



CCSBT-EC/1310/06

DRAFT 2014 BUDGET

Purpose

To agree a general budget for 2014.

Discussion

The draft general budget for 2014 is at Attachment A. This budget differs from the interim draft budget for 2014 that was provided in Circular #2013/047 in the following main ways:

- \$180,000 has been included for the Scientific Research Program (SRP) projects recommended for 2014 by the Extended Scientific Committee (ESC);
- A meeting of the Ecologically Related Species Working Group (ERSWG) is no longer budgeted for 2014 because the ERSWG agreed that March 2015 appeared to be the most suitable time to hold its next meeting; and
- Additional savings have been identified for 2013 and the income to carryover from 2013 has therefore been upwardly revised from approximately \$204,000 to approximately \$251,000.

Other changes to the budget are minor and relate mostly to changes in exchange rates and interest rates.

On 19 August 2013, the Secretariat received a letter from Australia requesting that the Secretariat include an estimate of \$750,000 in the draft 2014 budget for the Scientific Aerial Survey. Australia's letter is provided at Attachment B. An alternate version of the draft budget for 2014, that includes Australia's \$750,000 request for the scientific aerial survey, is provided at Attachment C.

The expenditure estimated for 2014 in Attachment A is approximately 6% higher than the expenditure approved for 2013. The increase is due to a combination of many factors, including doubling of the amount for special projects, holding meetings outside of Australia and the reduction in value of the Australian dollar. Unfortunately, even though expenditure is only forecast to increase by 6%, Members' contributions are forecast to rise by 16.5%. This is because of the unusually large savings in 2012, which significantly reduced the required Member contributions for 2013¹.

If the full costs of the Scientific Aerial Survey are included (Attachment C), there would be an increase in expenditure of approximately 37% when compared to 2013 and this would result in a rise in Members contributions by 56.2%

The likelihood of an increase in Members' contributions above 10% for 2014 was reported by the Secretariat to CCSBT 19 in the Secretariat's paper on the draft budget for 2013 (CCSBT-EC/1210/06). In that paper, the Secretariat stated that:

“Furthermore, unless equally large savings are made in 2013 (which are highly unlikely), then the required contributions for the 2014 budget are likely to be more than 10% above those for the 2013 budget.”

¹ The unusually large savings were explained in CCSBT-EC/1210/05 and were due to large savings in the appointment of the Compliance Manager and holding CCSBT 19 in Takamatsu City instead of Tokyo.

The main expenditure uncertainties in the 2014 budget relate to which Sub-Committee Meetings and Special Projects the Extended Commission will decide to conduct in 2014. The budgets at Attachments A and C include costs for all Sub-Committee Meetings that the Secretariat considers might be proposed for 2014, together with costs for all special projects that the CCSBT is currently in the process of considering. The most significant of these uncertain costs are listed below.

- Compliance Committee Working Group (CCWG) meeting (\$123,101): The Annual Meeting of the Compliance Committee (CC 8) has a large agenda and the Secretariat considers that it may be necessary to hold a CCWG meeting in 2014 to progress recommendations that CC 8 might make. Alternatively, if the Extended Commission decides to implement an eCDS, a workshop would be needed to finalise specifications for the eCDS and this workshop could be held instead of a CCWG meeting. The Secretariat has not budgeted for both a CCWG meeting and an eCDS specification workshop because it is unlikely that there would be sufficient capacity to conduct both in a single year.
- Small Scientific Technical meeting (\$67,600): The ESC's workplan for 2014 includes a small technical meeting to progress the full SBT stock assessment that is scheduled for 2014 and to update the Operating Model in advance of the ESC meeting.
- Scientific Aerial Survey (calculations for \$100,000 and \$750,000 have been provided): The CCSBT contributed \$100,000 to the cost of the scientific aerial survey in 2013 and it is assumed that the Extended Commission will wish to consider a contribution for 2014. Attachment A includes a contribution of \$100,000 for the Scientific Aerial Survey, while Attachment C includes the contribution of \$750,000 for the Scientific Aerial Survey that was requested by Australia.
- Scientific Research Program Projects (\$180,000): The ESC recommended that three CCSBT funded projects be conducted in 2014, these being: Continued collection of close-kin samples (\$30,000); a Design study for future close-kin studies (\$75,000); and a Design study for future gene-tagging (\$75,000). The two close-kin genetic studies relate to a spawning biomass index and the gene-tagging study relates to a recruitment index.
- Trial Quality Assurance Review (QAR) (\$50,000): During 2013, the CCSBT conducted trial QARs of four Members. Depending on the results of these trials, the Extended Commission may decide to conduct trials of the remaining two Members during 2014 or to progress some trial QARs to the next stage, involving on-site verification of the initial reviews.
- Performance Review of the CCSBT (\$75,000): CCSBT 19 agreed that the next performance review of the CCSBT would be conducted during 2014. The cost in the draft budget is only an approximation because Members have yet to provide suggestions for possible candidates (and associated fees) to undertake the review.
- Consultancy to develop eCDS specifications (\$100,000): If the Extended Commission decides to proceed with an eCDS, the Secretariat recommends that consultants be contracted to develop the detailed specifications for the eCDS and to facilitate an eCDS specifications workshop. The price in the draft budget is based on the approximate cost provided for this work in one of the estimates that the Secretariat obtained.

The main variations in expenditure from the approved budget for 2013 are as follows:

(1) General variations

- A number of items have resulted in variations from the 2013 budget across several cost centres of the budget. These include:
 - Holding meetings away from Canberra (ESC, CCWG) significantly increases the Secretariat and some other costs associated with those meetings;
 - Reduction in the value of Australian dollar, which has resulted in increases in some costs for overseas meetings as well as increased consultant and airfare costs;
 - Relocation of one of CCSBT's interpreters from Sydney to Tokyo, which has resulted in increased interpretation costs for some meetings; and
 - Relocation of the Chair of the Scientific Committee from the U.S.A. to New Zealand, which has resulted in reduced costs for his participation at the ESC and CCSBT meetings.

(2) Annual (Extended Commission & Compliance Committee) meetings

- There is very little change in the overall cost of these meetings (1% decrease).

(3) Extended Scientific Committee meeting

- The estimated cost for the ESC meeting is 30% over the approved budget for 2013. A significant part of this increase is due to the above general variations. In addition:
 1. The budget for the 2013 ESC meeting was developed on the basis of holding it back to back with the ERSWG meeting, which generated significant savings for the ESC through sharing of costs between meetings. The 2014 ESC is being held on its own.
 2. Costs for the Independent Scientific Advisory panel in 2014 has been based on all four panel members participating at the ESC due to the full stock assessment being conducted in 2014. The likely requirement for the full panel in 2014 was noted in the Report of SC17 and by the Finance and Administration Committee in the Report of CCSBT 19.

(4) Compliance Committee Working Group meeting

- The 2013 budget was prepared on the basis of this meeting being held in Tokyo. CCSBT 19 changed the venue to Canberra, but left the budget unaltered because the availability of a free venue in Canberra and other cost estimates were uncertain. The 2014 budget for this meeting is also based on holding the meeting in Tokyo. Savings for the CCSBT budget could again be made by holding the meeting in Canberra. The cost increases from the approved 2013 budget are because the number of meeting days budgeted for have been increased from three to five days.
- It should be noted that at this stage, no recommendation has been made by CCSBT or its sub-committees to hold a CCWG meeting in 2014².

(5) Special Projects

- The overall cost for special projects for 2014 listed in Attachment A is 106% higher than in the 2013 approved budget. This is due to the addition of costs for:
 1. Scientific Research Plan projects;
 2. Conducting a performance review in 2014; and
 3. Contracting a consultancy to develop eCDS specifications for the CCSBT.The cost for the special projects listed in Attachment C is 356% higher than in 2013 because of the addition of the full cost of the Scientific Aerial Survey.
- The budget for Quality Assurance Reviews has been reduced by 50% because it has been assumed that if the CCSBT proceeds with these in 2014, they would be conducted for a reduced number of Members.

² This cost has been included in the current estimates in an attempt to provide a "complete" budget.

- It should be noted that at this stage, no recommendation has been made by CCSBT or its sub-committees to develop eCDS specifications for the CCSBT, or to continue with Quality Assurance Reviews in 2014².

(6) Secretariat Costs

- The Secretariat costs are estimated to reduce by 13% in comparison with the approved budget for 2013. This is primarily due to reduced recruitment costs, reduced staff liability accumulations and slightly reduced salaries³, and reduced translation costs as the new Deputy Executive Secretary is able to conduct a greater proportion of report translations.

(7) Office Management Costs

- Office management costs are estimated to be very similar to those in the budget for 2013, with only a 2% increase. The most noticeable aspect of the increase is the 23% increase in office costs. A large part of this increase is due to the Secretariat's decision to outsource the monitoring and maintenance of its computing infrastructure (excluding the database). This decision is intended to achieve improved reliability of the Secretariat's computing systems and to reduce the risk of failure of certain systems in the absence or departure of key staff.

Calculation of contribution from Members

The calculation of Member contributions for 2014 is based on the nominal catches that were specified by the Extended Commission (EC) at CCSBT 16 (paragraph 49 of the EC's report) and repeated in the Annex to the CCSBT's Resolution on the Allocation of the Global Total Allowable Catch that was adopted at CCSBT 18.

Prepared by the Secretariat

³ The reduced staff liability costs and salaries are due to two new staff Members commencing in 2013 (Deputy Executive Secretary and Database Manager), who are not entitled to accumulate full separation pay in 2014 and who commence employment on the first step of the salary band.

DRAFT GENERAL BUDGET - 2014

INCOME	APPROVED 2013 BUDGET	DRAFT REVISED 2013 BUDGET	DRAFT 2014 BUDGET	VARIATION
Contributions from members	\$1,630,443	\$1,630,443	\$1,899,427	
Japan	\$502,455	\$502,455	\$585,348	\$82,893
Australia	\$502,455	\$502,455	\$585,348	\$82,893
New Zealand	\$155,826	\$155,826	\$181,534	\$25,708
Korea	\$166,229	\$166,229	\$193,653	\$27,424
Fishing Entity of Taiwan	\$166,229	\$166,229	\$193,653	\$27,424
Indonesia	\$137,250	\$137,250	\$159,893	\$22,643
Staff Assessment Levy	\$73,900	\$65,089	\$69,200	-\$4,700
Carryover from previous year	\$387,977	\$387,977	\$251,374	-\$136,603
Interest on investments	\$48,000	\$72,832	\$53,000	\$5,000
TOTAL GROSS INCOME	\$2,140,320	\$2,156,341	\$2,273,001	\$132,681

EXPENDITURE	APPROVED 2013 BUDGET	DRAFT REVISED 2013 BUDGET	DRAFT 2014 BUDGET	VARIATION
ANNUAL MEETING - (CC/EC/CCSBT)	\$229,200	\$209,827	\$227,400	-1%
Independent chairs	\$51,800	\$49,427	\$28,400	-45%
Interpretation costs	\$53,800	\$49,494	\$61,000	13%
Hire of venue and catering	\$57,400	\$53,728	\$72,500	26%
Hire of equipment	\$28,600	\$28,627	\$27,900	-2%
Translation of meeting documents	\$10,000	\$10,000	\$10,000	0%
Secretariat expenses	\$27,600	\$18,550	\$27,600	0%
SC/ESC Meeting	\$174,400	\$150,689	\$226,200	30%
Interpretation costs	\$37,100	\$33,477	\$49,400	33%
Hire of venue and catering	\$21,200	\$15,000	\$27,900	32%
Hire of equipment	\$13,800	\$17,100	\$20,200	46%
Hire of consultants - Chairs and Advisory Panel	\$98,100	\$84,612	\$111,100	13%
Translation of meeting documents	\$3,000	\$0	\$1,000	-67%
Secretariat expenses	\$1,200	\$500	\$16,600	1283%
SUB-COMMITTEE MEETINGS	\$245,120	\$144,217	\$190,701	-22%
Ecologically Relates Species WG Meeting	\$74,000	\$55,116	\$0	-100%
Compliance Committee WG Meeting	\$107,020	\$36,294	\$123,101	15%
Small Scientific Technical Meeting	\$64,100	\$52,808	\$67,600	5%
SPECIAL PROJECTS	\$258,600	\$186,628	\$533,300	106%
Operating Model/Management Strategy Development	\$5,400	\$4,643	\$6,100	13%
Development of the CPUE series	\$2,900	\$2,899	\$3,400	17%
Tagging program coordination	\$3,000	\$2,000	\$1,500	-50%
Scientific Aerial Survey	\$100,000	\$100,000	\$100,000	0%
Scientific Research Program Projects	\$0	\$0	\$180,000	-
Participation of ERSWG Chair in joint tRFMO ByCatch WG	\$4,800	\$4,800	\$4,800	0%
Assistance to Developing States	\$12,500	\$12,500	\$12,500	0%
Trial Quality Assurance Review	\$100,000	\$59,786	\$50,000	-50%
Performance Review of the CCSBT	\$0	\$0	\$75,000	-
Consultancy to develop eCDS specifications	\$0	\$0	\$100,000	-
Intersessional compliance work	\$30,000	\$0	\$0	-100%
SECRETARIAT COSTS	\$1,098,800	\$1,091,427	\$958,300	-13%
Secretariat staff costs	\$678,600	\$664,937	\$659,000	-3%
Staff assessment levy	\$73,900	\$65,089	\$69,200	-6%
Employer social security	\$122,300	\$113,960	\$118,500	-3%
Insurance -worker's compensation/ travel/contents	\$13,200	\$10,185	\$10,800	-18%
Travel/transport	\$18,400	\$14,267	\$38,600	110%
Translation of meeting reports	\$50,000	\$45,000	\$25,000	-50%
Training	\$2,000	\$2,000	\$2,000	0%
Home leave allowance	\$7,100	\$1,500	\$15,500	118%
Other employment expense	\$2,300	\$2,086	\$2,100	-9%
Recruitment & Repatriation expenses	\$89,700	\$131,103	\$5,000	-94%
Staff liability fund (accumulating)	\$41,300	\$41,300	\$12,600	-69%
OFFICE MANAGEMENT COSTS	\$134,200	\$122,179	\$137,100	2%
Office lease	\$55,900	\$54,102	\$57,500	3%
Office costs	\$50,900	\$45,182	\$62,700	23%
Provision for new/replacement assets	\$15,200	\$12,570	\$4,600	-70%
Telephone/communications	\$12,200	\$10,324	\$12,300	1%
TOTAL GROSS EXPENDITURE	\$2,140,320	\$1,904,967	\$2,273,001	6%



Australian Government
Department of Agriculture, Fisheries and Forestry

File ref: 2013/09597

Mr Robert Kennedy
Executive Secretary
Commission for the Conservation of Southern Bluefin Tuna
PO Box 37
DEAKIN WEST ACT 2600

Dear Mr Kennedy

I am writing to you to request that the Secretariat include an estimate of expenditure for the 2013-14 scientific aerial survey of juvenile Southern Bluefin Tuna (SBT) in the proposed 2014 budget. Australia appreciates the CCSBT Members contribution to the 2012-13 scientific aerial survey and in the long term would like to ensure that the ongoing cost of the scientific aerial survey is borne by all CCSBT members.

The scientific aerial survey in the Great Australian Bight provides one of the few fishery-independent indices available for monitoring and assessing the SBT stock. The scientific aerial survey has been consistently identified by the Extended Scientific Committee as a high priority project. Further, the scientific aerial survey is incorporated into the operating model for the assessment of the SBT stock and most recently is a core component of the management procedure adopted in October 2011.

The scientific aerial survey has been solely funded by Australia from 2004-2012. CCSBT members agreed at CCSBT19 to contribute A\$100 000 towards the 2012-13 scientific aerial survey. As the survey is integral to the stock assessment and the setting of future catch limits through the management procedure, its continuation has an obvious shared benefit to all members.

Given the shared benefit to all members and its importance to the management procedure, Australia requests that the Secretariat include an estimate of A\$750 000 expenditure for the scientific aerial survey in the 2014 budget. This will allow members to review the budget in its draft form in advance of the upcoming meeting of the CCSBT Finance and Administration Committee.

Members have previously been unable to agree to Australia's request to share the full cost of the scientific aerial survey, citing their own contributions towards providing fisheries-dependent data to CCSBT (notably, nominal catch per unit effort data) and other SBT research. While I acknowledge these costs associated with the collation of fisheries-dependent data, Australia continues to make the greatest contribution to CCSBT's scientific process both through providing fisheries-dependent data and also by funding SBT research and capacity building projects.

I hope that this proposal can be considered by all Members at the upcoming Commission meeting so that the future of the aerial survey can be secured.

Yours sincerely

A handwritten signature in black ink, appearing to read 'G. Neil', with a small flourish at the end.

Gordon Neil

A/g First Assistant Secretary
Sustainable Resource Management Division

K August 2013

DRAFT GENERAL BUDGET - 2014*(with inclusion of \$750,000 for the Scientific Aerial Survey as requested by Australia)*

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Fishing Entity of Taiwan	\$166,229	\$166,229	\$259,616	\$93,387
Indonesia	\$137,250	\$137,250	\$214,357	\$77,107
Staff Assessment Levy	\$73,900	\$65,089	\$69,200	-\$4,700
Carryover from previous year	\$387,977	\$387,977	\$251,374	-\$136,603
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Tagging program coordination	\$3,000	\$2,000	\$1,500	-50%
Scientific Aerial Survey	\$100,000	\$100,000	\$750,000	650%
Scientific Research Program Projects	\$0	\$0	\$180,000	-
Participation of ERSWG Chair in joint tRFMO ByCatch WG	\$4,800	\$4,800	\$4,800	0%
Assistance to Developing States	\$12,500	\$12,500	\$12,500	0%
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