

# Discussion points and potential solutions for a revised method of defining and adopting the SC budget and implications for the SC working methods

CHAIR, VICE-CHAIR AND CONVENORS

## BACKGROUND

At the last year meetings with the Head of Delegations a number of issues were brought up in relation to how the SC constructs its budget. Some of those issues had wider implications related to our working methods. This document aims to provide a basis for discussion on these issues. It also proposes some potential solutions that could help solving some weakness identified in the process.

The items considered in this paper are:

- Definition of the SC Agenda.
- Budgetary lines.
- Current procedure for drafting the SC budget (including research projects selection issues)

When discussing changes in IWC SC working methods it is important to keep in mind both (1) the Rules of Procedure (RoP) of the Commission and of the Scientific Committee<sup>1</sup> that define the role of the SC and of its Chair, and (2) the operational guide of the Scientific Committee, its online 'Handbook'<sup>2</sup>. While the RoP are our 'laws,' the online Handbook is our agreed 'working practice'; the latter is regularly updated in light of the annual discussions of procedures we have on our agenda. We can decide to change either or both; however procedures for changing them are rather different and require different level of involvement of the Commission. RoP changes require the wording to pass through the Commission's Finance and Administration Committee before being formally adopted by the Commission. Changes to the Handbook are recommended by the Committee in its report and are incorporated when the Commission adopts the Committee's report.

The general terms of reference of the SC are defined in Commission RoP M4, which reads as follows:

'4. (a) The Scientific Committee shall review the current scientific and statistical information with respect to whales and whaling, shall review current scientific research programmes of Governments, other international organisations or of private organisations, shall review the scientific permits and scientific programmes for which Contracting Governments plan to issue scientific permits, shall consider such additional matters as may be referred to it by the Commission or by the Chair of the Commission, and shall submit reports and recommendations to the Commission.

(b) Any ad hoc committee, sub-committee or working group established to provide scientific advice shall report to the Scientific Committee, which shall review the report of such committee, sub-committee or working group, and, as appropriate, make its own recommendations on the subject matter.

5. The report of the Scientific Committee should be completed and made available to all Commissioners and posted on the Commission's public web site by the opening date of the Biennial Commission Meeting or within 14 days of the conclusion of the Scientific Committee meeting, whichever is the sooner.

6. The Secretary shall be an *ex officio* member<sup>3</sup> of the Scientific Committee without vote.'

Similarly to how the Chair of the Commission organises the work of the Commission, the SC Chair sets the SC Agenda in response to the needs of the Commission, including ongoing work as well as newly identified topics. The process through which past and present Chairs of the SC identified the Agenda and the organisational structure of the SC follows a logical path to ensure overall agreement by the Commission on the work of the SC, through submission of a workplan and draft agenda as part of the SC report which goes to the Commission for approval (as well as the draft budget). These are agreed upon at the end of each SC meeting.

From the SC RoP:

### **B. Agenda**

1. The initial agenda for the Committee meeting of the following year shall be developed by the Committee prior to adjournment each year. The agenda should identify, as far as possible, key issues to be discussed at the next meeting and specific papers on issues should be requested by the Committee as appropriate.

<sup>1</sup> <http://iwc.int/index.php?cID=2385&cType=document>

<sup>2</sup> <http://iwc.int/scientific-committee-handbook>

<sup>3</sup>An 'ex-officio member' is one who becomes a member of a body by virtue of another position that she/he holds.

2. The provisional agenda for the Committee meeting shall be circulated for comment 60 days prior to the Annual Meeting of the Committee. Comments will normally be considered for incorporation into the draft agenda presented to the opening plenary only if received by the Chair 21 days prior to the beginning of the Annual Meeting.'

The current structure of the SC Agenda, which is mirrored into the SC organisational structure, is based broadly on: (i) RoP M4, and (ii) Commission Resolutions and Decisions. Table 1 shows their transposition into sub-committees, standing sub-committees, working groups and standing working groups.

Table 1

Organisation of the Scientific Committee based on our Rules of Procedure, Commission resolutions and decisions

Topic	Origin of instructions
Most sub-groups	<i>Commission RoP M4- Review the current scientific and statistical information with respect to whales and whaling</i>
Most sub-groups	<i>Commission RoP M4 - Review current scientific research programmes of Governments, other international organisations or of private organisations</i>
SP	<i>Commission RoP M4 - Review the scientific permits and scientific programmes for which Contracting Governments plan to issue scientific permits</i>
SM	<i>Several resolutions (e.g. RIWC41:48; 42:48; 43:51; 45:41; 47:49-50)</i>
Comprehensive assessments under IA, BRG, NPM, SH, and <i>ad hoc</i> discussions on population structure analytic tools (i.e. SD and DNA).	<i>Resolution RIWC34:30 Resolution 1999-8 (IWC, 2000) for DNA Group</i>
RMP, SD and HIM	<i>Several resolutions especially RIWC45:43 and Commission discussions on bycatch and ship strikes in recent years</i>
AWMP, SD	<i>Several resolutions especially RIWC45:42-3</i>
WW	<i>Several resolutions especially RIWC45:49-50; 47:48</i>
E/EM	<i>Several resolutions by topic (e.g. RIWC43:39-40; 44:49; 47:52; ARIWC1999:53; ARIWC2000:56; ARIWC2001:58; etc.)</i>
Sanctuaries	<i>Several resolutions (e.g. RIWC33:21-2; 45:63; ARIWC2001:65)</i>
Invited Participants (IPs)	<i>SC RoP A6</i>

Thus, to ensure that both the SC workplan and budget are fully in agreement with Commission intent, at each Commission meeting a detailed workplan and budget are presented to the Commission for approval/modification. Therefore, no activity is carried out within the SC without the formal approval by the Commission.

To most efficiently address its broad agenda, the SC Chair forms a number of sub-groups (SC RoP):

#### 'C. Organisation

1. The Scientific Committee shall include standing sub-committees and working groups by area or species, or other subject, and a standing sub-committee on small cetaceans. The Committee shall decide at each meeting on sub-committees for the coming year.
2. The sub-committees and working groups shall prepare the basic documents on the identification, status and trends of stocks, including biological parameters, and related matters as necessary, for the early consideration of the full Committee.
3. The sub-committees, except for the sub-committee on small cetaceans, shall concentrate their efforts on stocks of large cetaceans, particularly those which are currently exploited or for which exploitation is under consideration, or for which there is concern over their status, but they may examine matters relevant to all cetaceans where appropriate.
4. The Chair may appoint other sub-committees as appropriate.'

These sub-groups have their own convenors and rapporteurs. As noted in the Handbook, it is the Chair's responsibility to appoint Convenors for each of the sub-groups; this requires a balance of a number of features including experience, geographical spread, a balance of the need for new blood with the need for continuity (more important in some groups than others). Convenors are to be seen as 'helpers' identified by the Chair based on their scientific and management skills and willingness to serve the SC (see the SC RoP and the Handbook on their role). The SC chair is assisted in all these organizational duties by the Head of Science and the Secretary. This explains why the 'Convenors Group' comprises the Chair, Vice-Chair, Head of Science, Secretary to the Commission, Secretariat computing manager and all Convenors. Convenors formally work during the year to ensure that intersessional work is completed and to assist the Chair as required. They are usually also elected Chairs of sub-groups during Annual Meetings by the members of those sub-groups, but this is not always the case.

The work of the SC is carried out during its annual meeting or agreed intersessional workshops. Some specific work can be carried out intersessionally upon request (by either the Commission, convenors or small working groups appointed by the SC). The work of intersessional meetings and *ad hoc* working groups, is reported back to the SC during its Annual Meeting and conclusions and recommendations reviewed and either endorsed or modified as appropriate.

Financial support for unsolicited research proposals is guided by Rule G of the Committee RoP:

'G. Financial Support for Research Proposals

1. The Scientific Committee shall identify research needs.
2. It shall consider unsolicited research proposals seeking financial support from the Commission to address these needs. A sub-committee shall be established to review and rank research proposals received 4 months in advance of the Annual Meeting and shall make recommendations to the full Committee.
3. The Scientific Committee shall recommend in priority order those research proposals for Commission financial support as it judges best meet its objectives.'

The application form can be found at: <http://iwc.int/index.php?cID=62&cType=Document>. While this general approach was intended originally to apply just to unsolicited research proposals the approach has the potential to be applied to all research proposals.

Clearly, the SC budget is strictly related to its agenda/workplan and to all related running costs, with one exception: those costs related to the Small Cetaceans sub-committee. This sub-committee, because of somewhat controversial questions over the competence of the Commission with respect to small cetaceans, has its own voluntary fund (Appendix 1 of Commission RoP) and its related costs do not go into the SC budget proposal.

In general, financial resources for the SC budget are limited and have been slightly but steadily reduced in the past few years. Therefore there is the need to improve the way these resources are used and managed.

The SC budget can be split into six rough budgetary lines:

- (1) Invited Participants (IPs) (for example, in 2014 budget this accounted for 20% of the total)
- (2) 'Research' projects (25% in 2014)
- (3) Data analysis (15% in 2014)
- (4) Database maintenance/infrastructure (including website developments) (10% in 2014)
- (5) Intersessional meetings & workshops (29% in 2014)
- (6) Document production (e.g. SOCER) (1% in 2014)

In terms of funding for the different sub-committees, these were the various percentages assigned in 2013 for the 2014 budget: IA 28%, SH 23%, E 19%, AWMP 19% (also including activities relevant to SD and RMP), BRG 6%, HIM 3%, RMP 2% IPs are not considered in these percentages. However, it should be noted that the proportions by sub-group can vary considerably from year-to-year depending on the SC's needs.

### **1. Invited participants**

There is a detailed process for the selection of Invited Participants included in the SC RoP and summarised in the Handbook. The objective of having IPs is to have the full set of expertise available to provide the Commission with the best possible scientific advice. A final IP list is agreed upon by the Chair after consultation with Convenors. Once names are proposed, the following parameters are taken into consideration to prioritise them in terms of funding:

- (1) scientific quality of the expert;
- (2) importance of the expert to the SC's work (including her/his skills related to rapporteuring and chairing sub-groups and the number of sub-groups that would benefit from her/his attendance);
- (3) lack of alternative source of funding to attend the SC meeting;
- (4) Ensuring that all sub-groups get a fair representation to meet their needs.

Critical aspects: despite generic issues of equal opportunities, including geographical as well as gender representation, IP selection does not appear to be a particularly controversial issue within the SC at present. The rules were developed by the SC and approved by the Commission, and are well understood and applied. The SC has in the past referred to the Commission the possibility of a separate capacity-building fund, noting that attendance at Annual Meetings is not necessarily the best way to improve cetacean conservation capability; however, the Commission RoP allow for scientists from developing nations who are funded to attend to be

nominated as national delegates under certain circumstances. National delegates are usually funded by their own Governments.

## **2. Research project funds**

Under this budgetary line, the SC should fund *only* those initiatives which are generated within the sub-groups and that are critical to them being able to achieve their objectives – it is not sufficient merely for it to be good scientific research on a related topic. These projects generated within sub-groups are the so-called ‘solicited projects’ (e.g. POLLUTION 2000 and 2000+; SOWER and POWER).

Critical aspects: solicited versus unsolicited projects is a key issue and Convenors/sub-group chairs and sub-groups themselves need to take more responsibility in this regard. Convenors shall:

- (1) ensure that all research proposals truly emerge from the work of their respective sub-groups and that they are critical to the success of their work;
- (2) if more than one proposal is made (together with their groups) an order of priority must be developed (ideally, one would expect not more than 1-2 per group and of course it might be zero). Obviously, sub-groups are able to recommend research in the broad sense without putting in a request for IWC funding.

It must be said that sometimes in the past this has not appeared to be the case, and sub-group participants have been able to almost unilaterally submit budget proposals for projects that are of general relevance to sub-groups, but controversial and not truly generated and/or solicited within sub-groups.

In fact, the SC has developed a detailed approach for unsolicited research proposals (see above SC RoP G 2). If such proposals are submitted during the SC, the proposers should be asked to submit them under the appropriate process to a future meeting, recognising that the present state of funding makes it unlikely that funds will be allocated. The research fund should not be seen as a supplement to national research programmes or other funding agencies.

For those research projects that arise from the sub-group work and that are really aiming to implement the SC workplans or help achieving sub-groups’ objectives, a more transparent way for submission and evaluation within the sub-group should be applied. This is especially important for projects exceeding £10-20,000. An already existing procedure that could be adopted in these instances is the one used to award funding support within the Small Cetaceans Research Conservation Fund (see Annex 1), whereby a small review group is established and the existing *pro forma* is strictly followed.

## **3, 4, 5. Data analysis, database maintenance/infrastructure (including website developments) and intersessional meetings & workshops**

Within budgetary lines for ‘data analysis’, ‘database maintenance/infrastructure’, and ‘intersessional meetings & workshops’, only activities deemed necessary by each sub-group for the achievement of their objectives are included. Convenors and members of the sub-groups discuss their needs during their sessions and each report should contain precise indications on priorities and recommendations for budget.

Critical aspects: it is not always the case, especially for some budgetary lines, that sufficient details, objectives, etc. are provided in recommendations from sub-groups; again some degree of absolute and relative priority should be given.

## **6. Document production**

The primary example of this is the regular production of the SOCER (State of the Cetacean Environment Report) report. The objective of SOCER is to provide Commissioners (in response to Resolution 2000-7), members of the SC and other interested parties with a non-technical periodic summary of events, developments and conditions in the marine environment that are relevant to cetaceans. While this item has a relatively low impact on the overall budget (1% in 2014), if reconsidering the entire way of allocating funds, it might be time to reconsider the overall value of the production of reports to the SC’s work. Another recent example of a similar project is the review of the use of model-based estimates for abundance, which was allocated in 2012 and is expected in 2014. The SC may also wish to consider contributing to the funding of review papers (e.g. overviews of small cetacean or large cetacean status as suggested last year during the sub-committee on small cetaceans).

## **CURRENT PROCEDURE FOR DRAFTING THE SC BUDGET**

The SC Chair, with the help of Convenors and the vice-chair, develops a draft budget, which should be based on discussions entertained within each sub-group (i.e. each sub-group report should contain explicit indications on the need and the level of priority of each budgetary proposal). The draft budget plus a suggested prioritisation to

balance the budget with the expected budget has to be submitted to the full SC by 6pm on the penultimate day of the SC meeting to allow members a night to consider it before the full plenary discussion on the last day.

At the present the process that leads to the final SC budget is made up to 5 phases as follow:

**Phase 1.** The Chair delegates to the vice-chair the task of compiling all of the sub-group budget requests (this should be in the full *pro forma* but is not always the case).

Critical aspects of Phase 1	Possible solutions
<p>The full <i>pro-forma</i> documents are often developed after a recommendation has been agreed and thus fully developed proposals are sometimes not fully discussed during the sub-group allowing for a thorough evaluation. The sub-groups often do not establish any explicit order of priority. When the total requests for funds from all of the sub-groups exceed the available SC budget (which is almost always the case, especially in recent years), a prioritization is needed. This is usually presented verbally by conveners, often during Convenor meetings designed to develop a draft budget within the expected Commission allocation for discussion by the full SC. The reasoning behind having an initial discussion by the relatively small group of Convenors is that (a) the task is sufficiently complex that trying to have the discussion solely in the plenary would be unlikely to succeed – it would need to be discussed by a small group of some composition first; (b) that the Convenors have been elected as Chairs of their sub-groups; and (c) know best the discussion within their particular sub-group.</p> <p>Last year, this way of prioritizing activities was perceived by some members of the SC as representing a <i>fait accompli</i> by the Chair and Convenors rather than an aid to reaching consensus. Some members also said that they felt inhibited during sub-group discussions to argue against a given project; comments were usually in favour or no comments at all were made. Not all convenors take enough responsibility in driving the sub-group discussion to achieving a clear final deliberation on real needs and priorities taking into account the limited total budget available. Sub-groups agendas do not always include an explicit item on potential budgetary needs.</p>	<p>(1) Add a mandatory agenda item to all sub-groups on ‘Potential budgetary needs’ (which of course may be ‘None’) in order to ensure a full discussion of needs and the development of absolute and relative priorities. This new agenda item should include six sub-items as the budgetary lines identified above. Each subcommittee could devote a half session to the discussion of all proposals relevant to its work.</p> <p>(2) To assist those discussions, when possible draft proposals using the existing <i>pro forma</i> properly filled out should be available to the sub-group the first day of the SC meeting. If a proposal requiring funds is initially developed during the sub-group meeting, the <i>pro forma</i> still needs to be filled out, reviewed and prioritized by the sub-group.</p> <p>(3) Add to the <i>pro forma</i> a final summary section for recommended proposals containing the official opinion of the sub-group that the proposed projects are: (1) scientifically acceptable and (2) essential for the work of the sub-group.</p> <p>Workshop proposals should be carefully crafted. If this is not the case, sub-groups should not include them in the list of those activities that requires funding under the following budget. If thought to be likely, the IWC Secretariat should be requested to explore the possibility of external funding/sponsorships for specific workshops and meetings.</p> <p>Proposals for computing/desk-based work for specific analyses should be determined in conjunction with the Head of Computing.</p> <p>Research projects that a scientist believes might be considered ‘essential’ by a sub-group and that require funds between £10-20,000 should follow the existing guidelines for ‘unsolicited’ research projects (i.e. follow an evaluation process similar to that one used for SM Fund); this will ensure wide distribution at the SC level (not only at the sub-group level) and time to evaluate the quality of all proposals and their actual relevance to SC work as well as the determination of absolute as well as relative funding.</p> <p>Big projects (e.g. over £30,000) might even be asked to follow a stricter procedure, maybe adding another step to the evaluation process compared to the current existing procedures (SC RoP G and Annex 1).</p> <p>In parallel, the Chair, Vice-Chair, Head of Science and Head of Computing should identify those budgetary items related to the general functioning of the SC (e.g. running costs for existing databases, creation of new databases, etc.). A list of these other budgetary needs could be tabled half way through the SC (end of first week) as a working document.</p>

**Phase 2.** The Vice-chair receives from each Convenor the filled ‘*pro forma*’ forms for recommended work that have been discussed during some sub-committees’ session.

**Phase 3.** A draft budget is compiled by the vice-chair, along with the *pro formas* as an Appendix and distributed to the ‘Convenor Group’.

**Phase 4.** The Chair discusses this table with the ‘Convenor Group’ (i.e. including the relevant members of the Secretariat), usually during two sessions of the convenors’ meetings immediately prior to the SC plenary, applying a two-step procedure such that a draft budget can be submitted by at least 6pm the day before it is discussed in Plenary.

*First step:* usually at the first session all requests are presented as if the SC budget is unlimited. In recent years, this has rarely been the case.

*Second step:* in order to settle the overrun (this was extreme last year compared to previous years; 180K last year) in the second session projects/budgetary items are prioritized through a discussion with Convenors, Head of Science and Secretary. The procedure usually used is the following:

- *Checking the feasibility of voluntary reductions:* Convenors went through all budget lines checking if any individual proposal might be lowered e.g. by reducing the number of participants to workshops/meetings, finding external funders (for research, WS or participants), removing part of the research programme, etc. – Category “A”.
- *Checking the feasibility of projects’ postponement:* in the light of the sub-group priorities: some amount was either lowered or cut, according to the feasibility to defer some work by one year – Category “B”.
- *Development of a ‘reduced’ proposal:* given any remaining overrun (last year > 100k), then based on the strength of support within the sub-group reports and discussions and an assessment of SC priorities, the Convenors develop a proposed ‘reduced’ budget equal to or close to the expected budget – this may include the decision to suggest removal (Category “C”) of some projects.

Critical aspects of Phase 4	Possible solutions
<p>A number of members of the SC feel that there is not enough time to really evaluate proposals and budget and have a proper discussion of priorities and the reduced budget during the Plenary. The current lack of time is perceived as a lack of transparency.</p> <p>The current process does not distinguish between one off items and long-term projects which may only make sense if funding is ongoing over several years.</p>	<p>The suggestions given above for Phase 1 will give greater responsibilities to sub-groups with respect to prioritisation. Circulation of the full budget document and appendix (see Phase 3) to the full Committee as soon as it becomes available will provide more time for individual SC members to review proposals before any discussion of a final budget.</p> <p>Thus in addition to any review by Convenors, individual or groups of Committee members could submit working papers outlining their views, with justification, of how the overall budget can be prioritised, following a <i>pro forma</i> to facilitate timely discussion. In particular, special attention could be given to:</p> <ul style="list-style-type: none"> <li>(a) implications of delaying funding for a particular project;</li> <li>(b) implications for future years’ budgets (beyond the current two year process) should be identified for long-term projects that are likely to require ongoing funding;</li> <li>(c) the expected wider benefits of funding a project to overall Commission objectives.</li> </ul> <p>The suggested reduced budget document (with rationale carefully explained) by Convenors or other members should be circulated to the full Committee as soon as available and no later than 6pm on the day before it is to be discussed in Plenary following the existing rules.</p>

**Phase 5.** The Chair presents to the SC the suggested reduced budget on the last day of the SC plenary for discussion and potential amendment prior to approval.

Critical aspects of Phase 5	Possible solutions
<p>Time limitations.</p>	<p>The above proposed solutions will make individual proposals (including solicited ‘research projects’) available for full discussion within sub-groups earlier in the meeting, allowing a better review. The Convenors will have more specific guidance from sub-groups on priorities than before. The full Committee will be given more time to comment on the allocation of budgets to different agenda items.</p>

## ANNEX 1

### PROCEDURE FOR SM RESEARCH CONSERVATION FUND PROJECTS

The Review group currently consists of Caterina Fortuna (Convenor of the sub-committee on small cetaceans), Greg Donovan (Head of Science at the IWC Secretariat), Debra Palka (ex-Chair of the Scientific Committee), Arne Bjørge (ex-Chair of the Scientific Committee and of the sub-committee on small cetaceans), Randall Reeves (Chair of the IUCN/SSC Cetacean Specialist Group), Lorenzo Rojas-Bracho (member of the Scientific Committee and Chair of the IWC Conservation Committee) and Nick Gales (member of the Scientific Committee).

This group may suggest improvements to proposals where appropriate and can solicit the assistance of other researchers in the review process if necessary.

The recommended projects by the Review Group will be considered by the sub-committee on small cetaceans and the full Scientific Committee. Recommended proposals are included in the Scientific Committee's budget as given in its report to the Commission under the heading of a specific request to the Voluntary Research Fund for Small Cetaceans. Projects will be awarded after final approval by the Commission.

Currently project funds requests cannot exceed £20,000.

