



North Pacific Fisheries Commission

NPFC-2026-FAC08-WP05

Submitted by Secretariat

## Consideration of the Working Capital Fund

### Abstract

#### Tasking from COM09/FAC07: Working Capital Fund cap

17. Regarding the Working Capital Fund, one Member requested that information about the Working Capital Fund cap be included in future audit reports, as required by the Financial Regulations paragraph 22. Another Member suggested reviewing practices of other RFMOs with similar size and mandate to inform the determination of an appropriate cap.

**Recommendation:** That the Commission direct the Secretariat to analyze past discussion by the FAC and options for the Working Capital Fund cap consistent with the Financial Regulations, examine past history of how that number of months has been determined, and present options to FAC08 for determining the optimal number of months of operating funds to be available in the Working Capital Fund for the Commission.

The current balance of the Working Capital Fund (WCF) is ¥189,606,943 (as of 31 March 2025 – audited) which represents more than 12 months of operations at the proposed 2026 budgeted level. The previously agreed level for the WCF was 6 months (see Annex 1 for extracts from NPFC records related to the WCF) and as the surpluses occurred, they were retained. As well, historically, new funds were established (i.e., Special Project Fund in 2018) to retain surpluses for anticipated future requirements.

This Working Paper provides options for the Commission to consider, taking into account the current budget planning context.

A number of intertwined elements are related to the potential to manage the balance in the WCF and are presented in the following pages. A summary of the considerations and recommendations is on the next page.

### Goal

Secretariat seeks guidance from the Commission on how Members want to manage the WCF, considering the current budget context. The proposals and recommendations below all require review by FAC and direction from the Commission.

## **Recommendations**

1. Size of Working Capital Fund
  - a. Establish 9 months as balance for the WCF
2. Role for excess funds in Working Capital Fund
  - a. Reduce the WCF down to a 9-month floor gradually, while balancing with modest increases in assessed contributions to avoid a shock at the ultimate full utilization of the current WCF surplus
3. Approach for future surpluses
  - a. Return surplus to Members starting in 2027 (taking into account a number of considerations)
4. Possible future Performance Review
  - a. Use the current flexibility to set aside a reserve (¥10,000,000) for this possible future liability (Members to comment).
5. Use other reserve funds to offset costs
  - a. Make more active use of funds provided by CNCP that are also held in reserve

**There are five related items for discussion. (Note that 1 year of operating budget for 2026 is proposed as ¥171 million (1 month = ¥14.25 million))**

### **1. Context – Size of Working Capital Fund:**

#### **Options**

- i. Maintain minimum 12 months operating budget in WCF – This equates to ¥171 million and allows for a free balance of ¥18.6 million.
- ii. Maintain minimum of 9 months operating budget in WCF - This equates to ¥128 million and allows for a free balance of ¥61.6 million.
- iii. Maintain minimum 6 months operating budget in WCF – This equates to ¥ 86 million and allows for a free balance of ¥103.6 million.

Reducing the current balance in the WCF provides short-term flexibility on maintaining the level of planned Commission activities without significantly increasing the annual assessed contributions. Consideration also needs to be given to potential future scenarios that preclude timely COM decisions on, or Member payment of, assessed contributions. The WCF provides a useful buffer that allows for continuity of Member-decided activities if assessed contributions are not immediately available.

The history of the establishment of the WCF and the Special Projects Fund (SPF) are related and identified as a summary in Annex 2. At the inception of the NPFC, Members decided to maintain contributions at a set level, even as new Members were added (i.e., United States, Vanuatu and European Union) and thus the contributions exceeded the budgetary needs as programs were not yet developed to match the size of the contributions. This is no longer the case, and the yearly operating budgets are aligned with actual costs. The expenses of the Commission currently exceed the assessed contributions and benefit from an agreed transfer from the WCF for the COM meeting costs. At some point this flexibility will be eroded.

Extracts from our financial software demonstrate the recent history for income/expenses at the macro level (see Annex 3). As you can see, there is some delay in receiving income with most being received after 6 months but with some payments extending into December and February. There is no standard for the size of the WCF, and it varies from 3 months of annual budget value to higher amounts and situations are unique, depending on payment pattern and relative shares of the budget (Annex 4 and Annex 5).

We employ an accounting expert on an as-needed basis to advise on any data entry or reconciliation issues, as well as an auditor who produces our audit report after fiscal year-end. They have both been asked to respond to this question and acknowledge that our situation (non-profit, no revenue other than assessed contributions) is unlike their other client's business. Both have suggested that with only one invoice per year (the Convention does allow for splitting the payment of the invoice into two components), the situation suggests that a larger WCF is advisable. Our auditor has noted that:

*“...the previously mentioned “six-month” level suggested by the auditor seems to be a reasonable general benchmark for operating reserves in international organizations. However, NPFC depends on a relatively small number of major Members for a large share of its contributions. This makes (y)our situation a bit different from some other RFMOs. Considering the uneven timing of payments and past instances of delayed contributions, it seems sensible to maintain a reserve with a bit of additional buffer.”*

**Recommendation:** Maintain the WCF at 9-month operating expenses taking into account the unique aspects for NPFC.

## **2. Context – Current Budgetary Pressures and Potential Role for Working Capital Fund**

### **Resources**

#### **Options:**

- i. Reduce to the Member agreed size of the WCF quickly by reducing the budget through complete transfer of funds in excess of the desired level in 2026 from the WCF to offset budgeted items.
- ii. Reduce to the Member agreed size of the WCF over time by offsetting some costs on an ongoing basis (for a number of years at the current rate of attrition)

The current approach for Commission budgets is to make use of the WCF to fund the COM related meetings on an annual basis in the absence of a Member hosting the meeting. This funding has been capped at a maximum of ¥20,000,000 based on current estimates and the experience of Japan prior to COM08 when the Commission first funded the COM meeting costs. COM09 costs were ¥17,599,971 which were offset in part by a surplus in the General Fund of ¥9,135,447. Effectively, the COM09 costs decreased the WCF by ¥8,464,524.

As noted in the draft budget (FAC08-WP01), there are increasing pressures being placed on the Commission for meeting and related costs. There are also increased costs due to inflation (including contracts paid in USD) as well as any incremental program delivery costs of new and / or unfunded program.

The gradual erosion of the WCF would require increases in assessed contributions or reduced costs in the future.

A new pressure on the Commission is the lack of hosting offers for the SC related meetings. Since the pandemic these have been hosted (cost-shared by the Commission) by Japan (SC10 – Nagoya and SC09 - Tokyo) and Canada (SC08 - Nanaimo). Currently no Member has offered to host upcoming SC meetings and thus the costs are now included in the proposed budgets.

Note that the cost of additional meetings is estimated and will depend on venue, timing and duration. Duty travel for Secretariat staff is also a consideration if held away from the Secretariat location, though meeting costs may be lower in locations away from Tokyo. The Secretariat is actively working to identify meeting location options for future meetings.

Based on this approach, the FAC08-WP01 has identified transfers from the WCF over the next 4 years of ¥67,000,000. This amount, if fully used, is larger than the proposed reduction, but will

hopefully be buffered by surpluses that would reduce the rate of attrition.

**Recommendation:** Recognizing the budget constraints related to expanded funding needs for the Commission, and the risks identified above, manage budgets as shown in the draft budget to reduce the WCF down to an agreed floor (e.g. 9 month) gradually, while balancing with modest increases in assessed contributions to avoid a shock at the ultimate full utilization of the current WCF surplus.

### **3. Context - Maintain the reserve at an agreed number of months operational costs and return surplus to Members if no alternative pressures identified**

It is expected that in the future, once the WCF is stabilized (e.g., after the next 2-4 years), surpluses may occur to the same extent as now (i.e., about 5% of assessed contributions). If these funds are not required to meet Commission-decided operational needs, including maintaining the WCF at its agreed level or another known liability, the residual funds could be used to offset assessed contributions as outlined in Financial Regulation 25.

#### **Recommended approach**

1. If Members agree with the process outlined above, FAC09/COM11, based on audit of 2025, would apply possible surplus to assessed contributions for 2027 in line with Financial Regulation 25.
2. WCF would be adjusted regularly based on actual future budgets.

### **4. Context – Potential One-Off Future Cost – Performance Review**

1. Set aside a reserve fund of ¥10,000,000 from the current WCF for a COM directed future Performance Review.
2. Agree that any future Performance Review would be budgeted from assessed contributions (2022 version cost ¥10,000,000).

In assessing the approach used by other RFMOs, it was noted that, in at least one case, they established a reserve fund dedicated to a subsequent Performance Review. The NPFC Performance Review undertaken in 2022 cost about ¥10,000,000 for virtual participation of the panel (consultants' fees for non-public servant participants). With the current flexibility in the WCF for Performance Review, Members could consider establishing such a fund if they anticipated a subsequent Performance Review in the medium term.

**Recommendation:** Members consider whether they want to use the current flexibility in the size of the Working Capital Fund to set aside a reserve for a possible future liability.

## **5. Context – Other Incremental Costs and Potential Offsetting with CNCP Funds**

### **Options:**

- i. Make active use of CNCP contribution (past and present) by incorporating into budget planning.
- ii. Status quo - Make passive use of CNCP contribution by leaving these current and future funds on a one-off project basis.

The current draft budget in FAC08-WP01 has identified that a new and significant pressure is the proposal made by the SWG MSE PS to COM advance their work in 2026. While there is still uncertainty over the timing of their meetings and duration, the proposal they have identified is for two meetings in 2026 and possibly continued into 2027, depending on progress. This is reflected in the budget as a proposal to make use of the funds provided by CNCP. As noted in FAC08-WP01, these contributions from Panama as CNCP have only been used once before (to offset costs at NPAFC for the International Year of the Salmon).

In reviewing how to maximize Commission work with minimal impact on assessed contributions, the use of the CNCP funds more actively is proposed similar to the proposal related to the Working Capital Fund.

### **Recommended approach:**

- i. As outlined in FAC08-WP01, use identified CNCP funds held in reserve for SWG MSE PS meeting costs and related expenses
- ii. Routinely use funds provided by any CNCP in the subsequent fiscal year to manage budgetary pressures

## Background material provided

Annex 1: Overview of references to Working Capital Fund

Annex 2: WCF value changes with time and associated Commission surpluses

Annex 3: Income and expenses by month (2024 and 2025 to August 28)

Annex 4: Extracts from NPFC Financial Regulations

Annex 5: Member shares at WCPFC for assessed contributions

Annex 6: Extracts from the Financial Regulations

## Annex 1: Overview of references to Working Capital Fund:

### COM03/FAC01

COM03 Final Report page 5 in PDF - <https://www.npfc.int/system/files/2020-01/NPFC-2017-COM03-Final%20Report.pdf>

#### **Agenda Item 6. Report of the 1st Finance and Administration Committee Meeting**

26. *The Chair of the Finance and Administration Committee (FAC), Mr. Kenji Kagawa (Japan), summarized the outcomes of the 1st FAC meeting (NPFC-2017-FAC01 Final Report) for discussion by the Commission.*

27. *The Members discussed the funding mechanism for the Special Projects Fund. The Members agreed to establish the Special Projects Fund through a transfer of funds from the Working Capital Fund as necessary for identified special projects, utilizing paragraph 24 of the NPFC financial regulations.*

COM03 Final Report page 223 in PDF above

#### Annex D to FAC01 Establishment of Special Projects Fund

*Paragraphs 18,21 and 24 of the NPFC Financial Regulations note the financial set up and flow of funds for the Commission. Contributions and other income received by the Commission shall be placed in the General Fund. Any surplus funds at the end of each fiscal year of the Commission (1 April-31 March of the following year), shall be transferred to the Working Capital Fund, “or designated for a specific purpose as determined by the Commission”, (paragraph 18), or alternately divided into special reserve funds as determined by the Commission (paragraph 21). Further, under paragraph 24, ‘The Commission may transfer amounts of the Working Capital Fund to the General Fund from time to time as it deems necessary in order to offset expenditures in any financial year or to finance unforeseen and extraordinary expenses.’*

### COM04 / FAC02

COM04 Final Report page 152 in PDF

[https://www.npfc.int/system/files/2020-01/NPFC-2018-COM04-Final%20Report\\_2.pdf](https://www.npfc.int/system/files/2020-01/NPFC-2018-COM04-Final%20Report_2.pdf)

5. *The Secretariat reported on the income and expenses in 2017, expenses to date in 2018, the status of Member contributions, and the status of the Working Capital Fund and the Special Project Fund (NPFC-2018-FAC02-IP01; NPFC-2018-FAC02-WP05).*

6. **Recommendation:** *The FAC recommended that the Commission approve the*

*recommendation from the auditor that the Working Capital Fund be capped at 6 months.*

## **FAC02-WP05 Status of other Funds -**

<https://www.npfc.int/system/files/2018-06/NPFC-2018-FAC02-WP05%20Status%20of%20Other%20Funds.pdf>

**Working Capital Fund** *The Working Capital Fund (WCF) was established for sustaining the Commission's operation for a set number of months prior to receipt of annual contributions from members of the Commission. The 2017 uncommitted balance of JPY 11,565,050 was transferred to the WCF. As of 31 March 2018, the balance was JPY 60,909,508, which represents approximately 6 months operational cost of the Commission as recommended by the external Auditor.*

## **COM05**

COM05 Final report page 189 Budget Details: [https://www.npfc.int/system/files/2020-01/NPFC-2019-COM05-Final%20Report\\_0.pdf](https://www.npfc.int/system/files/2020-01/NPFC-2019-COM05-Final%20Report_0.pdf)

**Proposed budget for 2020 and estimated budgets for 2021-2022** *The proposed budget for 2020 is a slight decrease from the 2019 budget and the proposed budget forecasts remain similar level for the years 2021 and 2022, but they will be reviewed annually with possible adjustment of operational and personnel expenses as the Commission grows and expands its work areas in science and compliance. Increased costs may be covered by the Working Capital Fund and Special Projects Fund to which unspent funds from annual budgets have been transferred.*

COM05 Final report page 191 Budget Details:

**Working Capital Fund and Special Project Fund** - *As suggested by the external auditor, the Working Capital Fund shall be kept between JPY 40-50 mil to provide at least six months of operational cost to the Commission without any inputs. - Due to savings from the 2018 fiscal year, current balance of the Working Capital Fund is about JPY 100 mil and remains the same level throughout the years. - The excess of WCF shall be used for the expenses to conduct additional projects to be decided by the Commission including a Fisheries Monitoring Center to implement a regional VMS system and hiring additional staff including a Finance Coordinator, Assistant Managers to support Science and Compliance and IT Manager.*

COM05 Final report page 198 Budget Details:

**2.14 Working Capital Fund** *It is suggested that the Working Capital Fund will be kept between JPY 40-50 mil to provide at least 5 months of NPFC normal functioning without any inputs.*

## COM06

COM06 Final report page 269 Budget Details: <https://www.npfc.int/system/files/2021-03/COM06%20Final%20Report%20Rev.%201.pdf>

*Working Capital Fund (WCF) and Special Project Fund (SPF) - Due to savings from the 2019 fiscal year, the current balance of the Working Capital Fund and Special Project Fund increased to JPY 119,796,128 and JPY 29,797,919, respectively. - The excess of these funds shall be used for the expenses to conduct additional projects to be decided by the Commission and hiring additional staff to support Commission works.*

COM06 Final report page 274 Budget Details:

*2.14 Working Capital Fund It is suggested that the Working Capital Fund will be kept between JPY 40-50 mil to provide at least six months of NPFC normal functioning without any inputs. The unspent budget will be carried over to this category.*

## COM07

COM07 Final Report, Annex O, FAC05 Report (PDF page 874) <https://www.npfc.int/system/files/2023-05/COM07%20Final%20Report.pdf>

Secretariat note: Since COM07 the use of WCF has occurred to fund COM meetings, if no other host is identified.

*22. Recommendation 6. FAC05 recommended the budget for 2023/2024, the budget estimates for 2024/2025 and the indicative budget estimates for 2025/2026 and 2026/2027, showing the Commission's projected annual budget of ¥160,804,996 plus ¥20,000,000 for hosting Commission meetings (see Agenda Item 8.5) which will be offset by a transfer of ¥20,000,000 from the Working Capital Fund to COM07 for its consideration (Annex E).*

COM07 Final Report, Annex O, FAC05 Report (PDF page 879)

**8.3 Proposal to simplify the audit process through establishing dedicated bank accounts**

*52. The Executive Secretary presented a proposal (NPFC-2023-FAC5-WP11) to simplify the maintenance and monitoring of NPFC funds, as well as an option related to the use of the funds currently set aside in the Working Capital Fund, including the funding of the General Fund at ¥30,000,000.*

*53. Members supported the creation of a general fund as an operating account, including separating pension and repatriation funds which are in need of replenishment after the retirement of the former Executive Secretary and Compliance Manager.*

54. *Members discussed the size of the reserve to be maintained in the Working Capital Fund with some suggesting a previous auditor's recommendation of a 6-month reserve is sufficient and others advocating smaller or larger reserves. Noting that there is as yet no decision on the amount of the cap referred to in the NPFC Financial Regulations, Members also discussed whether the ultimately agreed reserve amount should be a floor, a target or a cap.*

55. *Members also raised other considerations including:*

*(a) The relationship between the proposed funds and the Special Purposes Fund identified in the Financial Regulations;*

*(b) Whether any changes to the Financial Regulations would be needed before restructuring the funds as proposed;*

*(c) The recognition that drawing down the Working Capital Fund can offset increasing operating expenditures in the short-term, but as that capital is reduced Member contributions may need to increase; and*

*(d) If a Working Capital Fund draw-down is made, the desirability of using draw-downs gradually over multiple years in a way that can mitigate increases in annual Member contributions but also avoid year-to-year fluctuations that might create difficulties for national budgeting.*

56. **Recommendation 17.** *FAC05 recommends to COM07 that the Secretariat establish a General Fund (Financial Regulations 20.b) with a balance of ¥30,000,000 as of 1 April 2023 to serve as an operating fund for the Commission, separate from the Working Capital Fund which would more clearly serve as a contingency fund.*

57. **Recommendation 18.** *FAC05 recommends to COM07 that the Secretariat establish separate funds and accounts for pension and repatriation funds as outlined in WP11, consistent with the NPFC Financial Regulations.*

## **COM09**

COM09 Final Report annex N p. 589: <https://www.npfc.int/system/files/2025-04/COM09%20Final%20Report.pdf>

*7. One Member noted that following paragraph 22 of the Financial Regulations, the Executive Secretary shall require, as part of observations of the external auditors, that the external auditors provide specific recommendations for the cap of the Working Capital Fund at the amount equivalent to the funds required to sustain the Commission's operations for set number of months. That Member stated that the information related to this cap should be included in the next external audit.*

**Annex 2 - WCF value changes with time and Commission surpluses:**

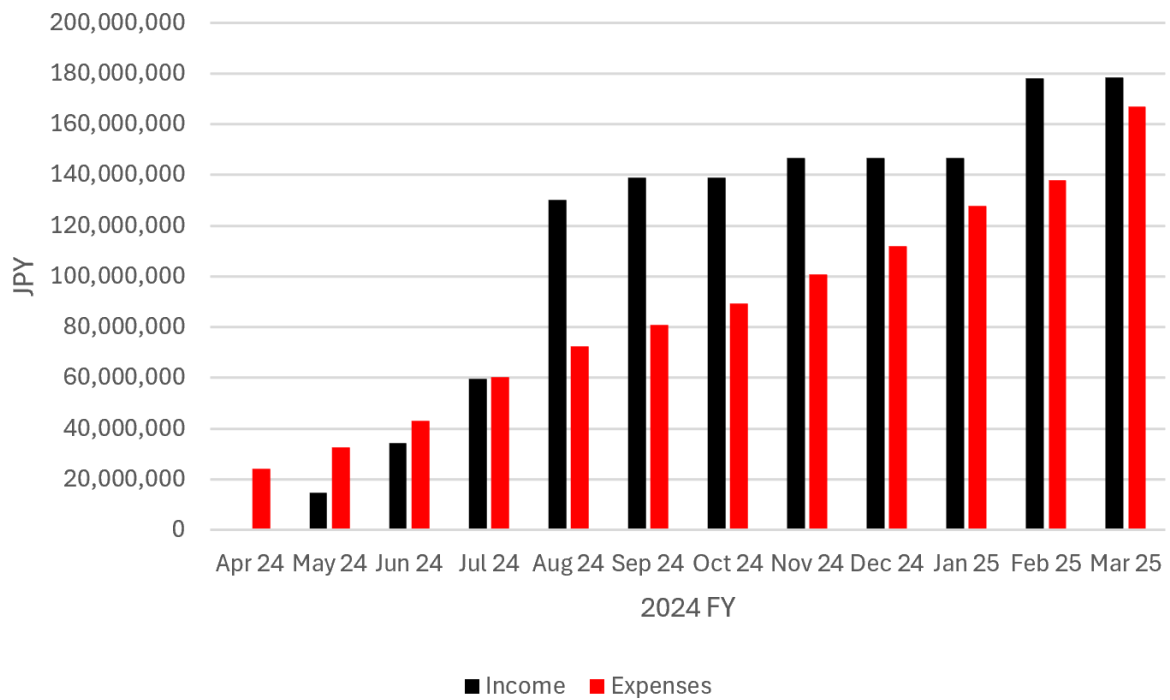
**NOTE:** WCF until 2024 contains the funds for repatriation and pension for international staff as well as voluntary contribution funds. These amounts were not reported on separately in audits. They are now in separate accounts so that they can be more easily monitored and reported.

<b>Audit date</b>	<b>Working Capital Fund value</b>	<b>Budget and spending</b>	<b>Surplus</b>
31 March 2016	41,820,443 WCF	78,204,657 BUD 36,384,253 SP	Surplus of 41,820,443
31 March 2017	60,313,171 WCF	134,065,179 BUD 116,474,604 SP	Surplus of 18,492,728
31 March 2018	60,909,508 WCF 20,176,776 SPF	141,562,279 BUD 120,852,166 SP	Surplus of 20,773,113 6 months at then current spending level. SPF created.
31 March 2019	99,904,536 WCF 24,152,552 SPF	157,271,403 BUD 114,300,599 SP	Surplus of 43,993,164
31 March 2020	119,796,128 WCF 29,797,919 SPF	157,271,403 BUD 132,806,804 SP	Surplus of 26,681,699
31 March 2021	156,774,456 WCF 36,473,311 SPF	157,271,403 BUD 113,617,683 SP	Surplus 43,653,720
31 March 2022	210,808,250 WCF 36,473,311 SPF	157,271,401 BUD 111,423,629	Surplus 45,847,774
31 March 2023	224,698,524 WCF 36,473,311 SPF Note repatriation liability of 6,265,709 is identified in the FAC06-IP01	157,271,401 BUD 146,036,429 SP	Surplus 4,969,265 accounting for pension liability. WCF also contains VCF amounts
31 March 2024	194,272,055 WCF only 35,072,761 SPF 26,383,696 VCF 22,420,925 Repat	160,804,996 BUD 154,175,826 SP	WCF separated from VCF and Repatriation  GF surplus of 6,629,170 and a decline of WCF of 17,437,367 (COM meeting costs)
31 March 2025	189,606,943 WCF only 32,889,711 SPF 25,346,842 VCF	170,579,722 163,616,775	GF surplus of 9,135,447 and decline of WCF of 17,599,971 (COM

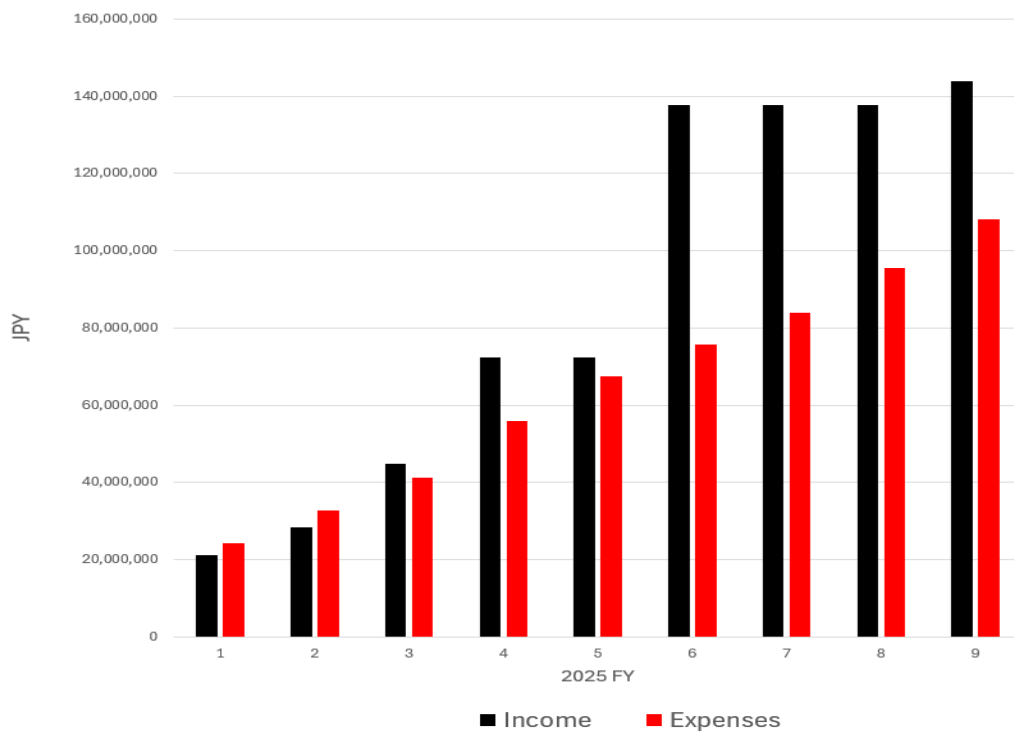
	34,407,569 Repat		meeting costs)
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### Annex 3 Income and expenses by month

#### Income and Expenses by Month for 2024



#### Income and Expenses by month for 2025



**Annex 4 – Comparison with other RFBs**

Organization	Reserve	Notes
SPRFMO	6 months	<ul style="list-style-type: none"> <li>• 3 months for contingency (currently funded at 1.5 months)</li> <li>• 3 months for accumulated surplus</li> <li>• Any additional surplus reduces future year payments</li> </ul>
PICES	4 months	<ul style="list-style-type: none"> <li>• Double one Members annual contribution</li> </ul>
NAFO	5 months	<ul style="list-style-type: none"> <li>• 3 months in accumulated surplus</li> <li>• 1-2 months contingency</li> <li>• Additional surplus reduces contributions in subsequent year</li> <li>• 10,000,000 JPY fund for future performance review</li> </ul>
WCPFC	6 weeks	<ul style="list-style-type: none"> <li>• Aim is for minimum 150,000,000 JPY (1 million USD) and note that the Member (CCM) contributions are typically made after 8 weeks</li> </ul>
NEAFC	6 months	<ul style="list-style-type: none"> <li>• Has been over 1 year reserve recently and has been drawn down for Secretariat office relocation</li> </ul>

**Annex 5** – Percent shares of budget – Unlike WCPFC where the largest contributors are 13.16, 12.8 and 11.9% of the budget, NPFC has 40% and 27% thus the risks for organizational stability are increased if there is an impediment to pay for any reason.

**ANNEX 7**

7(a) Schedule of contributions based on the Commission's contribution formula

2025 Contribution Table														
CCM	Base fee component: 10% of budget	National wealth component: 20% of budget	Catch component: 70% of budget	Total Contributions before full offsets	Addition for Northern Committee <sup>1</sup>	Addition by Non-SIDS for SIDS offset <sup>2</sup>	Offset for Small SIDS <sup>3</sup>	SIDS Offset for Second Meeting Participant <sup>4</sup>	Total Assessed on CCMs	Percent of Budget by member	Offset for small SIDS from Fees and Trust Fund <sup>5</sup>	SIDS Offset by Fees and Trust Fund <sup>5</sup>	NC Adjustment <sup>5</sup>	Total of components: 100% of budget
Australia	39,356	130,992	17,892	188,240	0	1,528	0	0	189,768	1.89%	0	0	0	189,768
Canada	39,356	121,951	0	161,307	754	1,309	0	0	163,369	1.62%	0	0	-754	162,616
China	39,356	262,613	234,723	536,693	2,508	4,355	0	0	543,555	5.41%	0	0	-2,508	541,048
Cook Islands	39,356	35,594	21,254	96,204	0	0	-34,299	-2,821	59,081	0.59%	34,299	1,353	0	94,737
European Union	39,356	302,086	113,006	454,449	0	3,688	0	0	458,137	4.56%	0	0	0	458,136
Federated States of Micronesia	39,356	7,409	607,411	654,176	0	0	0	-19,179	634,955	6.32%	0	9,203	0	644,200
Fiji	39,356	9,831	27,161	76,349	0	0	0	-2,238	74,110	0.74%	0	1,074	0	75,184
France	39,356	119,829	17,101	176,286	0	1,431	0	0	177,717	1.77%	0	0	0	177,717
Indonesia	39,356	25,495	155,122	219,973	0	1,785	0	0	221,758	2.21%	0	0	0	221,758
Japan	39,356	131,564	1,099,616	1,270,536	5,937	10,311	0	0	1,286,784	12.80%	0	0	-5,937	1,280,847
Kiribati	39,356	6,286	690,706	736,348	0	0	0	-21,588	714,760	7.11%	0	10,359	0	725,119
Korea	39,356	86,673	1,180,169	1,306,198	6,104	10,600	0	0	1,322,902	13.16%	0	0	-6,104	1,316,798
Marshall Islands	39,356	14,107	330,038	383,501	0	0	-12,229	-11,244	360,028	3.58%	12,229	5,395	0	377,652
Nauru	39,356	36,173	380,868	456,397	0	0	-35,575	-13,381	407,441	4.05%	35,575	6,421	0	449,437
New Zealand	39,356	87,874	9,256	136,486	0	1,108	0	0	137,594	1.37%	0	0	0	137,594
Niue	39,356	29,336	12	68,704	0	0	-29,245	-2,014	37,445	0.37%	29,245	967	0	67,656
Palau	39,356	24,291	20	63,667	0	0	-23,406	-1,867	38,394	0.38%	23,406	896	0	62,697
Papua New Guinea	39,356	5,402	209,390	254,148	0	0	0	-7,451	246,697	2.45%	0	3,575	0	250,272
Philippines	39,356	13,720	137,307	190,384	0	1,545	0	0	191,929	1.91%	0	0	0	191,929
Samoa	39,356	7,279	5,408	52,043	0	0	0	-1,526	50,517	0.50%	0	732	0	51,249
Solomon Islands	39,356	3,903	91,313	134,571	0	0	0	-3,945	130,626	1.30%	0	1,893	0	132,519
Chinese Taipei	39,356	69,402	1,072,646	1,181,404	5,521	9,587	0	0	1,196,512	11.90%	0	0	-5,521	1,190,992
Tonga	39,356	9,135	626	49,117	0	0	-3,926	-1,440	43,751	0.44%	3,926	691	0	48,368
Tuvalu	39,356	13,903	185,375	238,634	0	0	-13,420	-6,996	218,217	2.17%	13,420	3,357	0	234,995
United States of America	39,356	485,050	332,151	856,557	4,003	6,951	0	0	867,511	8.63%	0	0	-4,003	863,508
Vanuatu	39,356	6,609	244,201	290,166	0	0	0	-8,507	281,659	2.80%	0	4,082	0	285,741
<b>Totals</b>	<b>1,023,254</b>	<b>2,046,507</b>	<b>7,162,776</b>	<b>10,232,537</b>	<b>24,827</b>	<b>54,198</b>	<b>-152,102</b>	<b>-104,198</b>	<b>10,055,265</b>	<b>100%</b>	<b>152,102</b>	<b>50,000</b>	<b>-24,827</b>	<b>10,232,537</b>

Footnote 1 - Funding for NC as Agreed in WCPFC9-2012-22 FAC 6 Summary Report 5.4 (25)  
Footnote 2 - Offset by Non-SIDS per WCPFC21 for Second Meeting Participant - Proportionally  
Footnote 3 - Includes Offset for Small SIDS as per Financial Regulation 5.2(b) (ii)  
Footnote 4 - SIDS Offset per WCPFC21 for Second Meeting Participant  
Footnote 5 - Adjustments to/from other accounts to total the final assessed budget with all components.

## **Annex 6 Extract from NPFC Financial Regulations**

### Financial regulations

*9. At the regular meeting, the Commission shall adopt an annual budget for each of the following two financial years, after consideration of the recommendations of any relevant subsidiary bodies. If a regular meeting is held every year, the latter of the two financial years may be subject to review and modification by the Commission.*

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*22. Transfers to the Working Capital Fund shall be capped at an amount equivalent to the funds required to sustain the Commission's operation for a set number of months. The Executive Secretary shall require, as part of the observations of the external auditors referred to in paragraph 37, that the external auditors provide a specific recommendation regarding the number of months of operation that is consistent with generally accepted accounting practices for similar funds. After consideration of the external auditors' recommendations and taking into account the experiences of other regional fisheries management organizations, the Commission shall determine the number of months to be used to establish the cap.*

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*25. If the Working Capital Fund exceeds the cap established pursuant to paragraph 22, the Commission may refund to the members of the Commission the excess amount accrued in the Working Capital Fund, when such refund is deemed advisable. Refunds shall be provided to members in shares proportional to each member's contribution in the financial year in question, and shall be applied as a credit to each member's contribution in the subsequent financial year.*