



**EIGHTH REGULAR SESSION
FINANCE AND ADMINISTRATION COMMITTEE
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Tumon, Guam, USA
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**REPORT ON GENERAL ACCOUNT FUND CONTRIBUTIONS
AND OTHER INCOME FOR 2011**

**WCPFC8-2011-FAC5/05 Rev 1
February 24, 2012**

Introduction

1. In relation to the General Account Fund, the Commission's Financial Regulation 5.7 requires a report for each Regular Session on the collection of annual assessed contributions, voluntary contributions, investment income, other income received and advances made from the Working Capital Fund. A report on the Commission's other funds is provided in paper WCPFC8-2011-FAC5/06.

Assessed Contributions

Due date

2. Annual contributions shall be considered as due and payable in full within 60 days of either a communication from the Executive Director about the amount due or 1 January of the year to which they relate, whichever is the later. The initial contribution advice letters were sent by courier in late December 2010. Therefore, all 2011 contributions were due for payment in March 2011. In the instances where contributions remained unpaid, reminder action has been taken with several broadcast messages sent during the year and in some cases there have been individual notifications provided by the Finance and Administrative Officer. In accordance with the Commissions' collection policy, Members have been offered progressive payment options but no Member has formally taken up that offer although some Members have made partial payments during course of the year.

Contributions due and contributions outstanding in 2011

3. Assessed contributions for 2011 as set at WCPFC7 totalled USD6,388,083. In addition, prior years' contributions of USD62,207 were due at the end of 2010. This consists of USD27,552 from 2009 from one member and USD34,665 from 2010 from two members although one of those members owes less than USD30.

4. As of 31 December, thirteen members had outstanding 2011 contributions. The total outstanding balance from the thirteen members is USD455,725, however four of those outstanding amounts are under USD30. At the same point in time last year, the outstanding contributions for 2010 were USD70,248 for five members, however three of the outstanding amounts were under USD30. A summary table of the status of 2009, 2010 and 2011 contributions is attached for reference. Any subsequent changes to this information will be reported at FAC5.

Budget contributions - arrears for two full years

5. Article 18, paragraph 3 of the Convention states: "If a contributor [to the budget of the Commission] is in arrears in the payment of its financial contributions to the Commission it shall not participate in the taking of decisions by the Commission if the amount of its

arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. Interest shall be payable on such unpaid contributions at such rate as may be determined by the Commission in its financial regulations. The Commission may, nevertheless, waive such interest payments and permit such a member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the member.”

6. The Commission’s Financial Regulation 5.5 provides that unpaid contributions are considered one year in arrears as of 1 January of the calendar year following the year to which they relate. Currently one member has overdue contributions for its 2009 and 2010 assessments and is therefore two full years in arrears. In relation to overdue contributions, the Commission accepted the recommendation of the FAC, that the interest rate to be applied to contributions in arrears is zero.

Contributions payment pattern

7. Six members paid their 2011 contributions in full and one member provided a partial payment in the March quarter compared with six members in 2010. By the end of the second quarter of the calendar year, eleven members paid in full and two members provided partial payments compared with eleven members who had made full payments in 2010. By the end of the third quarter, thirteen members had fully paid their contributions compared with sixteen in 2010. Three members paid their contribution in the fourth quarter. As of December 31, a total of sixteen members have either fully or substantially paid their dues and one member has provided a partial payment.

Voluntary Contributions

8. A voluntary contribution of USD10,925 was received from New Zealand for the Commission’s performance evaluation and has been included in General Account Fund income for 2011. In addition, a donation of USD11,640 has been received from Institut d’émission d’Outre-Mer (IEOM) in New Caledonia and has been included in General Account Fund income for 2011.

Investment and other income

9. Miscellaneous Income of USD34,983 has been credited to the General Account Fund as of 31 December; this figure includes USD5,421 in interest, USD4,371 from other income and USD25,191 from Japanese Trust Fund (JTF) administration fees. Additional fees will be assessed for the JTF as approved 2011 projects expenses are finalized in 2012. For the same period in 2010 Miscellaneous Income was USD42,953.

Working Capital Fund Advances

10. Due the fact that members with larger contributions paid earlier in the year, there have been no advances from the Working Capital Fund as of 31 December 2011. The balance of the Working Capital fund will stand at USD1,114,584 once the estimated USD481,627 in 2011 savings from the General Account Fund, General Account Surplus, savings on prior year obligations and prior years contributions received are transferred. The nominal ceiling for this fund is USD500,000.

Recommendation

11. The Committee is invited to;
- i) Note the report; and
 - ii) Make the appropriate recommendations to the Commission as deemed necessary.

General Account Fund Contributions Table
31 December 2011

Member Country December 31 2011	Assessed Contributions			Payments Received			Outstanding		
	2009	2010	2011	2009	2010	2011	2009	2010	2011
Australia	81,996	104,996	123,490	81,996	104,996	123,490	0	0	0
Canada	77,718	99,324	118,110	77,718	99,324	118,110	0	0	0
China	181,352	250,089	330,523	181,352	250,089	330,523	0	0	0
Cook Islands	23,903	36,780	50,488	23,903	36,780	50,463	0	0	25
European Community	222,374	324,421	399,072	222,374	324,421	399,072	0	0	0
Federated States of Micronesia	47,988	55,036	73,017	47,988	55,036	8,952	0	0	64,065
Fiji	38,290	46,317	53,592	38,290	46,317	53,592	0	0	0
France	97,379	122,530	133,102	97,379	122,530	133,077	0	0	25
Japan	1,013,145	1,197,498	1,335,125	1,013,145	1,197,498	1,335,125	0	0	0
Kiribati	32,925	35,559	54,224	32,925	35,559	18,640	0	0	35,584
Korea	548,805	717,131	840,878	548,805	717,131	840,878	0	0	0
Marshall Islands	112,270	127,641	144,341	112,270	127,641	0	0	0	144,341
Nauru	17,895	24,039	30,048	17,895	24,039	30	0	0	30,018
New Zealand	110,243	145,304	167,279	110,243	145,304	167,279	0	0	0
Niue	19,098	25,836	32,206	19,098	25,836	32,206	0	0	0
Palau	27,552	34,630	40,871	0	0	0	27,552	34,630	40,871
Papua New Guinea	250,209	294,065	314,355	250,209	294,065	314,330	0	0	25
Philippines	130,745	183,902	219,794	130,745	183,902	219,794	0	0	0
Samoa	22,099	28,612	34,076	22,099	28,587	0	0	25	34,076
Solomon Islands	29,309	36,429	43,154	29,309	36,429	0	0	0	43,154
Chinese Taipei	551,088	687,259	756,947	551,088	687,259	756,947	0	0	0
Tonga	20,551	26,016	31,081	20,551	26,016	0	0	0	31,081
Tuvalu	17,956	23,918	32,462	17,956	23,918	15	0	0	32,447
USA	387,456	569,704	846,435	387,456	569,704	846,435	0	0	0
Vanuatu	166,807	180,563	183,416	166,807	180,563	183,401	0	0	15
Total	4,229,153	5,377,599	6,388,083	4,201,601	5,342,944	5,932,359	27,552	34,655	455,725