



Meeting of the Finance and Administration Committee

Knockranny House Hotel & Spa, Westport, Ireland

3 – 7 June 2024

Annotated Agenda

The purpose of this paper is to provide the background, decisions and links to papers for each item on the Agenda for the Meeting of the Finance and Administration Committee (FAC).

Papers for the meeting are on the [website](#).

This Annotated Agenda references papers that the Secretariat is aware of at the time of writing. If additional papers are issued, they will be posted on the website and delegates will be informed by email.

As agreed in 2022, Parties / NGOs were invited to submit questions on Agenda items, in advance to the relevant Party. The Secretariat requested that it be copied into any questions asked, to allow the questions to be included in the Annotated Agenda. No questions were received.

A summary of the decisions before the FAC is contained in Annex 1.

Timings of the Meeting

The FAC will meet on:

- Sunday 2 June: 14:00 – 17:00 hrs

Order of Business

Business will be taken in the order on the Draft Agenda.

1. Opening of the Meeting

The Chair, Seamus Connor (UK), will open the meeting.

2. Adoption of the Agenda

A Draft Agenda, [FAC\(24\)01](#), was made available on 3 April 2024.

- *the FAC may wish to adopt its Agenda.*

3. 2023 Audited Accounts

[Financial Rule 12](#) states ‘The Council shall, following consideration of the audited annual financial statements and audit report submitted to its members under Rule 11.5, signify its acceptance of the audited annual financial statements or take such other action as it may consider appropriate.’

The Audited Accounts for 2023 were circulated to the President, Heads of Delegations and FAC members on 15 February 2023.

- *the FAC may wish to accept the Audited Accounts for 2023 and to refer them to the Council for adoption.*

The following paper is available:

- Audited Accounts, [FAC\(24\)02](#).

4. Reports of the Inter-Sessional Meetings of the Finance and Administration Committee

In 2022, and again in 2023, the Council agreed to the FAC's recommendation of an interim policy regarding the interpretation and application of NASCO's Staff Fund Rule 3.2 and Staff Rule 8.2(b) for adoption, [CNL\(23\)71](#). It states that:

'This interim policy applies until June 8, 2024, unless otherwise decided by the Council. In order to develop a longer-term solution to the issues related to the lump sum and other staff benefit issues, the FAC will ask the Secretary to seek appropriate legal and / or Human Resource advice in its consideration of these issues for both existing and any new staff and recommend a way forward no later than at the 2024 NASCO Annual Meeting.'

Legal / HR advice was sought and provided by the firm Gunnercooke LLP. During 5-6 February, [FAC\(24\)03](#), and 4-5 April 2024, [FAC\(24\)04](#), the FAC met inter-sessionally to: consider a long-term solution to the interpretation and application of NASCO's Staff Fund Rule 3.2 and Staff Rule 8.2(b), taking the legal opinion into consideration, and to recommend a way forward; to agree an inter-sessional process and timeline for the revision of the full Staff Rules and Staff Fund Rules; and to agree the revised conditions of attendance for observers at NASCO meetings.

The FAC agreed revisions to the Staff Fund Rules, FACIS(24)13rev, and Staff Rules, FACIS(24)14rev, in relation to NASCO's Staff Fund Rule 3.2 and Staff Rule 8.2(b) and recommended that they be adopted by the Council. The FAC also agreed to recommend a process and timeline for a full revision of NASCO's Staff Fund Rules and Staff Rules for agreement by Council. These recommendations will be considered by the Council during its Annual Meeting.

In addition, Council agreed in 2023 that the FAC would undertake a review of the condition for attendance by observers at NASCO meetings ([CNL\(06\)49](#)) as recommended by External Performance Review recommendation 32 and consider whether and how these rules could be updated to accommodate Indigenous participants in a manner that appropriately recognises their interest in the work of NASCO and the value their strengthened engagement would bring. During its inter-sessional meetings, the FAC considered the request from Council. The FAC agreed its revisions as 'Proposed Revised Terms and Conditions for Observers at NASCO Meetings', FACIS(24)15, and 'Proposed Conditions for Media at NASCO Meetings', FACIS(24)16, and recommended that the papers be adopted by the Council. These recommendations will be considered by the Council during its Annual Meeting.

The Chair will present a summary of the outcome of the inter-sessional FAC process.

- ***no decision is required.***

The following papers are available:

- Report of the February 2024 Inter-Sessional Meeting of the Finance and Administration Committee, [FAC\(24\)03](#); and
- Report of the April 2024 Inter-Sessional Meeting of the Finance and Administration Committee, [FAC\(24\)04](#).

5. Relationship with ICES

The revised [Memorandum of Understanding](#) between NASCO and ICES was signed on 22 February 2022.

During the Annual Meeting in 2022, the Council asked the Secretary to approach ICES to investigate a more streamlined approach / presentation of the ICES Advice, and agreed that full ICES Advice should be presented in Council only in future, [CNL\(22\)53rev](#), paragraph 4.35. The Council will consider an update on streamlining of the ICES advice during its Annual Meeting.

- *no decision is required.*

The following paper is available:

- Update on the Streamlining of the ICES Advice, [CNL\(24\)07](#).

6. MoU with the OSPAR Commission

The [MoU between NASCO and the OSPAR Commission](#) came into effect on 5 August 2013. The FAC agreed that the Secretary should continue to liaise with OSPAR on issues of mutual interest and bring relevant information and developments to its attention. Issues of interest may be raised under this Agenda item.

The following issues may be of interest, with more information provided in the paper:

1. OSPAR Quality Status Assessment 2023;
2. OSPAR Status Assessment of Salmon;
3. OSPAR Recommendation 2016/3 on Salmon; and
4. Extension of the NACES Marine Protected Area in the North-East Atlantic.

- *no decisions are required.*

The following paper is available:

- MoU with the OSPAR Commission, [FAC\(24\)07](#).

7. Consideration of the 2024 Draft Budget, Schedule of Contributions and Five-year Budgeting Plan

Article 16.1 of the [Convention](#) states ‘the Council shall adopt an annual budget’. The Secretary will present the 2024 Draft Budget, Schedule of Contributions and Five-Year Budgeting Plan for consideration by the FAC.

The 2025 budgeted expenditure (£713,220) represents a 4.3% increase compared to that in the 2024 Budget (£661,550) and is slightly higher (1.5%) in real terms than that anticipated in the 2024 – 2028 Budgeting Plan for 2024 (£685,844).

The 2023 Audited Accounts indicate that the Working Capital Fund, the Contractual Obligation Fund and the Recruitment Fund are all below their respective ceilings of £200,000, £250,000 and £60,000, at £180,000, £220,953 and £45,000 respectively. Despite this, the Organization’s financial position remains sound.

The contributions for each Party have been calculated in accordance with Article 16, paragraph 2 of the Convention. The 2024 contributions have been recalculated to take account of the difference in the provisional and confirmed 2022 catch statistics and the appropriate adjustments have been made to the 2025 contributions. Additionally, a

second adjustment has been added, to account for the fact that Iceland paid a full year's contribution for 2024 when it should, in line with Article 16, paragraph 5 of the Convention, have paid only 11 months given that it acceded to the Convention on 23 January 2024. Changes in the contributions can occur even with stable budgets when a Party's proportion of the total catch changes. The 2025 contributions are 1.7% higher in real terms than those anticipated in the 2024 – 2028 Budgeting Plan (£627,844); this is, to a large extent, related to the increase in costs in 'Audit and other expenses'.

- *the FAC may wish to approve the draft budget for 2025 and forecast budget for 2026 and refer them to the Council for adoption.*

The following paper is available:

- 2025 Draft Budget 2026 Forecast Budget and Five-Year (2025 - 2030) Budgeting Plan, [FAC\(24\)05rev.](#)

8. Tag Return Incentive Scheme

In the 2023 Annual Meeting of the Finance and Administration Committee (FAC), [CNL\(23\)05](#), Norway questioned whether NASCO's Tag Return Incentive Scheme should be brought to an end. The FAC was informed that, in Norway, external tags were (generally) no longer allowed to be used. The FAC agreed that Parties / jurisdictions would be asked to provide information about the status and extent of external tagging in their countries. This would be included in a paper for the 2024 FAC Annual Meeting, when the FAC would consider whether the scheme should continue.

- *the FAC may wish to refer to Council its proposal for the future of the NASCO Tag Return Incentive Scheme.*

The following paper is available:

- Status and Extent of External Tagging in NASCO Parties, [FAC\(24\)06.](#)

9. Appointment of Auditors

Following the 2021 Annual Meeting, Saffery Champness was appointed as Auditors of the accounts for 2021, 2022 and 2023 – a three year cycle. In 2024, Auditors will need to be appointed for the 2024, 2025 and 2026 accounts.

- *the FAC may wish to agree the accountancy firm for the auditing of NASCO's accounts for 2024 onward to Council.*

The following paper is available:

- Appointment of Auditors, FAC(24)08.

10. Election of Officers

In accordance with Rule 28 of the Rules of Procedure for the Council the FAC will be asked to elect a Chair and Vice-Chair.

The current Chair, Seamus Connor (UK) is eligible for re-election. The Vice-Chair (Heidi Hansen (Norway)) has served two full terms in office and is not, therefore, eligible for re-election.

No background papers are produced for this item.

Work to seek candidates and Parties' support has been conducted by the Secretary.

The Secretary will introduce this item and will ask for nominations and seconds for the

Chair and Vice Chair, respectively.

- *the FAC may wish to elect / re-elect a Chair and elect a Vice-Chair.*

11. Other Business

At the time of writing, the Secretariat had not been made aware of any other business.

12. Report of the Meeting

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.

- *the FAC may wish to adopt the Report of the Meeting.*

13. Close of the Meeting

The Chair will close the Meeting.

Secretary
Edinburgh
24 May 2024

Summary of FAC Decisions

| Agenda Item | Decision | Paper No. |
|---|---|------------------------------|
| 2. Adoption of the Agenda | Adopt the Agenda | FAC(24)01 |
| 3. 2023 Audited Accounts | Accept the Audited Accounts for 2023 and refer them to the Council for adoption. | FAC(24)02 |
| 7. Consideration of the 2025 Draft Budget, Schedule of Contributions and Five-year Budgeting Plan | Approve the draft budget for 2025 and forecast budget for 2026 and refer them to the Council for adoption | FAC(24)05rev |
| 8. Tag Return Incentive Scheme | Refer its proposal for the future of the tag return incentive scheme to Council for agreement | FAC(24)06 |
| 9. Appointment of Auditors | Appoint the auditors for the 2024 accounts onward | FAC(24)08 |
| 10. Election of Officers | Elect / re-elect a Chair and elect a Vice-Chair | |
| 12. Report of the Meeting | Adopt the Report of the Meeting | Issued at meeting |