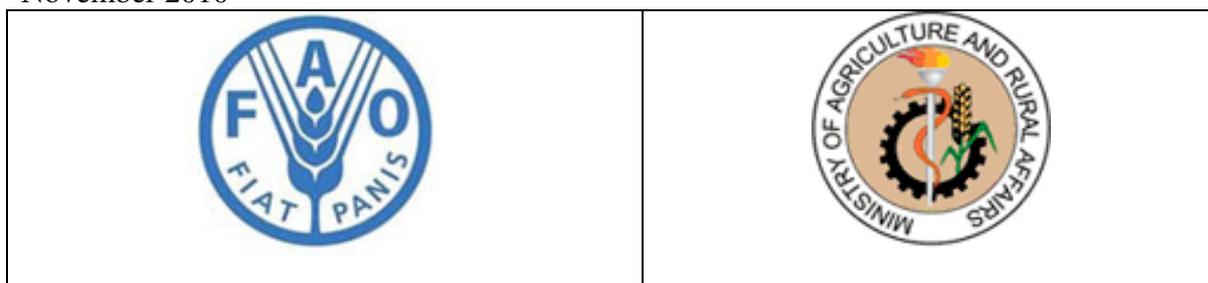


November 2010



**THIRD INTER-GOVERNMENTAL AND PREPARATORY MEETING FOR THE CENTRAL  
ASIAN AND CAUCASUS FISHERIES AND AQUACULTURE COMMISSION**

**Trabzon, Turkey, 30 November – 1 December 2010**

**DRAFT BUDGET FOR THE FIRST FINANCIAL PERIOD OF THE COMMISSION**

**Contents**

I. Introduction.....	2
II. Assumptions.....	2
III. The budget for 2011 .....	3
IV. Suggested Actions by the Preparatory Meeting .....	6

## I. Introduction

1. This document presents an estimate of forecast expenditures under the autonomous (administrative) budget (Member contributions) and includes a breakdown of the main budget chapters for the 2010 financial year, the year that the Commission is likely to become functional.

2. The document should be read in conjunction with the Draft 5-Year Regional Work Programme (2011 -2015) of the Central Asia and the Caucasus Regional Fisheries and Aquaculture (available as document SEC/2010 Trabzon/3). The technical support that FAO provides to the establishment process of the Commission and will continue to provide pursuant to the Agreement establishing the Commission is not quantified in terms of budget, as this input is independent of the Commission's autonomous budget and is therefore outside the direct scope of action of the Commission and of its Secretariat. The support provided to the Commission's activities by FAO regional projects is not considered for the same reason.

3. The estimate of all expenditures (administrative budget) related to the functioning of the Commission in 2011 is based on:

- i) the Draft 5-Year Regional Work Programme (2011 -2015) of the Central Asia and the Caucasus Regional Fisheries and Aquaculture (as presented to the Third inter-governmental and preparatory meeting for the Central Asian and Caucasus Fisheries and Aquaculture Commission, Trabzon, Turkey, 30 November – 1 December 2010);
- ii) an updating by the Secretariat of the minimum annual administrative budget (as was provided to the Second Steering Committee Meeting to prepare for the Third Intergovernmental meeting on the Establishment of the Central Asian and Caucasus Fisheries and Aquaculture Commission was held in Istanbul, Turkey on 24-25 February 2010);

## II. Assumptions

4. The following assumptions, which have budgetary implications, are relevant for the draft budget. They should be noted by by the Preparatory Meeting:

- The budget estimate assumes that one more session of the Preparatory Meeting will need to be held in 2011 before the Inaugural Meeting can take place;
- The inaugural meeting of the Commission will be held in the final quarter of 2011, expecting that by then at least 6 countries will have deposited their Instrument of Acceptance of the Agreement; meaning that the Commission will start with at least 6 members;
- The Technical Advisory Committee (TAC) will have its first meeting only in 2012; the TAC needs to be adequately supported in order to address in a timely manner the logistics of organizing a variety of activities as foreseen in the draft 5-Year Regional Work Programme; the TAC will therefore provide its first recommendations to the second meeting of the Commission in 2012;
- Members will strive to provide the Secretariat promptly with requested data and to ensure support through national experts;
- Members will provide effective support to the work of national scientists, experts, administrators and focal points and will guarantee the financing of all national inputs associated with the Commission's draft 5-Year Regional Work Programme as endorsed by the Preparatory Meeting;
- Implementation of the (by the Preparatory Meeting) endorsed draft 5-Year Regional Work Programme will start in 2011 already, and the administrative budget will provide (if all contributions are received) an initial small contribution to get key activities of the Work Programme started;
- FAO will maintain its technical & secretariat support at least at the current level provided to the Secretariat;

### III. The budget for 2011

5. The inaugural meeting of the Commission will decide on the budget of the Commission for the first year and from then onwards the budget will be adopted at the annual meetings of the Commission. This is in accordance with the Agreement on the Central Asian and Caucasus regional fisheries and aquaculture commission, which stipulates under Article IX (Finances) paragraphs 1-3 the following:

*1. Each Party to the Agreement undertakes to pay annual contributions to the budget of the Commission.*

*2. At each annual session, the Commission shall adopt its budget by consensus, provided however that if, after every effort has been made, a consensus cannot be reached in the course of that session, the matter will be put to a vote and the budget shall be adopted by a two-thirds majority of the Parties to this Agreement.*

*3. (a) The amount of the contribution of each Party shall be determined in accordance with a scheme which the Commission shall adopt and amend by consensus.*

*(b) The scheme adopted or amended by the Commission shall be set out in the Financial Regulations of the Commission.*

6. It is recalled that at the **Second Inter-governmental Meeting on the Establishment of a Central Asian and Caucasus Regional Fisheries Organization (Trabzon, Turkey, 3-5 June 2009)**, an example of a contribution calculation for the autonomous budget of the Commission (document SEC/2009 Trabzon/Inf.8) was presented by the Secretariat.

7. The Report of the Second Intergovernmental Meeting on the Establishment of Central Asian and Caucasus Regional Fisheries Organization, Trabzon, Turkey, 3 - 5 June 2009. *FAO Fisheries and Aquaculture Report*. No. 912. states, in relation to the discussion on this item, the following:

- An autonomous budget for the Commission of 150 000 USD per year was considered by the FAO Secretariat as the absolute minimum.
- The Secretariat made reference to the changes made to Article X (Expenses) of the Agreement, relating to the coverage of the expenses of delegates to attend the annual session of the Commission under the budget of the Commission. This would imply that the absolute minimum autonomous yearly budget of the Commission would increase by some 15 to 20 000 USD.

8. Following the recommendations of the Trabzon meeting, and the adoption of the Agreement on the Central Asian and Caucasus regional fisheries and aquaculture commission, by the FAO Council at its Hundred and Thirty Seventh Session on 1 October 2009 through Resolution No 1/137 under Article XIV, paragraph 2 of the FAO Constitution, the Secretariat presented an annual indicative budget of US\$ 180 000 for the start-up phase to the Second Steering Committee Meeting to prepare for the Third Intergovernmental meeting on the Establishment of the Central Asian and Caucasus Fisheries and Aquaculture Commission, which was held in Istanbul, Turkey on 24-25 February 2010. As elaborated in background document (SEC/2010/Istanbul/3) the budgeted amount is 10 000 US\$ higher than was discussed in Trabzon to reflect a more accurate costing of various services and products.

9. The draft Financial Regulations ( available as document CACFACPrep/2) provides (under Regulation III) that the autonomous budget will consist of an administrative budget and an operations budget.

10. The Draft 5-Year Regional Work Programme (2011 -2015) of the Central Asia and the Caucasus Regional Fisheries and Aquaculture (available as document SEC/2010 Trabzon/3) describes the indicative autonomous budget proposed by the FAO Secretariat for the years 2011 and 2012. Considering the importance for a “new” regional fishery body to show results and achievements in its first years of existence (achievements that may convince potential members that are still in doubt about the costs and benefits of joining the Commission) a small portion of the 2011 budget would be allocated to support implementation of key activities under the work programme.

11. As mentioned above the FAO Secretariat considers it likely that the Inaugural Meeting of the Commission will take place in 2011 and that one more session of the Preparatory Meeting will need to be held before the Inaugural meeting to finalize all documentation required for that meeting. The costs of the preparatory meeting session will be met by contributions from members of the Commission to the autonomous budget of the Commission and voluntary contributions, for the present time, from the Government of Turkey through the Central Asia Regional Program for Fisheries and Aquaculture Development.

12. Bi-lingual secretarial and administrative assistance is required by the Secretariat in order to guarantee effective communication between the secretariat and the members and potential members of the Commission. Moreover, following requests from Focal Points at the two Steering Committee meetings held so far, the Secretariat aims to launch a website dedicated to the Commission and its activities, including all relevant documents and details in 2011; a website manager would be contracted to support this process.

13. The same document (SEC/2010 Trabzon/3) shows that the proposed annual budget for 2011 of US\$ 180 000 covers planning, administration, coordination and management costs of the Commission. This budget would be the so called “Administrative” budget part of the Autonomous budget of the Commission, to which each member will make annual contributions.

14. The administrative budget for the Commission proposed by the Secretariat for 2011 is presented in the table below:

<b>Autonomous Budget</b>	<b>Budget for 2011 in US\$</b>	<b>Comments</b>
<b>Professional staff</b>		
None	0	Temporary arrangement supported by FAO
<b>Administrative support</b>		
Bi-lingual secretary/ administrative support to Secretariat (12 months annually)	30000	In support of fluent communication between the secretariat and the members
Website manager (5 months annually)	10000	To design and maintain the website
<b>Activities</b>		
<b>(General operational)</b>		
Equipment purchase for secretariat	5000	Computers, printers, furniture, etc
Duty travel of secretariat	5000	Technical, administrative and legal assistance
Travel and accommodation of delegates to Inaugural meeting of the Commission	20000	1 meeting foreseen (15 countries/delegates per meeting)
Travel and accommodation of delegates to session of the Preparatory Meeting	15000	1 meeting foreseen in 2011
Preparation and publication of meeting reports	20000	10000 per report
Organization costs of commission meetings and Preparatory meetings	10000	These funds will support the hosts of the meetings
Interpretation and translation services in support of commission meetings and steering committee/TAC meetings	15000	7500 per meeting (including also rental of simultaneous interpretation equipment)
Training of Secretariat	0	
<b>Activities</b>		
<b>(Technical)</b>		
Contracts for work programme implementation	30000	in support of work on priorities of the Commission
Consultancies for work programme implementation	10100	in support of work on priorities of the Commission
<b>Sub-total</b>	<b>170100</b>	
Miscellaneous (Contingencies 1%)	1800	
FAO servicing costs (4.5%)	8100	
<b>Total Autonomous budget</b>	<b>180000</b>	

15. In addition to the administrative budget part of the autonomous budget an operational budget will be required to carry out the activities in the first year of the 5-Year Regional Work Programme (2011 -2015) of the Central Asia and the Caucasus Regional Fisheries and Aquaculture Commission.

16. The operational budget will largely depend on the work programme to be agreed by the Inaugural Meeting of the Commission. The activities agreed in the work programme will determine what kind of financial and in-kind voluntary contributions will be required from members and donors to achieve the targets set in the work programme.

17. It is therefore premature for the FAO Secretariat to present to the first session of the Preparatory Meeting more than the administrative budget.

#### IV. Suggested Actions by the Preparatory Meeting

18. The Preparatory Meeting is invited to review the proposed administrative budget for the year 2011 and agree on the level of the administrative budget to be proposed to the Inaugural Meeting of the Commission.