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Reunion Island, 4–8 July 2022
MOP-09-INFO-02
SIOFA Financial Report 2021

SIOFA Secretariat

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Abstract	
<p>In accordance with Rule 8 (f) of the Rules of Procedure, this paper provides the annual report from the Secretariat on financial resources for the ordinary Meeting of the Parties.</p> <p>This report should be read in conjunction with MoP-09-INFO-03 (SIOFA Financial Statement and External Auditor Report 2021).</p>	

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² Documents available only to members invited to closed sessions as per SIOFA RoP 20.

ANNUAL FINANCIAL REPORT

In accordance with Rule 8 (f) of the SIOFA Rules of Procedure, this paper provides an annual report from the Secretariat on financial resources, for the ordinary Meeting of the Parties.

The annual Financial Report was prepared in accordance with rule 9.1 of the Financial Regulations of the Meeting of the Parties, providing an overview of the budget position, annual financial statements for the financial year 2021 for all accounts and for any funds held in reserve, in accordance with the requirements of Regulation 8.

This report should be read in conjunction with MoP-09-INFO-03 SIOFA Financial Statement and External Auditor Report for 2021, covering the period from 1 January 2021 to 31 December 2021.

To provide the MoP with more up-to-date information, this report provides some summary updates on the status of SIOFA's financial resources as on the 15th of May 2022. More details on the financial resources can be found in MoP-09-INFO-13 SIOFA mid-year budget tracking paper.

Accounting and bookkeeping

The accountancy firm Crowe Horwath was contracted to assist with accounting and bookkeeping throughout the year (2021), including the preparation of SIOFA's financial statements.

External Auditor

Mr Arnaud FAYOL is the external auditor for SIOFA, he is based in Saint-Denis and has worked with SIOFA since 2017. A comparative cost study was conducted last year, which showed that M. FAYOL offers competitive rates in Saint-Denis.

In accordance with Financial Regulation 11.1, which stipulates that an independent external auditor can only be engaged for a three-year term and may only be renewed once for an additional three years, his contract with SIOFA will end in December 2023.

The Secretariat will tender for a new auditor during the first half of 2023, with the intention of presenting the various options at MoP10 in July 2023.

Financial Report and External Auditors Report

MoP9-INFO-03 provides the Financial Statement and the External Auditor's Report for 2021.

The External Auditor's Report was compiled in accordance with Financial Regulation 11. It was circulated to all Official Contacts on 16th May 2022.

FINANCIAL RESOURCES

This report provides the Meeting of the Parties with an overview of the budget position and contributions as at 15th May 2022.

In summary the overall financial position of SIOFA is currently in a favorable position owing to savings made on previous years' budgets and the receipt of voluntary contributions.

Section 1 below provides an overview of the budget position of different SIOFA accounts. The financial position of each account and sub-account situations are detailed in the ensuing sections.

I - SIOFA General Account and Sub Accounts

Table 1 provides the status of SIOFA General Account and sub-accounts. Annex 1 provides an item-by-item breakdown of the SIOFA general account.

Table 1: Status of SIOFA ACCOUNTS - ACCORD RELATIF AUX PECHE DANS LE SUD DE L'OCEAN INDIEN - (as at 15.05.2022)

Accounts	Date	Balance	Currency	Observations
General Account <i>Compte à Vue</i>	15 May 2022	561 509	Euro	
Sub-Account: SIOFA Reserve Fund <i>Compte sur livret</i>	15 May 2022	409 066	Euro	In line with Financial Rule 7.6, maintenance of 3 months of the financial year plus 10 % of the annual budget, (16 068 €), thus 240 998 € are available.
Sub-Account: (SIOFA Scientific Research Fund)	15 May 2022	161 408	Euro	This amount includes 92 456 € of dedicated funds, i.e. grants received and not used over 2021 out of the 140 000 € contribution. The funds of the Scientific Research funds are currently completely committed.
Sub Account: Currently unused – <i>Livret Réunion/Mayotte</i>	15 May 2022	32	Euro	
Total in Bank to SIOFA		1 132 015	Euro	

Please see Annex 1 for Item-by-Item details of the SIOFA general account

II- General Account

Annual Contributions of the Contracting Parties and Participating Fishing Entities

Annual contributions paid under Financial Regulation 5.2 as at 15 May 2022 are detailed in Table 2.

Table 2: Annual contributions obtained (in green) per financial year and those in arrears (red) as at 15.05.2022 (all figures below are in EURO).

	2015	2016	2017	2018	2019	2020	2021	2022	Balance	Date last payment
Australia	5 250	22 672	46 335	41 887	47 487	23 486	21 266	20 067	0	15.03.2022
China					18 995	38 217	26 162	31 836	89 048	02.07.2021
Cook Islands	1 250	22 672	46 335	41 887	47 487	97 044	101 707	107 579	0	11.08.2021
EU	5250	22 672	46 335	41 887	47 487	92 893	80 224	71 809	0	24.02.2022
France (OT)	5250	22 672	46 335	41 887	47 487	22 252	21 527	18 852	0	13.09.2021
Japan	5250	22 672	46 335	41 887	47 487	71 419	74 412	59 440	0	25.10.2021
Korea	5250	22 672	46 335	41 887	47 487	16 298	14 521	14 998	0	24.03.2022
Mauritius	1 250	10 580	21 623	19 712	22 347	7 612	7 431	10 970	0	14.09.2021
Seychelles	1 250	22 672	46 335	41 887	47 487	8754	7 101	8 538		27.04.2021
Chinese Taipei					21 229	98 399	118 838	113 841	0	11.08.2021
Thailand			40 543	41 887	47 487	54 113	24 087	22 264	0	26.10.2021
Total invoiced		169 283	386 512	354 808	442 467	530 487	496 776	480 194	89 048	
Total obtained		169 283	386 512	354 808	423 472	432 270	496 776	448 358		

Voluntary Contributions and grants received from CCPs

Details of voluntary contributions and grants received by SIOFA are shown in Tables 3 and 4.

Table 3: Voluntary contributions (as at 15.05.2022)

CCP	Contribution	Date	Project	Situation
AUS	54 965 AUD	16.07.2020	Contribution directed towards the cumulative Bottom Fishing Impact Assessment	Closed – Report Transmitted in 2021

EU Grant Agreement

Table 4: EU grants (as at 15.05.2022)

CCP	Contribution Planned	Signature Date	Amount Obtained	Amount Pending	Project	Current status
EU	78 380	16.12.2019	54 866	23 514	Grant Agreement SI2.815850: "SIOFA-Vulnerable Marine Ecosystem Mapping"	Final payment in progress – Final report to be transmitted
EU	200 000	18.11.2020	140 000	60 000	Grant Agreement SI2.837681: "Support to SIOFA scientific work on key stocks, ecosystem and data"	In progress. All consultancies planned to be done by SC9
EU	99 981	TBD			SIOFA-SEAs Project: Support for Ecosystem Approaches to fisheries conservation and management in SIOFA	Waiting signature of grant agreement
EU	118 320	TBD			SIOFA-SC8 Project: Support for the 8 th SIOFA Scientific Committee meeting	Waiting signature of grant agreement

The contributions provided by the European Union are made via an invitation to apply for specific funding aimed to support SIOFA actions related to scientific advice, including conservation status of key SIOFA species and management of exploited stocks, as well as the organization the next meeting of the Scientific Committee. The EU contributes to a maximum of 80% of total eligible project costs for each project. The remaining 20% of the project costs are Secretariat staff costs.

Grant agreements can also be used to support other activities from SIOFA as e.g., setting up a VMS, depending on the scope of each grant invitation.

Applying, obtaining and managing funding through the European Union grant process increases the workload of the Secretariat staff, but grant contributions are extremely valuable to support the different SIOFA activities.

Details of transfers between budget items

According to Financial Regulation 4.3, the Executive Secretary may authorise the transfer of up to 10 per cent of appropriations between sub-items of an item. The Chairperson may authorise the Executive Secretary to make transfers between sub-items of an item above this limit. The Chairperson may authorise the Executive Secretary to make transfers of up to 10 percent of appropriations between items.

01st January 2021- 31st December 2021: No transfers have been made between the 1st January 2021 and the 31st December 2021

01st January 2022 – 15th May 2022: Due to higher expenses than expected for both the 6th Compliance Committee and 9th Meeting of the Parties, some transfers between items and sub-items are planned to be submitted to the MoP Chairperson to cover excess expenses to facilitate the hybrid meeting format.

Table 4: SIOFA 2022 Budget Transfers Between Appropriation Categories

No	From sub-item	To sub-item	Amount EURO	Authorized by (Financial Regulation 4.3)	Observations
2.0 Property – Plant – Equipment					
1	2.6	2.2	150	Executive Secretary	Printer maintenance to be planned
4.0 Meeting Support – MoP9 & CC6					
2	4.2	4.3	15 000	MoP9 Chairperson	(Amount to be confirmed) To cover excess expense due to hybrid meeting
3	4.4	4.1	2 000	MoP9 Chairperson	To cover excess expense due to hybrid meeting
4	4.5	4.1	18 000	MoP9 Chairperson	To cover excess expense due to hybrid meeting

SIOFA Scientific Research Account

As required by the MoP 7, a Scientific Research Account was created on January 2021.

The resources of this account come from:

- The budget adopted each year during the MoP to fund research activities (Sub Item 9.1);
- The voluntary funds dedicated to Scientific research or specific consultancies
- The EU Grant Agreements

Table 6: SIOFA Scientific Research Account

Account details as at 31st December 2021. An information paper will be prepared by 20th June with a mid-year update of the account for 2022.

Movements	Date	Balance	Currency
Opening of SIOFA Scientific Research account	15.01.2021	245 498 ⁽¹⁾	EURO
PAE 2021-01 VME Mapping part 2/4	01.03.2021	-24 000	EURO
SCM 2021-01 Payment 1/2 Coordinator	07.04.2021	- 5 000	EURO
SER 2020-01 Harvest strategy dev. 1&2/2	19.04.2021	-15 000	EURO
PAE 2020-01 BFIA Trawl & LL part 2/3	30.04.2021	- 20 254	EURO
Budget adopted MoP7 Scientific Research	30.04.2021	+ 55 620	EURO
Australia Voluntary contribution	09.06.2021	+ 34 144	EURO
PAE 2020-01 BFIA Trawl & LL part 3/3	23.06.2021	- 23 148	EURO
SER 2021-02 ORY age estimat° part 1/3	02.08.2021	- 500	EURO
SER 2021-01 ORY acoustic data part 1/4	13.09.2021	- 3 800	EURO
SER 2021-03 Saya de Maya bank part 1/4	23.09.2021	- 2 509	EURO
SER 2021-01 ORY acoustic data part 2/4	11.10.2021	- 8 550	EURO
SER 2021-04 updating ORY stock assess. 1/3	21.10.2021	- 4 500	EURO
SER 2021-02 ORY age estimat° part 2/3	03.11.2021	- 9 000	EURO
SER 2021-01 ORY acoustic data part 3/4	16.11.2021	- 4 750	EURO
PAE 2021-02 Manag. Seabirds and MM	19.11.2021	- 1 000	EURO
SER 2021-03 Saya de Maya bank part 2/4	22.12.2021	- 3 763	EURO

Bank Fees (15.01 to 31.01.2021)	31.01.2021	-493.13	EURO
Balance		208 994	EURO

(1) Including MoP6 budget, and UE Grant Agreements (SI2.815850 and SI2.837681)

On 31st December 2021, the balance of the SIOFA Scientific Research account amounts to 208 994 €, including dedicated funds of 92 456€ corresponding to grants received and not used over 2021.

Several payments are planned to be made in 2022 to conclude the contracts of the consultants who have presented their reports during the 7th Scientific Committee.

III - SIOFA Reserve Fund

The emergency/contingency funds of the 2017-2020 budgets plus unspent budgets from 2016 to 2020 were used to build up a reserve fund in order to maintain a financial level sufficient to finance operations during the first 3 months of the financial year, plus 10% of the annual budget for the current year financial year for use in the event of an emergency. The movements on this account are detailed in the Table 7 below.

Table 7: SIOFA Reserve Fund - (as at 31/12/2021)

Movements	Date	Balance	Currency
Opening account	2017-05-16	10	Euro
2016 Emergency/ Contingency fund	2017-06-01	4 129	Euro
2017 Emergency/ Contingency fund	2017-06-01	8 439	Euro
Interest	2017-12-31	7	Euro
2018 Emergency/ Contingency fund – part 1	2018-01-16	4 000	Euro
Payment for SC3 meeting venue	2018-11-30	-4 238	Euro
Unspent 2016 funds	2018-12-16	34 799	Euro
Unspent 2017 funds	2018-12-14	123 411	Euro
2018 Emergency/Contingency fund – part 2	2018-12-19	4 655	Euro
2018 Emergency/ Contingency fund	2018-12-18	9 811	Euro
Interest	2018-12-31	23	Euro
Executive Secretary separation from service expenses (Ref: Reserve fund 1.1 es flight, separate)	2019-07-22	-1 860	Euro
Recruitment expenditures (Ref: Reserve 1.2 ES recruitment)	2019-07-22	-7 146	Euro
Secretariat installation expenses (Ref: reserve 1.3 Accommodations charges 2017-19)	2019-07-22	-5 370	Euro
Interest	2019-12-31	178	Euro
Unspent 2018 funds	2020-03-31	72 998	Euro
2019 Emergency/ Contingency fund – Part 1	2020-03-31	9363	Euro
2019 Emergency/Contingency fund – Part 2	2020-07-15	2644	Euro
Unspent 2019 funds	2020-12-31	73 580	Euro
SIOFA Circular 19-2020 SC Chairperson costs	2020-12-31	- 50 000	Euro
Interest	2020-12-31	223	Euro
2020 Emergency/ Contingency fund	2021-03-30	12 117	Euro
Unspent 2020 funds	2021-12-21	142 431	Euro
Interest	2021-12-31	289	Euro
Balance		434 493	Euro

No expenses have been covered by the reserve fund in 2021. Thus, on 31st December 2021, the SIOFA reserve fund had a balance of 434 493 €.

Nevertheless, following decision from the MoP8 (para 192 and Annex O), the expenses linked with separation from service of the Data Manager, the recruitment process of a new Science Officer of the SIOFA and the audits on Data and Physical securities will be funded directly from the SIOFA Reserve Fund during the year 2022.

There are currently on the general account unspent 2021 budget funds of 49 892 €. In accordance with SIOFA Financial Regulation 4.2 appropriations can remain available for up to 12 months following the end of the financial year to which they relate. For this reason, unspent 2021 budget will only be paid into the SIOFA Reserve fund at the end of 2022. This practice also ensures sufficient funds remain available within the general account, ensuring continuity of daily SIOFA business by providing a buffer against late payments of annual contributions and avoiding the potential need to access the SIOFA Reserve fund which is intended for emergencies.

IV. Mid-Year Budget 2022

In line with the para 193 of the report of the MoP8, the Secretariat will present a mid-year budget tracking paper with the actual expenditure by 20th June 2022.

Annex 1

to the SECRETARIAT REPORT ON FINANCIAL RESOURCES

BUDGET planned and realised in 2021

This table present the different items of the budget 2021 revised during the MoP8 and realised from the 1st January 2021 to the 31st December 2021

		2021 AMENDED	Committed budget	Expenditure	Balance Planned /Realised
Item 1. Personnel Costs (Option P3)**		265 710 €	202 135 €	186 948 €	24 037 € ⁽¹⁾
1.1	Executive Secretary P5	121 905 €	112 505 €	112 505 €	9 400 €
1.2	Data Manager P3	66 636 €	65 334 €	65 334 €	1 301 €
1.3	Data officer P2****	0 €			
1.4	Scientific Officer P2	0 €			
1.5	Compliance Officer P2**				
1.6	Separation from service***	0 €			
1.7	Temporary personal (internships)	24 000 €	24 000 €	8 813 €	0 €
1.8	Rent subsidy	18 000 €	9 000 €	9 000 €	9 000 €
1.9	Assignment Grant***	400 €	400 €	329 €	71 €
1.10	Travel Cost*	0 €	0 €	0 €	0 €
1.11	Home leave	400 €	0 €	0 €	400 €
1.12	Child studying abroad leave*	0 €	0 €	0 €	0 €
1.13	Single Parent/Child allowance *	0 €	0 €	0 €	0 €
1.14	Spouse allowance *	0 €	0 €	0 €	0 €
1.15	Education grant *	0 €	0 €	0 €	0 €
1.16	Pension & health schemes	31 769 €	31 769 €	30 503 €	1265 €
1.17	Staff development and training	3 000 €	0 €	0 €	3 000 €
Item 2. Property, Plant and Equipment		7 893 €		5 456 €	1 782 € ⁽²⁾
2.1	Convention D'hébergement charges	3 393 €	2 804 €	2 804 €	589 €
2.2	Maintenance	0 €	0 €	0 €	0 €
2.3	Utilities - Includes electricity, water, gas	0 €	0 €	0 €	0 €
2.4	Office Equipment and furniture	1 500 €	1 500 €	1 302 €	198 €
2.5	Consumables - Stationary, printer ink, paper	1 500 €	1 445 €	698 €	55 €
2.6	Insurance	1 500 €	560 €	560 €	940 €
Item 3. Meeting Support - SC6 (5 days) & WGs (4 days)		14 530 €		13 750 €	734 € ⁽³⁾
3.1	Venue, catering	0 €	0 €	0 €	0 €
3.2	Secretariat travel and accommodation to meetings	0 €	0 €	0 €	0 €
3.3	Support staff (rapporteur, assistant, tech)	14 530 €	14 530 €	13 797 €	734 €

3.4	SC Chairperson Travel and Accommodation	0 €	0 €	0 €	0 €
Item 4 Meeting Support - MoP8 (5 days) & CC5(4 days)		14 990 €		10 350 €	4 640 € ⁽³⁾
4.1	Venue, catering	0 €	0 €	0 €	0 €
4.2	Secretariat flights, accommodation, allowances	0 €	0 €	0 €	0 €
4.3	Support staff (rapporteur, assistant, tech)	14 990 €	10 350€	10 350 €	4 640 €
4.4	MoP and CC Chairperson Travel and Accommodation	0 €	0 €	0 €	0 €
4.5	SC Chairperson Travel and Accommodation		0 €	0 €	0 €
Item 5 Representation		5 000 €		0 €	5 000 € ⁽⁴⁾
5.1	Secretariat travel, notably for representation purposes	5 000 €	0 €	0 €	5 000 €
Item 6 Administration of Article 13.4		9 482 €		0 €	9 482 € ⁽⁵⁾
6.1	Financial assistance to travel to meetings	9 482 €	0 €	0 €	9 482 €
6.2	Other activities	0 €	0 €	0 €	0 €
Item 7 Communications and IT		11 500 €		7 819 €	3 364 € ⁽⁶⁾
7.1	IT related consumables (Printing, telephone and internet services)	3 500 €	3 309 €	3 309 €	191 €
7.2	Database, server management, external IT services and software subscriptions	4 000 €	1284 €	1284 €	2 716 €
7.3	IT hardware (computers, peripherals, etc.)	4 000 €	3 543 €	3 543 €	457 €
7.4	Audit IT*****	0 €	0 €	0 €	0 €
Item 8 Financial Services		13 320 €		13 034 €	255 €
8.1	Accounts and record keeping	9 020 €	9 020 €	9 020 €	0 €
8.2	Audit	2 500 €	2 500 €	2 500 €	0 €
8.3	Bank Charges	1 800 €	1 545 €	1 545 €	255 €
Item 9 Contracts for Specific Services		55 620 €		55 620 €	0 € ⁽⁷⁾
9.1	Research Activities	55 620 €	55 620 €	55 620 €	0 €
9.2	SC Chairperson	0 €	0 €	0 €	0 €
9.3	Consultant - Expert - Service Outsourced	0 €	0 €	0 €	0 €
Item 10 Miscellaneous		5 000 €		4 402 €	598 €
10.1	Future staffing	0 €	0 €	0 €	0 €
10.2	Miscellaneous	5 000 €	4 391 €	4 391 €	609 €

	Remained Funds from 2021 to be transferred on Reserve funds on 31st December 2022				49 892 €
	Sub-total	403 044 €			
	Emergency/contingency funds	10 076 €			
	INITIAL MOP contribution	413 121 €			
	Reserve Funds support ***** (2021) & *** (2022)	35 000 €			
	Excess in 2021 contributions				
	MOP CONTRIBUTION	413 121 €			
Notes to the Budget					
* Assumes costs for a family of 4 for new recruits, one child at school and one at home					
**Budgets for 1 ES, Data Officer recruitment, commencing in 2022; Compliance Officer recruitment commencing in 2023					
***For 2022 only, reserve funds are to be used to offset the one-off costs associated with recruitment					
**** 2023 Indicative Budget only, to support data management services to be determined based on the outcomes of the data security audit.					
*****	Budgeted by Reserve funds				

General Account on 31st December 2021	600 322
Reserve Funds on 31st December 2021	434 494 €

- (1): The balance is positive due to the rate change and to the step 1 of the Executive Secretary.
- (2): The balance is positive due to the accommodation agreement which had not been updated.
- (3): The balance is positive due to the fact there were no flight costs to consider for the rapporteur.
- (4) Due to COVID-19, The Secretariat did not travel for representation purposes
- (5): No requests were received from developing countries in 2021
- (6): The expenses planned for databases and software have been postponed until 2022 budget so as to consider the outcome and recommendations of the audit reports.
- (7): The full amount of the Research Activities has been transferred to the Scientific Research account.

Annex 2

to the SECRETARIAT REPORT ON FINANCIAL RESOURCES

CONTRIBUTIONS 2022		
Validated at MoP8 (26 July 2021)		
CCPs	Amount	Date of payment
AUSTRALIA	20 067 €	15.03.2022
CHINA	31 836 €	in arrear
COOK ISLANDS	107 579 €	11.08.2021
EUROPEAN UNION	71 809 €	24.02.2022
FRANCE (OT)	18 852 €	13.09.2021
JAPAN	59 440 €	25.10.2021
REP. OF KOREA	14 998 €	24.03.2022
MAURITIUS	10 970 €	14.09.2021
SEYCHELLES	8 538 €	27.04.2021
CHINESE TAIPEI	113 841 €	11.08.2021
THAILAND	22 264 €	26.10.2021
Total invoiced 2021	483 194 €	
Contribution received	451 358 €	
Previous Arrear	57 212 €	China Contributions 2019 & 2020