



**GENERAL FISHERIES COMMISSION FOR THE  
MEDITERRANEAN  
COMMISSION GÉNÉRALE DES PÊCHES POUR LA  
MÉDITERRANÉE**



**GFCM Extraordinary Session**

**Athens, Greece, 7–9 April 2014**

**Comparative Table current GFCM Financial Regulations  
vs**

**draft amendment submitted for exam at the Task Force WG on the amendment of the GFCM legal framework**

Guide to reader:

- The following comparative table is composed of three columns:
  - i) the one to the left of the reader includes the title of the provisions,
  - ii) the central one reproduces the text of the existing Rules of Procedure, and
  - iii) the one to the right contains the provisions of the revised draft GFCM Agreement (February 2014), inclusive of comments by Members and by the FAO Legal Office to the first draft proposed at Split.
- Terms such as “Contracting Parties” instead of “Members”, “Executive Secretary” instead of “Secretary”, “Organization” instead of “FAO” are replaced automatically throughout the text after the first time of their inclusion.
- ~~Erased text~~: Text which was part of the existing Financial Regulations and which has been stricken out in the revised draft.
- Underlined text: Text which has been included in the revised draft and which is not present in the existing Financial Regulations.
- [Text between square brackets]: Text whose inclusion and wording should be examined following the finalization of the GFCM Agreement being directly interlinked with provisions therein.

|                              | EXISTING FINANCIAL REGULATIONS  | DRAFT PROVISIONS (February 2014)  |
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| <b>Applicability</b>         | <p><b>Regulation I</b></p> <p>1. These Regulations shall govern the financial administration of the General Fisheries Commission for the Mediterranean, hereinafter referred to as the Commission, in respect of all activities financed by the autonomous budget referred to in Article IX, paragraphs 1 and 2 of the Agreement for the Establishment of the General Fisheries Commission for the Mediterranean, hereinafter referred to as the Agreement.</p> <p>2. The Financial Regulations and procedures of FAO shall apply to the activities of the Commission for all matters not covered by these Regulations, with particular reference to those provided for and financed by the budget of FAO.</p>  | <p><b>Regulation I</b></p> <p>1. These Regulations shall govern the financial administration of the General Fisheries Commission for the Mediterranean <u>and Black Sea</u>, hereafter “the Commission”, in respect of all activities financed by the autonomous budget referred to in <u>Article 11</u>, paragraphs 1 and 2, of the Agreement for the Establishment of the General Fisheries Commission for the Mediterranean <u>and the Black Sea and Connecting Waters, as amended</u>, hereafter “the Agreement”.</p> <p>2. The Financial Regulations and procedures of the Organization shall apply to the activities of the Commission for all matters not covered by these Regulations, with particular reference to those provided for and financed by the budget of the Organization.</p>                  |
| <b>The financial period</b>  | <p><b>Regulation II</b></p> <p>The financial period shall be one calendar year.</p>   | <p><b>Regulation II</b></p> <p>[1. The financial period shall be one calendar year.]</p>  |
| <b>The autonomous budget</b> | <p><b>Regulation III</b></p> <p>1. The estimates for the autonomous budget shall be prepared by the Secretary of the Commission and shall be circulated to the Members of the Commission not less than 60 days before each regular session.</p> <p>2. The estimates of the autonomous budget shall cover income and expenditures for the financial period to which they relate and shall be presented in United States dollars.</p> <p>3. The estimates for the autonomous budget shall be presented on a chapter basis, and divided into sub-chapters as appropriate. They shall reflect the programme for the financial period and shall include such other information, annexes or explanatory statements as may be requested by the Commission.</p> <p>4. The autonomous budget shall comprise:</p> | <p><b>Regulation III</b></p> <p>1. The estimates for the autonomous budget shall be prepared by the Executive Secretary of the Commission and shall be circulated to the Contracting Parties not less than 60 days before each regular session.</p> <p>2. The estimates of the autonomous budget shall cover income and expenditures for the financial period to which they relate and shall be presented in United States dollars.</p> <p>3. The estimates for the autonomous budget shall be presented on a chapter basis, and divided into sub-chapters as appropriate. They shall reflect the programme of work for the financial period and shall include such other information, annexes or explanatory statements as may be requested by the Commission.</p> <p>4. The autonomous budget shall comprise:</p> |

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|  | <p>(a) The autonomous budget referred to in paragraph 5 of this Regulation relating to the regular contributions of Members of the Commission payable under Article IX, paragraph 1 of the Agreement and expenditures chargeable to the budget of the Commission under Article XI, paragraphs 3 and 4. The budget may reflect in an appropriate manner expenditures borne by FAO under Article XI, paragraph 3 of the Agreement.</p> <p>(b) The special budgets relating to funds made available during the financial period from donations and other forms of assistance received from organizations, individuals and other sources under Article IX, paragraph 6 of the Agreement.</p> <p>5. The autonomous budget for the financial period shall consist of provisions for:</p> <ul style="list-style-type: none"> <li>- administrative expenditures, including an amount to cover the Organization's costs equal to 4.5% of the autonomous budget of the Commission;</li> <li>- expenditure for activities of the Commission. Estimates under this chapter may be presented in a single total only, but detailed estimates for each particular activity will be prepared and approved as "supplementary details" of the budget;</li> <li>-contingencies.</li> </ul> <p>6. The autonomous budget shall be adopted by the Commission with such amendments as the Commission may decide.</p> <p>7. Special budgets may be adopted by the Commission in exceptional circumstances, as appropriate.</p> | <p>(a) the autonomous budget referred to in paragraph 5 of this Regulation relating to the regular contributions of Contracting Parties payable under <a href="#">Article 11, paragraphs 1, 3 and 4</a> of the Agreement and expenditures chargeable to the budget of the Commission under <a href="#">Article 12, paragraphs 7 and 8</a>. The budget may reflect in an appropriate manner expenditures borne by the Organization under <a href="#">Article 12, paragraph 7</a> of the Agreement; and</p> <p>(b) the special budgets relating to funds made available during the financial period from donations and other forms of assistance received from organizations, individuals and other sources under <a href="#">Article 11, paragraphs 5 and 6</a> of the Agreement <a href="#">and from financial penalties pursuant to Regulation VII</a>.</p> <p>5. The autonomous budget for the financial period shall consist of provisions for:</p> <p>(a) administrative expenditures, including an amount to cover the Organization's costs equal to 4.5% of the autonomous budget of the Commission;</p> <p>(b) expenditure for activities of the Commission. Estimates under this chapter may be presented in a single total only, but detailed estimates for each particular activity will be prepared and approved as "supplementary details" of the budget; and</p> <p>(c) contingencies.</p> <p>6. The autonomous budget shall be adopted by the Commission with such amendments as the Commission may decide.</p> <p>7. Special budgets may be adopted by the Commission in exceptional circumstances, as appropriate.</p> |

|                           | EXISTING FINANCIAL REGULATIONS  | DRAFT PROVISIONS (February 2014)   |
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|                           | 8. The autonomous budget of the Commission shall be submitted to the Finance Committee of the Organization for its information.   | 8. The autonomous budget of the Commission shall be submitted to the Finance Committee of the Organization for its information.  |
| <b>Appropriations</b>     | <p><b>Regulation IV</b></p> <p>1. After the autonomous budget has been adopted, the appropriations therein shall constitute the authorization for the Secretary to incur obligations and make payments for the purposes for which the appropriations were adopted and up to the amounts so adopted.</p> <p>2. In cases of emergency, the Secretary is authorized to accept additional contributions from a Member or Members of the Commission or grants from other sources and incur expenditures against them for emergency actions for which such contributions or grants were specifically provided. Such contributions or grants and expenditures related thereto will be reported in detail to the next session of the Commission.</p> <p>3. Any unliquidated prior year obligation shall be cancelled or, where an obligation remains a valid charge, transferred against current appropriations.</p> <p>4. Transfers between chapters may be effected by the Commission on the recommendation of the Secretary.</p> | <p><b>Regulation IV</b></p> <p>1. After the autonomous budget has been adopted, the appropriations therein shall constitute the authorization for the Executive Secretary to incur obligations and make payments for the purposes for which the appropriations were adopted and up to the amounts so adopted.</p> <p>2. In cases of emergency, <u>as determined by the Bureau, the Executive Secretary</u> is authorized to accept additional contributions from a Contracting Party or Contracting Parties or grants from other sources and incur expenditures against them for emergency actions for which such contributions or grants were specifically provided. Such contributions or grants and expenditures related thereto will be reported in detail to the next session of the Commission.</p> <p>3. Any unliquidated prior year obligation shall be cancelled or, where an obligation remains a valid charge, transferred against current appropriations.</p> <p>4. Transfers between chapters may be effected by the Commission on the recommendation of the Executive Secretary.</p> |
| <b>Provision of funds</b> | <p><b>Regulation V</b></p> <p>1. The appropriations of the autonomous budget shall be financed by contributions from Members of the Commission determined and payable in accordance with Article IX, paragraphs 1, 3 and 4 of the Agreement. Pending receipt of annual contributions, the Secretary is authorized to finance budgeted expenditures from the uncommitted balance of the autonomous budget.</p>   | <p><b>Regulation V</b></p> <p>1. The appropriations of the autonomous budget shall be financed by contributions from Contracting Parties determined and payable in accordance with <u>Article 11, paragraphs 1, 3 and 4</u> of the Agreement <u>and the scheme annexed to and forming an integral part of these Regulations</u>. Pending receipt of annual contributions, the Executive Secretary is authorized to finance budgeted expenditures from the uncommitted balance of the autonomous budget.</p>  |

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|  | <p>2. Before the beginning of each calendar year the Secretary shall inform the Members of the Commission of their obligations in respect of annual contributions to the autonomous budget.</p> <p>3. Contributions shall be due and payable in full within 30 days of the receipt of the communication of the Secretary referred to in Regulation V.2 above, or as of the first day of the calendar year to which they relate, whichever is later. As of 1 January of the following calendar year, the unpaid balance of such contributions shall be considered to be one year in arrears.</p> <p>4. The annual contributions to the autonomous budget shall be assessed in United States dollars and shall be calculated in accordance with the scheme annexed to these Regulations and forming an integral part thereof. The contributions shall be paid in United States dollars or Euros, on the basis of the exchange rate prevailing at the time of assessment of the annual contributions, as approved by the Commission. Should a Member pay its contribution in a currency other than the United States dollar or Euro, it will be the responsibility of that Member to ensure the free convertibility of that currency into United States dollars or Euros. The exchange rate applicable to any payment in a currency other than the United States dollars or Euros shall be the market rate of the United States dollar to the currency of payment on the first business day in January of the calendar year in which the contribution is due, or the rate in effect in the day the payment is made, whichever is higher.</p> <p>5. Any new Member of the Commission shall pay a contribution to the autonomous budget in accordance with the provisions of Article IX, paragraph 3 of the Agreement for the financial period in which the membership becomes effective, such contribution beginning with the quarter in which the membership is acquired.</p> | <p>2. Before the beginning of each calendar year the Executive Secretary shall inform the Contracting Parties of their obligations in respect of annual contributions to the autonomous budget.</p> <p>3. Contributions shall be due and payable in full within 30 days of the receipt of the communication of the Executive Secretary referred to in Regulation V.2 above, or as of the first day of the calendar year to which they relate, whichever is later. As of 1 January of the following calendar year, the unpaid balance of such contributions shall be considered to be one year in arrears.</p> <p>4. The annual contributions to the autonomous budget shall be assessed in United States dollars and shall be calculated in accordance with the scheme annexed to these Regulations <del>and forming an integral part thereof</del>. The contributions shall be paid in United States dollars or Euros, on the basis of the exchange rate prevailing at the time of assessment of the annual contributions, as approved by the Commission. Should a Contracting Party pay its contribution in a currency other than the United States dollar or Euro, it will be the responsibility of that Contracting Party to ensure the free convertibility of that currency into United States dollars or Euros. The exchange rate applicable to any payment in a currency other than the United States dollars or Euros shall be the market rate of the United States dollar to the currency of payment on the first business day in January of the calendar year in which the contribution is due, or the rate in effect in the day the payment is made, whichever is higher.</p> <p><u>[5. When the Commission determines that the amount of the arrears of a Contracting Party equals or exceeds the amount of the contributions due by it for the two preceding financial periods, this Contracting Party shall pay a X% increase on the total amount due.]</u></p> <p>6. Any new Contracting Party shall pay a contribution to the autonomous budget in accordance with the provisions of <u>Article 11 paragraphs 1 and 3</u> of the Agreement for the financial period in which the membership becomes effective, such contribution beginning with the quarter in which the membership is acquired.</p> |

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| <b>Funds</b>          | <p><b>Regulation VI</b></p> <p>1. All contributions, donations and other forms of assistance received shall be placed in a Trust Fund administered by the Director-General in conformity with the Financial Regulations of FAO.</p> <p>2. With respect to the Trust Fund referred to in Regulation VI.1, the Organization shall maintain accounts:</p> <p>2.1. A general account to which shall be credited receipts of all contributions paid under Article IX, paragraph 1 of the Agreement and from which shall be met all expenditures chargeable against the sums allocated to the autonomous budget.</p> <p>2.2. Such additional accounts as may be necessary to which shall be credited the additional contributions under Regulations IV.2 and from which shall be met all expenditures related thereto.</p> | <p><b>Regulation VI</b></p> <p>1. All contributions, donations and other forms of assistance received shall be placed in a Trust Fund administered by the Director-General <u>of the Organization</u> in conformity with the Financial Regulations of the Organization.</p> <p>2. With respect to the Trust Fund referred to in Regulation VI.1, the Organization shall maintain <u>the following</u> accounts:</p> <p>(a) a general account to which shall be credited receipts of all contributions paid under <u>Article 11, paragraph 1</u> of the Agreement and from which shall be met all expenditures chargeable against the sums allocated to the autonomous budget; and</p> <p>(b) such additional accounts as may be necessary to which shall be credited the additional contributions under Regulation IV.2 and from which all relevant expenditures shall be met.</p> |
| <b>Amendment</b>      | <p><b>Regulation VII</b></p> <p>These Regulations may be amended by the Commission, by a two-thirds majority of the Members of the Commission, in accordance with Article II, paragraph 13 of the Agreement.</p>   | <p><b>Regulation VII</b></p> <p>1. These Regulations may be amended by the Commission, <del>by a two-thirds majority of the Members of the Commission,</del> in accordance with <u>Article 22, paragraph 1</u> of the Agreement.</p>   |
| <b>Penalty Scheme</b> |  | <p><b>Regulation VIII</b></p> <p><u>[1. In accordance with Article 14 of the Agreement, in cases where the Commission, acting on the recommendations of the Compliance Committee, identifies cases of non-compliance by Contracting Parties with GFCM recommendations the following penalties shall apply:</u></p> <p><u>a) a XX% increase to the annual contribution due on the basis of the budget adopted at the regular session of the Commission when the</u></p>   |

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|  |                                | <p><u>case of non-compliance is identified:</u></p> <p><u>b) if the identification persists and the Commission, based on the recommendations by the Compliance Committee, decides that the Contracting Party identified at the previous regular session did not rectify its behavior, a XX% increase will apply to the annual contribution due on the basis of the budget adopted at the regular session of the Commission when the case of non-compliance continued to be identified;</u></p> <p><u>c) if the identification persists and the Commission, based on the recommendations by the Compliance Committee, decides that the Contracting Party identified at the previous two regular sessions did not rectify its behavior, a XX% increase will apply to the annual contribution due on the basis of the budget adopted at the regular session of the Commission when the case of non-compliance continued to be identified.</u></p> <p><u>2. In the event the penalties applied under paragraph 1 would not be sufficient to discourage the case of non-compliance by the Contracting Party identified by the Commission, the Compliance Committee will recommend what course of action to follow, including the possibility for the Commission to consider higher penalties and/or sanctions other than penalties under these Regulations.</u></p> <p><u>3. When the Commission, based on the recommendations by the Compliance Committee, discontinues the identification of the Contracting Party that was sanctioned under paragraph 1, no increase will be applied to the annual contribution due on the basis of the budget adopted at the regular session of the Commission when the identification of the case of non-compliance was discontinued.</u></p> <p><u>4. If, subsequent to the regular session of the Commission when the identification of the case of non-compliance was discontinued according to paragraph 3, the Contracting Party should be identified as being non-compliant, paragraph 1 a) will apply as if it was the first case of</u></p> |

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|                                  |                                | <p><u>identification of non-compliance.</u></p> <p><u>5. All penalties to be paid by Contracting Parties according to this Regulation will be collected in the participation fund created in accordance with Regulation IX.]</u></p>   |
| <p><b>Participation fund</b></p> |                                | <p><b>Regulation IX</b></p> <p><u>[1. Developing States Contracting Parties shall be eligible, in accordance with Article 17 of the Agreement, to receive assistance to participate in sessions of the Commission or its subsidiary bodies through an ad hoc fund comprising:</u></p> <ul style="list-style-type: none"> <li><u>a) X% of the autonomous budget adopted for the financial period by the Commission at its regular session;</u></li> <li><u>b) arrears to be paid by Contracting Parties in accordance with Regulation V;</u></li> <li><u>c) penalties to be paid by Contracting Parties in accordance with Regulation VIII;</u></li> <li><u>d) voluntary contributions by Contracting Parties.</u></li> </ul> <p><u>2. In order to increase the participation of scientists to the technical meetings of the Commission and its subsidiary bodies, Contracting Parties will nominate qualified national experts as the Commission may direct from time to time.</u></p> <p><u>3. The Commission, through the Committee on Administration and Finance, shall determine eligibility criteria and rules of administration of the participation fund that will be applied by the Secretariat in connection with the selection to be made under paragraphs 1 and 2.]</u></p> |



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| <b>SCHEME FOR THE CALCULATION OF CONTRIBUTIONS</b> | <p><b>ANNEX</b></p> <p>The modalities for determining the scale of contribution are calculated in accordance with the following formula.</p> <p><b>Factors for calculation which should be applicable to the GFCM autonomous budget once the amended Agreement entered into force:</b></p> <p><i>Membership:</i> a fixed proportion of the budget; equally shared amongst members;</p> <p><i>Wealth component:</i> the wealth of the Member; and</p> <p><i>Catch component:</i> the total capture fishery and (marine) aquaculture production of the Member.</p> <p><b>Weight to be given to each factor (as percentage of total autonomous budget):</b></p> <p><i>Membership:</i> 10 percent</p> <p><i>Wealth component:</i> 35 percent</p> <p><i>Catch component:</i> 55 percent</p> <p><b>Measurement of the factors:</b></p> <p><i>Membership:</i> all Members</p> <p><i>Wealth component:</i> according to per caput GDP (measured in US \$ as published by the World Bank); members falling into four categories: below US\$ 1 000; between US\$ 1 000 and US\$ 9 999; between US\$ 10 000 and US\$ 29 999 and US\$ 30 000 and above. The first category is exempt from the wealth component. The second pays one share; the third pays 10 shares, and the fourth category pays 20 shares.</p> | <p><b>ANNEX</b></p> <p>The modalities for determining the scale of contribution are calculated in accordance with the following formula.</p> <p><b>Factors for calculation which should be applicable to the GFCM autonomous budget once the amended Agreement entered into force:</b></p> <p><i>Membership:</i> a fixed proportion of the budget; equally shared amongst Contracting Parties;</p> <p><i>Wealth component:</i> the wealth of the Contracting Party; and</p> <p><i>Catch component:</i> the total capture fishery and (marine) aquaculture production of the Contracting Party.</p> <p><b>Weight to be given to each factor (as percentage of total autonomous budget):</b></p> <p><i>Membership:</i> 10 percent</p> <p><i>Wealth component:</i> 35 percent</p> <p><i>Catch component:</i> 55 percent</p> <p><b>Measurement of the factors:</b></p> <p><i>Membership:</i> all Contracting Parties</p> <p><i>Wealth component:</i> according to per caput GDP (measured in US \$ as published by the World Bank); members falling into four categories: below US\$ 1 000; between US\$ 1 000 and US\$ 9 999; between US\$ 10 000 and US\$ 29 999 and US\$ 30 000 and above. The first category is exempt from the wealth component. The second pays one share; the third pays 10 shares, and the fourth category pays 20 shares. Exceptions are made for</p> |

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|  | <p>Exceptions are made for countries with a total GDP below US\$ 5 thousand million (1997) to which a GDP category one step below is applied. Some countries are brought down to the first category and, as a result, are exempt from the wealth component (as long as their annual GDP remains below US\$ 5 thousand million).</p> <p><i>Catch component:</i> The catch/production figures to be used are those published by FAO in STATLANT 37A DATABASE. A three-year average is calculated using the period ending two years prior to that for which the budget will apply. Due to different values of small pelagic and other species, the "GFCM catch" for the purpose of determining the scale of contribution is calculated by applying a factor of 4 to all fish produced by Members in the Mediterranean and in the Black Sea and its adjacent waters, except for small pelagics.</p> | <p>countries with a total GDP below US\$ 5 thousand million (1997) to which a GDP category one step below is applied. Some countries are brought down to the first category and, as a result, are exempt from the wealth component (as long as their annual GDP remains below US\$ 5 thousand million).</p> <p><i>Catch component:</i> The catch/production figures to be used are those published by FAO in STATLANT 37A DATABASE. A three-year average is calculated using the period ending two years prior to that for which the budget will apply. Due to different values of small pelagic and other species, the "GFCM catch" for the purpose of determining the scale of contribution is calculated by applying a factor of 4 to all fish produced by Contracting Parties in the Mediterranean and in the Black Sea and its adjacent waters, except for small pelagics.</p> |