

OPTIONS FOR A SUSTAINABLE FINANCIAL POSITION AND COST RECOVERY APPROACH IN ICCAT

STACFAD Chair

Background

The Panel of the second independent performance review of ICCAT reported that although the financial management of ICCAT of its annual budget looks sound, the costs of the ICCAT Annual Meeting and major scientific programmes were usually financed outside the budget by a very limited number of CPCs. The Panel also noted that continued dependence by ICCAT on extra budgetary funds was not a sound financial management strategy and thus it recommended that ICCAT consider cost recovery to finance key parts of their activities and thereby reduce the CPCs budgetary contributions and/or expand ICCAT's activities. This recommendation has been recognized as an issue to be tackled in the medium/long term by the Ad Hoc Working Group on the Follow-up of the second Performance Review of ICCAT.

Objective

The concerns associated with the continued dependence by ICCAT on extra budgetary funds that were raised by the second Performance Review Panel remain unresolved and a focused and significant amount of work need to be undertaken by the Commission in the coming years to examine options for cost reduction and revenue generation to ensure and secure a sustainable financial position for ICCAT. In that regard, it is recommended that ICCAT establish an expert group (preferably an intersessional correspondence group) to develop a cost-recovery policy which could be applied to certain major operations of the Commission.

References

It is noted that CCAMLR has established an open-ended Intersessional Correspondence Group on Sustainable Financing (ICG-SF) in a similar vein and ICG-SF has continued its work towards - including but not limited to - developing options for cost recovery for CCAMLR services.

Mandate of the Proposed Working/Internal Correspondence Group

The Working Group shall:

- Undertake a review of existing and planned services provided by ICCAT Secretariat and available funding options for the Commission to recommend a range of options to reduce costs and increase income;
- Develop a cost-recovery policy towards a sustainable financial position at ICCAT by giving special consideration to the distinction between developing and developed CPCs;
- Continue efforts to address the relevant recommendations from the second Performance Review of ICCAT.

Relevance

Establishment of an *Ad Hoc* Working Group in the form of an "Intersessional Correspondence Group (ICG)" with a view to reviewing future funding options for the Commission would be an action consistent with recommendations 109, 127, 128 and 129 emanating from of the second Performance Review Report.