

**Memorandum of Understanding
between
The North Atlantic Salmon Conservation Organization
and
The International Council for the Exploration of the Sea**

RECOGNISING that the North Atlantic Salmon Conservation Organization ("NASCO")

- (a) desires to promote the acquisition, analysis and dissemination of scientific information pertaining to salmon stocks in the North Atlantic Ocean;
- (b) desires to promote the conservation, restoration, enhancement and rational management of salmon stocks in the North Atlantic Ocean through international cooperation, taking into account the best scientific evidence available;
- (c) seeks to establish working arrangements with the International Council for the Exploration of the Sea and other appropriate fisheries and scientific organizations with a view to obtaining the best available scientific evidence;

RECOGNISING that the International Council for the Exploration of the Sea ("ICES")

- (a) exists to promote and encourage research and investigations for the study of the sea, in particular in relation to its living resources;
- (b) draws up the necessary programmes and organises such research and investigations as may appear necessary and publishes and disseminates the results of this work;
- (c) provides scientific information and advice to member countries and the regulatory commissions with which cooperative relationships have been established;
- (d) seeks to establish and maintain working arrangements with other international organisations having related objectives;

NASCO AND ICES have therefore reached the following understanding:

Provision of Scientific Information and Advice

1. At its Annual Meeting NASCO may adopt a request for scientific information and advice which may be addressed to ICES for response prior to the next or subsequent Annual Meeting of NASCO. Any such request will be transmitted formally to ICES on a timely basis.
2. In response to this request, scientific information and advice, which is independent and free from political influence, and has been peer-reviewed by the relevant ICES advisory procedure, will be provided to NASCO by ICES in accordance with this Memorandum of Understanding. This scientific information and advice will comprise annual recurring or "standard" advice according to the format contained in Annex 1, and "non-recurring" advice as requested by NASCO, such categorisation of the request to be mutually agreed.

3. (a) ICES will make every effort to provide the official scientific information and advice in the report(s) of the relevant Advisory Committee(s) to NASCO as early as possible before the Annual Meeting of NASCO.
- (b) The information on which the advice is based, in the form of Expert Group Reports, will be made available prior to the full ICES review process, with an annotation that the report has not been reviewed by ICES. Any other relevant reports published by ICES will be made available to NASCO.
4. The scientific information and advice will be presented at the NASCO Annual Meeting by the Chairman of an ICES Advisory Committee or a designate and, when appropriate, an ICES Professional Adviser.
5. ICES and NASCO will consult on ways in which cooperation between them can be further improved and extended. Further improvements may include joint activities, e.g. seminars, symposia or other meetings.

Finance

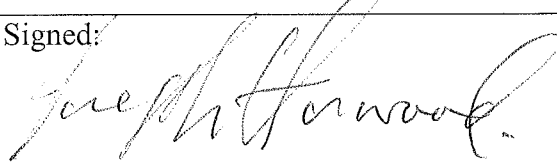
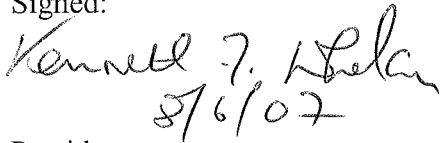
6. NASCO accepts ICES policy of achieving 100% cost recovery from Member Countries and international client commissions which request ICES to provide information, advice and services.
7. Recognising the desirability for stability in the payments made to ICES, NASCO agrees:
 - (a) to pay - following the procedure in Annex 2 - a fixed rate as agreed upon with ICES for the "standard" advice (i.e. recurring needs) as referred to in Annex 1, with an annual increase in accordance with the rate of inflation in Denmark (Danish Ministry of Finance figures), using DKK 353,648 (at 2006 prices) as the base. The components upon which the ICES costs are calculated are provided in Annex 3;
 - (b) to pay a contribution of DKK 39,253 (at 2006 prices) as NASCO's contribution towards the stipend for an Advisory Committee Chair;
 - (c) to pay a contribution of DKK 59,962 (at 2006 prices) as NASCO's contribution towards the ICES advisory quality assurance programme;
 - (d) to pay 100% of the costs for non-recurring advice on the basis of the costs agreed upon with ICES in accordance with Annexes 2 and 3.
 - (e) in the event that NASCO does not seek peer-reviewed advice from ICES in a particular year, but merely a compilation of information, to pay a contribution for 'servicing' the Expert Group and databases of 31.3% of the amount specified in paragraph 7(a) together with the amounts specified in paragraphs 7(b) and 7(c) (DKK 209,907 at 2006 prices);
 - (f) in the event that NASCO makes no request to ICES for information and advice in a particular year, to pay a contribution for 'servicing' the Expert Group and databases of 31.3% of the amount specified in paragraph 7(a) together with the amount specified in paragraph 7(b) (DKK 149,945 at 2006 prices).

8. When assessing the contributions to be paid by NASCO, due account shall be taken of contributions made by ICES Member Countries or other international Commissions of ICES with interests in the same stock and in the same geographical area.
9. ICES undertakes to elaborate, on an annual basis, costing-spreadsheets with details for providing standard and non-recurring advice to NASCO. The results will be reviewed jointly by ICES and NASCO during consultations as specified in Annex 2.

General Administrative Arrangements

10. NASCO is entitled to be represented in an observer capacity at the annual Statutory Meeting of the Council of ICES and at the ICES Annual Science Conference. In addition, ICES agrees to the participation of a representative of NASCO in an observer capacity at meetings of the Council's Advisory Committees. In that capacity NASCO's representative will have the right to ask for the floor and participate in meetings, but will have no voting right nor have freedom to change the meeting's agendas. ICES will be invited to be represented in an observer capacity at the Annual Meetings and as appropriate at other NASCO meetings.
11. NASCO will provide ICES with documents and reports circulated prior to, and as a result of, its Annual Meetings which are relevant to the work of ICES. ICES will provide NASCO with documents and reports circulated prior to, and as a result of, its meetings which are relevant to the work of NASCO.
12. Either NASCO or ICES may propose changes to this Memorandum of Understanding. Any such proposal will be made before the end of May in any calendar year. Any change will come into effect at the beginning of the calendar year after the change has been agreed by both ICES and NASCO unless otherwise agreed
13. If any dispute should arise between NASCO and ICES on the operation of this Memorandum of Understanding, both sides will make their best endeavour to resolve it, if necessary by the involvement of a mutually agreeable arbiter.
14. Either NASCO or ICES may propose a withdrawal from this Memorandum of Understanding. Any such proposal will be made before the end of May in any calendar year and, unless otherwise agreed, will come into effect not earlier than 1 January after a full 12 calendar months have elapsed following notice of the intention to withdraw having been given by either ICES or NASCO.
15. This Memorandum of Understanding will enter into force following its signature by both Parties.
16. The Parties will, every three years, carry out a full review of the terms and operation of this Memorandum of Understanding and agree any necessary amendments.

Signed on behalf of the North Atlantic Salmon Conservation Organization and the International Council for the Exploration of the Sea:

Signed:  President	Signed:  8/6/07 President
International Council for the Exploration of the Sea	North Atlantic Salmon Conservation Organization

ANNEX 1: Format of request to ICES from NASCO for recurring or “standard” advice

It is recognised that the content of the advice will be dependent on the request and on the availability of data and knowledge about biological and physical processes as well as economical and technical processes. It is understood that the following description of information which is of interest to managers defines a mutual intention to enhance the ICES contribution to fisheries management. It is understood that the advice should include, *inter alia*:

For the North Atlantic area:

- an overview of salmon catches and landings (including unreported catches by stock complex and catch and release) and worldwide production of farmed and ranched Atlantic salmon;
- an evaluation of non-catch fishing mortality for all salmon gear;
- a report on significant developments which might assist NASCO with the management of salmon stocks;
- a compilation of egg collections and juvenile releases;
- a compilation of microtag, finclip and external tag releases by ICES Member Country;
- other relevant questions related to specific aspects of salmon conservation and management

For each of NASCO’s three regional Commission areas:

- a description of events in the fisheries and of the status of stocks;
- provision of age-specific stock conservation limits for all stocks based on best available information;
- provision of catch options or alternative management advice with associated risk assessment relative to the stated management objective (presently exceeding stock conservation limits);
- evaluation of the effects on stocks and fisheries of management measures;
- identification of relevant data deficiencies and research requirements;
- other relevant questions related to specific aspects of salmon conservation and management.

It is understood that ICES should elaborate and make the advice as transparent and as understandable as possible, including explicit explanation of uncertainty associated with the advice.

Whereas the advice should be made available as documents it is also requested that the advice is made easily available in standard electronic format. This also includes the tabular data and/or graphs.

ANNEX 2: Schedule of key annual administrative procedures for NASCO and ICES

YEAR 1 June	NASCO agrees request for advice for Year 2 and formally transmits request to ICES. ICES provides proposed costs for NASCO for any non-recurrent elements of the Year 2 advice.
YEAR 2 March- April 10 May June	Consultations between ICES and NASCO to agree the sum due by NASCO in respect of the recurring and non-recurring advice for Year 2. NASCO undertakes to give its full agreement within 30 days of this consultation. Review of costing-spreadsheets for Year 1. Delivery of Advice Payment by NASCO to ICES for Year 2 recurrent advice
YEAR 3 January	Payment by NASCO to ICES for Year 2 non-recurrent advice

ANNEX 3: Components upon which the ICES Costs are calculated

It is the role of the Commissions to formulate policies and/or management actions for conservation of fisheries and the marine environment, and in order to do so they benefit from scientific advice from ICES. Therefore they accept financial responsibility for ICES' costs of providing this advice, including: (i) the costs of databases and analyses that are needed in order to prepare advice, but generally would not occur otherwise, and (ii) the preparation, quality assurance, and delivery of the advice.

On the basis of this recognition, the following costs incurred by ICES are approved for charges to NASCO:

- costs incurred by ICES (i.e. travel and per diem) related to meetings of its Advisory Committees in proportion to the time of these meetings spent on the NASCO advice;
- Secretariat staff salaries, including superannuation (with an indication of the number and grades of staff to be involved in the work), regarding preparation for, work during, and follow-up after: the Advisory Committee Meetings, and other recurring needs associated with Expert Group Meetings;
- travelling and subsistence costs of a Chairman of an ICES Advisory Committee (or a designate) and of an ICES Professional Adviser in attending NASCO's Annual Meeting to present the scientific advice;
- costs, including postage and packing, of producing the documents required by the NASCO with respect to the information and advice;
- database costs;
- computing costs;
- the cost of any work where ICES proposes to employ a consultant or contractor;
- other current expenditure.

Overheads:

The overhead costs will be calculated by means of an overhead percentage which is applied to the direct salary costs of each different activity mentioned in the ICES Work Programme. Overheads are based on the documented annual costs (e.g. invoices and payments) of running ICES Headquarters so that the Secretariat staff may legitimately carry out their duties. As these running-costs have to be applied to the hours in which the Secretariat staff work for ICES' own work programme, it is deemed reasonable that an equitable share of the running-costs are paid for by 'clients' in respect of the requests for information, advice, and services that they direct to ICES.

The overhead percentage is calculated as the ratio between the total overhead costs and the total direct salary costs. Included in the overhead costs are the following items:

- capital cost of computing and other capital equipment;
- central financial and personnel administration;
- computer system support and maintenance
- a fair share of the printing costs;
- rent of premises;
- office expenses including:

- electricity
- heating
- watchmen, safety and security
- cleaning costs
- maintenance costs (e.g. photocopier)
- consumables
- postage
- telephone and fax
- office equipment
- insurance
- general office maintenance (e.g. painting)
- staff education and training