



TECHNICAL AND COMPLIANCE COMMITTEE

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OPERATING COSTS OF THE COMMISSION VMS DURING 2009

WCPFC-TCC5-2009/13 (Rev.1)¹

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Background

1. The Commission Vessel Monitoring System (VMS) that was activated on 1 April 2009 applies to all fishing vessels that fish for highly migratory fish stocks on the high seas in the WCPFC Convention Area. It is co-located with the FFA members' VMS (FFA VMS) within a secure data centre at Sydney, Australia, and staffed at the WCPFC Secretariat by the Manager VMS and two VMS Operations Officers, with oversight provided by the Compliance Manager.

2. A Service Level Agreement (SLA) between the secretariats of the WCPFC and FFA signed in December 2008 supports its implementation for vessels reporting to the Commission via the FFA VMS. For those vessels that report their positions directly to the Commission VMS, the WCPFC Secretariat has signed contracts with satellite service providers Satcomms Australia, Vizada and CLS Argos.

Implementation Costs

3. The Fifth Regular Session of the Commission (WCPFC5) approved a Commission VMS budget for 2009 that includes a one-time setup cost of \$93,290 for hardware, software, project management, consulting, training and installation. The training component was carried out by the Manager VMS so an amount of \$30,018 was unspent in 2009. This amount was transferred to assist with the payment of VMS Operating Costs.

4. A \$200 Mobile Transceiver Unit (MTU) activation charge applies for each vessel added to the Commission VMS while a \$50 deactivation charge applies to each vessel removed from the Commission VMS. Monthly activation and deactivation costs for the period April-August 2009 are presented in Table 1.

Month	Activations	Deactivations	Cost (\$)
April	504	0	100,800
May	123	0	24,600
June	322	0	64,400
July	118	0	23,600
August	8	0	1,600
TOTAL	1,075	0	215,000

Table 1 – Activation and Deactivation Costs for the period April-August 2009

¹ This revision relates to amendments to paragraphs 2, 3, and 10, and Tables 1-4.

5. For those CCMs choosing to be provided with a secure log-in to the Commission VMS to obtain access to positions of their flag vessels in the WCPFC Convention Area, a VMS Client Activation Fee of \$1,250 applies. The cost of each deactivation is \$250.

6. China, Chinese Taipei, Japan, Korea and Vanuatu currently have client access to the Commission VMS, while four additional CCM client activations will occur in Q4/09. A total of ten CCM client access privileges will be activated in 2009 at a cost of \$12,500. Access will be provided to CCMs based on the availability of funds and the number of CCMs' respective flag vessels reporting to the Commission VMS.

SLA Monthly Recurring Cost

7. SLA charges include \$18 per MTU reporting in the high seas during a calendar month, and monthly charges for Network, Tape backups and Internet totaling \$1,250. Helpdesk and SLA support charges are \$1,000 monthly. Table 2 presents the monthly service charges for the period April-August 2009.

SERVICE CHARGES	APR.	MAY	JUN.	JUL.	AUG.
VMS Data Center MTU	13,338	13,572	13,572	15,120	14,742
Network, Tape Backup and Internet	1,250	1,250	1,250	1,250	1,250
Helpdesk and SLA support	1,000	1,000	1,000	1,000	1,000
TOTAL	15,588	15,822	15,822	17,370	16,922

Table 2 – SLA Costs for the period April-August 2009

Direct Reporting Costs

8. Vessels reporting direct to the Commission VMS via the Inmarsat C service are charged based on the type of position report and size of the data packet. MTUs reporting through the Iridium gateway are charged a monthly fee of \$29.

9. Table 3 presents the number of position reports received from different Mobile Communication Service Providers (MCSP) for the period April-August 2009. Table 4 presents the Satcomms' monthly charges for Iridium and Inmarsat C reports for the period April-August 2009.

Channel	Apr.	May.	Jun.	Jul.	Aug.
FARIA (Iridium)	0	0	9,333	21,007	18,401
FFA High Seas Position Transfer	82,227	79,800	84,887	115,940	97,536
VIZADA (Inmarsat C)	36,174	52,750	57,267	69,985	78,495
	118,401	132,550	151,487	206,932	194,432

Table 3 – Number of position reports received from different MCSP gateways per month for the period April-August 2009.

Description	Apr	May	Jun	Jul	Aug
Data Report Inmarsat C	2,491.30	3,462.03	3,586.98	4,559.80	5,024.53
Inmarsat C Polling without Text	204.47	89.01	45.08	185.61	4.60
Inmarsat C Polling with Text	270.02	11.04	0	0	0
Faria Data - Iridium	0	0	0	330.00	350.00
Total	2,965.79	3,562.08	3,632.06	5,075.41	5,379.13

Table 4 - Satcomms' monthly charges for Iridium and Inmarsat C reports for the period April-August 2009

Cost Recovery Options

10. The total cost of operating of the Commission VMS for the period April-August 2009 is \$465,627 with the cost for the period April-December 2009 estimated at \$632,000. The 2009 costs include a one-time setup cost of \$93,290, \$30,018 of which, principally for training, was unspent and transferred to assist with the payment of VMS Operating Costs. The estimated annual operating cost for January-December 2010 is \$811,000.

11. The Commission may wish to consider an option of budgeting for continuing recurrent Commission VMS operating costs or adopting a cost recovery mechanism to recover these costs. If a cost recovery mechanism is considered it must be transparent, flexible, simple and efficient. It should also be regularly reviewed to reflect an evolving environment, both internally and externally.

12. A cost recovery model could be based on full cost recovery (all costs associated with running the Commission VMS will be recovered) and that each vessel be charged the same cost, regardless of size or type of fishing vessel.

13. The cost areas proposed for consideration in a cost recovery mechanism could include:

- a) staff costs (Manager VMS x 1 plus VMS Operations Officers x 2);
- b) hardware and software replacement costs;
- c) communications costs (satellite link, Internet charges, phone calls etc.); and
- d) vessel position reports.

14. If adopted, an annual fee for Commission VMS cost recovery should be levied on all vessels placed on the WCPFC Record of Fishing Vessels.

Advice and Recommendations

15. TCC is invited to:

- a) review the operating costs of the Commission VMS for the period April-August 2009;
- b) consider the option of a cost recovery mechanism for the Commission VMS; and
- c) provide advice and recommendations to the Commission on these issues.