

31st ANNUAL MEETING – SEPTEMBER 2009

Administrative Report for the period September 2008 to August 2009
and Financial Statements for the fiscal year ending 31 December 2009

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) (DFG)	Denmark (in respect of the Faroe Islands and Greenland) (DFG)	Denmark (in respect of the Faroe Islands and Greenland) (DFG)
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)

2. NAFO Officers

Position	Name (CP)	Term
President of NAFO and Chair of the General Council	Terje Lobach (Norway)	Sep 2007-Sep 2009
Vice-Chair of the General Council	John Spencer (EU)	Sep 2008-Sep 2010
Chair of the Standing Committee on Finance and Administration (STACFAD)	Bob Steinbock (Canada)	Sep 2008-Sep 2010
Vice-Chair of STACFAD	Deirdre Warner-Kramer (USA)	Sep 2008-Sep 2010
Chair of the Scientific Council	Don Power (Canada)	Sep 2007-Sep 2009
Vice-Chair of the Scientific Council	Ricardo Alpoim (EU-Portugal)	Oct 2007-Sep 2009
Chair of the Standing Committee on Fisheries Science (STACFIS)	Michael Kingsley (DFG)	Sep 2007-Sep 2009
Chair of the Standing Committee on Research Coordination (STACREC)	Ricardo Alpoim (EU-Portugal)	Oct 2007-Sep 2009
Chair of the Standing Committee on Publications (STACPUB)	Manfred Stein (EU-Germany)	Sep 2002-Sep 2009
Chair of the Standing Committee on Fisheries Environment (STACFEN)	Vacant	Sep 2007-Sep 2009
Chair of the Fisheries Commission	Vladimir Shibanov (Russia)	Sep 2005-Sep 2009
Vice-Chair of the Fisheries Commission	Kate Sanderson (DFG)	Sep 2006-Sep 2010
Chair of the Standing Committee on International Control (STACTIC)	Mads Nedergaard (DFG)	Jun 2006 -Sep 2010
Vice-Chair of STACTIC	Gene Martin (USA)	Jun 2007 – Sep 2009

3. NAFO Meetings

September 2008 – August 2009:

Ad hoc Working Group of Fishery Managers and Scientists on Vulnerable Marine Ecosystems, Montreal, Canada, 8-12 Sep 2008
 NAFO 30th Annual Meeting, Vigo, Spain, 22-26 September 2008
 Scientific Council Symposium, Dartmouth, Nova Scotia, Canada, 29 Sep – 1 Oct 2008
 Scientific Council/NIPAG Meeting on Shrimp Assessment, Copenhagen, Denmark, 22 – 30 October 2008
 Ad hoc Working Group of Fishery Managers and Scientists on Vulnerable Marine Ecosystems, Vigo, Spain, 19-20 March 2009
 International Fisheries Commissions Pension Society Annual Meeting, Vancouver, B.C., Canada, 16-17 April 2009
 STACTIC Meeting, Saint Pierre, St. Pierre et Miquelon, 5-7 May 2009
 Scientific Council Working Group on Assessment Methods for SA2+Div. 2J3KLMNO Greenland halibut, Dartmouth, N.S., Canada, 1-3 June 2009
 Scientific Council and its Standing Committees, Dartmouth, Nova Scotia, Canada, 4-18 June 2009

Future Meetings:

Ad Hoc Working Group of Fishery Managers and Scientists on Vulnerable Marine Ecosystems, Bergen, Norway, 17-18 Sep 2009
 NAFO 31st Annual Meeting, Bergen, Norway, 21-25 September 2009
 Scientific Council/NIPAG Meeting on Shrimp Assessment, Dartmouth, Nova Scotia, Canada, 21-29 October 2009
 Scientific Council WG EAFM, Vigo, Spain, 9-13 November 2009
 International Fisheries Commissions Pension Society Annual Meeting, Boston, Massachusetts, USA, 8-9 April 2010
 Scientific Council and its Standing Committees, Dartmouth, Nova Scotia, Canada, 3-17 June 2010
 NAFO 32nd Annual Meeting, Dartmouth, Nova Scotia, Canada, 20-24 September 2010
 Scientific Council/NIPAG Meeting on Shrimp Assessment, Copenhagen, Denmark, 20-28 October 2010

4. NAFO Scientific Council Special Sessions

Rebuilding Depleted Fish Stocks – Biology, Ecology, Social Science and Management. Co-sponsor of the ICES/PICES/UNCOVER Symposium, Warnemünde, Rostock, Germany 3-6 November 2009.
 Scientific Council Workshop re new assessment methods, date and venue to be determined.

5. Publications

During the period of September 2008 – August 2009, the NAFO Secretariat prepared, posted to the web and/or printed the publications listed below:

NAFO Conservation and Enforcement Measures (150 pages)
 Annual Report for 2008 (booklet – 30 pages)
 NAFO Meeting Proceedings for 2008/2009 (246 pages)
 Scientific Council Reports for 2008 (328 pages)
 NAFO Journal of Northwest Atlantic Fishery Science Volume 40 (partial – 3 Articles uploaded)
 NAFO Journal of Northwest Atlantic Fishery Science Volume 41 (325 pages)
 NAFO Journal of Northwest Atlantic Fishery Science Volume 42 (partial – 1 Article uploaded)
 Meeting Documentation CD
 Rules of Procedure (booklet – 36 pages)

In 2009 the Secretariat also published the booklet, *NAFO Perspectives*, which gives an overview of NAFO's history, scope, structure, decision-making and activities. This booklet represents a most welcome update to provide to interested members of the public.

6. Fishery Statistics

The NAFO statistical databases are compiled by the NAFO Secretariat and published on the NAFO web site <http://www.nafo.int/fisheries/stats/21stats.html>; they are continuously updated as soon as new submissions are received. Table 1 presents an overview of the statistical catch information submitted by Contracting Parties for the last seven years as of 15 August 2009.

STATLANT 21	2002	2003	2004	2005	2006	2007	2008
Canada	✓	✓	✓	✓	✓	✓	±
Cuba	±	±	±	±	±	±	–
DFG	✓	✓	✓	✓	✓	✓	±
EU	±	±	±	✓	✓	±	±
France SPM	✓	✓	±	✓	✓	✓	✓
Iceland	✓	✓	✓	✓	✓	✓	±
Japan	✓	✓	✓	✓	✓	✓	✓
Korea							
Norway	✓	✓	✓	✓	✓	✓	±
Russia	✓	✓	✓	✓	✓	±	±
Ukraine		✓	✓	✓	✓		
USA	–	–	–	–	–	–	–

Table 1. Submission of catch statistics by NAFO Contracting Parties (STATLANT 21B). “✓”: 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. If only STATLANT 21A was submitted, the table indicates an incomplete submission of data.

While the complete catch and effort data are due by 31 August each year, a subset of the data (STATLANT 21A) is required before the SC June meeting (by 1 May since 2005) so that it can be considered in the stock assessments by the Scientific Council. However, during the past four years barely two third of the statistical offices actually submitted this information before the June meeting (see also SC reports)

7. Secretariat

In 2009, NAFO employees are the following:

Executive Secretary	Johanne Fischer (to Apr 30, 2009)
Interim Executive Secretary	Stan Goodick
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 Officer	Barbara Marshall
Fisheries Information Manager	Cindy Kerr
IT Manager	George Campanis
Office Manager	Lisa Pelzmann
Data Input Clerk (temporary part-time)	Natalia Alonso (to July 2009)

In addition to serving the requirements of Contracting Parties, the Secretariat also continued to provide general information about NAFO to the public with the use of its website. The website continues to attract viewers on many topics including the IUU list, fishery statistics, the media kit as well as those wishing to read the latest Conservation and Enforcement Measures and access NAFO stock information. The Journal of Northwest Atlantic Fishery Science (JNAFS) website continues to flourish with articles being published as they are completed. The Secretariat is looking at improving the search ability of JNAFS articles. As well, historic meeting documents are being uploaded as time and server space permit and this will allow greater accessibility to all NAFO documentation.

The Secretariat was pleased to welcome Aureliano Gentile, a staff member of the FIES department at FAO, for a week long (20 - 24 July 2009) training seminar on XML and FIRMS. Two staff members from IATTC also attended the training. Mr. Gentile's stay in Dartmouth was made possible by the Secretariat's annual internship program. The Secretariat gained much from the training, in particular: the training has enriched the Secretariat's appreciation and understanding of the workflow, infrastructure and methodology of FIRMS. Furthermore, the training on XML has helped the Secretariat gain a better understanding of how to leverage XML when publishing documents to web and print.

8. Financial Statements**STATEMENT I**

**Budget Appropriations. Obligations Incurred and Unliquidated Balances of
Appropriations
For the Year Ending 31 December 2009
(Estimated from 31 July 2009)
(Canadian Dollars)**

	Approved Budget 2009	Total Estimated Obligations for Fiscal Year 2009	Estimated Unliquidated Balance of Appropriations
1 Personal Services			
a) Salaries	\$884,000	\$748,000	\$136,000
b) Superannuation and Annuities	179,000	182,000	(3,000)
c) Medical and Insurance Plans	81,000	75,000	6,000
d) Employee Benefits	107,000	94,000	13,000
Subtotal Personal Services	<u>1,251,000</u>	<u>1,099,000</u>	<u>152,000</u>
2 Additional Help	15,000	15,000	-
3 Communications	26,000	26,000	-
4 Computer Services	25,000	25,000	-
5 Equipment	31,000	31,000	-
6 Fishery Monitoring	45,000	45,000	-
7 Hospitality Allowance	3,000	3,000	-
8 Materials and Supplies	33,000	33,000	-
9 NAFO Meetings			
a) Sessional	80,000	78,000	2,000
b) Inter-sessional Scientific	14,000	14,000	-
c) Inter-sessional Other	20,000	16,000	4,000
Subtotal NAFO Meetings	<u>114,000</u>	<u>108,000</u>	<u>6,000</u>
10 Other Meetings and Travel	30,000	25,000	5,000
11 Professional Services	30,000	62,000	(32,000)
12 Publications	15,000	15,000	-
13 Recruitment and Relocation	-	11,000	(11,000)
Total Ordinary Budget	<u>\$1,618,000</u>	<u>\$1,498,000</u>	<u>\$120,000</u>

STATEMENT II

**Statement of Assessed Contributions and Expenditures
for the Year Ending 31 December 2009
(Estimated from 31 July 2009)
(Canadian Dollars)**

Contracting Parties Assessed:	
Canada	\$560,977.35
Cuba	37,543.41
Denmark (in respect of Faroe Islands and Greenland)	235,749.89
European Union	72,322.54
France (in respect of St. Pierre et Miquelon)	37,756.07
Iceland	38,558.86
Japan	36,781.82
Republic of Korea	35,258.65
Norway	37,120.31
Russian Federation	43,636.11
Ukraine	35,597.13
United States of America	<u>239,043.86</u>
Assessed Contributions for the year ending 31 December 2008	\$1,410,346.00
Transferred from Accumulated Surplus Account	<u>207,654.00</u> ^a
Approved Budget for 2009	\$1,618,000.00
Total Estimated Obligations for 2009 - Statement I	<u>1,498,000.00</u>
Amount to be transferred from Accumulated Surplus Account	<u>\$120,000.00</u>

^a Excess of revenue over expenditures during the 2008 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 2009
(Estimated from 31 July 2009)
(Canadian Dollars)

Assets		Liabilities	
Current		Current	
Cash	\$652,599	Accounts Payable	
Contributions Receivable from Contracting Parties (Note 1)	66,928	and Accrued Liabilities	\$25,000
Prepaid Expenses	2,070	Advance Contributions	4,501
Province of Nova Scotia Ex gratia grant receivable	45,000	Current Portion of Employee Termination Benefits	70,669
	<u>766,597</u>	Provision for Accrued Employee Vacation Pay	<u>24,827</u>
			124,997
Long-Term		Long-Term	
Employee Termination Benefit Investments	<u>347,792</u>	Provision for Employee Termination Benefits	<u>347,792</u>
			472,789
		Members' Net Assets	
		Accumulated Surplus	<u>641,600</u>
	<u>\$1,114,389</u>		<u>\$1,114,389</u>

Note 1.

Contributions Receivable from Contracting Parties

Cuba	2009	\$37,468	
	2008	29,460	\$66,928
			<u>\$66,928</u>

STATEMENT IV

**Statement of Accumulated Surplus
for the Year Ending 31 December 2009^a
(Estimated from 31 August 2009)
(Canadian Dollars)**

Accumulated Surplus - Beginning of 2009		\$531,253
Add:	Staff Assessments	\$143,000
	Balance of appropriations not expended in 2009	\$120,000
	Province of Nova Scotia - <i>ex gratia</i> grant	45,000 ^b
	Interest	5,001
	Sales of Publications	5,000
		\$318,001
		849,254
Less:	Amount appropriated 1 January 2009	\$207,654
Accumulated Surplus - End of 2009		\$641,600
Appropriated to maintain minimum balance (to be authorized by G.C.)		
	Minimum balance maintained	\$325,000
	Unappropriated balance available	316,600
Total Accumulated Surplus		\$641,600 ^c

^a 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

^b This amount represents the Provincial portion of income tax paid by NAFO employees.

^c See Statement III - Contributions receivable from Contracting Parties. This amount of \$641,600 would be valid subject to payment of outstanding contributions by Cuba (\$66,928) during 2009.

STATEMENT V

**Preliminary calculation of billing for Contracting Parties against the proposed estimate
of \$1,782,000 for the 2010 financial year (based on 12 Contracting Parties to NAFO)
(Canadian Dollars)**

Budget Estimate	\$1,782,000
Deduct: Amount from Accumulated Surplus (pending approval from General Council)	<u>\$316,600</u>
Funds required to meet 2010 Administrative Budget	<u>\$1,465,400</u>
60% of funds required =	\$879,240
30% of funds required =	\$439,620
10% of funds required =	\$146,540

2009 Billing for comparison purposes		
Approved Budget 2009	\$	1,618,000.00
Deduct Accumulated Surplus		<u>207,654.00</u>
Funds required 2009 Budget	\$	<u>1,410,346.00</u>

Contracting Parties	Nominal Catches for 2006	% of Total Catch in the Convention Area	2009 Annual Assessment
Canada	543,200	52.73%	\$560,977.35
Cuba (1)	2,728	0.27%	37,543.41
Denmark (in respect of Faroe Islands and Greenland) (2)	207,125	20.11%	235,749.89
European Union	45,062	4.38%	72,322.54
France (in respect of St. Pierre et Miquelon)	2,609	0.25%	37,756.07
Iceland	4,054	0.39%	38,558.86
Japan	1,886	0.18%	36,781.82
Republic of Korea	-	-	35,258.65
Norway	2,314	0.22%	37,120.31
Russian Federation (3)	10,242	0.99%	43,636.11
Ukraine	404	0.04%	35,597.13
United States of America (3)	210,551	20.44%	239,043.86
	1,030,175	100.00%	\$1,410,346.00

Contracting Parties	Nominal Catches for 2007	% of Total Catch in the Convention Area	% of Total Catch in the Convention Area			2010 Preliminary Billing
			10%	30%	60%	
Canada	550,923	57.31%	\$89,101.17	\$36,635.00	\$503,892.44	\$629,628.61
Cuba (1)	1,381	0.14%	-	36,635.00	1,230.94	37,865.94
Denmark (in respect of Faroe Islands and Greenland) (2)	193,653	20.15%	31,319.64	36,635.00	177,166.86	245,121.50
European Union	40,110	4.18%	-	36,635.00	36,752.23	73,387.23
France (in respect of St. Pierre et Miquelon)	4,021	0.42%	650.32	36,635.00	3,692.81	40,978.13
Iceland	-	-	-	36,635.00	-	36,635.00
Japan	1,969	0.20%	-	36,635.00	1,758.48	38,393.48
Republic of Korea	-	-	-	36,635.00	-	36,635.00
Norway	3,653	0.38%	-	36,635.00	3,341.11	39,976.11
Russian Federation (3)	8,101	0.84%	-	36,635.00	7,385.62	44,020.62
Ukraine	-	-	-	36,635.00	-	36,635.00
United States of America (3)	157,477	16.38%	25,468.87	36,635.00	144,019.51	206,123.38
	961,288	100.00%	\$146,540.00	\$439,620.00	\$879,240.00	<u>\$1,465,400.00</u>
Funds required to meet 1 January - 31 December 2010 Administrative Budget						<u>\$1,465,400.00</u>

- (1) Based on provisional catch reports received from chartering arrangements.
(2) Faroe Islands = 4,491 metric tons
Greenland = 189,162 metric tons
(3) Based on 2007 provisional catch reports.