

 <p data-bbox="236 539 488 577">Agreement on the Conservation of Albatrosses and Petrels</p>	<p data-bbox="579 226 1385 322"><b>Fourteenth Meeting of the Advisory Committee</b> <i>Lima, Peru, 12 – 16 August 2024</i></p> <p data-bbox="611 465 1302 510"><b>Draft Agreement Budget 2026 - 2028</b></p> <p data-bbox="866 600 1046 636"><b>Secretariat</b></p>
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### SUMMARY

A draft budget for the Agreement for 2026 - 2028 has been prepared by the Secretariat in accordance with Regulation 3.1 of the Financial Regulations. The draft budget includes a statement of the significant financial implications for the 2026 – 2028 triennium in respect of any proposed work programmes.

### RECOMMENDATIONS

That the Advisory Committee:

1. Review the draft budget for the 2026 - 2028 triennium; and
2. Provide advice as appropriate on the proposed 2026 - 2028 budget to be adopted by MoP8.

## 1. INTRODUCTION

The Seventh Meeting of the Parties (MoP7) asked the Secretariat to prepare a draft Agreement Budget and draft Scale of Contributions with at least three different options, namely, 0% real growth, better than 0% real growth, and 0% nominal growth, as well as noting potential savings available (**MoP7 report**, paragraph 7.10.8). The Secretariat will accordingly prepare three or four versions of the draft budget to be presented to MoP8 in May 2025. For the purposes of the current document, which is for the information of the Advisory Committee, the Secretariat has prepared a draft budget for 2026 - 2028 to reflect zero real growth, applying an annual inflator of 4.5% in accordance with the average Hobart CPI increase for the period from 2021 to 2023 ([www.abs.gov.au](http://www.abs.gov.au)), except where exact cost variations were known or could be reasonably estimated based on the previous years' expenditure (**ANNEX 1**).

The draft budget is prepared in accordance with the ACAP Principles agreed at MoP3, which include the following: ‘The overall budget and Parties’ contributions should as a minimum achieve 0% real growth but preferably better whilst avoiding excessive fluctuations for individual Parties’ (**MoP3 Report**, 7.9.2).

The draft budget comprises estimates of income and expenditure for 2026-2028 together with a statement identifying significant financial implications. For guidance, the budget also contains figures of estimated and actual expenditure for the 2023 – 2025 budget.

MoP7 adopted a budget for 2023 - 2025 (**Resolution 7.5**) that did not take account of inflation, with total national contributions for each year remaining the same as those in 2021. This approach significantly affected income, and consequently expenditure in all appropriations. **Income** for 2026 was estimated by applying an inflator of 22.5% to the 2021 frozen contributions from Parties (i.e. 4.5% for each of the five intervening years). The budget for **Appropriation 1** was estimated (unless specified for a particular budget line) by applying the 4.5% inflator to the previous year. In **Appropriation 2** all items for 2028 were estimated by applying an inflator of 13.5% to the 2025 figures (i.e. 4.5% for each of the three intervening years). For **Appropriation 3**, items for 2026 were estimated using an inflator of 9.0% to the 2024 figures (i.e. 4.5% for each of the two intervening years). Support for AC Officials was adjusted by applying an inflator of 13.5% to the figure from 2023 (i.e. 4.5% for each of the three years gap). In addition, the draft budget for Appropriations 2 and 3 restores (and inflates, as required) the amounts for items that were assigned zero funds in 2023 -2025 (and funded from savings). Funds in **Appropriation 4** were balanced amongst the three years to balance the budget and maximise funds available for the Advisory Committee Work Programme

The Financial Regulations assign responsibility to the Executive Secretary for preparing the draft budget and presenting it to the Meeting of the Parties. The Financial Regulations do not allocate any role to the Advisory Committee in relation to the draft budget, but the MoP regularly asks the Advisory Committee to keep the status of the General Fund and other funds drawn up in accordance with the Agreement under regular review (see Resolution 7.5, paragraph 10) and it is customary ACAP practice for the Secretariat to present a copy of the draft budget to the AC for its information and review. Of particular relevance to the Advisory Committee is the draft allocation for the Advisory Committee Work Programme.

This paper should be read in conjunction with **AC14 Doc 08** ‘2024 Provisional Financial Report’, **AC 14 Doc 23** ‘Draft Advisory Committee Work Programme 2026 - 2028’, and **AC14 Doc 24** ‘Draft Secretariat Work Programme 2026 - 2028’.

### **Status of ACAP savings**

The current status of the ACAP bank account (as at 31 May 2024) is as follows:

Special Fund 1 (voluntary contributions):	\$117,502
Special Fund 2 (Contingency Fund):	\$100,000
General Fund:	\$1,319,582

Special Fund 1 can only be used for the purposes for which the Parties (and others) have made their voluntary contributions, and cannot be drawn on for other purposes. The Special Fund contains contributions assigned to particular projects in the Advisory Committee Work Programme (ACWP) and other funds that are held in the Special Fund until the contributor

specifies a task for it to be assigned to. The Contingency Fund is not drawn on and is retained for use in cases of dire emergency.

The General Fund includes funds assigned to the Advisory Committee Work Programme. These cannot be used to fund other Appropriations, as they are committed to specific activities, many of an ongoing nature. The funds accumulate in the Advisory Committee Work Programme and are drawn on as required for the specified activities. The amount committed to the Work Programme is currently approximately \$334,185 (being the amount remaining at 31 December 2023, \$545,182, less expenditure from the Work Programme in January-May 2024, \$210,997).

In addition, around \$500,000 from the General Fund will be needed to fund the activities in the budget for the month of June 2024 and the first half of the new financial year (July-December 2024) since Parties' contributions for the new financial year are not requested to be paid until 1 January (which is already six months into the financial year). This (\$500,000) is slightly more than half of the annual budget, since some costs from AC14 will not come to charge until after August 2024. Added to the \$500,000 should be half of the allocations from savings provided in the 2025 budget, namely half of \$201,143, which is \$100,572. Accordingly, the amount required in the last month of f/y 2024 and first half of f/y 2025 is \$600,572.

To sum up the status of ACAP funds:

Total bank account: (31 May)	<b>\$1,404,347</b>
<b>Committed funds:</b>	
SF1 (Special Fund)	\$117,502
SF2 (Contingency Fund)	\$100,000
AWCP committed funds	
(excluding those items covered by the Special Fund)	\$334,185
Period 1 June-31 December (month of June plus first half of new f/y):	\$600,572
<b>Total committed funds</b> (including SF1 and SF2):	<b>\$1,152,259</b>
<b>Uncommitted savings:</b>	<b>\$252,088</b>

## 2. STATEMENT OF SIGNIFICANT FINANCIAL IMPLICATIONS

### 2.1. INCOME

Contributions from Parties for 2026-2028 and other income are estimated by applying an annual inflator of 4.5%, following the average Hobart Consumer Price Index increase in 2021, 2022, and 2023 ([www.abs.gov.au](http://www.abs.gov.au)). As explained above, the inflation increase for the contributions from Parties is calculated by applying the inflator to the frozen figure of \$795,047 since 2021 for each year from 2022 to 2026, making an accumulated increase of 22.5% for 2026 contributions. For the income from the Government of Tasmania, just 4.5% was applied to the 2025 amount, since the estimates for that item followed inflation across the 2023 - 2025 triennium.

## 2.2. EXPENDITURE

### 2.2.1. Appropriation 1 - Secretariat

#### APPROPRIATION 1

For Appropriation 1 overall, employee expenses are adjusted using 4.5% per year, since the budget followed inflation in 2023 - 2025. This also applies to the allocation for consultants, and in general terms also applies to Operational costs. \$40,000 was added in 2027 for the purchase of a new car (1.3.14), and a second parking spot was added to Secretariat parking (1.3.16).

Item 1.1.1 – The salary proposed for the Science Officer is taken from the salaries adopted by the Tasmanian State Sector for equivalent level positions for 2024, with estimated increases for the following years. The salary for the Science Officer is based on the Professional Officer, Band 2 classification in the Tasmanian State Sector (see Staff Regulations, 5.2), currently \$119,801 (as at March 2024) . The level of salary to be paid to the Executive Secretary for the 2026 financial year was determined by the Parties to be \$173,328 (see **ACAP ANCP Circular 2024-01**). The salary for the Executive Secretary for the remaining two years of the triennium will be determined by the Parties at MoP8. According to the ACAP Staff Regulations (5.1), the Executive Secretary’s salary should ‘approximate SES 2 classification of the Tasmanian Public Service’.

The Secretariat proposes creating a new permanent part time staff position for a Communications Adviser. Communications advice is currently being provided by a consultant, Bree Forrer, with funds drawn from the allocation for consultancies, augmented by a one-off allocation from savings. Establishing a permanent part time position will ensure ongoing maintenance of ACAP’s public profile, in accordance with the Communications Strategy (see **AC14 Doc 21** “Update on ACAP Communications Strategy”). The suggested equivalent level for this position is the Tasmanian State sector General Stream Band 4, Range 1, Level 3 (the annual rate for a fulltime position is currently \$82,663).

Items 1.1.2 and 1.1.5 – In accordance with the superannuation rate from 1 July 2025 onwards, as decided by the Australian federal government, Superannuation is estimated at 12% of salaries in 2026, 2027 and 2028. Superannuation is added for the proposed new part time Communications Adviser position.

Item 1.1.3 – No allocation is provided for recruitment during this triennium.

Items 1.2.1, 1.2.2 and 1.2.3 – Accommodation, airfares and travel allowances were estimated by applying an inflator of 4.5% to 2025 estimates.

Items 1.2.4 and 1.2.8 – Travel and general insurance were estimated with an inflator of 4.5% to 2025 estimates.

Item 1.2.6 – Funds should not be required for relocation expenses during the triennium.

Item 1.3.1 - There is an ongoing need to replace items of office equipment. However, the amount allocated has been adjusted in the light of actual expenditure in the past triennium.

Item 1.3.3 - “Office stationery” embraces office supplies in general.

Item 1.3.4 - This covers promotional material for World Albatross Day and other communications activities.

Item 1.3.6 - This includes costs related to printing, such as purchase of printer consumables. It also includes printing of materials such as posters and fact sheets.

Item 1.3.8 – The translation workload has increased significantly in recent years. Translation costs for 2026 were accordingly estimated by applying an inflator of 25% to the 2025 allocation. The 4.5% inflator per year was applied for subsequent years.

Item 1.3.11 and 1.3.12 - Light & power and “insurance property” have been adjusted applying an inflator of 4.5% to 2025 estimates.

Item 1.3.16 - Parking has been adjusted by applying an inflator of 4.5% to 2025 estimates, together with restoring coverage for a second car (in 2023 one car park was cancelled in order to increase funds available for the ACWP).

Items 1.3.18 and 1.3.19 – Training and conference attendance for staff were adjusted by applying an inflator of 4.5% to 2025 estimates.

Item 1.3.27 - The amount for office rent has been adjusted to take account of actual costs in 2023.

1.3.14 - Funds have been allocated for the purchase of a new car for the Executive Secretary in 2027.

## **2.2.2. Appropriation 2 - Meeting of the Parties**

An underlying assumption in the preparation of this budget is that only one meeting of either the Advisory Committee or the Meeting of the Parties would be held in any one year. With the adoption at MoP3 of a financial year (FY) running from 1 July to 30 June, there is no longer one meeting per financial year. In the upcoming triennium, there is one meeting held in FY1 (2026), no meetings in FY2 (2027), and two meetings scheduled in FY3 (2028) of the budget cycle. However, the costs associated with holding meetings have been distributed over the three years of the budget cycle, assuming that significant parts of the meeting expenses will be distributed by the Secretariat accordingly (through advance payments for part of the meeting costs).

The cost of operating and supporting meetings varies significantly depending on the location of the meeting, including hire of venue, catering, hire of equipment and technical support. The estimates in this budget have been prepared based on the costs of recent ACAP meetings (and applying 13.5% to the 2025 figures), as the location of future meetings is not known at the time of preparing the budget. When meetings are to be held in high cost regions, Parties should consider the provision of voluntary contributions to contribute to covering meeting costs and to allow the adequate attendance of delegates. A total of \$20,000 was added to the adjusted figure for interpretation equipment (2.1.2) to make it more realistic in view of actual costs in recent years.

Items 2.2.3 and 2.3.1 – The support staff allocation (which had been removed from the last triennium budget and replaced by support from savings) was adjusted by allocating \$40,000 to 2.2.3.

## **2.2.3. Appropriation 3 – Advisory Committee**

Items for 2026 were estimated applying 9.0% to the 2024 figures (since budget lines in all these cases provided for annual increments of 4.5% during the current triennium). As for

Appropriation 2, \$20,000 was added to the figure for interpretation equipment (3.1.2) to make it more realistic. Support for AC Officials (3.4.1) in particular was adjusted by applying 13.5% to the \$30,000 figure from 2023, to take account of actual costs over recent years.

Items 3.1.1 and 3.1.3 – Interpretation and translation costs were estimated by adding 4.5% per year to the costs budgeted for 2025. In order to balance expenditure along the triennium, part of the costs for translation of meeting documents in 2026 has been transferred to 2027.

Items 3.2.3, 3.3.1 and 3.4.1 – The estimates for support staff, and sponsorship of experts was adjusted by adding 4.5% per year to the 2025 figure. The amount for support for Advisory Committee Officials has been reinstated with an initial figure of \$34,050 for 2026 (4.5% inflator was used to estimate the 2027 figure).

#### **2.2.4. Appropriation 4 – Advisory Committee Work Programme**

Funds have been allocated along the triennium for Secondments and the ACWP so as to match income and expenditure. Although calls for secondments and small grants take place twice every three years, funds allocated to this budget line were spread over three years to balance expenditure.

**ANNEX 1. 4.5% INCREASE SCENARIO FOR 2026 - 2028**

Ref. No	Description	2023 Budget	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
<b>1. INCOME</b>								
	Contributions from Parties	795,047	771,136	795,047	795,047	973,933	1,017,760	1,063,559
	Interest on funds	3,885	43,074	4,060	4,243	15,000	15,675	16,380
	Tax refunds	15,550	0	14,199	12,787	35,000	36,575	38,221
	MoU - Tasmanian Government	26,129	26,929	27,305	28,534	29,818	31,160	32,562
	<b>TOTAL INCOME</b>	<b>840,611</b>	<b>841,139</b>	<b>840,611</b>	<b>840,611</b>	<b>1,053,751</b>	<b>1,101,169</b>	<b>1,150,722</b>
<b>2. EXPENDITURE</b>								
<b>APPROPRIATION 1 - SECRETARIAT</b>								
Employee salaries								
1.1.1	Salaries – Executive Secretary	176,479	175,313	180,009	183,609	173,328	181,128	189,279
1.1.2	RBF Superannuation	18,530	18,407	19,801	21,115	20,799	21,735	22,713
1.1.3	Recruitment Costs	0	0	0	5,990			
1.1.4	Salaries - Science Officer	113,957	113,598	116,236	118,561	119,800	125,191	130,825
1.1.5	RBF Superannuation	11,965	11,694	12,277	12,596	14,376	15,023	15,699
1.1.6	Salaries - Comms Adviser (part time)	0				45,000	47,025	49,141
1.1.7	RBF Superannuation	0				5,400	5,643	5,897
1.1.8	Workers Compensation	3,627	3,802	3,790	3,961	4,829	5,046	5,273
	<b>Total Salaries</b>	<b>324,559</b>	<b>320,588</b>	<b>332,113</b>	<b>345,831</b>	<b>383,532</b>	<b>400,791</b>	<b>418,827</b>
Employee expenses								
1.2.1	Accommodation	11,325	6,699	11,834	12,367	12,924	13,505	14,113
1.2.2	Airfares	28,313	23,942	29,587	30,919	32,310	33,764	35,284

Ref. No	Description	2023	2023	2024	2025	2026	2027	2028
		Budget	Actual	Budget	Budget	Budget	Budget	Budget
1.2.3	Travel Allowances	12,072	7,202	12,615	13,183	13,776	14,396	15,044
1.2.4	Travel Insurance	1,105	1,313	1,154	1,206	1,260	1,317	1,376
1.2.5	Consultants	59,662	84,866	62,347	65,153	64,704	67,616	70,658
1.2.6	Relocation expense (staff)	0	0	0	0	0	0	0
1.2.8	General insurance	1,598	1,062	1,670	1,745	1,824	1,906	1,991
1.2.9	Representation expenses	1,743	1,267	1,821	1,903	1,989	2,078	2,172
1.2.10	Other travel costs - visas	935	79	978	1,021	1,067	1,115	1,165
	<b>Total Employee expenses</b>	<b>116,753</b>	<b>126,430</b>	<b>122,006</b>	<b>127,497</b>	<b>129,853</b>	<b>135,697</b>	<b>141,803</b>
Operational costs								
1.3.1	Office equipment /furniture	7,077	0	7,395	7,728	5,000	5,225	5,460
1.3.2	Office equipment maintenance	872	0	911	952	995	1,040	1,086
1.3.3	Office requisites - stationery	1,752	523	1,831	1,914	2,000	2,090	2,184
1.3.4	Publications /books	254	187	265	277	289	302	316
1.3.6	Printing and copying (PR material)	2,140	946	2,236	2,337	2,442	2,552	2,667
1.3.7	Telephones - telecommunications	2,723	3,332	2,846	2,974	3,108	3,248	3,394
1.3.8	Translations - correspondence	10,077	18,127	10,530	11,004	13,755	14,374	15,021
1.3.9	Postage	254	20	265	277	289	302	316
1.3.10	Freight/couriers	254	0	265	277	289	302	316
1.3.11	Light and power	2,923	3,820	3,054	3,192	3,336	3,486	3,643
1.3.12	Insurance property	1,634	1,418	1,708	1,785	1,865	1,949	2,037
1.3.14	Vehicle running costs	3,813	1,247	3,985	4,164	4,351	44,547	46,552
1.3.15	Cab charge - taxis	566	141	592	619	647	676	706
1.3.16	Parking	3,576	4,195	3,905	3,576	7,474	7,810	8,162
1.3.18	Staff training	2,541	2,260	3,905	1,953	2,041	2,133	2,229
1.3.19	Staff conferences / seminars	1,417	0	1,480	1,546	1,616	1,688	1,764

Ref. No	Description	2023	2023	2024	2025	2026	2027	2028
		Budget	Actual	Budget	Budget	Budget	Budget	Budget
1.3.20	Bank charges	317	0	331	346	362	378	395
1.3.21	Bad and doubtful debts	346	0	361	378	395	413	431
1.3.22	Software purchase	2,831	39	2,959	3,093	3,232	3,378	3,530
1.3.23	Server lease	701	39	733	766	800	836	874
1.3.24	Outsourced IT services	2,199	1,147	2,298	2,401	2,509	2,622	2,740
1.3.25	Modifications to database	12,183	9,948	12,731	13,304	13,903	14,528	15,182
1.3.26	WAN Wireless network	1,285	342	1,343	1,404	1,467	1,533	1,602
1.3.27	Rent - ACAP office	35,731	37,469	37,339	39,019	40,775	42,610	44,527
1.3.28	Rates and water	0	0	0	0	0	0	0
1.3.29	Preventative maintenance	0	0	0	0	0	0	0
1.3.30	Office cleaning	0	0	568	593	300	314	328
	<b>Total Office operational costs</b>	97,466	85,200	103,837	105,877	113,241	158,337	165,462
<b>TOTAL APPROPRIATION 1 - SECRETARIAT</b>		<b>538,778</b>		<b>557,956</b>	<b>579,205</b>	<b>626,627</b>	<b>694,825</b>	<b>726,092</b>
<b>APPROPRIATION 2 - MEETINGS OF THE PARTIES</b>								
Interpretation / Translation Costs								
2.1.1	Simultaneous interpretation	0	0	0	47,719	0	0	54,161
2.1.2	Hire of interpretation equipment	0	0	0	18,924	0	0	41,479
2.1.3	Translation of documents	0	5,060	0	39,322	0	0	44,630
	<b>Total Interpretation/Translation</b>	<b>0</b>	<b>5,060</b>	<b>0</b>	<b>105,965</b>	<b>0</b>	<b>0</b>	<b>140,270</b>
Meeting support costs								
2.2.1	Hire of venue (including catering)	0		0	17,353	0	0	19,696
2.2.2	Hire/purchase of equipment	0		0	11,568	0	0	13,130
2.2.3	Support staff	0		0	0	0	0	40,000
2.2.4	Printing of documents/report	0		0	7,953	0	0	9,027

Ref. No	Description	2023 Budget	2023 Actual	2024 Budget	2025 Budget	2026 Budget	2027 Budget	2028 Budget
<b>Total Meeting support costs</b>		0		0	36,874	0	0	81,852
Sponsorship								
2.3.1	Sponsorship - experts	0		0	26,467	0	0	30,040
<b>Total Sponsorship costs</b>		0		0	26,467	0	0	30,040
<b>TOTAL APPROPRIATION 2 - MoP</b>			5,060		169,305	0	0	252,162
<b>APPROPRIATION 3 - ADVISORY COMMITTEE</b>								
Interpretation								
3.1.1	Simultaneous interpretation	55,470	22,888	57,966	0	63,183	66,026	0
3.1.2	Hire of interpretation equipment	15,584	29,943	16,286	0	37,752	39,451	0
3.1.3	Translation of meeting documents	31,018	10,713	32,413	0	35,330	36,920	0
<b>Total Interpretation</b>		102,071	63,544	106,665	0	136,265	142,397	0
Venue and meeting support costs								
3.2.1	Hire of venue (including catering)	29,360	11,190	30,681	0	33,442	34,947	0
3.2.2	Hire/purchase of equipment	2,667	771	2,788	0	3,039	3,176	0
3.2.3	Support staff	28,898	38,063	30,198	0	32,916	34,397	0
<b>Total Venue and meeting costs</b>		60,925	50,024	63,667	0	69,397	72,520	0
Sponsorship								
3.3.1	Sponsorship of experts	20,802	34,400	21,738	0	23,694	24,761	0
	Sponsorship non-Party Range States	0	0	0	0	0	0	0
<b>Total sponsorship</b>		20,802	34,400	21,738	0	23,694	24,761	0
Support for Advisory Committee Officials								

Ref. No	Description	2023	2023	2024	2025	2026	2027	2028
		Budget	Actual	Budget	Budget	Budget	Budget	Budget
3.4.1	Support for AC Officials	0	30,000	0	0	34,050	35,582	0
	<b>Total support</b>	0	30,000	0	0	34,050	35,582	0
<b>TOTAL APPROPRIATION 3 - AC</b>		<b>183,798</b>	<b>177,968</b>	<b>192,070</b>	<b>0</b>	<b>263,406</b>	<b>275,260</b>	<b>0</b>
<b>APPROPRIATION 4 - AC WORK PROGRAMME</b>								
	Support for secondments	22,867		13,332	47,605	55,000	45,000	55,000
	Advisory Committee Work Programme	95,167		77,252	44,494	108,718	86,085	117,468
<b>TOTAL APPROPRIATION 4 - AC WP</b>		<b>118,034</b>		<b>77,252</b>	<b>92,099</b>	<b>163,718</b>	<b>131,085</b>	<b>172,468</b>
<b>TOTAL AGREEMENT BUDGET</b>		<b>840,610</b>		<b>840,610</b>	<b>840,610</b>	<b>1,053,751</b>	<b>1,101,170</b>	<b>1,150,722</b>