



# International Whaling Commission

Chairman  
Com. Henrik Fischer (Denmark)

Vice-Chairman  
Mr. Horst Kleinschmidt (South Africa)

Secretary  
Dr Nicky Grandy

**The Red House**  
**135 Station Road**  
**Impington, Cambridge**  
**CB4 9NP UK**

Tel: +44 (0) 1223 233971  
Fax: +44 (0) 1223 232876  
Email: [secretariat@iwcoffice.org](mailto:secretariat@iwcoffice.org)  
Internet: [www.iwcoffice.org](http://www.iwcoffice.org)

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## CIRCULAR COMMUNICATION TO COMMISSIONERS AND CONTRACTING GOVERNMENTS IWC.CCG.428

### **Financial Contributions for 2004/05 - REVISED**

With reference to the Circular Communication IWC.CCG.425 of 18 August 2004, an error has come to light regarding the calculation of financial contributions for 2004/05. **This error only affects financial contributions of whaling nations – financial contributions for the other countries remain as communicated in Circular IWC.CCG.425.**

The error that occurred was the omission of Iceland from the whaling nations amongst whom 10% of the Group 1 and Group 2 reductions are re-distributed according to the Interim Measure. The effect of this omission was to understate the Financial Contribution of Iceland and to inflate the contributions of the other whaling countries. The required correction gives an increase in the Icelandic financial contribution of £ 4,932 and a reduction of £ 822 (per country) in the financial contributions of the other whaling nations.

The revised Financial Contributions required to finance the budget for 2004/05 are given in a revised version of Table 3 – see attached.

**This Circular and Table 3 (Revised) restate the formal request for payment required by Financial Regulation E1.** Credit notes and revised invoices will be despatched shortly to the whaling nations. As already indicated, the financial contributions of non-whaling nations are unaffected by this communication. In accordance with Financial Regulation E.2 **payment is due no later than 28 February 2005.**

Financial contributions are currently calculated under an 'Interim Measure' adopted at the 54<sup>th</sup> Annual Meeting pending the development of a new contributions formula. The Appendix to this circular gives a description of the Interim Measure and the processes and calculations it uses to produce the results in Table 3 (Revised). It is a revised version of that included with Circular IWC.CCG.425.

The Secretariat apologises to contributing countries for this error and any inconvenience that these revisions may cause.

Dr Nicky Grandy  
Secretary to the Commission

**Table 3 (Revised)****Financial Contributions for the Year Commencing 1 September 2004**

	<b>Country</b>	<b>Financial Contribution £</b>		<b>Country</b>	<b>Financial Contribution £</b>
1	Antigua and Barbuda	7,126	31	Monaco	12,827
2	Argentina	12,827	32	Mongolia	7,126
3	Australia	32,735	33	Morocco	12,827
4	Austria	26,401	34	Netherlands	32,735
5	Belgium	26,401	35	New Zealand	39,070
6	Belize	7,126	36	Nicaragua	7,126
7	Benin	7,126	37	Norway	56,671
8	Brazil	17,103	38	Oman	12,827
9	Chile	12,827	39	Palau	7,126
10	China, P.R of	12,827	40	Panama	12,827
11	Costa Rica	8,551	41	Peru	12,827
12	Cote d'Ivoire	12,827	42	Portugal	26,401
13	Denmark	56,671	43	Russian Federation	26,311
14	Dominica	7,126	44	San Marino	12,827
15	Finland	26,401	45	Senegal	7,126
16	France	53,526	46	Solomon Islands	7,126
17	Gabon	7,126	47	South Africa	12,827
18	Germany	59,860	48	Spain	26,401
19	Grenada	7,126	49	St Kitts and Nevis	7,126
20	Guinea	7,126	50	St. Lucia	7,126
21	Hungary	12,827	51	St Vincent & The G.	16,809
22	Iceland	56,671	52	Suriname	7,126
23	India	12,827	53	Sweden	32,735
24	Ireland	26,401	54	Switzerland	26,401
25	Italy	59,860	55	Tuvalu	7,126
26	Japan	128,137	56	United Kingdom	66,195
27	Kenya	12,827	57	USA	83,796
28	Korea, Rep of	17,103			
29	Mauritania	7,126			
30	Mexico	12,827			
				<b>Total</b>	<b>1,342,900</b>

Details of the Interim Measure and the processes and calculations it uses to produce the above results are given in the Appendix.

## Appendix

### The Interim Measure for Financial Contributions

#### Introduction

At its 54<sup>th</sup> Annual Meeting the Commission adopted the Interim Measure proposed by Argentina and Antigua and Barbuda for calculating the financial contributions from Contracting Governments beginning with the financial year which commenced 1 September 2002. This appendix provides information on the Interim Measure and the processes used in the calculation of contributions.

The Interim Measure employs a two-stage process. It takes the 'old' pre-September 2002 formula for calculating contributions as its starting point and then modifies the resulting amounts for each Contracting Government by a factor relating to 'capacity to pay' and a further factor for involvement in whaling.

The following pages contain:

- a description of the 'old' pre-September 2002 formula;
- the amounts that it generates for each Contracting Government (Table 4);
- the description of the Interim Measure;
- the economic data used to categorise member countries into four economic groupings (Table 5);
- the contributions which result for the year commencing 1 September 2004 under the Interim Measure after applying the 'capacity to pay' and additional 'whaling' factors (Table 6).

#### Implementation of the Interim Measure in 2004/05

It was hoped that the Contributions Task Force would complete its work and propose a single or choice of definitive schemes for decision by the Commission at its 56<sup>th</sup> Annual Meeting in 2004. However, as that did not prove possible and the Commission decided to delay the introduction of a new contributions scheme, the Interim Measure provides for a second level of adjustment to enhance the effect of the 'capacity to pay' factor which would take effect in 2004/05. This adjustment is such that the contributions for countries in groups 1 and 2 (which were reduced from the 'old' formula by 50% and 25% respectively for the years 2002/03 and 2003/04) are further reduced by 25% and 10% respectively. The resulting shortfall is then redistributed amongst the whaling countries and those in groups 3 and 4 in the proportions:

Whaling countries	10%
Group 3 countries	30%
Group 4 countries	60%

## **‘Old’ (Pre-September 2002) Procedure For Calculating Financial Contributions**

This procedure is constructed on the allocation of shares to Contracting Governments as follows:

Membership		2 shares	
Whaling	Land station/small-type	3 shares	(ST)
	Aboriginal subsistence	2 shares	(AS)
	Factory ship (per ship)	2 shares	(FS)
Meeting attendance	1-3 delegates	1 share	
	4-7 delegates	2 shares	
	8-13 delegates	3 shares	
	14-22 delegates	4 shares	
	23+ delegates	5 shares	

Whaling shares are allocated on the basis of a catch in the season immediately preceding the financial year for which contributions are to be calculated.

Meeting attendance is based on the number of delegates attending the Annual Meeting immediately preceding the financial year for which contributions are to be calculated. Interpreters are not included in delegations for the purposes of calculating contributions

*(Rep. int. Whal. Commn 42:50)*

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### **Notes:**

1. Whaling shares for land station/small-type whaling and for aboriginal subsistence whaling are allocated for any number of those operations conducted by a Contracting Government. For factory ship operations the shares are allocated per vessel. This was not specifically recorded in 1992 when the current procedure was introduced as a modification of the previous procedure which did explicitly allocate shares in this manner. (See *Rep. int whal Commn.32: 37; 41:43 and 42:42*)

2. At the 54<sup>th</sup> Annual Meeting in 2002, the Commission agreed that, for the purposes of calculating financial contributions:

- the size of the delegation of a host country should be assessed using an average of their delegation size over the previous three years;
- the IWC Chair should not be included in his/her delegation.

**Table 4**

**Contribution Values under the 'Old' (pre-September 2002) Scheme**

Membership	Whaling		Meeting attendance		Total Shares	1st Stage Totals £	
	Shares	Type	Share	Delegates			Shares
1 Antigua and Barbuda	2	0	0	3	1	3	19,003
2 Argentina	2	0	0	3	1	3	19,003
3 Australia	2	0	0	5	2	4	25,338
4 Austria	2	0	0	2	1	3	19,003
5 Belgium	2	0	0	3	1	3	19,003
6 Belize	2	0	0	2	1	3	19,003
7 Benin	2	0	0	2	1	3	19,003
8 Brazil	2	0	0	5	2	4	25,338
9 Chile	2	0	0	2	1	3	19,003
10 China, P.R of	2	0	0	3	1	3	19,003
11 Costa Rica	2	0	0	0	0	2	12,669
12 Cote d'Ivoire	2	0	0	3	1	3	19,003
13 Denmark	2	AS	2	9	3	7	44,341
14 Dominica	2	0	0	2	1	3	19,003
15 Finland	2	0	0	3	1	3	19,003
16 France	2	0	0	3	1	3	19,003
17 Gabon	2	0	0	2	1	3	19,003
18 Germany	2	0	0	7	2	4	25,338
19 Grenada	2	0	0	3	1	3	19,003
20 Guinea	2	0	0	2	1	3	19,003
21 Hungary	2	0	0	1	1	3	19,003
22 Iceland	2	ST	3	6	2	7	44,341
23 India	2	0	0	2	1	3	19,003
24 Ireland	2	0	0	1	1	3	19,003
25 Italy	2	0	0	5	2	4	25,338
26 Japan	2	FS/ST	7	43	5	14	88,682
27 Kenya	2	0	0	2	1	3	19,003
28 Korea, Rep of	2	0	0	6	2	4	25,338
29 Mauritania	2	0	0	3	1	3	19,003
30 Mexico	2	0	0	2	1	3	19,003
31 Monaco	2	0	0	1	1	3	19,003
32 Mongolia	2	0	0	2	1	3	19,003
33 Morocco	2	0	0	2	1	3	19,003
34 Netherlands	2	0	0	4	2	4	25,338
35 New Zealand	2	0	0	9	3	5	31,672
36 Nicaragua	2	0	0	1	1	3	19,003
37 Norway	2	ST	3	7	2	7	44,341
38 Oman	2	0	0	1	1	3	19,003
39 Palau	2	0	0	2	1	3	19,003
40 Panama	2	0	0	2	1	3	19,003
41 Peru	2	0	0	1	1	3	19,003
42 Portugal	2	0	0	2	1	3	19,003
43 Russian Federation	2	AS	2	3	1	5	31,672
44 San Marino	2	0	0	1	1	3	19,003
45 Senegal	2	0	0	1	1	3	19,003
46 Solomon Islands	2	0	0	2	1	3	19,003
47 South Africa	2	0	0	3	1	3	19,003
48 Spain	2	0	0	1	1	3	19,003
49 St Kitts and Nevis	2	0	0	3	1	3	19,003
50 St. Lucia	2	0	0	2	1	3	19,003
51 St Vincent & The G.	2	AS	2	2	1	5	31,672
52 Suriname	2	0	0	2	1	3	19,003
53 Sweden	2	0	0	5	2	4	25,338
54 Switzerland	2	0	0	2	1	3	19,003
55 Tuvalu	2	0	0	2	1	3	19,003
56 United Kingdom	2	0	0	10	3	5	31,672
57 USA	2	AS	2	10	3	7	44,341
	114		21	218	77	212	1,342,900

\* These total are carried forward to the second stage - see Table 6

## Interim Measure for Financial Contributions - Stages

### Stage 1

The Interim Measure takes as its starting point the contributions calculated under the “old” (pre-September 2002) scheme (see Table 4).

### Stage 2

1. Each Contracting Government is placed into one of four Groups according to the scale proposed by the Task Force. This scale is based upon a combination of GNI and GNI/*per capita*. Independent World Bank data (Table 5) are used to allocate groups as follows:

Group 1	Group 2	Group 3	Group 4
GNI Less than US\$ 10,000 millions <b>and</b> GNI/capita less than US\$ 10,000	GNI greater than US\$ 10,000 millions <b>and</b> GNI/capita less than US\$ 10,000	GNI less than US\$ 1,000,000,000,000 <b>and</b> GNI/capita greater than US\$ 10,000	GNI greater than US\$ 1,000,000,000,000 <b>and</b> GNI/capita greater than US\$ 10,000
Antigua & Barbuda; Belize Benin; Dominica; Gabon; Grenada; Guinea Mauritania Mongolia; Nicaragua Palau; Senegal; Solomon Islands St Kitts St Lucia St Vincent Suriname Tuvalu	Argentina Brazil Chile; China; Costa Rica; Cote d'Ivoire Hungary India; Kenya; Korea; Mexico Monaco* Morocco; Oman; Panama Peru; Russia; San Marino* South Africa	Australia; Austria; Belgium Denmark; Iceland Finland; Ireland; Netherlands; New Zealand; Norway; Portugal Spain Switzerland; Sweden;	France; Germany; Italy Japan; UK USA
18	19	14	6

\* see 5. below

2. During the first two years of the Interim Measure (i.e. 2002/03 and 2003/04), Group 1 and 2 countries' contributions were reduced by 50% and 25% respectively. For the third year (2004/05), the Interim Measure provided for a further reduction of 25% and 10% respectively, with the “old” formula being adjusted as follows:

- The Group 1 reduction for the years 2002/03 and 2003/04 was: (“old” formula x 50%) = A. The reduction for 2004/05 will therefore be: A + ((“old” formula –A) x 25%)
- The Group 2 reduction for the years 2002/03 and 2003/04 was: (“old” formula x 25%) = B. The reduction for 2004/05 will therefore be: B + ((“old” formula –B) x 10%).

3. This procedure results in a shortfall which is redistributed among the whaling countries and countries in Groups 3 and 4 as follows:

Whaling countries	10%
Group 3 countries	30%
Group 4 countries	60%

4. For Group 3 and 4 countries the cash values calculated in (3) are added to the contribution already calculated under the “old” formula to produce the adjusted contribution under the Interim Measure.

5. At the 56<sup>th</sup> Annual Meeting in 2004, the Commission agreed to take into account the special position of Very Small Countries in calculating Financial Contributions (Resolution 2004-04). The result of this decision was that Monaco and San Mario were re-classified as Group 2 countries.

**The results are given in Tables 3 (Revised) and 6 (Revised)**

**Table 5**

<b>Economic date and 'Capacity to Pay' Groups</b>						Countries in group
<b>Group 1</b>	GNI	less than 10,000,000,000	<b>and</b>	GNI/capita	less than 10,000	18
<b>Group 2</b>	GNI	greater than 10,000,000,000	<b>and</b>	GNI/capita	less than 10,000	19
<b>Group 3</b>	GNI	less than 1,000,000,000,000	<b>and</b>	GNI/capita	greater than 10,000	14
<b>Group 4</b>	GNI	greater than 1,000,000,000,000	<b>and</b>	GNI/capita	greater than 10,000	6
World Bank data				<b>Capacity to Pay Group</b>	57	
		<b>GNI</b>	<b>GNI/capita</b>			
		<b>US\$ billion</b>	<b>US\$</b>			
1	Antigua and Barbuda	0.6709	9,720	1		
2	Argentina	154	4,220	2		
3	Australia	384.1	19,530	3		
4	Austria	192.1	23,860	3		
5	Belgium	237.1	22,940	3		
6	Belize	0.7503	2,970	1		
7	Benin	2.5	380	1		
8	Brazil	494.5	2,830	2		
9	Chile	66.3	4,250	2		
10	China, P.R of	1200	960	2		
11	Costa Rica	16.1	4,070	2		
12	Cote d'Ivoire	10.2	620	2		
13	Denmark	162.6	30,260	3		
14	Dominica	0.2158	3,000	1		
15	Finland	124.2	23,890	3		
16	France	1400	22,240	4		
17	Gabon	4	3,060	1		
18	Germany	1900	22,740	4		
19	Grenada	0.3605	3,530	1		
20	Guinea	3.2	410	1		
21	Hungary	53.7	5,290	2		
22	Iceland	7.9	27,960	3		
23	India	494.8	470	2		
24	Ireland	90.3	23,030	3		
25	Italy	1100	19,080	4		
26	Japan	4300	34,010	4		
27	Kenya	11.2	360	2		
28	Korea, Rep of	473	9,930	2		
29	Mauritania	0.7906	280	1		
30	Mexico	597	5,920	2		
#31	Monaco	11	9,999	2		
32	Mongolia	1.1	430	1		
33	Morocco	34.7	1,170	2		
34	Netherlands	377.6	23,390	3		
35	New Zealand	52.2	13,260	3		
36	Nicaragua	3.8	710	1		
37	Norway	175.8	38,730	3		
38	Oman	19.9	7,830	2		
39	Palau	0.1364	6,820	1		
40	Panama	11.8	4,020	2		
41	Peru	54	2,020	2		
42	Portugal	109.1	10,720	3		
43	Russian Federation	306.6	2,130	2		
#44	San Marino	11	9,999	2		
45	Senegal	4.6	470	1		
46	Solomon Islands	0.256	580	1		
47	South Africa	113.4	2,500	2		
48	Spain	596.5	14,580	3		
49	St Kitts and Nevis	0.3007	6,540	1		
50	St. Lucia	0.5995	3,750	1		
51	St Vincent & The G.	0.3302	2,820	1		
52	Suriname	0.8412	1,940	1		
53	Sweden	231.8	25,970	3		
54	Switzerland	263.7	36,170	3		
*55	Tuvalu	0.0154	1,342	1		
56	United Kingdom	1500	25,510	4		
57	USA	10200	35,400	4		
# = Very Small Country Status						
* = no World Bank data. Data (if any) provided by Contracting Government						

**Table 6 (Revised)**

**Contributions for the Year Commencing 1 September 2004**

		"Old" formula	Capacity to pay Group	Red'n Stage 1	Red'n Stage 2	Red'n £	Add-on Whaling'	Add-on Group 3 £	Add-on Group 4 £	Total £
1	Antigua and Barbuda	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
2	Argentina	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
3	Australia	25,338	3	0	0	0	0	7,398	0	32,735
4	Austria	19,003	3	0	0	0	0	7,398	0	26,401
5	Belgium	19,003	3	0	0	0	0	7,398	0	26,401
6	Belize	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
7	Benin	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
8	Brazil	25,338	2	-6,334	-1,900	-8,235	0	0	0	17,103
9	Chile	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
10	China, P.R of	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
11	Costa Rica	12,669	2	-3,167	-950	-4,117	0	0	0	8,551
12	Cote d'Ivoire	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
13	Denmark	44,341	3	0	0	0	4,932	7,398	0	56,671
14	Dominica	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
15	Finland	19,003	3	0	0	0	0	7,398	0	26,401
16	France	19,003	4	0	0	0	0	0	34,523	53,526
17	Gabon	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
18	Germany	25,338	4	0	0	0	0	0	34,523	59,860
19	Grenada	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
20	Guinea	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
21	Hungary	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
22	Iceland	44,341	3	0	0	0	4,932	7,398	0	56,671
23	India	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
24	Ireland	19,003	3	0	0	0	0	7,398	0	26,401
25	Italy	25,338	4	0	0	0	0	0	34,523	59,860
26	Japan	88,682	4	0	0	0	4,932	0	34,523	128,137
27	Kenya	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
28	Korea, Rep of	25,338	2	-6,334	-1,900	-8,235	0	0	0	17,103
29	Mauritania	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
30	Mexico	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
31	Monaco	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
32	Mongolia	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
33	Morocco	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
34	Netherlands	25,338	3	0	0	0	0	7,398	0	32,735
35	New Zealand	31,672	3	0	0	0	0	7,398	0	39,070
36	Nicaragua	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
37	Norway	44,341	3	0	0	0	4,932	7,398	0	56,671
38	Oman	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
39	Palau	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
40	Panama	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
41	Peru	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
42	Portugal	19,003	3	0	0	0	0	7,398	0	26,401
43	Russian Federation	31,672	2	-7,918	-2,375	-10,293	4,932	0	0	26,311
44	San Marino	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
45	Senegal	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
46	Solomon Islands	19,003	1	-9,502	-2,375	-11,877	0	0	0	7,126
47	South Africa	19,003	2	-4,751	-1,425	-6,176	0	0	0	12,827
48	Spain	19,003	3	0	0	0	0	7,398	0	26,401



			"Old" formula	Capacity to pay Group	Red'n Stage 1	Red'n Stage 2	Red'n £	Add-on Whaling'	Add-on Group 3 £	Add-on Group 4 £	Total £
49	St Kitts and Nevis	19,003	1	-9,502	-2,375	-11,877	0	0	0	0	7,126
50	St. Lucia	19,003	1	-9,502	-2,375	-11,877	0	0	0	0	7,126
51	St Vincent & The G.	31,672	1	-15,836	-3,959	-19,795	4,932	0	0	0	16,809
52	Suriname	19,003	1	-9,502	-2,375	-11,877	0	0	0	0	7,126
53	Sweden	25,338	3	0	0	0	0	7,398	0	0	32,735
54	Switzerland	19,003	3	0	0	0	0	7,398	0	0	26,401
55	Tuvalu	19,003	1	-9,502	-2,375	-11,877	0	0	0	0	7,126
56	United Kingdom	31,672	4	0	0	0	0	0	34,523	0	66,195
57	USA	44,341	4	0	0	0	4,932	0	34,523	0	83,796
				1,342,900	-272,381	-72,846	-345,227	34,523	103,568	207,136	1,342,900

		Shortfall for re- distribution		
		-345,227		
Group 1	18	Whaling	<b>10%</b>	34,523
Group 2	19	Group 3	<b>30%</b>	103,568
Group 3	14	Group 4	<b>60%</b>	207,136
Group 4	6			-345,227
	57			

**\* These are the definitive contributions for 2004/05 as shown in Table 1**