASCO Convention as previously suggested by the Council.

(h) Scientific Advice

- 2.19 The scientific advice from ICES was presented. The Council adopted a request for scientific advice from ICES to be presented in 2012.

(i) Scientific Research Fishing in the Convention Area

- 2.20 There were no applications to conduct scientific research fishing in the Convention area during 2011.

(j) Other Business

- 2.21 Dr Malcolm Windsor will retire as NASCO Secretary on 31 August 2012. The Council decided to invite Dr Peter Hutchinson to become Interim Secretary for one year from 1 September 2012. He could then recruit an assistant for up to 12 months from 1 January 2013. The Council will agree a recruitment process for a new Secretary at its 2012 Annual Meeting.

- 2.22 The Secretary advised the Council that he had been approached by the OSPAR Commission concerning the development of an MoU between NASCO and OSPAR. The Council recognised the need for cooperation with OSPAR and asked the Secretary to liaise with OSPAR on the development of a draft MoU to be brought to the Council in 2012.

- 2.23 The Council received a report from each of the three regional Commissions on its activities (see sections 3, 4 and 5 below).

- 2.24 The Council adopted the report of the Finance and Administration Committee (see section 6 below).

- 2.25 The Council adopted a report to the Parties on the Activities of the Organization in 2010.

- 2.26 The winner of the Tag Return Incentive Scheme Grand Prize was Mr Sergey Kaney, Russian Federation.

- 2.27 The Council agreed to hold its Twenty-Ninth Annual Meeting in Edinburgh during 5 – 8 June 2012.

3. North American Commission

3.1 The Twenty-Eighth Annual Meeting of the North American Commission was held in Ilulissat, Greenland during the period 4 - 6 June 2011. In the absence of both the Chair and the Vice-Chair, Mr George Lapointe (US), was appointed to serve as Chair for the duration of the meeting.

(a) *Review of the 2010 Fishery and ACOM Report from ICES*

3.2 The Commission reviewed the 2010 fishery and considered the scientific advice from ICES. The Commission agreed a request to ICES for scientific advice to be presented in 2012.

(b) *The St. Pierre and Miquelon Salmon Fishery*

3.3 France (in respect of St. Pierre and Miquelon) presented information on the St. Pierre and Miquelon fishery. Canada and the United States offered to assist in the genetic analysis of the samples from the St. Pierre and Miquelon fishery. France (in respect of St. Pierre and Miquelon) welcomed the offers of assistance and will consider proposals to improve the reference database used for river of origin analysis.

3.4 Canada, supported by the United States and the NGOs, encouraged France (in respect of St. Pierre and Miquelon) to accede to the NASCO Convention. The representative of France (in respect of St. Pierre and Miquelon) referred to the letter provided to the NASCO Secretariat along with the information on its fishery in May 2010 which outlines its rationale for remaining as an Observer to NASCO.

(c) *Salmonid Introductions and Transfers*

3.5 While the Commission agreed in 2010 to changes in the NAC Protocols, no request was made to the Council to amend the Williamsburg Resolution. Therefore, the Commission requested that the Council agree to modify Appendix 1 of the Williamsburg Resolution, which contains the NAC Protocols, consistent with minor wording changes contained in NAC(10)6.

3.6 Annual Reports were tabled by the United States and Canada.

(d) *Sampling in the Labrador Fishery*

3.7 Canada provided an update on the sampling activity in the Labrador fishery in 2010 as well as an overview of the salmon fishery in Labrador.

(e) *Other Business*

3.8 The winner of the North American Commission prize in the Tag Return Incentive Scheme was Mr Bill Haining, New Brunswick, Canada.

4. North-East Atlantic Commission

4.1 The Twenty-Eighth Annual Meeting of the North-East Atlantic Commission was held in Ilulissat, Greenland, during the period 4 - 6 June 2011, under the Chairmanship of Mr Raoul Bierach (Norway).

(a) *Review of the 2010 Fishery and Scientific Advice from ICES*

4.2 The Commission considered the scientific advice from ICES and agreed a request to ICES for scientific advice to be presented in 2012.

(b) *Progress with development of a Risk Framework for the Faroese Fishery*

4.3 In 2009, the Commission had noted that ICES had been unable to make progress in developing quantitative catch advice because there are no explicit management objectives for provision of advice for the Faroese fishery and no pre-agreed sharing agreement among NASCO Parties. Following advice received from ICES at the 2010 Annual Meeting, the Commission agreed, to try to progress the matter inter-sessionally. In this regard, the Chairman had written to the members of the Commission seeking feedback on the following three questions:

- 1) Do the Parties agree that stocks at the country/region level be defined as the management units for the purpose of developing a risk framework for providing quantitative catch advice for the Faroese fishery, or are there alternative proposals?
- 2) Do the Parties agree that the management objectives used in developing a risk framework for providing quantitative catch advice for the Faroese fishery should be that there is a 75% probability of simultaneously achieving the conservation limits for each of these management units, or are there alternative proposals?
- 3) Do the Parties agree that the allocation of any harvestable surplus used in developing a risk framework for providing quantitative catch advice for the Faroese fishery should be on the basis of the average share of catches harvested at Faroes and in homewater fisheries during the period 1986 - 1990, or are there alternative proposals?

4.4 The responses to these questions were tabled. The EU, Norway and the Russian Federation had agreed with the proposals made in questions 2 and 3. With regard to question 1, Norway and Russia had indicated that the four regions used within each of these countries to calculate pre-fishery abundance could be used as management units for the purpose of developing a risk framework. The EU had noted that it was important that the selection of management units respect the application of the Precautionary Approach rather than the large stock complexes currently used, which ICES indicated could mask changes in a substantial proportion of stocks. The EU, therefore, proposed that ICES be requested to provide a more detailed evaluation of the appropriate choice of management units including, if possible, worked examples of catch advice. This was accepted by the Commission, which had further asked that ICES: 'provide a more detailed evaluation of the choice of appropriate management units to be used in a risk-based framework for the provision of catch advice for the

Faroese salmon fishery, taking into account relevant biological and management considerations and including, if possible, worked examples of catch advice'. The response from ICES is contained in the ACOM advice.

- 4.5 Norway tabled a document which described a possible management approach, in flow chart format, to facilitate the establishment of multi-annual measures for the Faroese salmon fishery. It was noted that there would be a need for further advice from ICES and decisions by NASCO before further progress could be made. In the event that the risk analysis was based on management units comprising large numbers of river stocks (jurisdiction or stock complex level), ICES had proposed that an additional management objective should also be applied at a smaller geographical scale. This objective might state that an agreed percentage of the assessed river stocks within each of the smaller geographic units must meet specified management objectives. ICES indicated that without advice from managers on the management objectives and an appropriate sharing arrangement, ICES would provide quantitative catch advice based on agreed objectives for other Commission areas of NASCO. The NGOs indicated that mixed-stock fisheries pose particular risks to the wild stocks and questioned why the Commission was discussing a possible quota at this time. The European Union indicated that this was a complex matter but there was a need to have a mechanism in place to set quotas in the event that the advice indicated that there was a harvestable surplus at some time in the future. The Commission agreed, therefore, that it should ask that ICES further develop both the Framework of Indicators and the Risk Framework and report to the 2012 meeting of the Commission so that there could be further discussions on this matter at that time.

(c) *Regulatory Measures*

- 4.6 The Commission adopted a decision concerning fishing of salmon in Faroese waters in 2012.
- 4.7 In 2009, an informal consultation meeting of the Parties had been held concerning Norwegian coastal fisheries and a further process of cooperation between Norway, the Russian Federation and the EU had been agreed. Norway indicated that, in 2010, the pre-fishery abundance of salmon in Norway had been at historically low levels but escapement had been maintained at adequate levels in most rivers. The Commission was advised that, for 2011, there would be no change in the fishery regulations compared to 2010. In 2011, responsibility for regulation of the salmon fisheries in rivers had been transferred from the County Governors' Offices to the Directorate for Nature Management and that 2011 would, therefore, be a transitional year. There would be a more complete review of the regulations in 2012 and dialogue with the Russian Federation and affected EU Member States would continue in future.

(d) *Risk of Transmission of Gyrodactylus salaris in the Commission Area*

- 4.8 Norway indicated that rotenone treatments of infected rivers are being conducted in order to eradicate the parasite. Of a total of 48 infected rivers, 21 rivers have been declared free of the parasite after successful treatment. An additional 5 rivers are being monitored for a period of five years after treatment before they can be declared free from the parasite. 22 rivers are still infected with *G.salaris*. Norway advised the

Commission that there are 10 infected rivers in the Vefsna region of northern Norway, which were scheduled to be treated in 2010 and 2011. The Norwegian authorities plan to carry out rotenone treatments of all 10 infected rivers and 3 lakes in the Vefsna region during 2011 and 2012 subject to approval from the Parliament. The total budget for this project is NOK120 million (\$20 million).

- 4.9 Norway indicated that in 2011 and 2012 new attempts will be made to eliminate *G.salaris* by the use of acid aluminium in the River Lærdalselva. In the river Driva, in central Norway, salmon can migrate 90 km upstream. To reduce the distance to be treated with rotenone, a barrier will be constructed 30 km from the sea. The engineering phase of this barrier commenced last year with construction in 2012/2013. In the Rauma region, which contains 4 infected rivers, mapping and planning are being undertaken with the aim of conducting rotenone treatments in 2013 and 2014.

(e) *Other Business*

- 4.10 The winner of the Commission's US\$1,500 prize in the Tag Return Incentive Scheme was Mr Clas Bjørnsrud, Norway.

5. West Greenland Commission

- 5.1 The Twenty-Eighth Annual Meeting of the West Greenland Commission was held in Ilulissat, Greenland during the period 4 - 6 June 2011 under the Chairmanship of Mr Alan Gray (European Union).

(a) *Review of the 2010 Fishery and Scientific Advice from ICES*

- 5.2 The Commission reviewed the 2010 fishery at West Greenland and considered the scientific advice from ICES. The Commission adopted a request to ICES for scientific advice to be presented in 2012.
- 5.3 Denmark (in respect of Greenland) presented a report on the 2010 fishery.
- 5.4 ICES advised the Commission that the increased catch from NAFO area 1A corresponded to an increase in the number of licenses issued, which could mean that an increase in effort could have accounted for the higher harvest level. Canada expressed concern about the increasing trend of the fishery at West Greenland, and asked if the increase in NAFO area 1A could be the result of improved reporting. Denmark (in respect of the Faroe Islands and Greenland) stated that the increase in harvest could be reflective of a higher abundance of salmon. ICES indicated that a program to collect information on catch per unit of effort, such as through a logbook program, is needed in order to determine whether or not what fishermen may be seeing on the fishing grounds is related to improved stock status. The NGOs noted that the increase in harvest seen in NAFO area 1A could be due to a shift in distribution of salmon rather than an increase in overall abundance. Denmark (in respect of the Faroe Islands and Greenland) indicated that the increase is due to both factors.

5.6 KNAPK made a statement to the Commission and called attention to KNAPK's opening statement made to the Council and highlighted that KNAPK is a national organization representing 1,900 Greenlandic hunters and fishermen of the 2,100 license holders, which includes all licensed fishermen. KNAPK has a private agreement with organizations in Iceland and Canada under which Greenlandic fishermen have agreed not to fish Atlantic salmon commercially. KNAPK stressed that it is committed to the conservation and restoration of Atlantic salmon and that the organization believes salmon is abundant. KNAPK referred to internal challenges facing Greenland relating to the salmon fishery and believes that access to Atlantic salmon should not be given to the sport fishery.

(b) *Regulatory measures*

5.7 At its Twenty-Sixth Annual Meeting, the Commission had adopted a multi-annual regulatory measure for the West Greenland salmon fishery for the calendar years 2009 – 2011. Under this agreement the catch at West Greenland in 2009 was restricted to the amount used for internal consumption in Greenland, which in the past has been estimated to be 20t annually. There would be no commercial export of salmon. The Commission had agreed that the same procedure used in 2008 for applying the Framework of Indicators (FWI) would apply to the new regulatory measure.

5.8 The Commission was advised that the FWI indicated that no reassessment of the management advice previously provided by ICES in 2009 was required for the 2011 fishery at West Greenland. This meant that the multi-annual regulatory measure agreed in 2009 would continue to apply to the 2011 fishery and there was therefore no need for negotiations on a new measure at the Twenty-Eighth Annual Meeting.

5.9 The Commission noted that there would be a need to revisit conservation and management measures for the West Greenland fishery at the 2012 NASCO meeting. The United States expressed concern that the stock complex at West Greenland continues to be below conservation limits and, thus, is suffering reduced reproductive capacity. The US indicated that the overall status of stocks contributing to the West Greenland fishery is among the lowest recorded and stated that NASCO has adopted an action plan that calls for management measures aimed at maintaining the stocks above their conservation limits. The US noted that the internal-use fishery in West Greenland has been increasing in recent years and the US is alarmed by the magnitude of the increase in 2010. The US indicated that they understand that Greenlandic fishermen believe that they are seeing an increase in the availability of Atlantic salmon in local waters but noted that observations such as these, while important, should not replace scientific advice. The US also noted that the West Greenland fishery is a mixed-stock fishery on many different stocks that are below their conservation limits, including on US stocks that are endangered. The representative of the US referred to the regulatory measure in place that restricts the West Greenland fishery to an internal-use fishery with a catch amount estimated to be no more than 20t, and noted that the 2010 estimated catch (including reported and unreported catch as well as observed catch that exceeded the level of reported catch) is almost three times that amount. The United States is very concerned about this increase, especially at a time when it has taken additional action to further protect wild Atlantic salmon originating in US rivers. The United States welcomed efforts by Greenland to improve reporting and called on

Greenland to take action in 2011 to abide by the regulatory measures agreed at NASCO.

- 5.10 The European Union supported the US intervention, underscoring the concern about the increases in catch and while appreciating the report Greenland presented on its fishery, noted that many of the stocks taken in the fishery at West Greenland are already at risk. The European Union stressed the need for Greenland to improve its monitoring and reporting, and asked Greenland to seriously consider implementing a logbook program, as well as limiting licenses. The European Union stressed that additional efforts are needed to ensure NASCO's regulatory measure for the fishery is respected.

(c) *Sampling in the West Greenland Fishery*

- 5.11 The West Greenland salmon fishery sampling programme provides valuable biological data to the stock assessments conducted by ICES that inform science-based management decisions for this fishery. The Parties to the West Greenland Commission have worked cooperatively over the past three decades to collect these biological data. ICES, the International Atlantic Salmon Research Board and its Scientific Advisory Group, and NASCO all endorse taking additional samples from fish captured in the internal-use only fishery in Greenland. This Enhanced Sampling Programme, SALSEA West Greenland, which has been underway for two years, requires whole fresh fish and is recognized as complementary to SALSEA Merge and SALSEA North America, which collectively hold promise in providing insights into the critical marine portion of the salmon's life cycle. In 2009 and 2010, NASCO facilitated the purchase of these whole fish, using funds provided by the US, and the enhanced sampling programme had been successfully implemented in addition to the long-term baseline sampling. In its 2011 ACOM report, ICES supported extending the enhanced sampling programme for a third year, which will provide a valuable opportunity to not only investigate annual variation of sample results across three years, but also increase the sample size overall to allow for more power to discriminate amongst any regional trends detected at the continent, sub-continent, or possibly even finer scales. It will also increase the likelihood of obtaining information from the smaller contributing stocks. The Enhanced Sampling Plan calls for a maximum of 900 fish to be sampled in any one year. In Year 1 (2009), 412 fish were sampled and in Year 2 (2010) 358 fish were sampled for a total of 770 fish, well below the single year maximum.
- 5.12 The coordinator of the sampling programme in Greenland reported that, during the 2010 campaign, samplers in Nuuk were prevented from obtaining baseline samples. The coordinator noted, however, that samples obtained as part of the Enhanced Sampling Programme were used in the baseline sampling programme as well. The Chairman encouraged Denmark (in respect of Greenland) to look into this matter and, where possible, facilitate sampler access to salmon given the importance of the programme.

5.13 The Commission adopted a West Greenland Fishery Sampling Agreement for 2011.

(e) *Other Business*

5.14 The winner of the Commission's US\$1,500 prize in the Tag Return Incentive Scheme was Mr Anthon Mathaeussen, Greenland.

6. Finance and Administration Matters

6.1 The Finance and Administration Committee met prior to the Twenty-Eighth Annual Meeting of the Council under the Chairmanship of Ms Sonja Feldthaus (Denmark (in respect of the Faroe Islands and Greenland).

(a) *Relationship with ICES*

6.2 The Secretary noted that, in recent years, ICES has made considerable progress in addressing NASCO's concerns about the timeliness and quality of presentation of the advice and about the need for financial stability, although the current weakness of the pound sterling against the Danish Kroner had resulted in considerably increased payments to ICES. The Committee agreed to continue the current MoU with ICES for a further period of three years.

(b) *2012 Budget*

6.3 A five year budgeting plan, developed by the President, was discussed and agreed by the Committee. This plan utilises sums from the Working Capital and Contractual Obligation Funds, and the International Atlantic Salmon Research Fund to smooth expenditure in 2012 with repayments to these funds in the period 2013 - 2016. Under this plan, there would be a 3% increase in the contributions of the Parties in 2012, followed by anticipated increases of 5% in 2013 and 3% each year in 2014, 2015 and 2016. The Committee recommended that this plan be agreed by the Council as a basis for establishing the 2012 budget and forecast budgets for the period 2013-2016. Similar plans should be developed in the future.

6.4 The Committee noted that under NASCO's Financial Rules, any year-end surpluses are credited to the Working Capital Fund, until that Fund reaches its ceiling of £200,000. Thereafter, they would be credited to the Contractual Obligation Fund. However, the Committee recommended to the Council that any surpluses should be credited to the Contractual Obligation Fund until such time as the funds transferred from that Fund in 2012 have been repaid. The Committee also noted that under the Organization's Financial Rules, there is provision for a Party to make voluntary contributions over and above the budget contributions. This approach could be used to allow a Party to make an additional contribution in years when resources permit so that subsequent budget contributions may be reduced.

6.5 The Committee recommended to the Council the adoption of the 2012 Budget and Schedule of Contributions.

(c) *Audited Accounts*

- 6.6 The Committee recommended to the Council the adoption of the 2010 audited accounts.
- 6.7 The Committee asked that the auditors be requested to provide a note in subsequent financial statements describing the elements included in the General Fund Capital. Similarly, it would assist the Committee in interpreting the balance sheet if an explanatory note could be included to indicate that the net current assets include resources held in the Working Capital and Contractual Obligation Funds. It was noted that the Organization's main asset was its Headquarters Property. This is included in the accounts at its purchase price of £380,000, but the Secretary advised the Committee that it was probably now worth between £1.5 - 2 million. However, the auditors would require a valuation survey before changing the property valuation in the financial statements and this would incur valuation costs to confirm the property's value. In addition to the capital value of the property, it generates rental income of £57,000 annually while saving the Organization an equivalent sum in rental payments.
- 6.8 The Committee recommended to the Council the appointment of PricewaterhouseCoopers of Queen Street, Edinburgh, as auditors for the 2011 audited accounts, or such other company as may be agreed by the Secretary in consultation with the Chairman of the Finance and Administration Committee. The Secretary was asked to seek quotes for the 2012 audit and report back at the Committee's next meeting.

Secretary
Edinburgh
4 April 2012