



**Regional Observer Programme  
Third Intersessional Working Group  
Guam  
17<sup>th</sup> – 21st March 2009**

**COST CONSIDERATIONS FOR ROP OBSERVERS**

**WCPFC/ROP-IWG3/2009-07  
26<sup>th</sup> February 2009**

1. The IWG has previously discussed a range of issues associated with costs of the Regional Observer Programme (ROP) but, apart from the administrative costs incurred at the Secretariat, a common understanding is yet to emerge on other costs.
2. Costs will vary among observer programmes for a variety of reasons including national remuneration scales, and embarkation and disembarkation locations. Costs may be broken into two components:
  - Fees and allowances paid to observers
  - Operational costs of an observer program: expenses associated with placing an observer (could include air travel, per diem travel cost, in port waiting time costs, insurance, and other related costs)
3. The cost of an observer sea day should include all associated operational costs such as shore management, training, debriefing, data entry/analysis, and general administration and office costs. Table 1 presents a summary of observer costs that need to be factored in to the estimate of the cost of an observer sea day. There are numerous possible sources of funding to cover these costs (see Table 1)

**Table 1. Relevant operational costs for deployment of observers with possible funding sources**

<b>Category</b>	<b>Item</b>	<b>Source of possible Funding</b>
<b>Travel</b>	<ul style="list-style-type: none"> <li>• Transport costs incl. Air, Taxi, Bus, Ferry.</li> <li>• Excess luggage costs.</li> <li>• Passport, Visa Costs, Airport Tax</li> <li>• Daily Travel Per Diem</li> <li>• Insurance</li> <li>• Travel Bags</li> </ul>	<ul style="list-style-type: none"> <li>• Flag State of Vessel</li> <li>• Industry</li> <li>• Country of Observer</li> <li>• Donors</li> </ul>
<b>Equipment</b>	<ul style="list-style-type: none"> <li>• Observer Tools, Tapes, Calipers</li> <li>• Sampling Equipment</li> <li>• Wet Weather Gear</li> <li>• Work Books/ Data Forms</li> <li>• Safety Gear</li> <li>• Carry Bags</li> </ul>	<ul style="list-style-type: none"> <li>• Flag State of Vessel</li> <li>• Industry</li> <li>• Country of Observer</li> <li>• Donors</li> </ul>
<b>Personal</b>	<ul style="list-style-type: none"> <li>• Salary</li> </ul>	<ul style="list-style-type: none"> <li>• Flag State of Vessel</li> </ul>

	<ul style="list-style-type: none"> <li>• Sea Allowances</li> <li>• Medical &amp; life Insurance</li> <li>• Boarding vessel costs</li> </ul>	<ul style="list-style-type: none"> <li>• Industry</li> <li>• Country of Observer</li> <li>• Donors</li> </ul>
<b>Training Courses</b>	<ul style="list-style-type: none"> <li>• Pre Selection</li> <li>• Training Materials &amp; Equipment</li> <li>• Venue &amp; Training Facility costs</li> <li>• Trainer costs</li> <li>• Travel Accommodation</li> <li>• Sea Safety Certification</li> <li>• Red Cross Certification</li> <li>• Radio Operators Certificate</li> </ul>	<ul style="list-style-type: none"> <li>• Flag State of Vessel</li> <li>• Industry</li> <li>• Country of Observer</li> <li>• Donors</li> </ul>
<b><u>Debriefing and Data analysis</u></b>	<ul style="list-style-type: none"> <li>• Briefing Observers</li> <li>• Debriefing the observer</li> <li>• Data and report analysis</li> </ul>	<ul style="list-style-type: none"> <li>• Flag State of Vessel</li> <li>• Industry</li> <li>• Country of Observer</li> <li>• Donors</li> </ul>
<b><u>Other</u></b>	<ul style="list-style-type: none"> <li>• Technical &amp; management support</li> <li>• Observer Communications</li> </ul>	

4. Most of the costs identified in Table 1 will be incurred as long as the programme is operating. So observer programmes require a constant and reliable source of funding support. Some explanations and elements of Table 1 to be considered when budgeting for these costs are as follows;

### **Travel**

- Travel Costs including Daily Travel allowance

Costs of transporting observers to and from vessels, especially if dropped off in ports other than their home port should include cost of all air and other forms of required travel; a daily travel per diem which should be sufficient for each day it takes an observer to travel to a vessel to embark or back to their home port from a distant point of disembarkation. Costs for excess baggage when travelling with observer equipment should also be taken into account. Responsibilities for these costs, and payment schedules, should be clearly stipulated in any Agreement between the observer provider and the vessel flag State using the observer's services. Agreements should also stipulate costs such as, but not limited to, agent fees, airfare costs, visa and travel document costs, an agreed daily allowance for every day on shore waiting to travel, and for every day traveling to and from the observer's home port.

### **Equipment**

- Observer equipment required for every day tasks

Standard equipment required by observers may include calipers, deck tapes, calculators, EPIRBS, cameras, wet weather gear, sampling equipment and waterproof clipboards and stationary. Equipment costs are generally supported by the Observer Provider who often recovers these costs through administrative or other fees charged to those contracting observer services.

- Safety Gear

Safety of the observer is important and all providers should ensure observers are properly outfitted for any unforeseen circumstance. Safety equipment required may depend on the type of vessel, and could include special deck work boots, hard hats, sun glasses and personal

life jackets. Safety equipment costs are generally supported by the Observer Provider who often recovers these costs through administrative or other fees charged to those contracting observer services.

- Forms and Workbooks

Data collection formats may include special waterproof deck work sheets, books of data forms, or individual data collection forms. The cost of producing and printing these forms and formats is ongoing, with changes in forms and formats continually requiring new forms to be produced. Form and Workbook costs are generally supported by the Observer Provider who often recovers these costs through administrative or other fees charged to those contracting observer services.

## **Personal**

- Observers salary

Pay scales for observers depend on national salary scales and the experience and qualifications of the observer. Pay scales usually takes into account that an observer is working on a vessel at sea, and is often working seven days a week for long periods of time, and is isolated and away from his or her family or friends.

- Sea allowances

In some programmes observers may be paid a hardship allowance when working at sea on a vessel. Some programmes may have a tiered/incremental allowance system that accounts for the number of days a person is on board a vessel, e.g. seven days would be a lesser allowance than a 21 – 45 or a 60+ day trip. Some programmes pay a fixed rate allowance regardless of trip length.

- Insurance and Medical costs

Observer insurance should include coverage for life insurance as well as medical coverage and should cover the observer on board the vessel at sea, in port and when on shore carrying out observer duties. Insurance should also cover travelling to or from a vessel.

- Cost associated with boarding a vessel (i.e. bedding, suitable w/proof clothing bags etc)

In some cases observers will not be supplied with bedding and may be required to supply their own bedding when boarding vessels. Waterproof bags to hold clothing and other observer gear may also be required, especially if observers are asked to make an at-sea transfer.

## **Training**

- Pre selection costs

There will be some costs associated with running pre-selection and entrance tests for observers to gain acceptance for training courses. However, not all programmes will use this method of selecting observer trainees; instead they will choose to rely on education standards as the criteria to gain entrance into an observer training course.

- Observer Training & Equipment Costs

Costs of the trainers, travel, equipment and preparation and printing of materials required to ensure observer trainees are given proper training. These costs depend on the training facilities used by each provider. Although 'in house' may incur lower overhead costs initial

set up costs to establish suitable training facilities can be significant. Once established, in-house training costs will generally be lower than a programme that has to utilize outside trainers or transport its trainees to a course held away from their home port; often training takes place in a facility or venue that may charge for the use of its area and equipment and this will need to be accounted for in the training budgets.

- Sea Safety Certification - Red Cross Certification- Radio Operators Certificate

Sea safety training, medical training and communications training are included as part of the minimum observer training standards in most programmes. All these have costs associated with them that need to be taken into account when assessing training costs.

### **Debriefing and Data analysis**

- Briefing and debriefing of the observer

Briefing an observer before they go on a trip and debriefing them when they come back will help reduce errors and will assist in keeping data entry costs lower. Debriefing of the observer can help to improve the data quality as well as rectify any accidental errors before it is entered into a data base. The observer can also highlight issues of their trip that may require further investigation. Costs associated with debriefing include salaries for de-briefers as well as the cost of any materials required. These costs are often overlooked by national programmes when calculating costs required for observer programmes.

- Analysis of data and reports after the trip

Observer providers may also apportion some of the time costs involved in the analysis of data and the following up on issues arising from observer reports.

### **Other**

- Technical & management support

Costs involved in keeping the observer at sea, including day-to-day management costs is usually included in an observer fee structure.

- Observer Communication

Observer communication costs especially when an observer is at sea can vary, depending on the issues at the time, and or the type of vessel the observer is on board. i.e. radio or satellite phone availability. These costs should be apportioned based on the previous year's costs or an estimated figure be calculated for each vessel the observer boards. Observer work related costs are normally covered by the national or sub regional programmes and are paid to the vessel on receipt of an invoice.

### **Cost of observer programmes**

5. The results of an informal review of costs associated with a range of national and sub-regional programmes by the Secretariat in 2006 are summarized at Table 2.

Table 2 - General guide to Sub-Regional and National observer programme costs that were calculated in 2006 by the Secretariat.

<b>Programme</b>	<b>Usual fee paid to an observer all currencies</b>	<b>Estimated operational cost per sea day salary,</b>	<b>Approx. cost of an observer sea day including training,</b>

	<b>converted to US\$</b>	<b>travel, equipment</b>	<b>admin &amp; office costs</b>
FFA US Treaty sub-regional observer programme.	Min\$25 Max \$50	\$61.35	\$95
FFA-FSMA sub-regional observer programme	Min\$25 Max \$50	\$46.50	\$63
Fiji National Programme	\$30	\$54.50	\$94
Palau**	\$75	-	\$75
PNG	Min\$20 Max \$25		
Marshall Islands	Min\$25 Max \$50		
FSM	Min\$25 Max \$30	\$51	
Kiribati	Min\$30 Max \$37		
Australia		\$307	\$412
USA Hawaii	Min\$130 Max \$250	\$429	\$790
Korea		\$325	
Taiwan		\$83	

\* Note: These figures are indicative only \*\* no training or admin costs included