
**PREPARATORY CONFERENCE FOR THE COMMISSION
FOR THE CONSERVATION AND MANAGEMENT OF
HIGHLY MIGRATORY FISH STOCKS IN THE WESTERN
AND CENTRAL PACIFIC**

Second session
Madang, Papua New Guinea
25 February – 1 March, 2002

WCPFC/PrepCon/14
25 February 2002

**WORKING GROUP I: ORGANIZATIONAL STRUCTURE, BUDGET AND
FINANCIAL CONTRIBUTIONS**

Summary report by the Chair of the Working Group to the second session of the
Preparatory Conference

1. In accordance with its Terms of Reference as agreed at PrepCon 1 (WCPFC/PrepCon/3), the meeting recognized three main tasks: (a) to further clarify the service needs of the Commission; (b) to elaborate the possible options for the delivery of the identified service needs, including an appropriate secretariat structure; and (c) to begin to identify some of the general issues associated with the development of a future budget structure for the Commission
2. In conducting its work, WG.I considered the following papers:
 - WCPFC/PrepCon/WP.3: Service Needs of the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean and Options and Secretariat Structures for the Delivery of Such Services.
 - WCPFC/PrepCon/WP.4: Options for Funding the Service Needs of the Commission.
3. WG.I agreed that the following principles would serve as a guide to its work:
 - The Commission should, as far as possible be self-reliant with respect to funding.
 - An independent and adequately resourced Commission Secretariat is appropriate to ensure an efficient and effective organisation.
 - The services procured by the Commission should be sourced at market rates and subject to clear standards and specifications.
 - The need to avoid duplication in the provision of services, ensure compatibility and maintain cost-effectiveness.
4. For those service items, such as science services, Commission VMS and Commission observer programme, still subject to discussion in other working groups it was recognized that, while it is currently not possible to quantify these services, decisions on these items should be taken at the earliest possible date.
5. In discussing the service needs and appropriate Secretariat structure for the Commission there was broad support within WG.I for the secretariat structure proposed in the working paper WCPFC/PrepCon/WP.3 as an initial structure which could be built upon as additional service needs were identified and required by the Commission.

6. WG.I recognized the need to maintain flexibility with respect to funding approaches and the budget structure until such time as better information was available with respect to the nature, scope and potential beneficiaries of particular services such as the Commission VMS, observer programme and Commission vessel register. It was also agreed that the issue of cost recovery needed to be taken up at a later time as it had not been possible to reach agreement on the issue at the present session.

7. Following discussion on the topic of the fund for the participation of developing states, as provided for in article 30, paragraph 3, of the Convention, it was not possible to agree on an appropriate funding mechanism. WG.I agreed that this item should be taken up again at the next meeting of the Working Group.

8. Recognizing the need to structure the workload of the group in order that it complete its work in a coherent and effective manner, WG.I adopted a programme of work, annexed to the present report, to guide the work of the group through the next two sessions of the Preparatory Conference.

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Annex

PROGRAMME OF WORK FOR SUBSEQUENT SESSIONS OF WG.I

To assist WG.I in progressing through its Terms of Reference and in the development of a provisional indicative budget for the Commission in its first year of operation, including funding mechanisms, it is proposed that the following indicative programme of work be adopted for the next two sessions of the Working Group:

1. At the third session of the Preparatory Conference WG.I will focus upon the development of greater precision in the budget with respect to:
 - (a) the costs of a Commission secretariat to deliver core functions and science;
 - (b) the costs associated with the various options for providing additional Commission services;
 - (c) possible mechanisms for funding the participation of developing states consistent with article 30, paragraph 3, of the Convention;
 - (d) the application of cost recovery principles for the provision of specified Commission services.

To assist WG.I in considering these matters the interim secretariat should be tasked with preparing working papers, in advance of the meeting, that will address:

- (a) Information on the various options available for the remuneration of the staff of the Commission secretariat;
- (b) The costs associated with a core secretariat structure, on the basis of that proposed in working paper WCPFC/PrepCon/WP.3, together with a science secretariat on the basis of the discussions in WG.II;
- (c) Estimates of the costs associated with the provision of such additional Commission services as may be required in the medium term. This material should include a comparison between the costs of utilizing existing regional programmes or systems and the 'in-house' provision of these services by the Commission. Detailed cost estimates on the use of the existing programmes or systems should be sought from the Forum Fisheries Agency and the Oceanic Fisheries Programme of the SPC;
- (d) Estimates of the potential size and scope of the special fund established pursuant to article 30 paragraph 3 of the Convention;
- (e) Information on the application of cost recovery principles to various Commission services.

2. At the fourth session of the Preparatory Conference, WG.I should focus its considerations on:

- (a) the development of a funding formula for financing the Commission budget;
- (b) the development of financial regulations for the Commission, including regulations to govern the administration of the special fund established under article 30, paragraph 3, of the Convention;
- (c) finalizing the provisional draft budget for the first year of operation of the Commission.

To assist the Working Group in considering these matters the interim secretariat should be tasked with preparing working papers to address:

- (a) Options for the budget funding formula. This advice should include information on the formula adopted or under consideration by other regional organizations;
- (b) Information relating to catch in the Convention Area by species, vessel flag, and location;
- (c) Information relating to methods for calculation of national wealth and recent data from measures and indices of national wealth;
- (d) Draft guidelines for the administration of the fund under article 30 paragraph 3, and criteria for eligibility for assistance under the fund;
- (e) Such other requests for information as may be directed by the third session of the Conference.

At each session WG.I should review, and amend as necessary, the programme of work above taking into account the progress of WG.I as well as the outcomes from the other Working Groups of the Preparatory Conference.

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