



Finance and Administration Committee

FAC(20)03

Explanatory Memorandum on the Agenda

FAC(20)03

Explanatory Memorandum on the Agenda

In light of the Covid-19 pandemic, the face-to-face meeting planned for Edinburgh in June 2020 has been cancelled. Parties agreed that the business of the Finance and Administration Committee would be conducted through inter-sessional correspondence and video conference. Some business has been cancelled or postponed until 2021.

The Agenda will be adopted on 8 May, via correspondence. This will allow Parties to address all other items. The approach to be used to address each item is set out below.

The video conference for the Finance and Administration Committee will be held on 28 and 29 May 2020.

All papers for the Finance and Administration Committee will be posted on the website.

A summary of the decisions to be made is in Annex 1.

1. Opening of the Meeting

The Chair, Kim Blankenkoper (USA), will open the meeting during the video conference (VC) on 28 May 2020. She will set out the procedures for the meeting.

- no decision is required.

No correspondence is expected.

2. Adoption of the Agenda

A Draft Agenda has been produced, [FAC\(20\)02rev](#), following discussion with the Chair and the Parties, and in light of the Covid-19 pandemic.

- a decision to adopt the Agenda is required.

The Agenda will be adopted via correspondence by 8 May. This provides the basis for discussions to be held by inter-sessional correspondence prior to the VC on 28 and 29 May.

3. Election of Officers

This is essential for 2020 and required under Rule 28 of the Rules of Procedure for the Council. Neither the Chair nor Vice Chair are eligible for re-election. A new Chair and Vice-Chair are, therefore, needed to serve for the next two-year period (2021-22). They will take office upon the close of the 2020 NASCO Annual Meeting .

No background papers are produced for this item.

- a decision to elect a Chair and Vice-Chair is required.

Work to determine the candidates' availability for re-election will be conducted by correspondence. The formal process for nominating, seconding, and electing the identified individuals will be undertaken during the VC.

4. 2019 Audited Accounts

This is essential under Financial Rule 12.

The 2019 accounts have been audited. The financial statements were circulated to the President, Heads of Delegations and FAC members on 14 February 2020. Due to

administrative delays by NASCO's bank, the auditors have not, as of 29 April 2020, been able to sign off the audited accounts. In line with Financial Rule 11.5, the audited accounts will be circulated within two weeks of their receipt.

- a decision to accept the audited financial statements and to refer them to the Council for adoption is required.

Any discussion can be conducted by inter-sessional correspondence; the formal decision to accept the accounts and refer them to the Council for adoption will be taken during the VC.

5. Relationship with ICES

NASCO signed a [Memorandum of Understanding \(MoU\) with ICES](#) on 8 June 2007, which outlines the provision of Scientific and Advisory information by ICES to NASCO. The MoU specifies recurrent requests for advice and procedures for *ad hoc* requests for advice, as well as key administrative procedures and financial aspects. The MoU has been extended three times since adoption and the current extension ended in 2019.

The Secretary has liaised with ICES inter-sessionally since the 2018 FAC meeting. In 2019, ICES requested that the revision of the NASCO-ICES MoU be initiated in 2020 to enable it to be aligned with the new and revised agreements and MoUs that ICES has concluded with its other advice requesters. In 2019, Council agreed to this request, and after the Annual Meeting, ICES confirmed that the current MoU would be extended for one year to ensure the provision of scientific advice in 2020.

Significant progress has been made with a revised NASCO-ICES MoU. However, it will not be complete prior to the 2020 Annual Meeting due to the impacts of the Covid-19 pandemic. After discussion with the Secretary, ICES has indicated it is able, in the current circumstances, to continue to provide its advice under the current NASCO-ICES MoU.

- a decision to recommend to Council that the current MoU be extended for one additional year, to enable the revised MoU to be finalised for agreement in 2021, is required.

Any discussion can be conducted by inter-sessional correspondence; the formal decision will be taken during the VC.

6. Consideration of the 2021 Draft Budget, Schedule of Contributions and Five-year Budgeting Plan

This is required under Articles 16.1 of the Convention which states '*the Council shall adopt an annual budget*'.

Document [FAC\(20\)05](#) presents the 2021 Draft Budget and the 2022 Forecast Budget for consideration by the FAC. An updated five-year (2021 – 2025) Expenditure and Income Projection or 'Budgeting Plan' is included for information. Details of the fixed component of Parties contributions is also included.

- a decision to approve the draft budget for 2021 and forecast budget for 2022 and refer them to the Council for adoption is required.

Any discussion can be conducted by inter-sessional correspondence; the formal decision will be taken during the VC.

7. Other Business

Any other business may be raised via inter-sessional correspondence or at the start of the VC. Any decisions required with respect to these matters may be approved formally by VC or postponed until 2021.

8. Report of the Meeting

Parties have agreed that this is essential business. Rule 29 of the Rules of Procedure of the Council, which apply to the FAC per Rule 28, requires that '*A draft report shall be considered by the Council before the end of the meeting.*'

A Draft Report of the Meeting will be circulated for review. A summary of business conducted inter-sessionally via correspondence will be annexed to the Report.

- a decision to adopt a Report of the meeting is required.

Any proposed changes to the Draft Report will be discussed, agreed revisions incorporated, and a final Report of the meeting adopted during the VC.

9. Close of the Meeting

The Chair will close the meeting at the end of the VC.

Secretary
Edinburgh
30 April 2020

Summary of FAC Decisions

Agenda Item	Decision	Paper No.
2. Adoption of the Agenda	The Agenda will be adopted via correspondence by 8 May	FAC(20)02
3. Election of Officers	Elect the Chair and Vice-Chair	
4. 2019 Audited Accounts	Accept the audited financial statements and to refer them to the Council for adoption	FAC(20)04
5. Relationship with ICES	Recommend to Council that the current MoU be extended for one additional year, to enable the revised MoU to be finalised for agreement	
6. Consideration of the 2021 Draft Budget, Schedule of Contributions and Five-year Budgeting Plan	Approve the draft budget for 2021 and forecast budget for 2022 and refer them to the Council for adoption	FAC(20)05
8. Report of the Meeting	Adopt the Report	Issued at meeting