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41st ANNUAL MEETING – SEPTEMBER 2018

**Administrative Report for the period September 2018 to August 2019
and Financial Statements for the fiscal year ending 31 December 2019**

Presented by NAFO Secretariat

This year NAFO is conducting its 41st Annual Meeting.

1. The Contracting Parties of NAFO (12) constitute the following membership to the NAFO two main bodies:

Canada
Cuba
Denmark (in respect of the Faroe Islands and Greenland) (DFG)
European Union (EU)
France (in respect of St. Pierre et Miquelon)
Iceland
Japan
Norway
Republic of Korea
Russian Federation
Ukraine
United States of America (USA)

2. NAFO Officers

Position	Name (Contracting Party)	Term
President of NAFO and Chair of the Commission	Stéphane Artano (France in respect of St. Pierre et Miquelon)	Sep. 2017–Sep. 2019
vice-Chair of the Commission	Temur Tairov (Russian Federation)	Sep. 2017–Sep. 2019
Chair of the Standing Committee on Finance and Administration (STACFAD)	Deirdre Warner-Kramer (USA)	Sep. 2012–Sep. 2020
vice-Chair of STACFAD	Elise Lavigne (Canada)	Sep. 2013–Sep. 2019
Chair of the Standing Committee on International Control (STACTIC)	Judy Dwyer (Canada)	Sep. 2015–Sep. 2019
vice-Chair of STACTIC	Aronne Spezzani (EU)	Jun. 2012–Sep. 2019
Chair of the Scientific Council	Brian Healey (Canada)	Sep. 2017–Sep. 2019
vice-Chair of the Scientific Council	Carmen Fernandez (EU)	Jun. 2018–Sep. 2020
Chair of the Standing Committee on Research Coordination (STACREC)	Carmen Fernandez (EU)	Jun. 2018–Sep. 2020
Chair of the Standing Committee on Fisheries Science (STACFIS)	Karen Dwyer (Canada)	Sep. 2017–Sep. 2019
Chair of the Standing Committee on Publications (STACPUB)	Margaret Treble (Canada)	Sep. 2013–Sep. 2019
Chair of the Standing Committee on Fisheries Environment (STACFEN)	Miguel Caetano (EU)	Sep. 2018–Sep. 2020

3. NAFO Meetings

September 2018 – August 2019:

- 17–21 September 2018, 40th Annual Meeting, Tallinn, Estonia.
- 17–23 October 2018, Joint NAFO/ICES *Pandalus* Assessment Group Meeting, Dartmouth, Nova Scotia, Canada.
- 18 October 2018, STACTIC Editorial Drafting Group (EDG) Meeting via WebEx.
- 13–22 November 2018, Scientific Council Working Group on Ecosystem Science and Assessment (WG-ESA), Dartmouth, Nova Scotia, Canada.
- 26 November 2018, Commission Working Group to Address the Recommendations of the 2018 Performance Review Panel (WG-PR) Meeting, WebEx.
- 14 January 2019, Meeting of the Chairs of STACTIC, WG-BDS and SC, WebEx.
- 28–31 January 2019, Scientific Council Cod Management Strategy Evaluation Meeting, London, UK.
- 05 February 2019, Working Group on Improving Efficiency of NAFO Working Group Process (E-WG), WebEx.
- 05–07 March 2019, STACTIC Editorial Drafting Group of the NAFO CEM (EDG), Montreal, Quebec, Canada.
- 14 March 2019, Joint Commission-Scientific Council Catch Estimation Strategy Advisory Group (CESAG), WebEx.
- 19–20 March 2019, Joint Advisory Group on Data Management (JAGDM), London, UK.
- 03–04 April 2019, Commission Working Group to Address the Recommendations of the 2018 Performance Review Panel (WG-PR), Dartmouth, Nova Scotia, Canada.
- 10–12 April 2019, Joint Commission-Scientific Council Working Group on Risk-based Management Strategies (WG-RBMS), Brussels, Belgium.
- 30 April 2019, Joint Commission-Scientific Council Catch Estimation Strategy Advisory Group (CESAG), WebEx.
- 07–09 May 2019, Standing Committee on International Control (STACTIC) Intersessional, Lisbon, Portugal.
- 31 May–13 June 2019, Scientific Council and its Standing Committees, Halifax, Nova Scotia, Canada.
- 15 July 2019, NAFO Commission *Ad Hoc* Working Group on Bycatches, Discards and Selectivity (WG-BDS) in the NAFO Regulatory Area, Dartmouth, Nova Scotia, Canada.
- 16–18 July 2019, Joint Commission-Scientific Council Working Group on Ecosystem Approach Framework to Fisheries Management (WG-EAFFM), Dartmouth, Nova Scotia, Canada.
- 23 July 2019, Joint Commission-Scientific Council Catch Estimation Strategy Advisory Group (CESAG), WebEx.

Reports of all NAFO meeting are finalized following the meeting end and are posted on the public NAFO website. (<https://www.nafo.int>)

Future Meetings (September 2019 onwards):

- 10 September 2019, Scientific Council Shrimp Meeting, WebEx
- 11 September 2019, Joint Advisory Group on Data Management (JAGDM), WebEx
- 21 September 2019, Joint Commission-Scientific Council Working Group on Risk-Based Management Strategies (WG-RBMS), Bordeaux, France
- 23–27 September 2019, NAFO 41st Annual Meeting, Bordeaux, France.
- 08–13 November 2019, Scientific Council and NAFO/ICES *Pandalus* Assessment Group, Tromsø, Norway.
- 19–28 November 2019, Scientific Council Working Group on Ecosystem Science and Assessment (WG-ESA), Dartmouth, NS, Canada.
- Standing Committee on International Control (STACTIC) Intersessional, Date and venue TBD.
- 29 May–11 June 2020, Scientific Council and its Standing Committees, Halifax, Nova Scotia, Canada.
- 21–25 September 2020, NAFO 42nd Annual Meeting, Halifax, Nova Scotia, Canada.

4. Secretariat Staff

Recruitment

For the period of September 2018–August 2019, the Secretariat was comprised of the following employees:

Executive Secretary	Fred Kingston
Deputy Executive Secretary and Senior Finance and Staff Administrator	Stan Goodick
Senior Fisheries Management Coordinator	Ricardo Federizon
Scientific Council Coordinator	Tom Blasdale
Senior Executive Assistant to the Executive Secretary	Lisa LeFort
Fisheries Information Administrator	Jana Aker
Scientific Information Administrator	Dayna Bell MacCallum
Office Administrator	Sarah Guile
IT Manager	Matthew Kendall
Database Developer/Programmer Analyst	DJ Laycock
Senior Publications/Web Manager	Alexis Pacey

5. Publications

During the period of September 2018–August 2019, in addition to the many meeting documents and working papers for NAFO meetings, the NAFO Secretariat prepared, posted to the web and/or printed the publications listed below:

- *NAFO Annual Report 2018 (Online format and a 20-page booklet)*
- *NAFO Conservation and Enforcement Measures 2019 (191 pages)*
- *NAFO Meeting Proceedings of the Commission for September 2018 – August 2019*
- *NAFO Scientific Council Reports 2018 (490 pages)*
- *NAFO Rules of Procedure and Financial Regulations 2018 (33-page booklet)*

All publications and documents are available on the NAFO website: www.nafo.int/Publications

Journal of Northwest Atlantic Fishery Science

The *Journal of Northwest Atlantic Fishery Science*, Volume 50 currently has four articles published. It is available online at <https://journal.nafo.int/>

Other initiatives and work:

Aquatic Sciences and Fisheries Abstracts (ASFA)

ASFA inputting and indexing was completed for the 2018 documents and publications (COM Working Paper 19-20). For more information about ASFA view their webpage: www.fao.org/fishery/asfa/en

6. Fishery Statistics

The NAFO statistical databases are compiled by the NAFO Secretariat and published on the NAFO website <https://www.nafo.int/Data>. This database is continuously updated as new submissions are received.

The STATLANT 21A Extraction Tool, available on the NAFO website, continues to be used to query the NAFO Statistical database. This tool provides fishery catch statistics organized by country, species, division and year from 1960 to the present.

7. Information Technology (IT)

Communication

In 2019, the Secretariat enhanced its internal meeting communication systems by installing a wireless presentation system which allows meeting participants to easily share any conference room projector. Additionally, a set of wireless microphones were installed in the Secretariat boardroom.

At-Sea Observer Smartphone Application

The NAFO Secretariat has been developing a smartphone application to facilitate the automatic transmission of observer data in 2018. This smartphone application was piloted in 2019, and since then, three at-sea trials have been completed. The application has successfully transmitted data from the NAFO Regulatory Area to the Secretariat. The application is designed to mimic the current data collection requirements of NAFO Observers but can be easily modified to include more features as needs arise.

8. The NAFO Webpages

The NAFO public website continues to evolve by improving usability, searchability and visual clarity. Following the 2018 Annual Meeting, General Council documents from 1990 onwards and STACFAD Working Papers from 2018 onwards are now publicly available on the NAFO website, except for those dealing with personnel and confidential matters.

SharePoint

The NAFO Meetings SharePoint (<https://meetings.nafo.int>) continues to be a valuable resource allowing access to the meeting documentation before, during and after meeting hours. The NAFO Secretariat continues to investigate the best ways to increase the use of SharePoint technology during meetings.

WebEx

This year, WebEx continued to be a valuable resource for meetings (www.webex.com). WebEx allows meetings to take place anywhere, anytime, with meeting participants at various locations, as well as allows participants to participate in non-virtual meetings they cannot attend.

9. Staff Committee

The Secretariat would like to thank Justine Jury, Joanne Morgan, and Deirdre Warner-Kramer for serving on the Staff Committee for the 2018-2019 term. The Staff Committee did not need to meet during the past 12 months.

10. Second Performance Review of NAFO

At the 2018 Annual Meeting, the second Performance Review of NAFO was accepted. In turn, the NAFO Commission Working Group to Address the Recommendations of the 2018 Performance Review (WG-PR) was established. The WG-PR met 26 November 2018 and 03 April 2019 to develop a plan of action for NAFO to address the Recommendations of the 2018 Performance Review. This draft plan of action will be presented to the 41st Annual Meeting.

11. Secretariat Activities

NAFO Internship Program

At the 2011 Annual Meeting, a NAFO internship program was adopted. Since then, twelve interns have taken part in the program. This year, two interns will participate in the NAFO internship program.

Antoine Balazuc

Antoine began his two-month internship with the Secretariat in early October 2018. Antoine is a citizen of France and holds a master's degree with a specialization in fisheries and aquaculture sciences, from Agrocampus-Ouest (Rennes, France).

During his internship, Antoine's primary focus was working on the analyses and mapping of the logbook data available

at the NAFO Secretariat to facilitate the work of the NAFO Commission *Ad hoc* Working Group to Reflect on the Rules Governing Bycatches, Discards and Selectivity (WG-BDS) in the NAFO Regulatory Area. Antoine worked to programmatically analyze and map bycatch and discards in the NAFO Regulatory Area and provided the code to the NAFO Secretariat for future use. He also worked on a preliminary mapping project of the lost gear occurrences that have been reported in the NAFO Regulatory Area. Due to his previous experience working as an at-sea fisheries observer, he was also able to provide feedback to the Database Developer/Programmer Analyst on the NAFO Observer Application that is currently in development at the NAFO Secretariat.

Javier Guijarro Sabaniel

Javier, a citizen of Canada and Spain, completed a two-month internship at the NAFO Secretariat in Spring 2019. Javier holds a Master of Science in Environmental Management Degree at Barcelona University, a Bachelor of Science Degree in Environmental Science at Granada University and a Bachelor of Science Degree in Marine Science at Cadiz University. He recently worked as Aquatic Science Biologist for Fisheries and Oceans Canada at Bedford Institute of Oceanography in Dartmouth, Nova Scotia.

During his internship, Javier helped on bycatch and discards analyses of Haul per Haul data available from 2018 at the NAFO Secretariat to facilitate the work of the NAFO Commission *Ad hoc* Working Group to Reflect on the Rules Governing Bycatches, Discards and Selectivity (WG- BDS) in the NAFO Regulatory Area. Javier worked on creating maps of individual vessels' fishing tracks using VMS (vessel monitoring system) and logbook data. Also, he helped to improve the precision of fishing effort mapping, which will contribute to the work of WG-ESA and the NEREIDA project on evaluating the impacts of bottom fishing on VMEs.

Outreach

Media

The Secretariat continues to circulate its annual press release to a dedicated NAFO media contact list. As per past years, a press release will follow the closing of the Annual Meeting.

External Relations

During the past year, members of the NAFO Secretariat have participated in meetings to discuss NAFO-related issues, including the following:

- 21–22 January 2019, Jana Aker, Fisheries Information Administrator, and DJ Laycock, Database Developer/Programmer Analyst, visited the Canadian Fisheries Monitoring Center (FMC) for an exchange of information between NAFO Secretariat and the FMC on current and future NAFO monitoring and operational requirements in St. John's, NL, Canada.
- 29–31 January 2019, DJ Laycock, Database Developer/Programmer Analyst, provided training for NAFO Inspectors on the NAFO MCS website, as well as received input on the new MCS website enhancements, and presented the new NAFO application in Vigo, Spain.
- 05 June 2019, Executive Secretary, Fred Kingston, gave a presentation to the Canadian International Council in Halifax, Nova Scotia, Canada concerning NAFO at an event entitled *North Atlantic Fisheries - Biodiversity in the High Seas - What's at risk? What's Underway? What's Possible?*
- 13–14 June 2019, Executive Secretary, Fred Kingston, met with NAFO President, Stéphane Artano, for the signing of the of NAFO Headquarters Agreement in St. Pierre et Miquelon.
- Executive Secretary, Fred Kingston, attended the monthly meetings of the Nova Scotia Consular Corps.

The NAFO Secretariat also continues to try to strengthen its relationship with the academic community.

- 06–07 November 2018, Lisa LeFort, Senior Executive Assistant, gave two presentations to the Science 10 class on NAFO at Island View High School in Nova Scotia, Canada.
- 08 November 2018, Jana Aker, Fisheries Information Administrator, and Dayna Bell MacCallum, Scientific Information Administrator, gave a brief presentation about NAFO to the Dalhousie University Marine Affairs Program class in Halifax, Nova Scotia, Canada.

- 28 February 2019, Executive Secretary, Fred Kingston, gave a guest lecture to the Dalhousie University Law of the Sea class in Halifax, Nova Scotia, Canada.
- 26 June 2019, Executive Secretary, Fred Kingston, gave a lecture to the International Ocean's Institute (IOI) class at the NAFO Secretariat in Dartmouth, Nova Scotia, Canada.

Guests to the Secretariat

- On 29 October 2018, members of the European Economic and Social Committee (Dilyana Slavova, Tanja Buzek, Jacek Krawczyk and Benedicte Federspiel), paid a courtesy visit to the NAFO Secretariat.
- On 15 April 2019, the International Fisheries Commissions (IFC) Directors and Executive Secretaries: Bob Lambe, Executive Secretary – Great Lakes Fisheries Commission; David Wilson, Executive Director – International Pacific Halibut Commission; John Field, Executive Secretary – Pacific Salmon Commission; Robin Brown, Executive Secretary – North Pacific Marine Science Organization; and Vladimir Radchenko, Executive Director, North Pacific Anadromous Fish Commission visited and met at the NAFO Secretariat.
- On 19 June 2019, Doug Wentzell, Associate Regional Director General for Fisheries and Oceans Canada, Maritimes Region, paid a visit to the NAFO Secretariat.
- On 25 June 2019, former NAFO Executive Secretary (2003-2009), Dr. Johanne Fischer, paid a visit to the NAFO Secretariat and her former colleagues.

The NAFO Secretariat continues to hold smaller working group meetings in its boardroom whenever possible as well as offer the use of the space to affiliated groups for a nominal fee. In the past, universities and Fisheries and Oceans Canada have used the space for meetings, as well as the ICES Working Group on the Northwest Atlantic Regional Sea (WG-NARS).

Information Requests

The NAFO Secretariat regularly responds to requests from various international sources. During the last year the Secretariat has responded specifically to:

- Chapter review of the FAO *Worldwide Review of Bottom Fisheries in the High Seas*.
- UN Convention on Biodiversity: Submission of information on the implementation of (i) the Priority Actions to Achieve Aichi Biodiversity Target 10 for Coral Reefs and Closely Associated Ecosystems, (ii) the Voluntary Specific Workplan on Biodiversity in Cold-water Areas within the Jurisdictional Scope of the Convention, and (iii) the Voluntary Practical Guidance on Preventing and Mitigating the Impacts of Marine Debris on Marine and Coastal Biodiversity and Habitats.
- A review of the application of the FAO Ecosystem Approach to Fisheries (EAF) management by the regional fisheries bodies responsible for Areas Beyond National Jurisdiction (ABNJ).
- Contribution to the report of the Secretary-General on oceans and the law of the sea, pursuant to United Nations General Assembly resolution 73/124 of 11 December 2018, entitled "*Oceans and the law of the sea*".
- Contribution to the United Nations on the topic entitled, "*Performance reviews of regional fisheries management organizations and arrangements*."
- Contribution to the Regional Fishery Body Secretariats Network (RSN) Newsletters.

Throughout the year various informal requests are made to the Secretariat regarding specific information, procedures of NAFO, etc. by students, educational institutes, RFMOs, Contracting Parties representatives or other organizations. These are answered to the best of the ability and as time permits by various members of the NAFO Secretariat.

Oil and Gas Activity in the NRA

Since the 2015 Annual Meeting, NAFO and Canada have operated under an interim information exchange arrangement as a means for the appropriate and timely exchange of information necessary to avoid overlapping activities and mitigate potential conflicts between fisheries and hydrocarbons activities. Under this arrangement, since the 2018 Annual Meeting and following consultation with Contracting Parties, the NAFO Secretariat provided a 'five-year monthly snapshot' of fishing activity in the NAFO Regulatory Area on the basis of aggregated and anonymized VMS data to Canada, which Canada would then forward to specified users. NAFO also provided the same 'five-year monthly

snapshot' of fishing activity in the NAFO Regulatory Area on the basis of aggregated and anonymized VMS data to Canada, which Canada would then forward to the Canadian Environmental Assessment Agency (CEAA) to be used in the CEAA's assessment of offshore oil and gas drilling east of Newfoundland and Labrador.

Since the 2014 Annual Meeting, Canada has also implemented an "interim process" through which it has sent to the NAFO Secretariat information about petroleum-related activities on Canada's continental shelf in the NAFO Regulatory Area for onward transmission to NAFO Contracting Parties. Since the 2018 Annual Meeting, there have been five such notifications.

12. Participation by Secretariat at external meetings

ABNJ Deep Seas Project Fourth Steering Committee Meeting, La Réunion, France, 23–25 January 2018

Executive Secretary, Fred Kingston, attended. Participants included officials from the FAO, UNEP, RFMOs and other Project partners.

Workshop and Fourth Joint Meeting of the Sargasso Sea Commission and Hamilton Declaration Signatories, St. George's, Bermuda, 13–14 March 2019

Executive Secretary, Fred Kingston, attended and gave a presentation on NAFO to a workshop entitled "Future Collaboration regarding Human Impacts on the Sargasso Sea Fisheries".

1st Preparatory Meeting of the WECAFC Reorientation, Bridgetown, Barbados, 25–26 March 2019

Executive Secretary, Fred Kingston, attended and gave a presentation about the structure and competencies of NAFO to the member States of WECAFC.

FAO Deep Sea Fisheries Rights Based Management Workshop, Rome, Italy, 10–12 April 2019

Senior Fisheries Management Coordinator, Ricardo Federizon, gave a presentation entitled "NAFO Practices on Quota Allocations and Quota Trading"

International Fisheries Commissions Pension Society (IFCPS), Annual Meeting, Halifax, Nova Scotia, Canada, 15–17 April

NAFO hosted the meeting this year. Participants included officials from the US and Canadian administrations, as well as the Executive Secretaries and the Administration officers of all the RFMOs based in the USA and Canada. Executive Secretary, Fred Kingston, and Deputy Executive Secretary & Senior Finance & Staff Administrator, Stan Goodick, participated at the meeting.

Fourteenth round of Informal Consultations on "Performance reviews of regional fisheries management organizations and arrangements, New York, New York, United States of America, 02–03 May 2019

Executive Secretary, Fred Kingston, attended the meeting and gave a presentation on NAFO's recent performance review.

Global Deep-Sea Symposium – ABNJ Deep Seas Project, Rome, Italy, 07–09 May 2019

Executive Secretary, Fred Kingston, attended and was a moderator of a panel entitled "Setting the Scene".

11th FIRMS Steering Committee meeting (FSC-11), Rome, Italy, 13–14 May 2019

Senior Fisheries Management Coordinator, Ricardo Federizon, and Scientific Council Coordinator, Tom Blasdale (via WebEx), attended.

CWP 26th Session, Rome, Italy, 15–18 May 2019

Senior Fisheries Management Coordinator, Ricardo Federizon, attended.

Sixth Meeting of the Parties to the Southern Indian Ocean Fisheries Agreement (SIOFA), Flic en Flac, Mauritius, 01–05 July 2019

Fisheries Information Administrator, Jana Aker, attended and provided meeting support.

Third session of the BBNJ Intergovernmental Conference, New York, New York, United States of America, 19 to 30 August 2019

Executive Secretary, Fred Kingston, attended the meeting and gave a presentation about NAFO focusing on NAFO's development of its ecosystem approach at a side event entitled, "*Regional Fisheries Management Organizations: Continuing Progress in the 21st Century*".

13. NAFO Secretariat Headquarters Relocation

The NAFO Secretariat has been informed by the Government of Canada that the new Secretariat's location has been chosen. The new Secretariat office space will be in the Summit Place office building (1601 Lower Water St.) in downtown Halifax, Nova Scotia. The headquarters relocation is expected to take place in early 2020.

14. Financial Status Update

The 2018 fiscal year ended in a very good financial position with over \$617K cash in the bank account and only \$49,342 owing from two Contracting Parties. Operating expenses for the year were 1.6% under the Organization's budget of approximately \$2.97 million. The Organization approved the creation of a recruitment and relocation fund to pay recruitment and relocation costs for incoming and outgoing internationally recruited staff. It's anticipated that \$12,000 will be put into the fund each year until the fund reaches a maximum of \$100,000. Grant Thornton audited the 2018 financial records and the statements will be reviewed and approved by the Organization at the September 2019 Annual Meeting.

The NAFO budget for 2019 was set at \$2.274 million. It was expected that the NAFO Headquarters would be relocating in 2019 and therefore \$10,000 was added to the equipment and supplies budget to cover any unexpected costs. Expenditures for 2019 are projected to be \$38,000 under budget (see page 09 - Statement I of the Financial Statements). As of 31 August 2019, all membership contributions for 2019 have been paid in full (see page 11 - Statement III of the Financial Statements).

Financial Statements

STATEMENT I

Budget Appropriations. Obligations Incurred and Unliquidated Balances of Appropriations

For the Year Ending 31 December 2019

(Canadian Dollars)

	Approved Budget 2019	Total Estimated Obligations for Fiscal Year 2019	Estimated Unliquidated Balance of Appropriations
1 Personal Services			
a) Salaries	\$1,127,000	\$1,137,000	(\$10,000)
b) Superannuation and Annuities	469,000	469,000	-
c) Medical and Insurance Plans	93,000	95,000	(2,000)
d) Employee Benefits	67,000	69,000	(2,000)
Subtotal Personal Services	1,756,000	1,770,000	(14,000)
2 Additional Help	2,000	2,000	-
3 Communications	24,000	24,000	-
4 Computer Services	51,000	51,000	-
5 Equipment	33,000	33,000	-
6 Fishery Monitoring	41,000	41,000	-
7 Hospitality Allowance	3,000	3,000	-
8 Internship	11,000	10,000	1,000
9 Materials and Supplies	33,000	33,000	-
10 NAFO Meetings			-
a) Sessional	132,000	115,000	17,000
b) Inter-sessional Scientific	60,000	30,000	30,000
c) Inter-sessional Other	35,000	31,000	4,000
Subtotal NAFO Meetings	227,000	176,000	51,000
11 Other Meetings and Travel	34,000	35,000	(1,000)
12 Professional Services	45,000	44,000	1,000
13 Publications	14,000	14,000	-
	\$2,274,000	\$2,236,000	\$38,000



STATEMENT II

**Statement of Assessed Contributions and Estimated
Expenditure Obligations for the Year Ending 31 December 2019**

(Canadian Dollars)

Contracting Parties Assessed:	
Canada	\$710,757
Cuba	64,792
Denmark (in respect of Faroe Islands and Greenland)	235,899
European Union	226,844
France (in respect of St. Pierre et Miquelon)	69,172
Iceland	60,417
Japan	70,383
Norway	73,777
Republic of Korea	60,417
Russian Federation	104,086
Ukraine	60,417
United States of America	<u>228,897</u>
Assessed Contributions for the year ending 31 December 2019	1,965,858
Transferred from Accumulated Surplus Account	<u>308,142</u> ^a
Approved Budget for 2019	2,274,000
Total Estimated Obligations for 2019 - Statement I	<u>2,236,000</u>
Amount to be transferred to Accumulated Surplus Account	<u>\$38,000</u>

^a Excess of revenue over expenditures during the 2018 fiscal year (includes ex-gratia grant; staff assessments; sales of publications; interest, other revenue and balance of appropriations not expended).

STATEMENT III

Statement of Financial Position
For the Year Ending 31 December 2019
(Canadian Dollars)

Assets	
Current	
Cash and cash equivalents	\$681,246
Contributions receivable	-
Ex gratia grant receivable - Province of Nova Scotia	95,000
Investments segregated for employee terminations benefits	<u>391,606</u>
	<u>\$1,167,852</u>

Liabilities	
Current	
Payables and accruals	\$60,000
Accrued vacation payable	<u>57,246</u>
	117,246
Provision for employee termination benefits	<u>391,606</u>
	<u>508,852</u>

Net Assets (Accumulated Surplus)	
Operating Fund	299,000
Contingency Fund	285,000
Relocation Fund	60,000
Performance Review Fund	<u>15,000</u>
	<u>659,000</u>
	<u>\$1,167,852</u>



STATEMENT IV

Statement of Accumulated Surplus Estimates
For the Year Ending 31 December 2019
(Canadian Dollars)

Accumulated Surplus - Beginning of 2019		\$641,142
Less: Amount appropriated 1 January 2019		(308,142)
Add: Staff Assessments	\$165,000	
Province of Nova Scotia - <i>ex gratia</i> grant	95,000	
Balance of appropriations not expended in 2018	38,000	
Interest	25,000	
Publication sales, Observer fees, boardroom rental	3,000	326,000
Accumulated Surplus - End of 2019		\$659,000
Summary of funds held in the Accumulated Surplus		
Contingency fund (Rule 4.5)	\$285,000	
Relocation Fund (Rule 4.5)	60,000	
Performance Review Fund (Proposed New Rule)	15,000	
Operating Fund (Rule 4.7)	299,000	\$659,000

Provisions for the Accumulated Surplus Account from the NAFO Financial regulations:

Rule 4.3 Monies available in the accumulated surplus account may be used temporarily to the extent necessary to finance appropriations pending receipt of annual payments by Contracting Parties.

Rule 4.5 The Standing Committee on Finance and Administration and the Commission shall review the amount available in the accumulated surplus account during each annual meeting. Insofar as possible, the Commission shall anticipate unforeseen expenditures during the succeeding three years and shall attempt to maintain the accumulated surplus account at a level sufficient to finance operations during the first three months of the year plus an amount up to a maximum of 10% of the annual budget for the current financial year for use in an emergency in accordance with Rule 4.4. In addition, the Organization shall also maintain a recruitment and relocation fund to pay recruitment and relocation costs for incoming and outgoing internationally recruited staff. The recruitment and relocation fund balance shall be kept at a maximum of \$100,000.

Proposed New Rule: In addition, the Organization shall also maintain a performance review fund to pay costs associated with having an external performance review. The performance review fund balance shall be kept at a maximum of \$100,000.

Rule 4.7 The Executive Secretary shall inform each Contracting Party of the annual contribution due in accordance with Article IX.3 of the Convention as soon as possible after the Commission has adopted the annual budget. In calculating the contributions, the Executive Secretary shall reduce the amount appropriated in the budget by the amount of staff assessments for the preceding year, if any, and by the amount determined by the Commission to be in excess of the needs of the accumulated surplus account.

Statement V

Statement of Contributions Due from
Contracting Parties for the 2019 Financial Year

Northwest Atlantic Fisheries Organization
Contributions Due 1 January - 31 December 2019
(Canadian Dollars)

NAFO Billing 2019

Budget: Period 1 January - 31 December 2019 \$2,274,000
Deduct: Amount Allocated from Accumulated Surplus \$308,142
Funds required to meet 2019 Administrative Budget \$1,965,858

Part A

Contracting Parties	Catches 2016	Catch %	NAFO Convention Article IX.2.a,b,c			Subtotal
			10%	30%	60%	
Canada	129,885	33.55%	\$77,363	\$49,146	\$395,729	\$522,238
Cuba	1,058	0.27%	-	\$49,146	\$3,185	\$52,331
Denmark (in respect of Faroe Islands and Greenland) (Note 2)	164,742	42.55%	\$98,125	\$49,146	\$501,884	\$649,155
European Union	39,985	10.33%	-	\$49,146	\$121,845	\$170,991
France (in respect of St. Pierre et Miquelon)	1,759	0.45%	\$1,048	\$49,146	\$5,308	\$55,502
Iceland	-	-	-	\$49,146	-	\$49,146
Japan	2,389	0.62%	-	\$49,146	\$7,313	\$56,459
Norway	3,197	0.83%	-	\$49,146	\$9,790	\$58,936
Republic of Korea	-	-	-	\$49,146	-	\$49,146
Russian Federation	10,500	2.71%	-	\$49,146	\$31,966	\$81,112
Ukraine	-	-	-	\$49,146	-	\$49,146
United States of America	33,662	8.69%	\$20,050	\$49,146	\$102,500	\$171,696
Total	387,177	100.00%	\$196,586	\$589,752	\$1,179,520	\$1,965,858

Part B

Contracting Parties	Subtotal from Part A	NAFO Convention Article IX.2.d (Note 1)					Subtotal	Total contribution
		% Contribution	Catch % minus DFG	10%	30%	60%		
Canada	\$522,238	26.57%	58.39%	\$32,470	\$11,271	\$144,778	\$188,519	\$710,757
Cuba	\$52,331	2.66%	0.48%	-	\$11,271	\$1,190	\$12,461	\$64,792
Denmark (in respect of Faroe Islands and Greenland) (Note 2)	\$649,155	33.02%	-	-\$41,325	-\$123,981	-\$247,950	-\$413,256	\$235,899
European Union	\$170,991	8.70%	17.98%	-	\$11,271	\$44,582	\$55,853	\$226,844
France (in respect of St. Pierre et Miquelon)	\$55,502	2.82%	0.79%	\$440	\$11,271	\$1,959	\$13,670	\$69,172
Iceland	\$49,146	2.50%	-	-	\$11,271	\$0	\$11,271	\$60,417
Japan	\$56,459	2.87%	1.07%	-	\$11,271	\$2,653	\$13,924	\$70,383
Norway	\$58,936	3.00%	1.44%	-	\$11,271	\$3,570	\$14,841	\$73,777
Republic of Korea	\$49,146	2.50%	-	-	\$11,271	\$0	\$11,271	\$60,417
Russian Federation	\$81,112	4.13%	4.72%	-	\$11,271	\$11,703	\$22,974	\$104,086
Ukraine	\$49,146	2.50%	-	-	\$11,271	\$0	\$11,271	\$60,417
United States of America	\$171,696	8.73%	15.13%	\$8,415	\$11,271	\$37,515	\$57,201	\$228,897
Total	\$1,965,858	100.00%	100.00%	\$0	\$0	\$0	\$0	\$1,965,858

Note 1

The annual contribution of any Contracting Party which has a population of less than 300,000 inhabitants shall be limited to a maximum of 12% of the total budget. When this contribution is so limited, the remaining part of the budget shall be divided among the other Contracting Parties in accordance with Article IX.2.a,b and c of the NAFO Convention.

Note 2

Faroe Islands 3,556 metric tons
Greenland 161,186 metric tons

