



**TWELFTH REGULAR SESSION
FINANCE AND ADMINISTRATION COMMITTEE
Ninth Session
Bali, Indonesia
2 - 8 December 2015**

RECOMMENDATION TO INCREASE THE WORKING CAPITAL FUND

**WCPFC12-2015 –FAC9-16
26 October 2015**

Purpose

1. The purpose of this paper is to table to the FAC's consideration a proposal to raise the level of funding in the Working Capital Fund.

Introduction

2. Under Financial Regulation 4.4 a Working Capital Fund it is to be established with the purpose of "accommodating normal operating expenditures prior to receipt of assessments from members of the Commission and to accommodate extenuating circumstances, as approved by the Commission."

3. At WCPFC3 it was agreed that the Working Capital Fund would be funded at a level of USD500,000. At WCPFC3 the annual budget for the Commission was set at roughly USD3 million. Currently the Working Capital fund is still set at USD500,000 while the budget agreed at WCPFC11 was roughly USD7.5 million. It is recommended that the working Capital Fund be increased to USD1 million.

4. In the last four years there has not been a need to use the Working Capital Fund but there is a danger that late contributions from one Member may have the ability to stop the normal operation of the Commission.

5. Currently there is roughly USD1.2 million in the Working Capital Fund. An increase in the funding level would not require additional contributions from members.

Recommendation

6. The Committee is invited to consider the recommendation and make a recommendation to the Commission on the level of funding held in the Working Capital Fund.