

**REPORT OF THE STANDING COMMITTEE
ON ADMINISTRATION AND FINANCE (SCAF)**

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Item 3 of the Commission's agenda, Finance and Administration, had been referred to the Standing Committee on Administration and Finance (SCAF) for preliminary consideration. In accordance with this instruction, the Agenda of SCAF was adopted in the form presented as Appendix A to the Commission's Provisional Agenda. The adopted Agenda of SCAF is presented as Appendix I to this report.

ADMINISTRATION

2. The Committee received the advice of the Executive Secretary that the premises on the first floor of 23-25 Old Wharf, which are intended for the Secretariat's accommodation, are being refurbished to suit the Secretariat's requirements. The Delegation of Australia advised the meeting that a formal invitation to the Commission for such occupancy by the Secretariat was imminent. The proposed lease term would be for three years and if the Secretariat were to be required to move again thereafter, it would be to suitable permanent quarters, in accordance with the Headquarters Agreement.

3. The Committee noted that it would be appropriate for the Executive Secretary to accept the offer to occupy the premises on the first floor if he considers them appropriate.

4. **The Committee recommended that the Commission approve the establishment of the full-time position of Receptionist within the Secretariat, and that an increase of A\$16 000 be included within the Commission's 1996 budget to accommodate this position.**

5. The Committee noted that, as a result of the Commission meeting only being for four days in its first week, there was insufficient time for the Committee to consider adequately the matters referred to it by the Commission. It therefore **recommended that the Commission commence its meeting on a Monday in 1996 in order that it can convene for a full two weeks.** The Committee noted that there would be minimal additional costs to the Commission since costs resulting from the increased length of meetings would relate to individual delegates.

6. After viewing the flag prepared by the Secretariat as a result of SCAF's comments at the previous year's meeting, the Committee **recommended to the Commission that the new flag be adopted in 1996 at the Fifteenth Meeting of the Commission.**

AUDITED FINANCIAL STATEMENTS

7. **The Committee recommended that the Commission adopt the financial statements as presented in CCAMLR-XIV/3.** The Committee noted that the audit report to the 1994 Financial Statements advised no qualifications in respect of compliance with Financial Regulations or International Accounting Standards. It also noted that the audit report had been provided on the basis of only a review audit having been performed, and received the advice of the auditor as to the resulting reduced degree of comfort to the Commission provided by such a report.

8. **The Committee recommended that the Commission require that only a review audit be performed on the 1995 Financial Statements.** In making this recommendation, the Committee wished to ensure that there should be some limit imposed on the frequency of review-only audits. Consequently, in addition to the requirement imposed by the 1993 meeting of SCAF that the full audits be required on average every other year (CCAMLR-XII, Annex 4, paragraph 3), the Commission should also require that **a full audit be required at least every third year, thus a full audit will be required on the 1996 financial statements in 1997.**

REVIEW OF 1995 BUDGET

9. The Committee received the advice from the Secretariat that there were two matters affecting the 1995 budget which had occurred subsequent to the distribution to Members of the paper tabled for discussion (CCAMLR-XIV/4): receipt of contributions from Ukraine and an expected over-expenditure in the Working Groups of the Scientific Committee.

10. **The Committee recommended that monies received in relation to Ukraine's membership be placed into a special fund, the use of which will be determined by the Commission.**

11. Over-expenditure in the budget items relating to the working groups of the Scientific Committee was now anticipated to result in the 1995 Scientific Committee budget being

exceeded by A\$3 500. The Committee **recommended that the Commission authorise a transfer of A\$3 500 in the Commission's 1995 budget to the Scientific Committee, to accommodate this over-expenditure.**

12. The Committee noted that there are no other items of expenditure expected to exceed the budgeted amounts in 1995.

PUBLICATIONS DISTRIBUTION POLICY

13. **The Committee recommended that the Commission adopt the following policy for the distribution of publications to Members in 1996:**

- **Members will receive the same numbers of publications in 1996 as they requested in 1995, and be charged at the 1995 rate plus 3.1% for inflation; and**
- **additional copies will be charged at A\$39 per copy.**

14. **The Committee further recommended that the Executive Secretary should be directed to ascertain more efficient methods of disseminating information and report his findings to the 1996 meeting of SCAF. Subject to the findings in this report, the Commission should reconsider the policy on distributing publications.**

CCAMLR SCIENCE

15. The Committee received the report of the Executive Secretary (CCAMLR-XIV/BG/4). The budget has not been exceeded and the *CCAMLR Science* journal has been well received by members of the Scientific Committee. The first independent reviews have also been encouraging. The Committee noted that the Executive Secretary would be providing a more detailed report in 1997, by which time the third, and final, trial issue of *CCAMLR Science* would have been produced, and it would be necessary for the Commission to take a decision on the future of the journal.

SOCIAL SECURITY CONTRIBUTIONS

16. **The Committee recommended that the Commission adopt the following change to the wording of Staff Regulation 8.1: replace ‘...up to a maximum of 14% of...’ with ‘... up to the maximum percentage currently applied in the United Nations Secretariat to...’.** This revision to the Staff Regulations will enable closer compliance with the United Nations pay system.

MARINE DEBRIS PLACARDS

17. The Committee considered that it was inappropriate to issue a generic placard on marine debris for use on vessels of non-CCAMLR States in the Convention Area. The Executive Secretary should write to the International Association of Antarctic Tour Operators (IAATO) recommending appropriate measures in this regard that could be taken by vessels entering the Convention Area.

1996 BUDGET

18. The Committee considered the 1996 draft budget presented in CCAMLR-XIV/4.

19. The Committee also received a proposed Scientific Committee budget for 1996, as generated by the Scientific Committee from its deliberations at the 1995 meeting, and several proposals for additions to the Commission’s 1996 budget from the Secretariat, the Scientific Committee and from the Standing Committee on Observation and Inspection (SCOI). The Committee noted that the total of these proposals exceeded the amount that was available for expenditure in 1996.

20. **Consequently, the Committee recommended the Commission adopt the budget for 1996 as presented in the attached table. This budget is based on that proposed in CCAMLR-XIV/4, with the following amendments:**

- **increase Data Management Capital Equipment by A\$33 000 to allow for the purchase of a fast workstation;**
- **increase Data Management contract labour by A\$38 000 to permit the employment of a technician for observer data for nine months;**

- **reduce Publications by A\$5 300 to permit the publication, in 1996, of Observer Logbooks and revised Inspection Forms, and not to publish, in 1996, *Scientific Abstracts* or the *Scientific Observers Manual*;**
- **reduce Scientific Committee budget by A\$6 000;**
- **reduce Secretariat Administration by A\$3 600, following the decision to require a review-only audit on the 1995 financial statements;**
- **increase Secretariat Allowances by A\$2 000 to permit the payment of social security contributions in accordance with the revised Staff Regulation 8.1;**
- **reduce Secretariat Communications by A\$5 300 which would enable only basic Internet connection;**
- **reduce Secretariat Salaries by A\$6 000;**
- **reduce Secretariat Travel by A\$12 100; and**
- **reduce all budget items by 1.5%.**

21. The United States is providing US\$23 000 to be placed in a special fund to support the potential development of a vessel monitoring system within the Convention Area.

1997 FORECAST BUDGET

22. The Committee noted that, when discussing the 1996 budget, it had been presented with a number of proposals for additional expenditure which, notwithstanding the merit of the proposals, could not be accommodated within the 1996 budget. These items should be noted in relation to the draft budget for 1997 prepared by the Executive Secretary for discussion by SCAF at its 1996 meeting. These items were:

- full publication of the *Scientific Observers Manual* (A\$8 400);
- completion of the conservation brochure relating to IMALF (A\$6 000);

- publication of a special edition of the *Statistical Bulletin* containing revised historical data (A\$3 500);
- requirements for increases in the Scientific Committee budget (A\$20 800) to re-establish the Scientific Committee budget at the level it was at before the reduction required by the 1995 meeting of SCAF and to permit the production of a brochure on the subject of CCAMLR's approach to management;
- upgrade of electronic communications to full Internet standards (A\$5 300); and
- the establishment of a World Wide Web (www) server (A\$7 000).

23. The Committee noted the forecast budget and recognised that, as a result of decisions made in respect of the 1996 budget, the forecast expenditure budget for 1997, after accounting for inflation, exceeds the budgeted expenditure for 1996 by A\$70 700. It noted that one aim of SCAF at the 1996 meeting will be to present to the Commission a total budgeted expenditure for 1997 which, after being adjusted for inflation, is no higher than that for 1996.

24. The Committee recommended that future budget proposals prepared by the Secretariat should be more transparent and contain a better analysis of the different items, *inter alia*, reflecting salaries.

25. The Committee recommended that the Executive Secretary be directed to solicit Members' suggestions for improvements to the presentation of the budget at meetings of SCAF and the Commission during the intersessional period.

26. While acknowledging that budgetary advice to the Commission is the responsibility of SCAF, the Committee recognised that the majority of proposals for budgetary increases in recent years have been the result of initiatives of the Scientific Committee that have affected both the Scientific Committee and other components of the budget. These proposals are to facilitate the Scientific Committee's task in providing advice to the Commission. **The Standing Committee recommended that the Commission request the Scientific Committee to consider the Commission's aim for a zero-increase budget when making its proposals next year for inclusion of expenditure in the Commission's 1997 budget.**

27. The Committee suggests that the Commission should be prepared to consider better accommodating annual fluctuations in the different parts of the budget providing that zero growth is maintained overall.

REVIEW OF FORMULA FOR CALCULATING MEMBERS' CONTRIBUTIONS

28. The Committee was unable to reach any conclusions on a revised formula for the calculation of Members' Contributions and **recommended to the Commission that the use of the existing formula be extended for a further year.** The inability to reach a conclusion this year is reported with regret, and the Committee has sought written comments from all Members in order to achieve further progress towards resolving this matter at the next meeting.

29. The Committee elected Japan as Chair of the Committee for 1996 and 1997. Chile was re-elected as Vice-Chair for the same period.

30. The Committee expressed its gratitude to Mr G. de Villiers (South Africa) for the efficient and effective way he has chaired SCAF during the last two years.

PROJECTED INCOME AND EXPENDITURE FOR 1995
BUDGET FOR 1996 AND FORECAST FOR 1997

(Australian Dollars)

Budget for 1995						
(1)	(2)	(3)	Item	Subitem	1996 Budget (4)	1997 Forecast Budget (5)
Budget adopted	Estimates projected to 31/12/95	Variance from Budget				
INCOME						
1 417 500	1 413 474	-4 026		Members' Contributions	1 481 300	1 623 900
				Items from previous year		
0	0	0		- Arrears of Contributions	0	0
29 500	32 206	2 706		- Interest	44 000	47 000
0	0	0		- Members' Contributions	0	0
0	0	0		- New Members' Contributions	0	0
244 900	176 779	-68 121		- Staff Assessment Levy	194 500	206 000
0	69 441	69 441		- Surplus	32 100	0
1 691 900	1 691 900	0		Total Income	1 751 900	1 876 900
EXPENDITURE						
DATA MANAGEMENT						
6600	6600	0		Capital Equipment	39 200	7 000
3 800	3 800	0		Consumables	3 800	4 000
72 400	72 400	0		Contract Labour	119 500	125 100
11 800	11 800	0		Maintenance	12 000	16 000
5 700	5 700	0		Time Share Usage	0	0
100 300	100 300	0		Total Data Management	174 500	152 100
MEETINGS						
401 800	401 800	0		Total Meetings	408 100	427 000
PUBLICATIONS						
96 400	96 400	0		Total Publications	95 600	113 800
SCIENTIFIC COMMITTEE						
131 300	131 300			Total Scientific Committee	123 400	156 200
SECRETARIAT COSTS						
16 200	16 200	0		Administration	16 900	25 000
242 100	236 100	- 6 000		Allowances	230 100	255 800
4 900	4 900	0		Automobile	4 600	4 800
30 400	30 400	0		Communication	35 100	47 700
3 900	3 900	0		Incidentals	3 900	4 100
3 900	3 900	0		Library	3 900	4 100
30 200	30 200	0		Office Requisites	33 600	35 200
9 300	9 300	0		Premises	20 300	21 200
584 600	558 500	- 26 100		Salaries	576 700	603 500
36 600	36 600	0		Travel	25 200	26 400
962 100	930 000	- 32 100		Total Secretariat Costs	950 300	1 027 800
<u>A\$1 691 900</u>	<u>A\$1 659 800</u>	<u>-A\$32 100</u>		Total Expenditure	<u>A\$1 751 900</u>	<u>A\$1 876 900</u>

**AGENDA FOR THE 1995 MEETING OF THE
STANDING COMMITTEE ON ADMINISTRATION AND FINANCE**

1. Administration
 - (i) New Location of the Secretariat
 - (ii) Review of Staffing Levels of the Secretariat
 - (iii) Translation at Meetings
 - (iv) CCAMLR Flag
2. Examination of Audited Financial Statements for 1994
3. Audit of 1995 Financial Statements
4. Review of Budget for 1995
5. Budget for 1996 and Forecast Budget for 1997
 - (i) Publications Distribution Policy
 - (ii) *CCAMLR Science*
 - (iii) Scientific Committee Budget
6. Review of Formula for Calculating Members' Contributions
7. Any Other Business Referred by the Commission
8. Election of Chairman and Vice-Chairman
9. Adoption of the Report.