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**CENTRAL ASIAN AND CAUCASUS REGIONAL
FISHERIES AND AQUACULTURE COMMISSION**



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**REPORT BY THE SECRETARY ON THE FINANCIAL AND ADMINISTRATIVE
AFFAIRS OF THE COMMISSION**

INTRODUCTION

1. The aim of this document is to report on the administrative and financial affairs of the Commission since the last session held in Mongolia in May 2015. Covered issues include, but are not limited to, the following: CACFish activities undertaken during the inter-sessional period, publications, FAO projects on fisheries and aquaculture in the CACFish countries, the status of membership to CACFish, the status of payment of the membership contributions to the autonomous budget, and a review of expenditures made in the 2015-2016 inter-sessional period.
2. The document needs to be read in conjunction with the following documents: Progress review of CACFish Five-Year Regional Work Programme (2016-2020) (CACFish/V/2016/3); Commission Budget and Member Contributions for 2016 and 2017 (CACFish/IV/2016/6); CACFish Five-year Regional Work Programme (2016-2020) (CACFish/V/2015/Inf.5); the Financial Regulations of the Commission (CACFish/V/2016/Ref.2) and the Agreement on the Establishment of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission (hereinafter referred to as the “Agreement”) (CACFish/V/2016/Ref.1).
3. The CACFish Secretariat seeks to achieve its mandated tasks through technical, communications, and operational activities under the supervision of the Commission and FAO. Secretary’s primary duties and responsibilities are outlined in the Rules of Procedure of the Commission. The main tasks of the CACFish Secretariat include the following: (i) effective and efficient operations of the Commission; (ii) preparation and submission of estimated annual budgets; (ii) regular monitoring and reporting of CACFish autonomous budget; (iii) running of the 5-year Work Programme of the Commission with technical supervision of Technical Advisory Committee; and (iv) reporting to the Regional Fishery Body Secretariats Network (RSN), a collaborative institutional set-up for which FAO provides secretariat services.

ADMINISTRATIVE AND OPERATIONAL ISSUES

Chairpersons of the Commission

3. The CACFish chairpersons in the intersessional period were:

Chairperson: Mr. Nihat Pakdil (Turkey)

First Vice-Chairperson: Mr Mehman Akhundov (Azerbaijan)

Second Vice-Chairperson: Mr Sijouddin Isroilov (Tajikistan)

Chairperson of the TAC: Ms. Chinara Imankulova (Kyrgyzstan)

Vice Chairperson of the TAC: Ms Susana Khachatryan (Armenia)

4. No changes in chairpersons were made in the intersessional period.

Secretariat to the Commission

5. Based in Ankara, Turkey, at the FAO Subregional Office for Central Asia (FAOSEC), the CACFish Secretariat continued its mandated tasks referred to in the above paragraph during the intersessional period.

6. During the intersessional period the Secretariat consisted of a part-time Secretary and an assistant to the secretariat. The Secretary, Mr. Moth-Poulsen, retired at the end of July 2016, after having served the Commission since 2012. The vacancy announcement for the Senior Fishery and Aquaculture Officer position, which would serve as CACFish Secretary, was issued in February 2016. Many applications were received and it is expected that the post will be filled again in early 2017. Mr. Raymon van Anrooy, former Secretary of CACFish, was requested by FAO to act as *ad interim* Secretary in support of the Fifth Session of the Commission.

7. An assistant to the Secretariat was provided by FAOSEC to perform secretarial services at no cost to the CACFish budget. During the inter-sessional period, a part-time international consultant, Mr. Haydar Fersoy, assisted the Secretariat technically. Ms. Kiyal Guzel and Ms. Birceyudum Eman also assisted in activities of the secretariat. The recruitment of permanent CACFish Secretariat staff is anticipated to be effectuated in the future when the Commission has a significantly increased budget.

Events organized during the intersessional period

8. During the inter-sessional period, not any meeting or workshop was organized by CACFish. The below-listed activities, which were scheduled for the inter-sessional period, were not carried out due to a decision by the Commission at its 4th session, various technical constraints and a lengthy process by FAO to review the CACFish budget in 2016:

- Regional expert meeting on conservation of genetic resources of fish
- Regional expert group work on small-scale fisheries
- Workshop on the collection of fisheries data and information
- Workshop on habitat restoration
- A pilot study of inland stock assessment in Tajikistan

9. At the time that this report was written, however, preparatory arrangements for the following two activities, referred to in above paragraph, were in place: (i) a Regional expert group work on small-scale fisheries to be held on 12 October 2016 back-to-back with the Fifth Session and a (ii) Regional expert meeting on conservation of genetic resources of fish, which could be organized in 2017.

10. Not any activity was undertaken under the second 5-year Regional Work Programme (2016-2020) (RWP2) of the Commission during the reporting period. There were two main reasons for this: (i) At its Fourth Session (2015) the Commission did not decide to implement any work item of RWP2 in 2016; and (ii) The RWP2 is in the need for external finance, as widely agreed by the previous sessions of the Commission.

11. During the inter-sessional period, the following two CACFish reports were published on-line, distributed to stakeholders and made available to the general public:

- Report of the Fourth Session of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Ulaanbaatar, Mongolia, 18–20 May 2015. FAO Fisheries and Aquaculture Report No. 1045. Ankara, 2016.
Available at: <http://www.fao.org/3/a-i5161b.pdf>
- Report of the Third Meeting of the Technical Advisory Committee (16-18 February 2015, Bishkek, the Kyrgyz Republic) FAO Fisheries and Aquaculture Report No. R1107. Ankara, 2016.
Available at: <http://www.fao.org/3/a-i5167be.pdf>

12. An overview of the CACFish session and TAC reports and related publications since 2012 can be found in Annex Table III.

Related activities

13. In the intersessional period the CACFish Secretariat, supported by FAO technical and administrative officers, consultants and governments and institutions in the CACFish member states, contributed significantly to the implementation of ongoing Technical Cooperation Programme (TCP) projects and Trust Fund projects. At present there are a total of four ongoing national level fisheries and aquaculture FAO projects in the CACFish member countries, with a total budget of 2.4 million USD. Moreover, two regional Trust Fund projects (CACFish & EastMed) support CACFish members. Various projects are in the pipeline/formulation phase. An overview of the projects can be found in the Annex Table IV.

Membership of the Commission

14. CACFish Membership status remained unchanged since the Fourth Session of Commission (2015). The Commission has 5 Members as summarized below:

- | | |
|---------------|--|
| 1. Armenia | 3 December 2010 |
| 2. Azerbaijan | 8 March 2013 (Accepted for deposit on 22 March 2014) |
| 3. Kyrgyzstan | 3 May 2010 |
| 4. Tajikistan | 9 March 2010 |
| 5. Turkey | 19 December 2011 |

Source: http://www.fao.org/fileadmin/user_upload/legal/docs/2_036s-e.pdf

15. In the reporting period, there have been no requests from non-Member States to become member or have a formal Observer Status in the Commission.

Recommendations adopted under Article V of the CACFish Agreement

16. The last meeting of the Technical Advisory Committee (TAC) took place in February 2015. The recommendations of this meeting were submitted to the Fourth Session of CACFish in May 2015 and were adopted after having been reviewed. As the next meeting of the TAC will take place after an interval of two years (in 2017), there was not any scientific and technical advice generated by the TAC during the inter-sessional period. Additionally, there was not any issue or proposal for a recommendation made by any of the Member States to the Secretariat for inclusion in the agenda of the 5th Session of Commission, in accordance with the Article V (Recommendations on development and management measures) of the CACFish Agreement.

FINANCIAL ISSUES

Monitoring of CACFish budget

17. The first autonomous budget of CACFish became operational in 2012, following its approval at the Inaugural Session (2011). The CACFish membership has not seen any growth in budget over the period 2012 - 2015, as the Commission left the annual budget unchanged at USD 180,000. The Secretariat, in collaboration with FAO SEC's administrative unit and the respective divisions of FAO Headquarters, monitors CACFish autonomous budget through an Oracle-based electronic budget system operated by FAO.

Contribution payments and arrears

18. Total Member's contributions received for 2015 added up to USD 171,759 accounting for 95 percent of the total 2015 budget, a higher payment rate compared to 69 percent in 2014. During the inter-sessional period no payment was made for any arrears. As at 30 June 2016, Kyrgyzstan made a total contribution of USD 537, which was recorded as Kyrgyzstan's advance payment for 2016 membership contribution.

19. The total arrears amounted to USD 101,442 as at 30 June 2016, as seen in the Annex Table I. The earlier arrears therefore remain unchanged at the time of writing of this report. The status of member's contribution payments per member is as follows:

- (i) Members that paid in full (i.e. Turkey and Azerbaijan);
- (ii) Members with partial arrears (i.e. Kyrgyzstan); and
- (iii) Members with not any contribution payment since the first financial year of the Commission (i.e. Armenia and Tajikistan).

20. Financial regulation V (article 3) of the Commission states that "Contributions shall be due and payable in full within 30 days of the receipt of the communication of the Secretary". It further states that "As of 1 January of the following calendar year, the unpaid balance of such contributions shall be considered to be one year in arrears".

21. Under Article IX (7) of the CACFish Agreement, a Member State in arrears in the payment of its dues in an amount that equals or exceeds the contributions due for two preceding years can lose its vote right in CACFish Sessions. As of 20 June 2016, Armenia,

and Tajikistan fell under the provisions of this Article. It should be noted here that the Agreement may allow the Commission to permit such a Party to vote if the Member State could show that conditions beyond its control contributed to this inability to pay. But the Commission in no case may extend the right to vote beyond a further two calendar years.

22. Timely payment of member's contributions is of high importance for the proper implementation of the scheduled activities of the Commission as the arrears bring technical and operational difficulties for the Commission. The CACFish Secretariat sent payment reminder letters in June 2016 to the Member States in arrears with their annual contributions.

Extra-budgetary contributions

23. Turkey made a voluntary extra-budgetary contribution of USD 100,000 in 2016 under the FAO-Turkey Partnership Programme budget. Not any other voluntary extra-budgetary contribution was received in the intersessional period.

Expenditures

24. The Commission had expenditures in the order of 82,959 USD in 2015. This included 50,096 USD (61%) travel costs of delegates, experts and Secretariat staff to participate in CACFish 4 and TAC 3 and also 13,046 USD (16%) in training costs, related to the organization of the same meetings. Respectively 12,876 USD and 2,250 USD were spent on consultancies and locally hired labour. FAO charged 5.9% support costs, which added up to 4,622 USD in 2015.

25. The Commission's expenses in 2016 (up to 15 August) have been very low. In total 13,371 USD was spent, mainly on consultancies in support of the technical work of the Secretariat. Of these expenses the consultancies added up to a cost of 10,567 USD.

26. As of 15 August 2016, the total balance available in the CACFish Trust Fund (MTF/SEC/005/MUL) was 326,037 USD. Since the establishment of the CACFish Trust Fund (autonomous budget) in 2012 the total expenses made add up to 309,375 USD. Financial highlights (i.e. incomes, breakdown of the expenditures and balances) for the period 2015-2016 are presented in Annex Table II.

SUGGESTED ACTION FOR THE COMMISSION

27. In view of all of the above, the Commission is invited to: (i) note this report and provide further general guidance; (ii) consider the status of the budget when discussing the Work Programme activities for the upcoming years, and (iii) urge the Member States in arrears in the payment of their financial contributions to clear their arrears.

Annex Table I:
Status of member outstanding contributions as at 20 June 2016 (all figures are in USD)

Members	Contribution due for 2015	Payment received for 2015	Outstanding due for 2015	Arrears due from the previous years (2012-2014)	Balance outstanding
Armenia	18,179	0	18,179	34,536	52,715
Azerbaijan	25,212	25,212	0	N/A	0
Kyrgyzstan*	10,849	6,641	4,208	11,297**	16,191
Tajikistan	11,422	0	11,422	21,114	32,536
Turkey	114,338	114,338	0	0	0
Total:					101,442

* Kyrgyzstan made an advance 2016 contribution total payment of USD 537 in three installments

** Revised

Annex Table II
Financial highlights for the period 2015-2016 (as of 15 August 2016)

	2015	2016
<i>Income</i>		
<i>Member contribution-received</i>	146,191	537 *
<i>Arrear contribution-received</i>	25,568**	
<i>Extra budgetary contribution</i>	-	100,000 ***
<i>Total income</i>	<i>171,759</i>	<i>100,537</i>
<i>Expenditures</i>		
Consultancies, including temporary Secretariat staff	12,876	10,567
Contracts	0	0
Locally hired labour	2,250	0
Travel	50,069	163
Training	13,046	1,460
Expendable procurement	21	892
Non expendable procurement	0	0
General operation cost****	48	254
FAO Support cost (5.9 %)	4,622	35
<i>Total expenditure</i>	<i>82,959</i>	<i>13,371</i>
BALANCE	88,800	87,166

* Advance 2016 contribution payment made by Kyrgyzstan.

** Payment made by Azerbaijan

*** Payment made by Turkey

**** Generally includes postage, printing and stationery expenses.

Annex Table III: List of CACFish publications (2012 -2016)

Author(s)	Title	Year/languages	Explanations
FAO/CACFish	Report of the First Session of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Istanbul, Turkey, 19-21 December 2011. FAO Fisheries and Aquaculture Report N° 997. Ankara, FAO. 2012. 96 pp. http://www.fao.org/docrep/017/i2704b/i2704b.pdf	2012 (English/Russian)	
FAO/CACFish	Report of the Second Session of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Dushanbe, Tajikistan, 16 – 17 April, 2013. FAO Fisheries and Aquaculture Report N° 1045. Rome, FAO. 2013. 39 pp. http://www.fao.org/3/a-i3374b.pdf	2013 (E/R)	Although the Second Session of CACFish was proposed to be held by end 2012 in Tajikistan, it was postponed to 2013 for organizational reasons.
FAO/CACFish	Report of the Third Session of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Baku, Azerbaijan, 2-4 June, 2014. FAO Fisheries and Aquaculture Report N° 1075. Ankara, FAO. 2014. 39 pp. http://www.fao.org/3/a-i3988b.pdf	2014 (E/R)	
FAO/CACFish	Report of the Forth Session of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Ulaanbaatar, Mongolia, 18 – 20 May, 2015. FAO Fisheries and Aquaculture Report N° 1113. Ankara, FAO. 2016. 65 pp. http://www.fao.org/3/a-i5161b.pdf	2016 (E/R)	
FAO/CACFish	Report of the First Session of the Technical Advisory Committee of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Kiev, Ukraine, 20 – 22 November, 2012. FAO Fisheries and Aquaculture Report N° 1025. Ankara, FAO. 2013. 39 pp. http://www.fao.org/3/a-i3149b.pdf	2013 (E/R)	

FAO/CACFish	Report of the Second Session of the Technical Advisory Committee (TAC) of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Bishkek, Kyrgyzstan, 21 – 23 April, 2014. FAO Fisheries and Aquaculture Report N° 1074. Ankara, FAO. 2014. 38 pp. http://www.fao.org/3/a-i4001b.pdf	2014 (E/R)	
FAO/CACFish	Report of the Third Session of the Technical Advisory Committee of the Central Asian and Caucasus Regional Fisheries and Aquaculture Commission, Bishkek, Kyrgyzstan, 16 – 18 February, 2015. FAO Fisheries and Aquaculture Report N° 1107. Ankara, FAO. 45 pp. http://www.fao.org/3/a-i5167b.pdf	2016 (E/R)	
FAO/CACFish	Guidelines on the application of the environmental impact assessment procedure in aquaculture in the Central Asia and Caucasus region. 2013. Ankara, FAO. 71 pp. http://www.fao.org/3/a-i3220e.pdf	2013 (E)	
FAO	Hygiene Requirements, Controls and Inspections in the Fish Market Chain. 2013. FAO Fisheries and Aquaculture Circular N° 1079. Ankara, FAO. 101 pp. http://www.fao.org/docrep/018/i3221b/i3221b.pdf	2013 (E/R)	
FAO	Private standards and certification in fisheries and aquaculture: current practice and emerging issues. FAO Fisheries and Aquaculture Technical Paper. No. 553. Rome, FAO. 2011. 181pp. http://www.fao.org/docrep/013/i1948e/i1948e.pdf Частные стандарты и сертификации в рыболовстве и аквакультуре Современная практика и возникающие проблемы. FAO Fisheries and Aquaculture Technical Paper. No. 553. Rome, FAO. 2013. 211pp. http://www.fao.org/3/a-i1948r.pdf	2011 (E) – 2013 (R)	
FAO	Fisheries Policy and Strategy Framework for the Kyrgyz Republic. 2014. FAO Fisheries and Aquaculture Circular No. 1092. Bishkek, 50 pp	2014	No link available.

Annex Table IV: Overview of ongoing and pipeline FAO project contributing to fisheries and aquaculture in the CACFish member states

Project Name	Project Code	Country or region	Main activities	Period	Status	Implementing agency	Budget
Alternative utilization of water resources in Armenia in the field of fish production	TCP/ARM/3504	Armenia	Aquaculture, fisheries management, capacity development	2015-2017	Ongoing	FAO/Ministry of agriculture of Armenia	USD 400 000
Enhancing aquaculture production for food security and rural development through improved feed value chain, production and use	TCP/KYR/3502	Kyrgyz Republic	Support to Development Aquaculture, Value Chain	2014-2017	Ongoing	FAO/DoF	USD 337 000
Towards Sustainable Aquaculture and Fisheries Development in the Kyrgyz Republic	GCP /KYR/012/FIN	Kyrgyz Republic	Sustainable aquaculture management, Capacity development	2014-2017	Ongoing	FAO/DoF	USD 1 659 062
Protecting and restoring valuable species of fish (Amudarya trout)	TFD-16/TAJ/002	Tajikistan	Conservation of fish species, fisheries management	2016-2017	Ongoing	FAO/Mohiparvar SUE	9 870
Restarting and Modernization of Fish Seed Production in Tajikistan	TCP/TAJ/3601/C1 (TCPF)	Tajikistan	Capacity development of especially trout production,	2016-2017	Active pipeline	FAO	USD 45 510
Scientific and Institutional Cooperation to Support Responsible Fisheries in the Eastern Mediterranean (EastMed)	GCP /INT/041/ITA	Turkey (Cyprus, Egypt, InterRegional Lebanon, Syrian Arab Republic)	Sustainable fisheries management Scientific based research, capacity development	2009-2016	Ongoing	FAO/ the Fisheries Departments and Research Institutes of the Eastern Mediterranean countries	USD 1 054 219

Mainstreaming Gender in Fisheries and Aquaculture in Turkey	637742	Turkey	Gender equality		pipeline		USD 800 000
Support regional cooperation for marine biodiversity in the Black Sea	629540	Turkey (Bulgaria, Georgia, Regional Europe, Romania, Russian Federation, Ukraine	sustainable fisheries and conservation of biodiversity in the Black Sea		idea	FAO/GEF	
Central Asian and Caucasus Regional Fisheries and Aquaculture Commission	MTF/SEC/005/MUL	Central Asia and Caucasus	Fisheries management	2012-2020	Ongoing	FAO	USD 635 410