



NORTHWEST ATLANTIC
FISHERIES ORGANIZATION

NAFO
Rules of Procedure
& *Financial Regulations*
2019

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Canada

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**Northwest Atlantic
Fisheries Organization
(NAFO)**



**NAFO Rules of Procedure
and Financial Regulations**

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Rules of Procedure for the Commission

REPRESENTATION

Rule 1

- 1.1 Each Contracting Party shall notify the Executive Secretary as far as possible in advance of any meeting of the names of its representatives, alternates, experts and advisers who will attend.

VOTING

Rule 2

- 2.1 Observers, experts and advisers shall not be entitled to vote.
- 2.2 The quorum shall not include the Contracting Parties which have no right of casting votes under the provisions of Article IX.7 of the Convention.
- 2.3 Decisions at meetings of the subsidiary bodies shall be taken in accordance with Article XIII of the Convention.
- 2.4 Votes shall be taken by show of hands, or by roll call, in the English alphabetical order of the names of the Contracting Parties, or by ballot, as determined by the Chairperson.
- 2.5 In case of the need for adoption of an emergency measure between meetings, a vote may be taken by e-mail or other electronic means.
- 2.6 When a vote is taken by e-mail or other electronic means, the Executive Secretary shall address the request for the vote from each Contracting Party to its designated official address(es).
- 2.7 When requesting a vote referred to in Rule 2.6, the Executive Secretary shall advise the Contracting Parties of the closing date to submit a vote. This date shall be at the end of a period of at least 30 days after the initial request for the vote.
- 2.8 a) Contracting Parties shall promptly acknowledge receipt of any request for vote by e-mail or other electronic means. If no acknowledgement is received from any particular Contracting Party within one week of the date of transmittal the Executive Secretary shall retransmit the request, and shall use all additional necessary means available to ensure that the request has been received. Confirmation by the Executive

Secretary that the request has been received shall be deemed conclusive regarding the inclusion of the Contracting Party in the quorum for the purpose of the relevant vote by e-mail or other electronic means.

- b) If no reply from a Contracting Party, in the case of a vote taken by e-mail or other electronic means, reaches the Secretariat within the period established under 2.7, that Contracting Party would be recorded as having abstained and it shall be considered part of the relevant quorum for voting purposes.
- 2.9 The Executive Secretary shall communicate the result of a vote taken by e-mail or other electronic means to all Contracting Parties, without delay following the end of the period referred to in Rule 2.7.

CHAIRPERSON AND VICE-CHAIRPERSON

Rule 3

- 3.1 In accordance with Article VI.2 of the Convention, the Commission shall elect a Chairperson and a Vice-Chairperson for a term of two years. Each shall be eligible for re-election but shall not serve for more than four years in succession in the same capacity. The Chairperson and Vice-Chairperson shall not be representatives of the same Contracting Party.

The Chairperson and Vice-Chairperson shall take office at the conclusion of the annual meeting at which they are elected.

- 3.2 The powers and duties of the Chairperson shall be:
- a) to declare the opening and closing of each meeting;
 - b) to preside at meetings;
 - c) to rule on points of order, subject to the right of any representative to request that any ruling of the Chairperson shall be submitted to the Commission for decision by vote;
 - d) to call for and announce the results of votes;
 - e) to determine, after consultation with the Chairperson of the Scientific Council, a schedule of meetings for annual or special meetings of NAFO;
 - f) to determine after consultation with the Executive Secretary, the draft provisional agenda and the provisional agenda for each annual and special meeting;

- g) to arrange for the appointment of the members of subsidiary bodies as required;
 - h) to sign a report of the proceedings of each meeting of the Commission, for transmission to Contracting Parties, their representatives and others concerned; and
 - i) generally, to make such decisions and give such directions to the Executive Secretary as will ensure, especially in the interval between meetings, that the business of the NAFO is carried out efficiently and in accordance with its decisions.
- 3.3 Whenever the Chairperson is unable to act, the Vice-Chairperson shall exercise the powers and duties prescribed for the Chairperson.
- 3.4 If the office of the Chairperson is vacated, the Vice-Chairperson shall become Chairperson for the balance of the term.
- 3.5 The Chairperson, or Vice-Chairperson when acting as Chairperson, shall not act as a Representative, Alternate Representative, Expert or Adviser of a Contracting Party.
- 3.6 If the offices of the Chairperson and Vice-Chairperson are vacated, the Chairperson of the Standing Committee on International Control shall exercise the powers and duties prescribed for the Chairperson, and the first order of business at the next meeting shall be the election of a Chairperson and Vice-Chairperson for the balance of the term.

ORDER OF BUSINESS

Rule 4

- 4.1 A draft provisional agenda for each annual or special meeting of the Commission, or any of its subsidiary bodies, shall be prepared by the Executive Secretary, in accordance with instructions from the Chairperson, or the Chairperson of the relevant subsidiary body, and be dispatched by the Executive Secretary to all Contracting Parties, their representatives, and invited observers, not less than 90 days before the date fixed for the opening of the meeting.
- 4.2 A provisional agenda for each annual or special meeting of the Commission, or any of its subsidiary bodies, shall be prepared by the Executive Secretary, in accordance with the instructions from the Chairperson, or the Chairperson of the relevant subsidiary body, taking into account any suggestions or comments received following distribution of the draft provisional agenda, and be

- dispatched by the Executive Secretary to all Contracting Parties, their representatives, and invited observers, not less than 60 days before the date fixed for the opening of the meeting.
- 4.3 No order of business shall be the subject of a decision, unless the subject matter has been included in the provisional agenda and explained in a memorandum, circulated by the Executive Secretary to all the representatives of the Contracting Parties, together with the corresponding provisional agenda.
 - 4.4 The Commission may take decisions involving amendment of these Rules of Procedure in accordance with Article XIII of the Convention.
 - 4.5 Any proposal by a Contracting Party to amend the Conservation and Enforcement Measures of NAFO which is intended to be submitted for adoption by the Commission shall include a clear explanation of its rationale in an explanatory memorandum as well as a clear indication of the provision to be amended and the exact wording of the amendment. Proposals shall be submitted in writing to the Executive Secretary, who shall circulate copies to all Contracting Parties. As a general rule, no proposal shall be discussed or put to a vote at any meeting of the Commission unless copies have been distributed to all Contracting Parties not less than 30 days in advance. Notwithstanding this requirement, the Chairperson may permit consideration of proposals which have not been circulated in advance.

COMMITTEES

Rule 5

- 5.1 There shall be a Standing Committee on International Control (STACTIC) consisting of one representative from each Contracting Party, who may be assisted by experts and advisers, and which shall:
 - a) review and evaluate the effectiveness of the Conservation and Enforcement Measures established by the Commission;
 - b) review and evaluate the compliance by Contracting Parties with the Conservation and Enforcement Measures established by the Commission;
 - c) review and evaluate reports on the inspection and surveillance activities carried out by the Contracting Parties;
 - d) review and evaluate reports on infringements, including serious infringements, and the follow-up thereto by Contracting Parties;

- e) produce an annual report on compliance by all Contracting Parties for the preceding calendar year. The report shall be based on a comprehensive provisional compilation by the Executive Secretary of relevant reports submitted by Contracting Parties and any other information available to the Executive Secretary. This compilation shall be dispatched to all Contracting Parties together with the draft provisional agenda pursuant to Rule 4.1;
 - f) promote the co-ordination of inspection and surveillance activities carried out by the Contracting Parties;
 - g) develop inspection methodologies;
 - h) consider the practical problems of international measures of control;
 - i) consider such other technical matters as may be referred to it by the Commission;
 - j) obtain and compile all available information on the fishing activities of non-Contracting Parties in the Regulatory Area, including details on the type, flag and name of vessels and reported or estimated catches by species and area;
 - k) obtain and compile all available information on landings, and transshipments of fish caught in the Regulatory Area by non-Contracting Parties, including details on the name and flag of the vessels; the quantities by species landed, transshipped; and the countries and ports through which the product was shipped;
 - l) examine and assess all options open to NAFO Contracting Parties including measures to control imports of fish caught by non-Contracting Party vessels in the Regulatory Area and to prevent the reflagging of fishing vessels to fish under the flags of non-Contracting Parties;
 - m) to review information regarding non-Contracting Party vessels engaged in illegal, unreported and unregulated (IUU) fishing and compile a list of such vessels; and
 - n) make appropriate recommendations to the Commission.
- 5.2 The Committee, as appropriate, may request information from or provide information to the Scientific Council or another NAFO subsidiary body on matters falling under the Committee's competence as outlined in paragraph 5.1.

- 5.3 There shall be a Standing Committee on Finance and Administration (STACFAD), consisting of one representative from each Contracting Party, who may be assisted by experts and advisers, and which shall advise the Commission on:
- a) matters relating to the Secretariat;
 - b) the budget of NAFO;
 - c) the time and place of meetings of NAFO; and
 - d) publications of NAFO.
- 5.4 The Committees shall elect, to serve for two years, their own Chairperson and Vice-Chairperson, who shall be allowed a vote. The Executive Secretary shall be an *ex officio* member of each Committee, without vote and shall assist them in fulfilling their respective tasks. When performing these tasks, the Executive Secretary shall in particular signal any specific concerns to them on issues falling under the competence of the respective Committees and provide, as appropriate, the Commission with all relevant information and documentation.
- 5.5 The Commission may establish such other subsidiary bodies as required.
- 5.6 Except as provided in these Rules, each subsidiary body shall establish its own Rules of Procedure.

SECRETARIAT

Rule 6

- 6.1 The Commission shall designate staff positions to be filled through appointments made by the Executive Secretary. The Commission shall fix the tenure, rate of remuneration, and travelling expenses for the members of the Secretariat.
- 6.2 The Executive Secretary shall:
- a) have full power and authority over the Secretariat subject to the general supervision of the Commission;
 - b) make all arrangements necessary for the meetings of NAFO;
 - c) prepare and transmit the draft provisional agenda and the provisional agenda in accordance with Rule 4.1 and 4.2 respectively;

- d) address communications to the Depositary Government, pursuant to the provisions of Article XXII.2 of the Convention;
- e) receive the credentials of the representatives and of observers at annual and special meetings and report thereon to the Commission as required; and
- f) perform such other functions as may be assigned to him or her by the Commission, its Chairperson, or the Chairperson of any committee.

LANGUAGE

Rule 7

English shall be the official and working language of the Commission and its subsidiary bodies but, if desired, any other language may be used, on condition that persons doing so will provide interpreters. All official publications and communications of the Commission shall be in English.

RECORDS AND REPORTS

Rule 8

- 8.1 Summary records of each plenary and other sessions shall be drafted and distributed as soon as possible to the participants by the Executive Secretary.
- 8.2 Summary minutes of the proceedings of the meetings of all subsidiary bodies shall be furnished to the Commission by the Executive Secretary.
- 8.3 Summary records, reports, resolutions, proposals and other formal decisions adopted shall be transmitted as soon as possible after each meeting to the Contracting Parties, their representatives, and observers, by the Executive Secretary.
- 8.4 The Commission shall publish annually, following its annual meeting, a report of the activities of NAFO. This report shall include a summary of its findings and statistical, scientific, and other information gathered pertaining to the fisheries of the Convention Area, the Chairpersons report of the annual meeting, and a financial statement.

Rules of Procedure for the Scientific Council

REPRESENTATION

Rule 1

- 1.1 Each Contracting Party shall notify the Executive Secretary as far as possible in advance of any meeting of the names of its representatives, alternates, experts and advisers who will attend.
- 1.2 A Contracting Party may be represented at a meeting by the Executive Secretary, if so empowered by the Contracting Party, for the sole purpose of voting as specified under Rule 2.3.
- 1.3 The Scientific Council Chairperson may invite one or more “guest experts” to meetings of Scientific Council and its subsidiary bodies. The guest expert(s) would not represent a Party or Organization and would have no status at the meeting other than to provide specific advice and guidance to Scientific Council on particular issues.

VOTING

Rule 2

- 2.1 Observers, experts and advisers may address plenary or subsidiary body meetings, but shall not be entitled to vote under Article VII, paragraph 6.
- 2.2 Votes, in accordance with Article VII, paragraph 6, shall be taken by a show of hands, by roll call, in the English alphabetical order of the names of the Contracting Parties, or by ballot, as determined by the Chairperson, except that votes in which proxy votes are being cast under Rule 2.3 shall be by roll call only.
- 2.3
 - a) the Executive Secretary will cast votes of abstention on behalf of all Contracting Parties from which he/she has received prior approval to vote, provided that he/she shall not vote for the Contracting Party if another representative of that Contracting Party is present at the meeting.
 - b) for the purpose of this rule, the Deputy Executive Secretary can act for the Executive Secretary in the absence of the Executive Secretary and with the prior approval of the Contracting Party or Parties for which a vote is to be cast.

- c) authorization for the Executive Secretary, and for the Deputy Executive Secretary as specified under 2.3(b), to vote on behalf of a Contracting Party shall be sought by the Executive Secretary from those Contracting Parties for which the Chairperson considers such authorization to be necessary for the purpose of providing the Scientific Council with a quorum.
 - d) authorizations to vote received under 2.3(c) shall be effective for a period as specified by the Contracting Party but in any case shall not be considered effective for more than 12 months without renewal.
 - e) no more than five (5) proxy votes shall be cast at any one vote.
- 2.4 In the case of an emergency between meetings, a vote may be taken by e-mail or other means of communications.
- 2.5 When a vote is taken by e-mail or other electronic means, the Executive Secretary shall address the request for the vote from each Contracting Party to the authority representing that Contracting Party at his or her official address with copies addressed to each representative on the Scientific Council of that Contracting Party at his or her corresponding official address.
- 2.6 The result of a vote taken by e-mail or other electronic means shall be ascertained by the Executive Secretary at the end of a period of at least thirty (30) days after the date of the initial request for the vote and such period shall be made clear in the text of that request.
- 2.7 a) if no reply from a Contracting Party, in the case of a vote taken by e-mail or other electronic means, reaches the Secretariat within the period established under 2.6, that Contracting Party would be recorded as having abstained and it shall be considered part of the relevant quorum for voting purposes.
- b) Contracting Parties shall promptly acknowledge receipt of any request for vote by e-mail or other electronic means. If no acknowledgment is received from any particular Contracting Party within one week of the date of transmittal the Executive Secretary will retransmit the request, and will use all additional necessary means available to ensure that the request has been received. Confirmation by the Executive Secretary that the request has been received shall be deemed conclusive regarding the inclusion of the Contracting Party in the quorum for the purpose of the relevant vote by e-mail or other electronic means.

CHAIRPERSON AND VICE-CHAIRPERSON**Rule 3**

- 3.1 The Chairperson and Vice-Chairperson shall take office at the conclusion of an annual meeting. Election of these officers shall take place at such annual meeting or at the special meeting held immediately preceding such annual meeting.
- 3.2 The powers and duties of the Chairperson shall be:
- a) to declare the opening and closing of each meeting;
 - b) to preside at meetings;
 - c) to rule on points of order, subject to the right of any representative to request that any ruling of the Chairperson shall be submitted to the Scientific Council for decision by vote;
 - d) to call for and announce the results of votes, under Article VII, paragraph 6;
 - e) to determine, after consultation with the Executive Secretary, the provisional agenda for the annual and special meetings;
 - f) to arrange for the appointment of the members of subsidiary bodies as required;
 - g) to sign a report of the proceedings of each meeting of the Scientific Council, for transmission to Contracting Parties, their representatives, and others concerned;
 - h) generally, to make such decisions and give such directions to the Executive Secretary as will ensure, especially in the interval between meetings, that the business of the Scientific Council is carried out efficiently and in accordance with the decisions; and
 - i) to act as Chairperson of the Executive Committee.
- 3.3 The powers and duties of the Vice-Chairperson shall be:
- a) to exercise the powers and duties prescribed for the Chairperson when he/she is unable to act; and
 - b) to act as Chairperson of the Standing Committee on Research Coordination (STACREC).
- 3.4 If the office of the Chairperson is vacated, the Vice-Chairperson shall become Chairperson for the balance of the term.

- 3.5 The Chairperson, or Vice-Chairperson when acting as Chairperson, shall not vote under Article VII, paragraph 6, and another representative of his/her delegation shall exercise this function.
- 3.6 If the offices of the Chairperson and Vice-Chairperson are vacated, the Chairperson of the Standing Committee on Fisheries Science (STACFIS) shall exercise the powers and duties prescribed for the Chairperson, and the first order of business at the next meeting shall be the election of a Chairperson and Vice-Chairperson for the balance of the term.
- 3.7 In the circumstance that both the Chairperson and Vice-Chairperson of the Scientific Council are absent at the time and place of a scheduled Scientific Council Meeting, a Scientific Council Representative shall be appointed as temporary Chairperson for that meeting by consensus among the Scientific Council, representatives, or their alternates, who are present.

ORDER OF BUSINESS

Rule 4

- 4.1 A provisional agenda for each annual or special meeting of the Council or any of its subsidiary bodies shall be prepared by the Executive Secretary, in accordance with the instructions from the Chairperson, or the Chairperson of the relevant subsidiary body, and be dispatched by the Executive Secretary to all Contracting Parties, their representatives, and invited observers, not less than 60 days before the date fixed for the opening of the meeting.
- 4.2 Except as provided in paragraph 4.3, the subject matter of a request for scientific advice from a coastal state, or from the Commission, in accordance with Article VII, paragraph 10 shall be included in the provisional agenda for the relevant meeting of the Scientific Council. A memorandum containing the terms of reference prescribed in Article VII, paragraph 11 shall be circulated by the Executive Secretary to the representatives of all Contracting Parties, together with the corresponding provisional agenda.
- 4.3 The Scientific Council, by unanimous vote, may waive the necessity of the 60-day advance notice of the subject matter of a request for scientific advice.
- 4.4 For the purpose of Article VII, paragraph 10 and 11 the appropriate statistical information should be furnished to the Scientific Council in advance of meetings and with respect of STATLANT 21A and 21B not later than on 1 May and 31 August respectively.

COMMITTEES

Rule 5

- 5.1 There shall be the following standing committees:
- a) The Standing Committee on Fisheries Science (STACFIS) which shall:
 - i) assess the status of fish stocks upon the request of the Scientific Council;
 - ii) assess the effects on fish stocks of fishing strategies and management upon the request of the Scientific Council; and
 - iii) evaluate new methods for fish stock assessment.
 - b) The Standing Committee on Research Coordination (STACREC) which shall:
 - i) develop and recommend to the Scientific Council policies and procedures for the collection, compilation, and dissemination of statistical and sampling information on the living resources and fisheries in the Convention Area;
 - ii) coordinate the compilation and maintenance of statistics and records and their dissemination, including liaison with coastal states in the Convention Area;
 - iii) coordinate the planning and execution of international cooperative research in cooperation with coastal States in the Convention Area;
 - iv) encourage and promote cooperation among the Contracting Parties in scientific research designed to fill gaps in knowledge pertaining to fisheries matters identified by the Scientific Council; and
 - v) review and evaluate data and information and advise the Scientific Council on advances in knowledge of biology relevant to the Convention Area.
 - c) The Standing Committee on Publications (STACPUB) which shall:
 - i) develop, coordinate and keep under review the publication and editorial policy and procedures of the Scientific Council and make recommendations thereto on these matters.

- d) The Standing Committee on Fisheries Environment (STACFEN) which shall:
 - i) develop and recommend to the Scientific Council policies and procedures for the collection, compilation and dissemination of environmental information from oceanographic investigations;
 - ii) provide reviews of environmental conditions and advise the Scientific Council on the effects of the environment on fish stocks and fisheries in the Convention Area; and
 - iii) encourage and promote cooperation among Contracting Parties in scientific research designed to fill the gaps in knowledge pertaining to the effects of the environment on fish stocks and fisheries as identified by the Scientific Council.
- 5.2 Except as provided in paragraph 5.1, each Standing Committee shall consist of scientists, one from each Contracting Party, who may be assisted by experts and advisers, and have a Chairperson who shall be elected by the Scientific Council, in accordance with the provisions of Article VII, paragraph 6, to serve for two years. The Executive Secretary shall be an *ex officio* member, without vote.
- 5.3 There shall be an Executive Committee, composed of the Chairperson and Vice-Chairperson of the Scientific Council and the Chairpersons of the Standing Committees. The Executive Secretary shall be an *ex officio* member of the Executive Committee. This Committee shall keep under general review the planning and execution of the Scientific Council's program and ensure that the Scientific Council's organization effectively and efficiently meets the needs of the scientific program, facilitate coordination with other organizations, and provide advice to the Chairperson of the Scientific Council on:
 - a) the timetable for the work of the Committees and Working Groups; and
 - b) input by the Scientific Council to the work of the Commission.
- 5.4 The Scientific Council may establish such other subsidiary bodies as required.
- 5.5 Except as provided in these Rules, each subsidiary body shall establish its own Rules of Procedure.

SECRETARIAT

Rule 6

- 6.1 The Scientific Council and its subsidiary bodies shall, in the exercise of their functions and duties, use the services of the Secretariat.
- 6.2 The Executive Secretary shall prepare and transmit the provisional agendas in accordance with Rule 4.1.
- 6.3 The Executive Secretary shall receive the credentials of representatives and observers at annual and special meetings and report thereon to the Scientific Council as required.

LANGUAGE

Rule 7

- 7.1 English shall be the official and working language of the Scientific Council and its subsidiary bodies, but, if desired, any other language may be used, on condition that persons doing so will provide interpreters. All official publications and communications of the Scientific Council shall be in English.

RECORDS AND REPORTS

Rule 8

- 8.1 Summary records of each plenary and other session shall be drafted and distributed as soon as possible to the participants by the Executive Secretary.
- 8.2 Summary minutes of the proceedings of the meetings of all subsidiary bodies shall be furnished to the Scientific Council by the Executive Secretary.
- 8.3 Summary records, reports, resolutions, recommendations, and other decisions adopted shall be transmitted as soon as possible after each meeting to the Contracting Parties, their representatives, and observers, by the Executive Secretary.
- 8.4 An annual report containing the proceedings of each meeting of the Scientific Council, together with reports of all subsidiary bodies, and such other information as considered desirable, shall be prepared by the Chairperson, in consultation with the Executive Secretary, and published.

FINANCIAL

Rule 9

- 9.1 The Scientific Council shall not incur any expenditure except in accordance with a budget approved by the Commission.

Rules of Procedure for Observers to NAFO Meetings (Commission and Scientific Council)

Rule 1

The Executive Secretary shall invite, as observers:

- a) intergovernmental organizations that have regular contacts with NAFO as regards fisheries matters or whose work is of interest to NAFO or vice-versa; and
- b) non-Contracting Parties identified as harvesting fishery resources in the Regulatory Area.

Rule 2

Any non-governmental organization (NGO) that supports the general objectives of NAFO and with a demonstrated interest in the species under the purview of NAFO, and desires accreditation as observers to NAFO meetings, shall notify the Secretariat at least 100 days in advance of the first meeting it wishes to attend. This application must include:

- a) name, address, telephone, fax number of the organization;
- b) address of all its national/regional offices;
- c) aims and purposes of the organization and a statement that the NGO fully supports the objectives of NAFO, i.e., optimum utilization, rational management and conservation of the fishery resources of the NAFO Convention Area;
- d) information on the organization's total number of members, its decision-making process and its funding;
- e) a brief history of the organization and a description of its activities;
- f) representative papers or other similar resources produced by or for the organization on the conservation, management, or science of fishery resources to which the Convention applies; and
- g) a history of NAFO observer status granted/revoked.

Rule 3

Observer status shall apply to all non-restricted sessions, whether at the Annual Meeting or at intersessional meetings.

Rule 4

NGO applications shall be reviewed by the Executive Secretary who shall notify the Contracting Parties of the names and qualifications of NGOs having fulfilled the requirements stipulated in Rule 2. If one or more of the Contracting Parties object giving in writing its reasons within 30 days, the matter will be put to a vote by written procedure. Applications will then be considered as accepted in accordance with the procedures laid down in Article XIII of the Convention. The Executive Secretary shall also circulate any reasons given in a preliminary objection as well as any comments that Contracting Parties may include with their vote on this matter.

Rule 5

Any NGO with observer accreditation:

- a) is required to register its representatives at the NAFO Secretariat at least fourteen days in advance of the meeting;
- b) may be required to limit the number of their observers at any meeting due to conference room capacity. The Executive Secretary will transmit any such determination in the conditions of participation;
- c) may be required to pay a fee, which will cover the additional expenses generated by their participation, as determined annually by the Executive Secretary;
- d) that has not communicated with the Secretariat or attended at least one meeting in the previous three years shall cease to be an accredited NGO but may reapply in writing to the Executive Secretary; and
- e) will have their accreditation reviewed by the Executive Secretary every five years taking into account any new information or development regarding the NGO since the last accreditation and circulate a summary of the review to Contracting Parties. If one or more of the Contracting Parties object to a renewal of the accreditation of the NGO with NAFO giving in writing its reasons within 30 days, the matter will be put to a vote by written procedure. Renewal of the accreditation will then be considered as accepted in accordance with the procedures laid down in Article XIII of the Convention. The Executive Secretary shall also circulate any reasons given in a preliminary objection as well as any comments that Contracting Parties may include with their vote on this matter.

Rule 6

Observers admitted to a meeting:

- a) shall be sent or otherwise receive the same documentation generally available to Contracting Parties and their delegations, except those documents deemed confidential by a Contracting Party or the Executive Secretary.
- b) may attend meetings, as set forth above, but may not vote;
- c) may make oral statements during the meeting upon the invitation of the Chairperson;
- d) may only distribute documents at meetings via the general information table;
- e) may engage in other activities as appropriate and as approved by the Chairperson;
- f) may not use film, video, and audio recording devices, etc. to record meeting proceedings; and
- g) may not issue press releases or other information to the media on agenda items under discussion during NAFO meetings.

Rule 7

Observers admitted to a meeting shall comply with the above and all rules and procedures applicable to other participants in the meeting. Failure to conform to these rules or any other rules that NAFO may adopt for the conduct of observers may result in removal from the meeting by the presiding officer and revocation of their observer accreditation status.

Rule 8

These rules shall be subject to review and revision, as appropriate. If any Contracting Party so requests, the adequacy of these rules shall be reviewed and assessed and, if necessary, amendments shall be adopted by the Commission in the light of the need of NAFO to function effectively when conducting its business.

Financial Regulations

FINANCIAL YEAR

Rule 1

The financial year shall be the period 1 January to 31 December.

BUDGET

Rule 2

- 2.1 The Executive Secretary shall prepare and submit to the annual meeting budgetary estimates in Canadian dollars of income and expenditures of the Commission, the Scientific Council, and the Secretariat covering income and expenditures for the following financial year. He/she shall transmit these to all Contracting Parties at least 60 days before the opening of the regular annual meeting. At the same time, he/she shall prepare a forecast budget for the subsequent financial year.
- 2.2 The estimates and forecast shall be divided into categories, and shall be accompanied by such information as the Commission may specify from time to time, and as the Executive Secretary may deem useful.
- 2.3 The Commission and the Scientific Council shall report to the Standing Committee on Finance and Administration on anticipated costs necessary for the conduct of their business.
- 2.4 The Standing Committee on Finance and Administration shall meet during each annual meeting of the Commission to examine the estimates and shall report thereon to the Commission. After consideration of the report, and after any necessary adjustments or revisions have been made, the Commission shall adopt the budget.

APPROPRIATIONS

Rule 3

- 3.1 The appropriations adopted by the Commission in the budgets shall constitute an authorization to the Executive Secretary to incur obligations and make payments for the purposes and up to the amounts so adopted.

- 3.2 Appropriations shall remain available for 12 months following the end of the financial year to which they relate to the extent that they are required to discharge obligations incurred during that financial year. At the end of the 12-month period, any unliquidated prior year obligations shall be cancelled, or, where the obligation remains a valid charge, transferred as an obligation against current appropriations.
- 3.3 The Executive Secretary may transfer appropriations between categories in the budget adopted by the Commission provided that these categories are not altered in more than 10% of the amounts in the adopted budget and that a statement of all such transfers shall be submitted to the Commission and the Auditors with the annual financial statements. The total amounts transferred in any one year shall not exceed 1% of the total adopted budget. The Chairperson of the Commission may however authorize the Executive Secretary to transfer appropriations between categories above those limits.

INCOME AND EXPENDITURES

Rule 4

- 4.1 There shall be established proper books of account for the purpose of accounting for the receipts and expenditures of the Organization.
- 4.2 Within the books of account, 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.
- 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.
- 4.4 The Chairperson of the Commission, in consultation with the Chairperson of STACFAD and the members of the Commission, may authorize expenditures from the accumulated surplus account for unforeseen and extraordinary expenses to the good conduct of the business of the Organization.

- 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.

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.

- 4.6 The Commission shall establish the amount of the annual contribution due from each Contracting Party pursuant to the annual budget based on Article IX.2 of the Convention. The nominal catches for this determination shall be the reported catches of the fishery resources listed in Annex I.
- 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.
- 4.8 If a Contracting Party has not submitted its nominal catches according to the stipulations in Article IX.2 of the Convention by the required date, the most recent catch report available from that Contracting Party will be used for the calculation of contributions that are then considered final for that financial year. Subsequent reporting of applicable catches by the Contracting Party will be applied towards the calculation of contributions for the following financial year.

- 4.9 Annual contributions shall be due and payable in full within 30 days of receipt of the information from the Executive Secretary referred to in Rule 4.7 or the first day of the financial year, the unpaid balance shall be considered to be in arrears.
- 4.10 New Contracting Parties for the first year, shall pay their annual contribution within 90 days of depositing an instrument of accession with the Depositary Government for that financial year, in accordance with Article IX.6 of the Convention.

SCIENTIFIC RESEARCH FUND

Rule 5

The Commission may establish a Scientific Research Fund to support scientific research projects recommended by the Commission and/or the Scientific Council or specific non-recurring projects entered into with third parties. The source of monies therein being discretionary contributions from Contracting Parties, above and beyond their annual budget contributions, from agencies of Contracting Parties and from other donors, with the following restrictions:

- a) Contributions to any scientific research project under the Scientific Research Fund may be accepted, provided that the purposes for which the contributions are made are consistent with the policies, aims, and activities of the Organization; and
- b) Contributions offered from sources other than Contracting Parties to any scientific research project under the Scientific Research Fund may be accepted, subject to agreement by the Contracting Parties that the purposes of the contributions are consistent with the policies, aims, and activities of the Organization.

This fund shall not be used to fund the general operations of the Organization, except for the recovery of administrative expenses associated with these projects.

The Executive Secretary shall report to the Commission/STACFAD at each Annual Meeting on the condition of the Scientific Research Fund, including the contributions received and their dispositions.

The Scientific Research Fund is administered by the Executive Secretary, subject to guidelines established by the Commission.

TRUST FUNDS

Rule 6

The Executive Secretary may accept on behalf of NAFO voluntary contributions from Contracting Parties, or from other sources subject to agreement by the Contracting Parties, provided that the purposes for which such voluntary contributions have been made are consistent with the policies, aims and activities of NAFO.

The Executive Secretary shall establish trust funds to cover such voluntary contributions and shall report on their receipt and use to the Commission/STACFAD.

BOOKS OF ACCOUNT

Rule 7

- 7.1 Appropriate separate accounts shall be kept for the receipts and expenditures of NAFO and for the contributions and disbursements for each scientific research project established under the Scientific Research Fund.
- 7.2 The Executive Secretary shall establish detailed financial procedures in order to ensure financial administration and the exercise of economy.
- 7.3 The Executive Secretary shall maintain such accounting records as are necessary for each financial year, including:

General Operating Budget

- a) income and expenditures;
- b) the status of appropriations, including:
 - i) the original budget appropriations;
 - ii) transfers between appropriation categories;
 - iii) amounts charged against appropriation categories;
- c) the status of the accumulated surplus account;
- d) funds held in currencies other than Canadian dollars.

Scientific Research Fund

- a) contributions and disbursements for each scientific research project;
- b) the status of the funds for each scientific research project.

Trust Funds

- a) contributions and disbursements for each trust fund;
- b) the status of the funds for each trust fund.

- 7.4 The annual financial statements shall be submitted by the Executive Secretary to the Auditors no later than 30 days following the end of the financial year.
- 7.5 The Executive Secretary may, after full investigation, authorize the writing off of losses of cash, stores, and other assets, provided that a statement of all such amounts written off shall be submitted to the Commission and the Auditors with the annual financial statements.
- 7.6 The annual financial statements shall be prepared in conformity with these financial rules in a manner consistent with Canadian generally accepted accounting principles for not-for-profit organizations (GAAP) with the following exceptions:
 - a) The Organization does not record the pension obligation relating to its defined benefit pension plan. The Organization uses the pension valuation report provided by the International Fisheries Commission Pension Society (IFCPS) to determine the pension expense at a minimum on a triennial basis. The pension expense consists of the employer portion of the current service pension contribution plus any additional yearly payments required by the IFCPS (as shown in the current valuation report) that are necessary to extinguish the unfunded portion of the pension obligation;
 - b) Capital assets acquired or leased by the Organization are to be recorded as expenditures in the year of acquisition, without capitalization and amortization in the accounts;
 - c) The employee termination benefits liability shall be recorded based on the years of service multiplied by the rate as outlined in the NAFO Staff Rules without taking into account actuarial assumptions or the time value of money.

SALARIES

Rule 8

- 8.1 The Commission shall adopt from time to time a salary scale for the Executive Secretary and the staff based, to the extent possible, on the salary scale and position classification system of the Public Service of Canada.
- 8.2 There shall be an assessment on the salary of each member of the staff, based on the amount of each staff member's Canadian Income Tax, the amount to be determined by the Executive Secretary in consultation with the Canadian authorities. The staff assessment shall be applied in accordance with Rule 4.7.
- 8.3 The Canadian Government Employee's Compensation Act shall be applicable to the staff, as provided by the Government of Canada. The Executive Secretary is authorized to make payments with respect to amounts charged to the Organization under the Act from current appropriations which are otherwise unobligated and which would be surplus at the end of the financial year. These items shall be included in the annual budget.

EXTERNAL AUDIT

Rule 9

- 9.1 Having regard to the budgetary provisions for the Audit, the auditors, appointed in accordance with Article IX.8, of the Convention, shall perform such an audit as they deem necessary to certify:
 - a) that the financial statements are in accord with the books and records of the Organization;
 - b) that the financial transactions reflected in the statements have been in accordance with the rules and regulations as further specified in Rule 7.6, the budgetary provisions, and other applicable directives;
 - c) that the monies on deposit and on hand have been verified by certificate received direct from the Organization depositories or by actual count.
- 9.2 Subject to the directions of the Commission, the Auditors shall be the sole judge as to the acceptance in whole or part of the certifications by the Executive Secretary and may proceed to such detailed examination and verifications as they choose of all financial records,

- including those related to supplies and equipment if considered necessary.
- 9.3 The Auditors may affirm by test the reliability of the system of internal control and may make such reports with respect thereto as they may deem necessary.
 - 9.4 The Auditors and their staff shall have free access at all convenient times to all books of account and records which are, in the opinion of the Auditors, necessary for the performance of the audit. Information classified in the records of the Executive Secretary as confidential, and which is required for the purposes of the audit, shall be made available on application to the Executive Secretary.
 - 9.5 The Auditors, in addition to certifying the financial statement, may make such observations as they deem necessary with respect to the efficiency of the financial procedures, the accounting system, the internal financial controls and, in general, the financial consequences of administrative practices. In no case, however, shall the Auditors include criticism in their audit report without first affording the Executive Secretary an opportunity of explanation to the Auditors of the matter under observation. Audit objections to any item in the financial statements shall be immediately communicated to the Executive Secretary.
 - 9.6 The Auditors shall have no power to remove items in the accounts, but shall draw to the attention of the Executive Secretary for appropriate action any transaction concerning which they entertain doubt as to legality or propriety.
 - 9.7 The Auditors shall prepare a report on the accounts certified, and on any matters on which the Commission by resolution thereon may from time to time give specific instructions.
 - 9.8 The Auditors shall submit their report to the Commission, not later than 90 days after having received the year's financial statements from the Executive Secretary.
 - 9.9 The Standing Committee on Finance and Administration shall forward to the Commission its comments, if any, on the audit report.
 - 9.10 The Auditors shall serve for a maximum term of five (5) years.

BONDING

Rule 10

The Executive Secretary and such staff as he/she deems necessary shall be bonded in Canadian currency by any reputable bonding company in such amount as may be determined by the Commission from time to time. The cost of the premium for bonding shall be assumed by the Organization.

DELEGATION OF AUTHORITY

Rule 11

The Executive Secretary may delegate to other staff of the Secretariat such of his/her powers as he/she considers necessary for the effective implementation of these regulations.

INTERPRETATION

Rule 12

The Chairperson of the Commission shall rule, in cases of doubt as to the interpretation and application of any of these Rules.

APPLICATION

Rule 13

- 13.1 These Rules shall become effective on the first day of the month following their approval by the Commission.
- 13.2 These Rules may be amended only by the Commission.

Annex I to the Financial Regulations

Pursuant to Rule 4.6 of the Financial Regulations

Atlantic cod	<i>Gadus morhua</i>
Atlantic redfish	<i>Sebastes</i> spp.
Silver hake	<i>Merluccius bilinearis</i>
American plaice	<i>Hippoglossoides platessoides</i>
Witch flounder	<i>Glyptocephalus cynoglossus</i>
Yellowtail flounder	<i>Limanda ferruginea</i>
Greenland halibut	<i>Reinhardtius hippoglossoides</i>
Roundnose grenadier	<i>Coryphaenoides rupestris</i>
Capelin	<i>Mallotus villosus</i>
Short-finned squid	<i>Illex illecebrosus</i>
Shrimp	<i>Pandalus</i> sp.
White hake	<i>Urophycis tenuis</i>
Skate	<i>Amblyraja radiata</i>
Greenland cod	<i>Gadus ogac</i>
Atlantic wolffish	<i>Anarhichas lupus</i>
Spotted wolffish	<i>Anarhichas minor</i>
Roughhead grenadier	<i>Macrourus berglax</i>
Spiny dogfish	<i>Squalus acanthias</i>
Black dogfish	<i>Centroscyllium fabricii</i>