

## NINTH REGULAR SESSION FINANCE AND ADMINISTRATION COMMITTEE

## Sixth Session Manila, Philippines 01 - 06 December 2012

## **Alternative Calculations for the Wealth Component of Annual Contributions**

WCPFC9-2012-FAC6-10 Rev 1 26 November 2012

#### Introduction

- 1. At WCPFC8 the Secretariat was asked for a paper on alternative options for calculating the wealth component of annual contribution for very Small Island States (SIDs). This paper lays out the implications associated with each option.
- 2. The following changes were made Revision 1 of this document:
  - 1. An additional option was requested by Niue. The new option was for SIDs with populations under 20,000 to set the wealth component at \$7,500. The new calculation is included in Appendix B.

## **Alternative Calculations**

- 3. The alternatives options the Secretariat was requested to calculate included:
  - 1. Capping the contribution to the 20% wealth component for very small SIDs with population less than 100,000 at (a) \$7,500, (b) \$10,000 or (c) \$15,000;
  - 2. Capping SIDs 20% wealth component for SIDs with a recent three year average catch of 5000mt or less, at \$10,000;
  - 3. Capping the SIDS contribution to 20% wealth component based on per capita contribution of (a) \$0.05 (b) \$0.25 (c) \$0.50 (d) \$1.
  - 4. Removing the foreign aid component of the GDP/GNI for the purpose of calculating the 20% wealth contribution; and
  - 5. Other options identified by the Secretariat to address the ongoing concerns of SIDs
- 4. The changes in the annual wealth component associated with implementing options 1 through 3 are presented in Appendix A. Option 4 was implemented in the 2011 budget. Where GNI data was not available from the World Bank or United Nations, countries and territories were contacted for help determine their GNI. For some SIDs this information was provided by SPC. GNI already excludes incoming foreign aid. For option 5, the Secretariat did not include any other options for calculating the wealth component of annual contribution.

### Recommendation

11. The Committee is invited to:

- i) Note the report; and
- ii) Make the appropriate recommendations to the Commission as deemed necessary.

Appendix A

Base Wealth Cor from 2012 Bu		Option 1a	Difference	Option 1b	Difference	Option 1c	Difference	Option 2	Difference	Option 3a	Difference	Option 3b		Option 3c	Difference	Option 3d	Difference
Australia	73,812	75,572	1,760	75,052	1,240	74,229	417	75,052	1,240	77,736	3,924	76,716	2,904	75,668	1,856	75,045	1,233
Canada	78,546	80,419	1,873	79,866	1,320	78,989	444	79,866	1,320	82,721	4,175	81,636	3,091	80,520	1,975	79,858	1,312
China	61,028	62,483				61,372	345	62,053		64,272		63,429				62,047	1,020
Cook Islands	16,342	7,500	-8,842	10,000	-6,342	15,000		10,000		1,014	-15,328	5,072	-11,269			16,615	273
European Union	247,482	253,382				248,879	1,398	251,641		260,637	13,156	257,220	9.738			251,616	
FSM	3,573	3,658	85	3,633	60	3,593	20	3,633	60	3,763	190	3,713	141		90	3,632	60
Fiji	5,688	5,823	136	5.783	96	5,720	32	5,783	96	5,990	302	5,912	224	5.831	143	5,783	95
France	84,103	86,108	2,005	85,516		84,578	475	85,516		88,573	4,471	87,412		86,217	2,114	85,508	1,405
Japan	117,571	120,374	2,803	119,546		118,235	664	119,546	1,976	123,820		122,197	4,626	120,526	2,956	119,535	1,964
Kiribati	2,903	2,972	69	2,952	49	2,920	16	2,952	49	3,057	154	3,017	114	2,976	73	2,952	48
Korea	41,883	42,881	999	42,587	704	42,119	237	42,587	704	44,109	2,226	43,531	1,648	42,936	1,053	42,582	700
Marshall Islands	4,585	4,694	109	4,662	77	4,611	26	4,662	77	2,701	-1,884	4,765	180	4,700	115	4,661	77
Nauru	5,064	5,185	121	5,149	85	5,093	29	5,149	85	513		2,564	-2,500	5,191	127	5,149	85
New Zealand	42,628	43,644	1,016	43,344	716	42,869	241	43,344	716	44,894	2,266	44,305		43,699		43,340	712
Niue	19,745	7,500	-12,245	10,000	-9,745	15,000	-4,745	10,000	-9,745	73	-19,672	367	-19,378	736	-19,009	1,468	-18,277
Palau	11,827	7,500	-4,327	10,000		11,893		10,000	-1,826	1,024	-10,803	5,118		10,237	-1,590	12,024	198
Papua New Guinea	1,808	1,851		1,838	30	1,818	10	1,838	30	1,904	96	1,879	71	1,853	45	1,838	30
Philippines	4,895	5,012	117	4,978	82	4,923	28	4,978	82	5,156	260	5,088	193	5,019	123	4,977	82
Samoa	4,210	4,310	100	4,281	71	4,234	24	4,281	71	4,434	224	4,375	166	4,316	106	4,280	70
Solomon Islands	1,540	1,577	37	1,566	26	1,549	9	1,566	<del>.</del>	1,622	82	1,601	61	1,579	39	1,566	26
Chinese Taipei	30,495	31,222	727		512	30,667	172	31,007	512	32,116	1,621	31,695				31,004	509
Tonga	4,527	4,635	108	4,603	76	4,553	26	4,603	76	4,768	241	4,706	178	4,641	114	4,603	76
Tuvalu	4,177	4,277	100		70	4,201	24	4,247		491	-3,686	2,457			105	4,247	70
USA	241,550	247,309	5,759	245,609	4,059	242,914	1,364	245,609	4,059	254,390	12,840	251,054	9,504	247,622		245,585	4,035
Vanuatu	3,798	3,889				3,819	21	3,862		4,000						3,861	
Totals	1,113,777	1,113,777		1,113,777		1,113,777		1,113,777		1,113,777		1,113,777		1,113,777		1,113,777	

# Appendix B

Budget		Option	Difference		
Australia	73,812	74,638	826		
Canada	78,546	79,425	879		
China	61,028	61,711	683		
Cook Islands	16,342	16,525	183		
European Union	247,482	250,252	2,770		
FSM	3,573	3,613	40		
Fiji	5,688	5,751	64		
France	84,103	85,044	941		
Japan	117,571	118,886	1,316		
Kiribati	2,903	2,936	32		
Korea	41,883	42,351	469		
Marshall Islands	4,585	4,636	51		
Nauru	5,064	5,121	57		
New Zealand	42,628	43,105	477		
Niue	19,745	7,500	-12,245		
Palau	11,827	11,959	132		
Papua New Guinea	1,808	1,828	20		
Philippines	4,895	4,950	55		
Samoa	4,210	4,257	47		
Solomon Islands	1,540	1,558	17		
Chinese Taipei	30,495	30,836	341		
Tonga	4,527	4,578	51		
Tuvalu	4,177	4,224	47		
USA	241,550	244,253	2,704		
Vanuatu	3,798	3,841	43		
Totals	1,113,777	1,113,777			