

Northwest Atlantic Fisheries Organization



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17TH ANNUAL MEETING - SEPTEMBER 1995

Administrative Report and Financial Statements  
for the fiscal year ending 31 December 1995

(as of 31 July 1995)

by

Executive Secretary

1. The Contracting Parties of NAFO (15) constitute the following membership to the NAFO three main bodies:

General Council

Bulgaria  
Canada  
Cuba  
Denmark (in respect of the Faroe  
Islands and Greenland)  
Estonia  
European Union (EU)  
Iceland  
Japan  
Republic of Korea (Korea)  
Latvia  
Lithuania  
Norway  
Poland  
Romania  
Russian Federation (Russia)

Scientific Council

Bulgaria  
Canada  
Cuba  
Denmark (in respect of the Faroe  
Islands and Greenland)  
Estonia  
European Union (EU)  
Iceland  
Japan  
Korea  
Latvia  
Lithuania  
Norway  
Poland  
Romania  
Russia

Fisheries Commission

Bulgaria  
Canada  
Cuba  
Denmark (in respect of the Faroe  
Islands and Greenland)  
Estonia  
European Union (EU)  
Iceland  
Japan  
Korea  
Latvia  
Lithuania  
Norway  
Poland  
Russia

2. NAFO Officers

President of NAFO and Chairman of the General Council  
(elected for the term Sept. 1993-Sept. 1995)

Vice-Chairman of the General Council  
(elected for the term Sept. 1993-Sept. 1995)

Chairman of the Standing Committee on Fishing Activities of non-Contracting  
Parties in the Regulatory Area (STACFAC)  
(elected for the term Sept. 1994-Sept. 1996)

Vice-Chairman of the Standing Committee on Fishing Activities of non-Contracting  
Parties in the Regulatory Area (STACFAC)  
(elected for the term Sept. 1994-Sept. 1996)

Chairman of the Standing Committee on Finance and Administration (STACFAD)  
(elected for the term Sept. 1993-Sept. 1995)

Vice-Chairman of the Standing Committee on Finance and Administration (STACFAD)  
(elected for the term Sept. 1993-Sept. 1995)

Chairman of the Scientific Council  
(elected for the term Sept. 1993-Sept. 1995)

Vice Chairman of the Scientific Council  
(elected for the term Sept. 1993-Sept. 1995)

Chairman of the Standing Committee on Fisheries Science (STACFIS)  
(elected for the term Sept. 1994-Sept. 1996)

Chairman of the Standing Committee on Research Coordination (STACREC)  
(elected for the term Sept. 1993-Sept. 1995)

Chairman of the Standing Committee on Publications (STACPUB)  
(elected for the term Sept. 1993-Sept. 1995)

- E. Lemche (Denmark in respect of the  
Faroe Islands and Greenland)  
- A. Rodin (Russian Federation)

- C. C. Southgate (EU)

- H. Fischer (Denmark in respect of the  
Faroe Islands and Greenland)

- J. Quintal-McGrath (Canada)

- E. Penas (EU)

- H. Lassen (EU)

- W. R. Bowering (Canada)

- W. B. Brodie (Canada)

- C. A. Bishop (Canada)

- W. R. Bowering (Canada)

Chairman of the Standing Committee on Fisheries and Environment (STACFEN) (elected for the term Jan. 1995-Sept. 1996)	- M. Stein (EU)
Chairman of the Fisheries Commission (elected for the term Sept. 1993-Sept. 1995)	- H. Koster (EU)
Vice-Chairman of the Fisheries Commission (elected for the term Sept. 1993-Sept. 1995)	- P. Gullestad (Norway)
Chairman of the Standing Committee on International Control (STACTIC) (elected for the term Sept. 1993-Sept. 1995)	- D. N. Brock (Canada)

### 3. Secretariat

Executive Secretary	- Leonard I. Chepel
Assistant Executive Secretary	- Tissa Amaratunga
Administrative Assistant	- Forbes D. Keating
Accounting Officer	- Stan M. Goodick
Senior Secretary	- Beverly J. Cruikshank
Statistical Officer	- Gordon M. Moulton
Desktop Publishing/Documents Clerk	- Ferne E. Perry
Graphic Arts/Printing Technician	- Ronald A. Myers
Graphic Arts/Printing Technician	- Barry T. Crawford
Clerk-Typist	- Dorothy C. Auby
Statistical Clerk	- Barbara L. Marshall
Statistical Clerk	- Cynthia L. Kerr

### 4. NAFO Meetings

The Fisheries Commission, Brussels, Belgium, 30 January- 01 February 1995.

The Standing Committee on International Control (STACTIC), Dartmouth, N.S., Canada, 10-12 May 1995.

The International Fisheries Commission Pension Society Annual Meeting, Halifax, N.S., Canada, 24-26 May 1995. The NAFO Secretariat was represented by Dr. L. I. Chepel, Mr. T. Amaratunga, Mr. F. D. Keating and Mr. S. M. Goodick.

The Fisheries Commission and its subsidiary body STACTIC, Toronto, Canada, 7-9 June 1995.

The Joint ICES/NAFO Working Group on Harp and Hooded Seals, Keddy's Dartmouth Inn, 5-9 June 1995.

The Scientific Council and its Standing Committees, Keddy's Dartmouth Inn, 7-21 June 1995.

### 5. Publications

The publications listed below are prepared and printed in the NAFO Secretariat. It is estimated that 900,000 pages of printed material will be distributed in publications and an additional 600,000 pages of printed material distributed in documents/circular letters before the end of 1995.

*NAFO Annual Report* for the year 1994 (166 pages) was distributed in March 1995.

*NAFO Meeting Proceedings* for the year 1994 (165 pages) was distributed in February 1995.

*NAFO Scientific Council Reports* for 1994 (234 pages) was distributed in January 1995.

*NAFO Journal of Northwest Atlantic Fishery Science* Volume 17 (77 pages) was distributed in November 1994.

*NAFO Scientific Council Studies* Number 21 (165 pages) was distributed in February 1995.

*NAFO Scientific Council Studies* Number 22 (95 pages) was distributed in June 1995.

*NAFO Statistical Bulletin* 1991 Volume 41 (320 pages) was distributed in February 1995.

*NAFO Statistical Bulletin* (Supplementary - 1960-1990) (155 pages) was distributed in May 1995.

*NAFO Newsletter "NAFO News"* was published in two (2) editions: No. 1 for the year 1994 was issued in January 1995 and No. 2 for January-June 1995 was issued in July 1995.

6. Fishery Statistics and other outstanding issues

The statistical NAFO database is computerized at the NAFO Secretariat and available for the Contracting Parties.

STATLANT 21A reports (annual catches in the NAFO Convention Area by species and divisions), are outstanding from: 1990 - EU-Fra(M); 1994 - Cuba, Korea and Lithuania (reporting date 15 May).

STATLANT 21B reports (annual catches in the NAFO Convention Area by species, month, effort), are outstanding from: 1989 EU-Fra (M); 1990 - EU-Fra (M) and Fra-SP; 1991-1992 - Fra-SP; 1993 - Denmark (Faroes), EU-Portugal, Fra-SP and Norway. For 1994, STATLANT 21B reports have been received only from Canada-N, Estonia, EU-Fra (M), Iceland, Japan, Poland and Russia (reporting date 30 June).

7. Major NAFO substantive issues and decisions through 1994

## a) The General Council resolved:

- Republic of Korea admitted to the Fisheries Commission (September 1994);
- To begin a regular semi-annual publication of a NAFO Newsletter - "NAFO News";
- To delegate a NAFO observership at NAMMCO (North Atlantic Marine Mammal Commission) to Norway and at the UN Conference on the High Seas Stocks, to Denmark (in respect of the Faroe Islands and Greenland);
- To adopt Resolution 94/1 on fishing activities of Non-Contracting Parties in the NAFO Regulatory Area calling for acceptance of "Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas";
- To present all NAFO proposals which potentially could have an impact on the NAFO budget with cost estimates for those proposals.

## b) The Fisheries Commission resolved:

- To extend the NAFO Observer Scheme Pilot Project for 1995;
- To continue discussions on improvements to the NAFO Conservation and Enforcement measures at the 17th Annual Meeting with respect to: inspections, reporting of catch on board of fishing vessels, mesh size and fish size, port inspections, effort plans and catch reporting, apparent infringements and follow-up on them, pilot project for observers and satellite tracking;
- To adopt the following TACs for regulated stocks in the Regulatory Area for 1995: Cod in Div. 3M-11000t; Redfish in Div. 3M-26000t; Redfish in Div. 3LN-14000t; Squid in Subareas 3+4-150000t; Greenland halibut-27,000;
- To impose "no directed fishing" for the following stocks: Cod in Div. 3NO, A. plaice in Div. 3M and 3LNO, Yellowtail flounder in Div. 3LNO, Witch flounder in Div. 3NO, Capelin in Div. 3NO, and Cod in Div. 3L of the Regulatory Area.
- To introduce regulatory measures for shrimp fishing in Div. 3M (bar space 22 mm, by catch 5%, minimum mesh size 40 mm), and "no directed fishing" in 3LNO.

## c) The Scientific Council recommended:

- On stock assessments, the summaries and conclusions for each stock were formulated in NAFO SCS Doc. 95/19, Section X;
- On coordination of surveys, a synoptic survey for Greenland halibut was recommended;
- Analyses of distribution and abundance of non-traditional species be conducted for the extensive survey database and presentation to the Scientific Council in 1996;
- On fishery statistics, the Assistant Executive Secretary should attend the ad hoc consultation planned for July 1996 in Rome and 17th Session of CWP in Hobart, Australia;
- To make NAFO presentation and presence at 2nd World Fisheries Congress to be held 28 July - 02 August 1996 in Brisbane, Australia;

Note: These two (2) last events if approved by STACFAD would require an allocation of extra funds to the NAFO annual budget in the range of \$15,000 Cdn.

For Internet communication between the NAFO Secretariat and scientists, there should be e-mail arrangements at the Secretariat.

Note: This idea had been explained to Contracting Parties in GF/93-408 of 03 November 1993 and GF/94-012 of 04 January 1994. The total cost of this project is expected to be in the range of \$4500 Cdn. (a one time cost) and then user fees approximately \$300-350 Cdn annually.

8. Financial Statements

## STATEMENT I

Budget Appropriations, Obligations Incurred and Unliquidated Balances of Appropriations  
 For the Year Ending 31 December 1995  
 (Estimated from 31 July 1995)

	<u>Appropriated by Organization at Annual Meeting 1994</u>	<u>Obligations Incurred and Liquidated to 31 July 1995</u>	<u>Expenses Estimated for Remainder of Fiscal Year</u>	<u>Total Obligations for Fiscal Year</u>	<u>Unliquidated Balance of Appropriations (Estimated)</u>
<b>Personal Services:</b>					
a) Salaries	\$589,000	\$334,259	\$238,142	\$572,401	\$16,599 <sup>a</sup>
b) Superannuation and Annuities	78,000	49,492	31,344	80,836	(2,836) <sup>b</sup>
c) Additional Help	1,000	200	-	200	800
d) Group Medical and Insurance Plan	40,000	23,890	13,278	37,168	2,832
e) Termination Benefits	18,000	-	14,145	14,145	3,855
f) Accrued Vacation Pay	2,000	-	2,000	2,000	0
g) Termination Benefits Liability	10,000	-	10,000	10,000	0
Travel	6,000	3,087	-	3,087	2,913 <sup>c</sup>
Transportation	1,000	598	402	1,000	0
Communications	57,000	34,151	25,549	59,700	(2,700) <sup>d</sup>
Publications	22,000	10,963	11,037	22,000	0
Other Contractual Services	46,000	41,394	3,901	45,295	705
Materials and Supplies	32,000	14,545	14,820	29,365	2,635
Equipment	5,000	3,267	1,733	5,000	0
Annual and Mid-Term Meetings	42,000	32,944	23,972	56,916	(14,916) <sup>e</sup>
Computer Services	<u>15,000</u>	<u>7,121</u>	<u>7,132</u>	<u>14,253</u>	<u>747</u>
<b>Total Ordinary Budget</b>	<b><u>\$964,000</u></b>	<b><u>\$555,911</u></b>	<b><u>\$397,455</u></b>	<b><u>\$953,366</u></b>	<b><u>\$10,634</u></b>

<sup>a</sup> The Accounting Officer position was vacant during January/February 1995 and also a Statistical Clerk will be taking two months of unpaid leave for an extended maternity leave.

<sup>b</sup> This figure includes an administration fee for the Pension Plan not budgeted for.

<sup>c</sup> The Assistant Executive Secretary's attendance at the CWP Interagency Consultations in Madrid, Spain was less than anticipated.

<sup>d</sup> As a result of the Canada/EU discussions, proposed meetings and special Fisheries Commission meetings held, long distance faxes/phone calls and postage costs were higher than normal.

<sup>e</sup> Additional costs incurred as a result of: Special Meeting of the Fisheries Commission, Brussels, Belgium, 30 January - 1 February 1995; Special Meeting of STACTIC, Dartmouth, Canada, 10-12 May 1995; and Special Meeting of the Fisheries Commission, Toronto, Canada, 7-9 June 1995.

## STATEMENT II

Statement of Assessed Contributions and Expenditures  
for the Year Ending 31 December 1995  
(Estimated from 31 July 1995)

## Contracting Parties Assessed:

Bulgaria	\$ 16,614.28	
Canada	465,108.46	
Cuba	29,673.10	
Denmark (in respect of Faroe Islands and Greenland)	77,945.90	
Estonia	16,614.28	
European Union	60,974.41	
Iceland	16,614.28	
Japan	21,937.46	
Republic of Korea	16,614.28	
Latvia	18,009.88	
Lithuania	16,614.28	
Norway	17,860.35	
Poland	16,614.28	
Romania	16,614.28	
Russia Federation	<u>22,894.48</u>	\$830,704
Add: Advance payments		10
Add: Transfer from Accumulated Surplus Account		<u>133,286<sup>a</sup></u>
Budget Total		964,000
Total Obligations to be Incurred - Statement I		<u>953,366</u>
Amount to be transferred to Accumulated Surplus Account		<u>\$ 10,634</u>

<sup>a</sup> Excess of revenue over expenditures during the 1994 fiscal year (includes *ex gratia* grant for 1993; staff assessments; sales of publications; bank interest; and balance of appropriations not expended).

## STATEMENT III

Balance Sheet for the Year Ending 31 December 1995  
 (Estimated from 31 July 1995)

<u>ASSETS</u>		<u>LIABILITIES</u>	
<u>Current</u>		<u>Current</u>	
Cash	\$279,981	Accounts Payable and Accrued Liabilities	\$ 4,679
Certificates of Deposit	20,000	Provision for Accrued Employee Vacation Pay	<u>10,536</u>
Contributions receivable from Contracting Parties (Note 1)	149,119		15,215
Accrued Interest Receivable	188		
		<u>Long-term</u>	
		Provision for Employee Termination Benefits (Note 2)	<u>200,582</u>
			<u>215,797</u>
		<u>EQUITY</u>	
		Accumulated Surplus	<u>233,491</u>
	<u>\$449,288</u>		<u>\$449,288</u>

Note 1: This amount represents amounts due from Cuba (\$29,673.10); European Union (1995-\$60,974.41; 1994-\$1,445.89); Latvia (\$18,009.88); Lithuania (\$7,507.38); and Poland (1995-\$16,614.28; 1994-\$14,893.10). Applied against accounts receivable for 1995 Allowance for Doubtful Accounts has been Bulgaria (\$16,624.28) and Romania (\$16,614.28).

Note 2: This amount includes termination benefits based on the old scheme except for the 1993-1995 fiscal years where the benefits are consistent with Staff Rule 10.4(a).

## STATEMENT IV

Statement of Accumulated Surplus  
for the Year Ending 31 December 1995<sup>a</sup>  
(Estimated from 31 July 1995)

Accumulated Surplus - Beginning of 1995		\$208,286
Add: Province of Nova Scotia - <i>ex gratia</i> grant for 1994	\$ 47,622 <sup>b</sup>	
Sales of Publications	7,920	
Interest	24,234	
Staff Assessments	101,314	
Balance of Appropriations not expended in 1995	<u>10,634</u>	<u>191,724</u>
		400,010
Less: Amount appropriated 1 January 1995	\$133,286	
Contributions deemed uncollectible 1995 (Romania/Bulgaria)	<u>33,228</u>	<u>166,514</u>
		<u>\$233,496</u>
Appropriated to maintain minimum balance (authorized by G.C.)	\$ 75,000	
Unappropriated balance available	<u>158,496</u>	
Total Accumulated Surplus		<u>\$233,496<sup>c</sup></u>

<sup>a</sup> Provisions for the Accumulated Surplus Account from the NAFO Financial Regulations:

Rule 4.2 Within the books of accounts, there shall be established an accumulated surplus account to which shall be credited:

- a) excess of receipts over expenditures at the end of the financial year;
- b) unexpended balances at the end of the 12-month period specified in Rule 3.2 for prior year obligations, but not disbursed;
- c) refunds, from any source, of prior year's expenditures of the Organization.

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

<sup>b</sup> This amount represents the Provincial portion of income tax paid by NAFO employees. Although the Province of Nova Scotia has refunded the Provincial portion of income tax each year there is no guarantee that this practice will be followed every year.

<sup>c</sup> See Statement III - Contributions receivable from Contracting Parties (this amount of \$233,496 would be valid subject to payment of outstanding contributions by Cuba - \$29,673.10, European Union - \$60,974.41, Latvia - \$18,009.88, Lithuania - \$7,507.38, and Poland - \$16,614.28, total - \$132,779.05 during 1995).

## STATEMENT V

Preliminary calculation of billing for Contracting Parties  
against the proposed estimate of \$996,000.00 for the 1996  
financial year (based on 15 Contracting Parties to NAFO).

Budget Estimate.....	\$996,000.00
Deduct: Amount from Accumulated Surplus Account.....	158,496.00
Funds required to meet 1996 Administrative Budget.....	<u>\$837,504.00</u>

60% of funds required = \$502,502.40  
30% of funds required = 251,251.20  
10% of funds required = 83,750.40

Contracting Parties	Nominal Catches for 1993	% of Total Catch in the Convention Area	% of Funds Required			Amount Billed
			10%	30%	60%	
Bulgaria	-	-	-	\$16,750.08	-	\$ 16,750.08
Canada <sup>1</sup>	587,964	71.46	\$71,225.97	16,750.08	\$359,079.30	447,055.35
Cuba	2,765	0.34	-	16,750.08	1,688.63	18,438.71
Denmark (Faroes <sup>1</sup> and Greenland) <sup>2</sup>	103,388	12.57	12,524.43	16,750.08	63,140.76	92,415.27
Estonia	6,934	0.84	-	16,750.08	4,234.71	20,984.79
European Union <sup>1</sup>	70,838	8.61	-	16,750.08	43,261.93	60,012.01
Iceland	2,196	0.27	-	16,750.08	1,341.13	18,091.21
Japan	6,076	0.74	-	16,750.08	3,710.71	20,460.79
Republic of Korea	-	-	-	16,750.08	-	16,750.08
Latvia <sup>1</sup>	8,585	1.04	-	16,750.08	5,243.00	21,993.08
Lithuania	3,904	0.47	-	16,750.08	2,384.24	19,134.32
Norway <sup>1</sup>	13,445	1.63	-	16,750.08	8,211.08	24,961.16
Poland	-	-	-	16,750.08	-	16,750.08
Romania	-	-	-	16,750.08	-	16,750.08
Russia <sup>1</sup>	16,713	2.03	-	16,750.08	10,206.91	26,956.99
	822,808	100.00	\$83,750.40	\$251,251.20	\$502,502.40	<u>\$837,504.00</u>
Funds required to meet 1 January - 31 December 1996 Administrative Budget						<u>\$837,504.00</u>

<sup>1</sup> Provisional Statistics used when calculating 1993 nominal catches.

<sup>2</sup> Faroe Islands = 12,876 metric tons  
Greenland = 90,512 metric tons