



29<sup>th</sup> ANNUAL MEETING – SEPTEMBER 2007

Administrative Report for the period September 2006 to August 2007  
and Financial Statements for the fiscal year ending 31 December 2007

by

NAFO Secretariat

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

<i>General Council (12)</i>	<i>Scientific Council (12)</i>	<i>Fisheries Commission (12)</i>
Canada	Canada	Canada
Cuba	Cuba	Cuba
Denmark (in respect of the Faroe Islands and Greenland)	Denmark (in respect of the Faroe Islands and Greenland)	Denmark (in respect of the Faroe Islands and Greenland)
European Union (EU)	European Union (EU)	European Union (EU)
France (in respect of St. Pierre et Miquelon)	France (in respect of St. Pierre et Miquelon)	France (in respect of St. Pierre et Miquelon)
Iceland	Iceland	Iceland
Japan	Japan	Japan
Republic of Korea	Republic of Korea	Republic of Korea
Norway	Norway	Norway
Russian Federation	Russian Federation	Russian Federation
Ukraine*	Ukraine*	Ukraine*
United States of America (USA)	United States of America (USA)	United States of America (USA)

*\*Due to non-payment since 2005, the Ukraine has lost its voting rights in NAFO*

**2. NAFO Officers**

<b>Position</b>	<b>Name (CP)</b>	<b>Term elected</b>
President of NAFO and Chair of the General Council	David Bevan (Canada)	Sep 2005-Sep 2007
Vice-Chair of the General Council	Terje Lobach (Norway)	Sep 2005-Sep 2007
Chair of the Standing Committee on Finance and Administration (STACFAD)	G. Fred Kingston (EU)	Sep 2005-Sep 2007
Vice-Chair of STACFAD	Frederik Schmidt (DFG)	Sep 2005-Sep 2007
Chair of the Scientific Council	Antonio Vazquez (EU-Spain)	Sep 2005-Sep 2007
Vice-Chair of the Scientific Council	Konstantin Gorchinsky (Russia)	Sep 2005-Sep 2007
Chair of the Standing Committee on Fisheries Science (STACFIS)	Don Power (Canada)	Sep 2005-Sep 2007
Chair of the Standing Committee on Research Coordination (STACREC)	Konstantin Gorchinsky (Russia)	Sep 2005-Sep 2007
Chair of the Standing Committee on Publications (STACPUB)	Manfred Stein (EU-Germany)	Sep 2005-Sep 2007
Chair of the Standing Committee on Fisheries Environment (STACFEN)	Eugene Colbourne (Canada)	Sep 2005-Sep 2007
Chair of the Fisheries Commission	Vladimir Shibanov (Russia)	Sep 2005-Sep 2007
Vice-Chair of the Fisheries Commission	Kate Sanderson (DFG)	Sep 2006-Sep 2008
Chair of the Standing Committee on International Control (STACTIC)	Mads Nedergaard (DFG)	Sep 2006-Sep 2008
Vice-Chair of STACTIC	Gene Martin (USA)	Jun 2007 - Sep2009

### 3. NAFO Meetings

*September 2006 – August 2007:*

W.G. on the Reform of NAFO, Lunenburg Co., Nova Scotia, Canada, 12-15 and 17 September 2006  
 Scientific Council Symposium, Dartmouth, Nova Scotia, Canada, 13-15 September 2006  
 NAFO 28<sup>th</sup> Annual Meeting, Dartmouth, Nova Scotia, Canada, 18-22 September 2006  
 Scientific Council Meeting on Shrimp Assessment, Copenhagen, Denmark, 25 Oct-02 Nov 2006  
 General Council Meeting, Montreal, Quebec, Canada, 19-20 April 2007  
 International Fisheries Commissions Pension Society Annual Meeting, Ottawa, Ontario, Canada, 19-20 April 2007  
 Technical Editing Working Group, Brussels, Belgium, 22-23 May 2007  
 STACTIC Meeting, Gdynia, Poland, 3-5 June 2007  
 Scientific Council and its Standing Committees, Dartmouth, Nova Scotia, Canada, 7-21 June 2007

*Future Meetings:*

NAFO 29<sup>th</sup> Annual Meeting, Lisbon, Portugal, 24-28 September 2007  
 Scientific Council Symposium, Lisbon, Portugal, 1-3 October 2007  
 Scientific Council Meeting on Shrimp Assessment, Dartmouth, Nova Scotia, Canada, 24 Oct-2 Nov 2007  
 Scientific Council and its Standing Committees, Dartmouth, Nova Scotia, Canada, 5-19 June 2008  
 NAFO 30<sup>th</sup> Annual Meeting, Dartmouth, Nova Scotia, Canada, 22-26 September 2008  
 Scientific Council Special Session, Dartmouth, Nova Scotia, Canada, 29 Sep-01 Oct 2008  
 Scientific Council Meeting on Shrimp Assessment, Copenhagen, Denmark, 29 Oct-06 Nov 2008

### 4. NAFO Symposia

2006. Environmental and Ecosystem Histories in the Northwest Atlantic - What Influences Living Marine Resources?  
 (63 participants)  
 2007. Reproductive and Recruitment Processes of Exploited Marine Fish Stocks. In cooperation with ICES and PICES  
 (180 participants expected)  
 2008. The Role of Marine Mammals in the Ecosystem in the 21st Century

### 5. Publications

During the period of September 2006 – August 2007, the NAFO Secretariat prepared, posted to the web and/or printed the publications listed below:

*NAFO Conservation and Enforcement Measures* (144 pages)  
*Annual Report for 2006* (booklet – 14 pages)  
*NAFO Meeting Proceedings for 2006/2007* (316 pages)  
*Scientific Council Reports for 2006* (311 pages)  
*NAFO Journal of Northwest Atlantic Fishery Science* Volume 36 (152 pages)  
*NAFO Journal of Northwest Atlantic Fishery Science* Volume 37 (189 pages)  
*NAFO Journal of Northwest Atlantic Fishery Science* Volume 38 (partial – 4 Articles uploaded)  
*NAFO Journal of Northwest Atlantic Fishery Science* Volume 39 (partial – 2 Articles uploaded)  
*Early States of Fishes in the Western North Atlantic Ocean*, Michael P. Fahay (2 Volumes – 1695 pages)

### 6. Fishery Statistics

The NAFO statistical database is at the NAFO Secretariat and available in hard copies to the Contracting Parties. The STATLANT data are also posted on the NAFO website [www.nafo.int](http://www.nafo.int) and are constantly updated as soon as new submissions are received.

STATLANT 21A	2000	2001	2002	2003	2004	2005	2006
Canada	±	✓	✓	✓	✓	✓	±
Cuba	✓	-	-	-	-	-	-
DFG	✓	✓	✓	✓	✓	±	-
EU	✓	✓	✓	✓	✓	✓	±
France SPM	✓	✓	✓	✓	✓	✓	✓
Iceland	✓	✓	✓	✓	✓	✓	✓
Japan	✓	✓	✓	✓	✓	✓	✓
Korea							
Norway	✓	✓	✓	✓	✓	✓	✓
Russia	✓	✓	✓	✓	✓	✓	✓
Ukraine	-	✓	✓	✓	✓	-	✓
USA	-	-	-	-	-	-	-

STATLANT 21B	2000	2001	2002	2003	2004	2005	2006
Canada	✓	✓	✓	±	✓	✓	±
Cuba	✓	-	-	-	-	-	-
DFG	±	±	✓	✓	✓	±	-
EU	✓	±	±	±	±	✓	±
France SPM	✓	✓	✓	✓	-	✓	✓
Iceland	✓	✓	✓	✓	✓	✓	✓
Japan	✓	✓	✓	✓	✓	✓	-
Korea							
Norway	✓	✓	✓	✓	✓	✓	-
Russia	✓	✓	✓	✓	✓	✓	✓
Ukraine	-	✓	✓	✓	✓	-	✓
USA	-	-	-	-	-	-	-

**Table 1.** Data submission by NAFO Contracting Parties. “✓”: complete; “±”: incomplete, “-”: missing. Blank cells indicate that no reports were expected as the Contracting Party was not fishing during this year in the NAFO Convention Area. Submission of STATLANT 21A data is due by 1 May, submission of STATLANT 21B data is due by 31 August.

In the context of efforts by the Coordinating Working Party for Fishery Statistics (CWP) to improve global fishery statistics, FAO and the NAFO Secretariat proposed an internal procedure which is believed will eliminate some of the existing discrepancies between the NAFO and FAO statistical databases for the NAFO Convention Area. This procedure foresees that in the case of inconsistencies for species under NAFO’s responsibility, NAFO’s data will supersede those reported to FAO. The reason is that NAFO receives much more detailed information and also receives updates and corrections more frequently. Reporting requirements to NAFO and FAO will not be affected in any way. CWP welcomed the initiative at its last meeting in February 2007. The Executive Secretary circulated a letter to this regard to all Contracting Parties on 3 July 2007 (GFS-07/250) and asked if anybody would object to such arrangement. No responses were received and the Secretariat will thus proceed as described.

## 7. Secretariat Internal Matters

→ Employees. In 2007, NAFO hired a new Office Manager, Ms. Lisa Pelzmann, and, for the first time, an IT Manager, Mr. George Campanis. The new staff members have qualifications that complement the existing expertise. Ms. Pelzmann, e.g. has a PR degree. Mr. Campanis’ impressive programming and database skills have helped to develop the Secretariat’s ability to analyze VMS summary information for the Scientific Council and to improve our existing databases.

In 2007, NAFO employees are the following:

Executive Secretary	Johanne Fischer
Fisheries Commission Coordinator	Ricardo Federizon
Scientific Council Coordinator	Anthony Thompson
Senior Finance and Staff Administrator	Stan Goodick
Senior Personal Assistant to the Executive Secretary	Beverly McLoon
Senior Publications Manager	Barry Crawford
Information Manager	Barb Marshall
Fisheries Information Manager	Cindy Kerr
IT Manager	George Campanis
Office Manager	Lisa Pelzmann

→ Switch of VMS service provider (see STACFAD Working Paper 07/4). In 2007, NAFO switched its VMS service provider from Trackwell to Sirius IT, a company located in Copenhagen, Denmark. The new provider has offered NAFO for a competitive price a more user-friendly software package, unrestricted number of licenses, and an all-inclusive annual

fee which will help with budget stability and predictability. Currently, the new software is being tested. If by the end of December 2007 NAFO is not satisfied with this software and/or services, the contract includes an opt-out clause.

- Public Relations (see STACFAD Working Paper 07/8). The Secretariat has continued with its efforts to enhance NAFO's visibility by producing information materials for the web and print and for various conferences and by remaining accessible to journalists and reacting promptly to their requests and to the public in general. The success of these efforts is reflected in the continuously high number of visits to the NAFO public website of 7,000 to 11,000 visitors per month (May to August 2007) (this number excludes crawlers). Among the top ranking pages were the IUU-List, the NAFO Symposium, the Conservation and Enforcement Measures, the Media Kit and the Convention Area Map.
- Cooperation with other Organizations. Since the last Annual Meeting, the Executive Secretary was involved in the following 11 external activities: NEAFC Annual Meeting 2006, North American consultations on a possible International Mechanism of Scientific Expertise on Biodiversity (IMoSEB), Coordinating Working Party on Fishery Statistics (CWP), Fishery Resources Monitoring System (FIRMS), FAO Committee on Fisheries (COFI), Regional Fishery Bodies Secretariats' Network (RFS Network), Informal Consultations of States Parties to the United Nations Fish Stocks Agreement, and North Atlantic Regional Fisheries Management Organizations Secretariats (NARFMO). She also lectured at the International Ocean Institute, Dalhousie University in Halifax, and was an invited participant at the FAO Workshop on Vulnerable Deepwater Ecosystems and Destructive Fishing as well as at a CPPS Workshop on participatory rights of member states in RFMOs (Santiago, Chile).

Furthermore, the Information Manager, Ms. Barb Marshall, and the Office Manager, Ms. Lisa Pelzmann, attended the FSRS (Fishermen and Scientists Research Society) annual meeting in January 2007 in Truro, Nova Scotia, Canada with a poster on the NAFO efforts regarding an ecosystem approach. The Scientific Council Coordinator, Dr. Anthony Thompson, attended the IMoSEB Meeting in February 2007 in Montreal and, in his capacity as General Editor of the NAFO Journal, the ASFA Meeting in Mombasa, Kenya, in September 2007. The Senior Finance and Staff Administrator, Mr. Stan Goodick, attended the International Fisheries Commissions Pension Society Meeting in Ottawa, Ontario, Canada in April 2007.

- Professional Internship. The Fisheries Commission Coordinator, Dr. Ricardo Federizon, went to CCAMLR for a two-week professional internship with CCAMLR. During this time, he received an in-depth introduction into the scope and set-up of CCAMLR as well as the tasks of the CCAMLR Secretariat, especially with regard to its MCS scheme. The internship was regarded as a success by both Secretariats as the exchange provided useful insights into the operations of the other organization as well as strengthening the contacts and cooperation among both Secretariats. A detailed report is available.

8. Financial Statements**STATEMENT I**

**Budget Appropriations, Obligations Incurred and Unliquidated Balances of Appropriations  
For the Year Ending 31 December 2007  
(Estimated from 31 July 2007)  
(Canadian Dollars)**

	<i>Approved Budget 2007</i>	Approved Budget After Transfer of Appropriations (Note 1)	Total Estimated Obligations for Fiscal Year	Estimated Unliquidated Balance of Appropriations
1. Personal Services				
a) Salaries	\$781.000	\$781.000	\$781.000	\$0
b) Superannuation and Annuities	82.000	82.000	77.000	5.000
c) Medical and Insurance Plans	73.000	73.000	72.000	1.000
d) Termination Benefits	33.000	33.000	31.000	2.000
e) Accrued Vacation Pay	1.000	1.000	1.000	-
f) Overtime Pay	<u>12.000</u>	8.000	8.000	-
2. Additional Help	<u>30.000</u>	15.000	15.000	-
3. Communications	25.000	25.000	25.000	-
4. Computer and Web Services				
Computer and Web Services	30.000	30.000	30.000	-
Vessel Monitoring System	<u>81.000</u>	112.000	112.000	-
5. Contractual Services	43.000	43.000	47.000	(4.000)
6. Equipment	10.000	10.000	10.000	-
7. Materials and Supplies	35.000	35.000	35.000	-
8. Meetings				
Annual Meeting and Inter-sessional Meetings	71.000	71.000	70.000	1.000
Scientific Council Special	30.000	30.000	20.000	10.000
Annual Meeting Reception	5.000	5.000	5.000	-
Hospitality Allowance	20.000	20.000	-	20.000
Professional Development	5.000	5.000	5.000	-
9. Professional Development	<u>25.000</u>	18.000	18.000	-
10. Publications	<u>20.000</u>	18.000	18.000	-
11. Public Relations	<u>10.000</u>	7.000	7.000	-
12. Travel	37.000	37.000	33.000	4.000
<b>Total Ordinary Budget</b>	<b>\$1.459.000</b>	<b>\$1.459.000</b>	<b>\$1.420.000</b>	<b>\$39.000</b>

Note 1. In accordance with Rule 3.3 of the NAFO Financial Regulations, the Chair of the General Council authorized the Executive Secretary to transfer \$31,000 to the Vessel Monitoring System budget from a number of other budget categories.

## STATEMENT II

**Statement of Assessed Contributions and Expenditures  
for the Year Ending 31 December 2007  
(Estimated from 31 July 2007)  
(Canadian Dollars)**

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Contracting Parties Assessed:	
Canada	\$498,270.34
Cuba	31,997.46
Denmark (in respect of Faroe Islands and Greenland)	180,413.61
European Union	70,394.42
France (in respect of St. Pierre et Miquelon)	35,779.42
Iceland	36,572.10
Japan	32,522.42
Republic of Korea	31,247.53
Norway	39,946.84
Russian Federation	43,546.56
Ukraine	31,622.50
United States of America	<u>217,587.80</u>
Assessed Contributions for the year ending 31 December 2007	\$1,249,901.00
Transferred from Accumulated Surplus Account	<u>209,099.00</u>
Approved Budget for 2007	\$1,459,000.00
Total Obligations to be Incurred - Statement I	<u>1,420,000.00</u>
Amount to be transferred to Accumulated Surplus Account	<u>\$39,000.00</u>

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<sup>a</sup> Excess of revenue over expenditures during the 2006 fiscal year (includes ex gratia grant; staff assessments; sales of publications; bank interest and balance of appropriations not expended).

## STATEMENT III

**Balance Sheet for the Year Ending 31 December 2007**  
**(Estimated from 31 July 2007)**  
(Canadian Dollars)

<b>Assets</b>		<b>Liabilities</b>	
<b>Current</b>		<b>Current</b>	
Cash	\$306.502	Accounts Payable	
Contributions Receivable from		and Accrued Liabilities	\$25.000
Contracting Parties (Note 1)	406.844	Advance Contributions	20.143
Prepaid Expenses	2.004	Current Portion of Employee	
Province of Nova Scotia		Termination Benefits	70.669
Ex gratia grant receivable	60.000	Provision for Accrued Employee	
		Vacation Pay	21.370
	<u>775.350</u>		<u>137.182</u>
<b>Long-Term</b>		<b>Long-Term</b>	
Employee Termination Benefit		Provision for Employee Termination	
Investments (Note 2)	<u>273.120</u>	Benefits	<u>273.120</u>
			410.302
		<b>Members' Net Assets</b>	
		Accumulated Surplus	<u>638.168</u>
	<u>\$1,048.470</u>		<u>\$1,048.470</u>

**Note 1.**

## Contributions Receivable from Contracting Parties

Cuba	\$31.997	
France (SPM)	35.779	
Iceland	36.572	
Korea	31.248	
Ukraine 2007	\$31.623	
2006	30.735	
2005	<u>31.175</u>	93.533
United States of America		
	<u>208.890</u>	
		438.019
Less amounts deemed uncollectible		
Ukraine	<u>(31.175)</u>	
		<u>\$406.844</u>

## STATEMENT IV

**Statement of Accumulated Surplus  
for the Year Ending 31 December 2007<sup>a</sup>  
(Estimated from 31 July 2007)  
(Canadian Dollars)**

Accumulated Surplus - Beginning of 2007		\$500,899
Add:		
Staff Assessments	\$121,000	
Recovery of Contributions deemed uncollectible (USA)	86,368	
Province of Nova Scotia - <i>ex gratia</i> grant	60,000	<sup>b</sup>
Balance of appropriations not expended in 2007	39,000	
Interest	27,000	
Sales of Publications	13,000	\$346,368
		<u>847,267</u>
Less:		
Amount appropriated 1 January 2007	\$209,099	
Contributions deemed uncollectible (Ukraine)	30,735	<u>239,834</u>
Accumulated Surplus - End of 2007		<u>\$607,433</u>
Appropriated to maintain minimum balance (to be authorized by G.C.)		
Minimum balance maintained 20% of budget	\$305,800	
Unappropriated balance available	301,633	
Total Accumulated Surplus		<u>\$607,433</u> <sup>c</sup>

<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:

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

Rule 4.3 Monies available in the accumulated surplus account may be used temporarily to the extent

<sup>b</sup> This amount represents the Provincial portion of income tax paid by NAFO employees.

<sup>c</sup> See Statement III - Contributions receivable from Contracting Parties (this amount of \$607,433 would be valid subject to payment of outstanding contributions by Cuba - \$31,997, France (SPM) - \$35,779, Iceland - \$36,572, Korea - \$31,248, Ukraine - \$62,358 and the United States of America \$208,890, total - \$406,844 during 2007).



## STATEMENT V

**Preliminary calculation of billing for Contracting Parties  
against the proposed estimate of \$1,529,000 for the 2008  
financial year (based on 12 Contracting Parties to NAFO).  
(Canadian Dollars)**

Budget Estimate	\$1,529,000
Deduct: Amount from Accumulated Surplus Account (pending approval from General Council)	<u>\$301,633</u>
Funds required to meet 2008 Administrative Budget	<u>\$1,227,367</u>

60% of funds required =	\$736,420.14
30% of funds required =	\$368,210.16
10% of funds required =	\$122,736.70

Contracting Parties	Nominal Catches for 2005	% of Total Catch in the Convention Area	% of Total			Amount Billed
			10%	30%	60%	
Canada	550,973	54.31%	\$72,654.71	\$30,684.18	\$399,949.80	\$503,288.69
Cuba (1)	1,179	0.12%	-	30,684.18	883.69	31,567.87
Denmark (in respect of Faroe Islands and Greenland) (2)	179,814	17.72%	23,711.39	30,684.18	130,493.65	184,889.22
European Union	54,444	5.37%	-	30,684.18	39,545.75	70,229.93
France (in respect of St. Pierre et Miquelon)	3,726	0.37%	491.33	30,684.18	2,724.74	33,900.25
Iceland	6,814	0.67%	-	30,684.18	4,934.01	35,618.19
Japan	1,959	0.19%	-	30,684.18	1,399.20	32,083.38
Republic of Korea	-	-	-	30,684.18	-	30,684.18
Norway	2,039	0.20%	-	30,684.18	1,472.84	32,157.02
Russian Federation	17,338	1.71%	-	30,684.18	12,592.79	43,276.97
Ukraine	-	-	-	30,684.18	-	30,684.18
United States of America (3)	196,254	19.34%	25,879.27	30,684.18	142,423.67	198,987.12
	1,014,540	100.00%	\$122,736.70	\$368,210.16	\$736,420.14	<u>\$1,227,367.00</u>
Funds required to meet 1 January - 31 December 2008 Administrative Budget						<u>\$1,227,367.00</u>

(1) Based on provisional catch reports received from Estonia from chartering arrangements.

(2) Faroe Islands = 5,987 metric tons  
Greenland = 173,827 metric tons (based on 2004 catch statistics)

(3) Based on 2005 provisional catch reports.