



## FISHERIES SUBSIDIES

### *Update on fisheries subsidies 'Roadmap' discussions at the WTO<sup>2</sup>*

The Chair of the Negotiating Group on Rules convened another meeting of World Trade Organisation Members on 24-25 September, to continue discussions on his 'Roadmap' towards establishing disciplines on fisheries subsidies.<sup>3</sup> The focus of this meeting was the Roadmap's questions on Special and Differential Treatment (S&DT) for Developing Members (Article III of the Chair's 2007 draft text<sup>4</sup>) and General Disciplines (Article IV).

### *Special & Differential Treatment*

The Hong Kong Mandate of the Doha Round of negotiations at the WTO acknowledges that appropriate and effective S&DT for developing and least-developed members is an integral part of the fisheries subsidies negotiations, and eventual disciplines should take into account the importance of the fisheries sector to development priorities, poverty reduction, and livelihood and food security concerns.<sup>5</sup> S&DT has been the subject of much debate amongst WTO members and has the potential to become a stalemate in negotiations.

The meeting opened with a statement from New Zealand, delivered on behalf of the 'Friends of Fish' (Argentina, Australia, Chile, Ecuador, Iceland, Mexico, New Zealand, Norway, Peru and the USA). The following points were made:

- 'Friends of Fish' support the overall structural approach to S&DT in the Chair's text, but feel that some parts require further work.
- While S&DT should be effective in offering flexibility for developing country members, it should do so without threatening fish stocks, noting that developing countries also make a sizeable contribution to global fish catches.
- Least-developed countries (LDCs) should receive the broadest flexibility, but not receive a 'blank check' full exemption from the prohibition. LDCs should also be subject to the prohibition of subsidies that benefit fishing vessels engaged in illegal, unreported and unregulated (IUU) fishing (Article 1.1(h)), as well as subsidies to vessels fishing on stocks that are in an 'unequivocally overfished condition' (Article 1.2). (All legal references are to the

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Chair's 2007 draft text.)

- S&DT flexibilities for developing country artisanal fisheries should not create loopholes for circumvention.
- Consideration should be given to incorporating time bound conditionalities and/or the phasing out of flexibilities. Also, any exempted subsidies should remain actionable and subject to notification provisions.

Interestingly, in the past, Brazil has been a 'friend' of the 'Friends of Fish', but appears to have broken away from the group on the issue of S&DT, delivering a separate joint statement with China, Ecuador and Mexico. These four larger developing countries made the following points on S&DT:

- The fisheries sector is crucial to many developing countries and a role for subsidies cannot be excluded. Currently, the Chair's text fails to fully capture the needs of developing countries, which require effective and substantive flexibilities from the prohibition.
- Conditionalities are necessary, so as to not undermine the overall objective of the disciplines (that is, addressing overfishing and overcapacity), but should not be so strict to render S&DT provisions useless. Provided adequate and effective conditionalities are in place, there should be no fear of granting developing countries substantive exceptions from the prohibition.
- Small-scale (subsistence) and artisanal fisheries should be defined appropriately, while not providing loopholes for circumvention (note that this is a similar position to 'Friends of Fish'). Conditionalities for these sectors should be simple, feasible and relevant.
- It should not be assumed that some boats are automatically 'good' (i.e. subsistence and artisanal scale vessels) and others 'bad' (i.e. commercial). On this basis, parameters such as boat size or area of capture should not be used as a basis for determining exceptions.
- Flexibility should be granted for developing countries to provide subsidies for operating and capital costs to vessels fishing on international waters, but provided that strict sustainability criteria and fisheries management conditionalities are applied.

#### **S&DT for Small Vulnerable Economies**

During fisheries negotiations at the WTO, it has often been stated that 'one size does not fit all' when it comes developing countries, and that this needs to be adequately reflected in the architecture of S&DT exemptions.

**Brazil has broken away from the 'Friends of Fish' group on the issue of Special and Differential Treatment for Developing Countries**

**Larger developing countries have called for subsidies to be allowed for vessels fishing on the high seas under S&DT**



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In this meeting, Barbados, on behalf of the Small, Vulnerable Economies (SVEs) group (which includes Pacific WTO-members) delivered a statement calling for enhanced S&DT treatment for SVEs, given the critical importance of fisheries to these members, coupled with the fact that SVEs are not the major subsidisers, nor contributors to overfishing and overcapacity. To date, SVE group has been one of the few delegations to provide a concrete suggestion of an alternate basis for categorising developing members to combat the issue of 'one size does not fit all'.

The current architecture of S&DT provides developing country members' vessels greater than 10 metres in length with an exemption for capital costs (i.e. vessel acquisition, construction, repairs etc.), provided they only operate within their own EEZ (Article 3.2(b)(2)(iii)). The SVE proposal for enhanced S&DT called for SVEs to be able to subsidise both *operating costs* (Article 1.1(c)) and *capital costs* (Article 1.1.(a)) for vessels greater than 10 metres, including those targeting highly migratory and straddling stocks beyond their own EEZs.

The suggested criteria to determine which countries would be classified as SVE's and granted this additional flexibility, is those developing member countries with a share of world trade for Non-Agriculture Market Access (NAMA) products of not more than 0.1%.<sup>6</sup> This criterion was selected on the basis that fish is treated as a NAMA product in the context of the WTO, and to be consistent with NAMA and Agriculture negotiations whereby developing countries with less than 0.1% of NAMA trade benefit from additional flexibilities.

Limited responses were received from the floor regarding the SVEs statement, possibly in response to the Chair indicating that opportunities would be provided in the future to discuss substantial elements of new proposals, such as this one.

Brazil, one of the few countries to make reference to the SVEs call for enhanced S&DT, indicated that it is sensitive to the situation of the SVEs. However, Brazil raised concerns (along with other larger developing members such as China and India) over establishing a separate category within non-LDC developing members, and warned that doing so may have a negative impact on the conclusion of the round. SVEs acknowledged that this proposed solution will not be relevant for larger developing countries and is committed to working with other developing members to find additional solutions on S&DT that meet their needs also.

**Small  
Vulnerable  
Economies  
have presented  
a potential  
proposal for  
enhanced  
S&DT for  
smaller WTO  
members**



## **Fisheries Management**

In the current Chair's text, S&DT provisions are linked to fisheries management conditionalities, both within Article III and also Article V. The Chair's Roadmap posed a question regarding suggestions for other conditions that S&DT could be based on, in lieu of fisheries management. No members responded to the question, which suggests unanimous support for some form of fisheries management conditionality for S&DT exemptions.

### **General Discipline on Fisheries Subsidies (Article IV)**

The current draft Chair's text includes a general discipline on fisheries subsidies (Article IV), to avoid harmful effects of subsidies on: (i) straddling or highly migratory fish stocks whose range extends into the national waters of another Member; or (ii) stocks in which another Member has identifiable fishing interests. While members' responses concerning Article IV were fairly limited, it is understood that Article IV is viewed as an all-encompassing safety net, and its inclusion is supported by members.

### **Next Steps**

The next WTO fisheries subsidies cluster meeting is scheduled for 29-30 October and will cover Fisheries Management (Article V). Following this meeting, members have been invited by the Chair to submit new proposals for consideration in a revised Chair's text. The Chair anticipates that the Roadmap discussions will conclude at the end of this year. Members hope that a revised Chair's text will be released in the first quarter of 2010.

## **PREFERENTIAL AND FREE TRADE AGREEMENTS**

### **EU to drop tuna tariff for Southeast Asian countries?**

The EU consumes the largest amount of fish in the world, which combined with relatively high levels of disposable income makes it a hugely important market for exporters.<sup>7</sup> The EU entered into free trade agreement (FTA) negotiations with Southeast Asian countries in 2009 and canned tuna exports are high on the latter's list of demands.<sup>8</sup> Reports this September suggest that the EU may be willing to negotiate its tariff on canned tuna, which currently stands at 21.5 or 24 percent as applied to ASEAN countries. The delegation of the European Communities to the Philippines stated that the EU may make



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tariff reductions on canned tuna and even offer duty-free treatment in a FTA.<sup>9</sup>

A prerequisite to any EU FTA with ASEAN countries is a Partnership Cooperation Agreement (PCA), which is a bilateral arrangement that forms the basis for political cooperation, including a commitment to human rights. To date, only Indonesia has completed a PCA. If these tariffs are reduced, the tuna trade preference currently utilised by PNG (under its Interim Economic Partnership Agreement with the EU) and the Solomon Islands (under the EU's Everything But Arms initiative for Least Developed Countries) may become commercially insignificant in the face of Southeast Asian competition.

## FISHERIES TRADE-RELATED REGULATION

### Update on EU IUU regulation: implications for developing country exports

The 1 January 2010 deadline for the implementation of EU rules to prevent, deter and eliminate illegal, unreported and unregulated (IUU) Fishing is nearing.<sup>10</sup> (The EU IUU Regulation has been reported on extensively in prior issues of *FFA Fisheries Trade News*.<sup>11</sup>) European Commission documents on the IUU Regulation are available here: [http://ec.europa.eu/fisheries/cfp/external\\_relations/illegal\\_fishing\\_en.htm](http://ec.europa.eu/fisheries/cfp/external_relations/illegal_fishing_en.htm)

EC support to developing countries for the implementation of the EU IUU Regulation is supposed to include, at a minimum, regional seminars to provide information on the IUU Regulation. In the case of the EC's interaction with the Pacific islands, this briefing session has been long delayed, but it is now scheduled for November in Noumea, New Caledonia. It is hoped that this regional seminar will provide PIC governments and industry with the necessary information on meeting the procedures and the processes of the Regulation.<sup>12</sup>

The implementation and enforcement of the IUU Regulation raises concerns for several developing country exporters of seafood to the EU, including in the Pacific island countries. For example, the Spanish seafood industry has recently targeted PNG tuna exports as a potential source of IUU tuna. ANFAFO (the Spanish National Association of Fish and Seafood Canneries) appears to be singling-out PNG tuna exports out for very close inspection under the IUU Regulation.<sup>13</sup> This reiterates the urgency of PNG and other Pacific island countries to fully comply with the Regulation when it enters into force. This statement by ANFAFO follows lobbying pressure on

**EU  
representative  
in Philippines  
suggests tariff  
reduction on  
canned tuna**

**EC to hold  
long-delayed  
regional  
seminar for  
PICs on IUU  
Regulation in  
Noumea in  
November**



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the European Commission by the Inter-Professional Tuna Organisation (Interatun) – which represents Spanish tuna processing and purse seine associations – in opposition to PNG's global sourcing rules of origin, reported on in last month's *FFA Fisheries Trade News*.<sup>14</sup> The following summarises additional concerns over the Regulation raised in the cases of China, the Philippines, India, Mauritius and Kenya.

An important recent report by Traffic – a wildlife trade monitoring network set up by WWF and IUCN – claims that fish traceability mechanisms in China are insufficient to meet the EU's IUU Regulation.<sup>15</sup> China is the world's largest exporter of marine fish products and a major supplier of reprocessed fish fillets to the EU. It also has a small but growing tuna processing sector, which is based mainly in Shandong Province. As the majority of its canned tuna exports flow to the US, any problems meeting the EU Regulation will not affect EU tuna markets. In the case of the Philippines, the executive director of the Tuna Canners Association of the Philippines (TCAP) estimates that complying with the Regulation will raise costs by around 15 percent.<sup>16</sup>

The Regulation has worried firms in India as the EU accounts for an estimated 33 percent of the value of their seafood exports.<sup>17</sup> Exporters fear that the Regulation will act as a non-tariff barrier to the EU market. While more modern fisheries will probably be able to meet the requirements, the high cost of the adoption of a full traceability system will be prohibitive to artisanal and small-scale fleets thereby excluding these vessels from value chains supplying the EU. The Seafood Exporters Association of India and the Marine Products Export Development Authority are working together on a phased approach to getting fishing harbours up to speed to apply a catch certification and documentation process. But this process will inevitably exclude vessels landing elsewhere along the vast Indian coast line. Similarly, smaller exporters in Mauritius have expressed concern that government may not be able to meet the requirements of the Regulation.<sup>18</sup> It is not known whether management at the Princes Tuna Mauritius tuna cannery or the Thon des Mascareignes loining facility are comfortable with the impending implementation of the Regulation.

On a different note, reports from Kenya suggest that fishers are happy with the general purpose of the Regulation because they hope it will reduce incentives for the illegal operation of foreign fishing vessels in the EEZ and thus free-up more fish for Kenyan vessels.<sup>19</sup> However, for tuna fisheries it is most likely that any IUU vessels operating in these waters are longliners

**Spanish industry is putting public pressure on for PNG tuna exports to be targeted under the EU IUU Regulation**

**Reports from India and Mauritius indicate that the Regulation is likely to have a more negative effect on artisanal scale fishers and smaller exporters**



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supplying markets other than the EU. If so, the Regulation may not deter this activity.

In terms of more general problems with the IUU Regulation, the Traffic report on China raises the issue of:

how to document the use of partial amounts under the same original catch certificate when shipments are split by fish size or for processing at different factories. Unless otherwise foreclosed, discrepancies between catch certificate amounts and shipment amounts could lead to some processors claiming certified status for the entire amount on the attached catch certificate even though they received only a portion of those fish.<sup>20</sup>

This is a complex problem facing EU Customs authorities and importing firms monitoring and implementing the Regulation.

A report from an EU-funded regional seminar on the IUU Regulation in Ho Chi Minh City, Vietnam provides several additional points of interest. (It is important to note that Pacific Island representatives appear to have not been invited to this workshop.) The seminar noted that the initial implementation of the Regulation may be complicated by the fact that it only applies to fish caught from 1 January 2010, thus allowing the import of fish and fish products after this date but which were caught previously. Implementation technicalities such as these will likely produce a series of headaches for Customs officials and make enforcement problematic.<sup>21</sup>

EC officials also noted at the Ho Chi Minh City seminar that there will be a 5 percent benchmark for shipment inspection by EU Member states. This will be significantly heightened in the case of a suspected 'risk' case. This raises the prospect of the Regulation being applied as a non-tariff barrier against competing sites of production. This is a real concern given indications of uneven – possibly discriminatory – application of *other* EU regulations on the import of fish products.<sup>22</sup> EC officials also stated that there will be no specific support to developing country capacity to implement the rules, aside from a series of 'meetings' and 'regional seminars'. Funding for implementation 'may be provided' through more general development policy mechanisms.<sup>23</sup>

A detailed report on the potential impacts of the IUU Regulation was undertaken by the consultancy firms Megapesca and Oceanic Developpement. The report draws upon developing country case studies, although not a single Pacific island country was selected. Of the eight case studies – Indonesia, Mauritania, Morocco, Thailand, Senegal, Ecuador, Mauritius

***It is not clear how regulators will cope with split shipments of fish***

***A minimum 5% inspection benchmark will be applied by EU Member states, but will be higher for suspect exporters***



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and Namibia – the authors found that only the last three 'have in place all of the necessary elements to achieve full implementation in the short term'.<sup>24</sup> Despite the lack of specific application to PICs, it is strongly recommended that Pacific Island officials review this work as it may allow the identification of parallel areas of possibly urgent concern. The report is available here: [http://ec.europa.eu/fisheries/publications/studies/iuu\\_consequences\\_2009\\_en.pdf](http://ec.europa.eu/fisheries/publications/studies/iuu_consequences_2009_en.pdf)

## TUNA MARKETS

### **Strong growth and signs of success in India's efforts to expand tuna exports**

Following dramatic growth in tuna exports in late 2007, the Indian government began to explore opportunities to expand to exports.<sup>25</sup> Finding promising potential, the Marine Products Export Development Authority (MPEDA), has dedicated resources to promoting the tuna sector. The effort focuses on fresh chilled tuna, a high value commodity, intended primarily for the European, US and Japanese markets. In early 2009, India exported 35,000 short tons of tuna, valued at US\$53.22 million, only a small portion of which was fresh-chilled tuna. The government is aiming to have a US\$500 million export industry by 2012.<sup>26</sup>

To realise this goal, MPEDA is providing a 50 percent subsidy to convert existing vessels into longliners. In January 2009, 112 vessels had been converted and another 200 vessels conversions were in process. Fishers are also receiving training in catching and handling fish, and in March 2009, Syndicate Bank and Moon Fishery India, a private fishing firm, teamed up to provide financial, technical and managerial assistance to fishers seeking to enter the tuna sector.<sup>27</sup>

The schemes have reportedly gotten off to a good start. In 2008, export value jumped 307 percent to US\$53 million, and exports are projected to increase to US\$70 million in 2009. The MPEDA plans to convert a total of 1000 vessels into longliners to reach the goal of US\$500 million annual exports by 2012.<sup>28</sup>

India's effort dovetails with recent actions taken by the region's fisheries management organisation, the Indian Ocean Tuna Commission (IOTC). Despite considerable concern over the status of stocks in the region, and proposals to implement vessel and capacity quotas,<sup>29</sup> in April 2006, the IOTC dropped a plan to limit fishing capacity. The deal is said to provide developing countries with the room that they need to grow

***The Indian government aims to increase tuna exports from US\$53 million to US\$500 million by 2012***



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their industries, particularly small fishing businesses, such as those that India is currently developing.<sup>30</sup> This debate echoes arguments in the World Trade Organisation fisheries subsidies negotiations that developing countries should have the right to support growth in their fisheries sectors, and concerns that doing so might come at the expense of resource sustainability.

### **US canned tuna brands introduce new products, campaigns**

StarKist and Bumble Bee, two of the 'big three' US canned tuna brand names are aggressively marketing new, high-end tuna products. StarKist, recently purchased by Korean tuna giant Dongwon Industries,<sup>31</sup> has started a 'Think Tuna' campaign in conjunction with online promotional sweepstakes for its pouched tuna products. The promotion is encouraging customers to rethink tuna, particularly pouched tuna – a value added product that is often seasoned with a range of premium flavourings – as a versatile, high quality product. The sweepstakes uses a range of marketing strategies, including coupon giveaways, chances to win cash prizes, an extensive media campaign and a partnership with 'The Martha Stewart Show', a popular cooking and entertainment programme.<sup>32</sup>

Bumble Bee has also released several new, high end products, including 'tonno in olive oil', the first of its Prime Fillet products to be packed in olive oil, the style traditionally preferred in Europe. The product features a five-ounce can of yellowfin tuna packed in olive oil.<sup>33</sup> Bumble Bee also rolled out a national campaign promoting the value of tuna, speaking to customer needs during tough economic times. The campaign emphasises the ability to feed a family of four for less than US\$ 2 and includes in-store advertisements televised on monitors placed on the supermarket shelves. The in-store ads will be shown by between 8,000 and 10,000 retailers across the United States. Another campaign, the 'BeeWell Miles' campaign provides consumers with ideas on how to prepare tuna, tips on healthy living and breast cancer awareness. The strategies appear to be paying off as Bumble Bee sales were up in 2008 and are expected to increase again in 2009.<sup>34</sup>

Bumble Bee has also been a leader in the tuna industry's sustainability efforts. CEO and International Seafood Sustainability Foundation (ISSF) chairman<sup>35</sup> Chris Lischewski indicates that leading seafood ecolabel schemes, such as those offered by the Marine Stewardship Council, are currently not capable of handling a transnational fishery like tuna. He suggests that multiple ecolabels will confuse consumers and that a better approach to sustainability is for retailers to confirm that the products they carry are sustainable. He hopes

**India is providing subsidies to convert 1000 existing vessels into longliners**

**StarKist and Bumble Bee have launched new high-end products and advertising campaigns highlighting the versatility, quality and value of processed tuna**



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that ISSF will expand its membership to include all interested tuna processors and that ISSF members can comply with sustainability standards and resolutions. Reaching this point will require more time and commitment on the part of ISSF and its members.<sup>36</sup>

## FISHERIES TRADE AND DEVELOPMENT

### Concern over bluefin decline heightens, policy action ensues

Driven by demand for high value sushi, stocks of bluefin tuna have been badly overfished. Spawning stock biomass has declined rapidly while fishing mortality has increased rapidly. Continuing fishing at current levels is expected to drive the spawning stock biomass to only 18 percent of its 1970 levels. The combination of high catch rates (and thus, fish mortality), low spawning stock, and severe overcapacity in the fishery generate an extremely high risk that the fishery will collapse entirely. The scientific committee for the International Commission for the Conservation of Atlantic Tunas (ICCAT) – the regional fisheries management organisation responsible for Atlantic bluefin – indicates that current recovery proposals (even in the unlikely event that they were fully implemented and enforced) are not sufficient to rebuild the stock.<sup>37</sup>

The decline of such a valuable, and noble, ocean creature has been closely followed by the international media. Public concern for the species was heightened by a feature-length documentary film released in June 2009. Entitled *The End of the Line*, the film highlights the perilous condition of the Atlantic bluefin as one of many serious problems in the oceans.<sup>38</sup> A series of government and industry actions on bluefin management have emerged as concern for bluefin continues to grow.

In April 2009, the EU adopted new rules to bring Member countries into line with ICCAT standards. The new rules would introduced cuts in bluefin tuna quotas by 2011 and shorten the fishing season by four months. The rules impose a freeze on fishing capacity to 2007-8 levels, ban import and export of fish caught outside the quota system, and strengthen control and inspections.<sup>39</sup> Though such measures are a step in the right direction, their impact will be questionable as quota violations, use of illegal spotting planes and lax management measures are pervasive in the fishery.<sup>40</sup> For example, a recent French navy inspection of bluefin fishing vessels revealed routine violations of fisheries regulations, including failure to file registration documents, failure to use required onboard

**Weak  
management  
measures and  
illegal fishing  
continue  
to plague  
declining  
bluefin  
populations**



observers, frequent under-reporting and a high incidence of catch below legal size limits.<sup>41</sup>

Widespread illegal fishing and lax regulation under the auspices of ICCAT has led key governments and conservation organisations to turn to a new regulatory tool to protect dwindling bluefin stocks: the Convention on the International Trade in Endangered Species (CITES). If a species is listed as endangered through CITES, all trade of that species is temporarily banned. Monaco introduced a proposal to include bluefin in CITES, and on 8 September, the European Commission 'provisionally' backed Monaco's efforts to add it to CITES Appendix I – which lists endangered species and bans their trade. The EC has reserved the right to revisit their support as more scientific data become available.<sup>42</sup> However, only two weeks later EU member states failed to back the Commission's recommendation. The key fishing states of France, Spain, Italy, Malta, Greece and Cyprus shunned the CITES proposal, indicating that they cannot support the listing until the latest scientific evidence on the status of the stocks is disclosed.<sup>43</sup>

Not only does the lack of consensus among EU Members make the CITES listing challenging, it also stands to frustrate ICCAT efforts to implement strong regulatory measures in its upcoming November meeting. If ICCAT does not strengthen regulation, supporters of the Monaco proposal have promised to urge the EU to revisit the CITES listing. To advance at CITES, Monaco's proposal would need to be formally submitted to the CITES secretariat by 14 October. For a bluefin trade ban to enter into effect two-thirds of CITES signatory countries at the March 2010 meeting in Doha, Qatar would have to support the listing. CITES does not have any legal force, and adherence to its rulings is voluntary, but those in support of the CITES ban hope that Japan – the country that imports 90 percent of all bluefin and which is a signatory to CITES – will respect the ban, if it is introduced and approved. So far, the United States has not taken a formal position, indicating that like the EC and those opposing a bluefin ban, it is waiting for the most current scientific data before weighing in on the debate.<sup>44</sup>

Declining bluefin populations and impending restrictions on bluefin catch acts as an incentive for those firms involved in the burgeoning bluefin aquaculture industry.<sup>45</sup> Several firms have announced significant developments that they say will help to fill demand left by crashing wild populations. The Australian firm Clean Seas Tuna has successfully spawned captive tuna and is rearing broodstock.<sup>46</sup> Kinki University Fisheries Research Centre in Japan successfully grew juvenile bluefin from fingerlings for the first time in August 2009,<sup>47</sup> and two European-funded

**The EC supported efforts to ban bluefin under the Convention for International Trade in Endangered Species, but Member states rejected the proposal**



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research projects have produced millions of bluefin tuna eggs in captivity.<sup>48</sup>

Debate over bluefin policy has been accompanied by a series of events with impacts for the broader tuna industry. In August, FAO Members agreed on the final text of a new treaty that aims to close fishing ports to vessels involved in IUU fishing.<sup>49</sup> In September 2009, the Western and Central Pacific Fisheries Commission (WCPFC) agreed to restrict bluefin fishing in the Pacific Ocean. The restrictions will limit the number of fishing boats and days of operation of fishing to 2002-2004 levels; restrictions will go into effect in 2010, be effective for one year, and are expected to be formally adopted in December.<sup>50</sup>

Firms seeking to secure a steady supply of tuna for the long run are not depending on fisheries regulation alone to protect tuna stocks. Major retail firms have not only supported the ban on bluefin trade, but UK food retailers Marks & Spencer and Sainsbury's have vowed to carry only tuna that has been caught by the pole and line method.<sup>51</sup> Some retailers question these moves, citing the ecological problems with depleting bait fisheries for the pole and line industry, and the fact that since only 10 percent of world tuna is caught in pole and line fisheries, it alone cannot meet global demand.<sup>52</sup> Other firms are promoting new varieties of tuna, such as troll caught albacore or 'underfished' Australian albacore, as sustainable alternatives.<sup>53</sup> As a whole, consumers seem to be responding to retailers' sustainability efforts. The UK retailer Waitrose reports that more customers are asking about the source and sustainability of seafood products<sup>54</sup> and Sainsbury's ecolabelled fish sales tripled over the last year.<sup>55</sup>

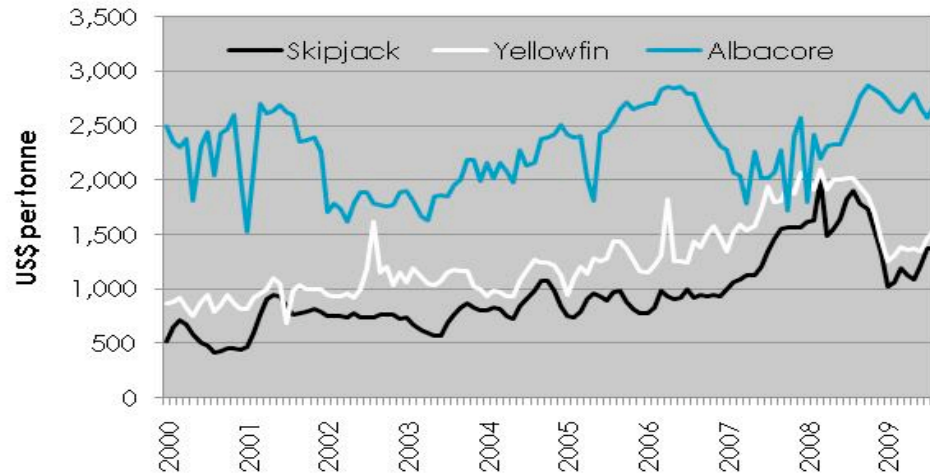
**Bluefin  
aquaculture  
firms have  
announced  
progress  
in rearing  
broodstock  
and growing  
bluefin from  
fingerlings**

**The UN has  
agreed on final  
text of a new  
treaty that will  
close fishing  
ports to vessels  
involved in  
IUU fishing**

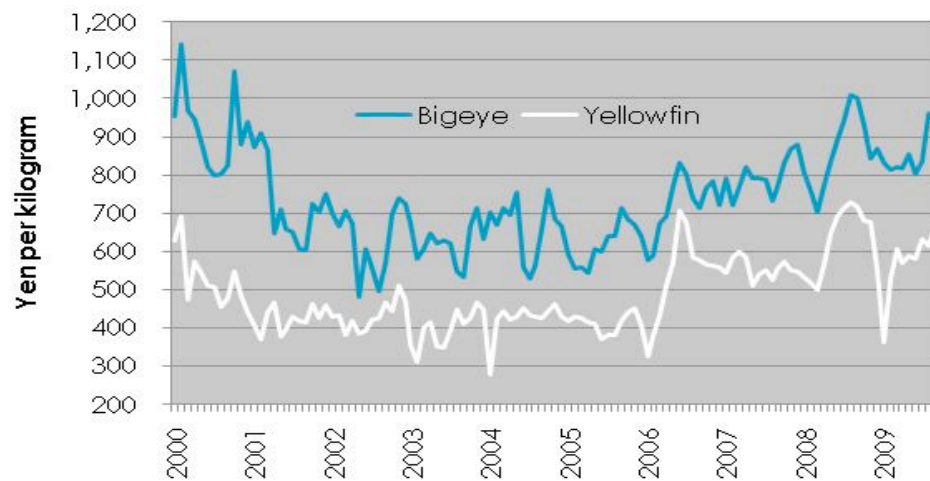


## TUNA PRICE TRENDS

### Bangkok canning-grade prices to August 2009<sup>56</sup>

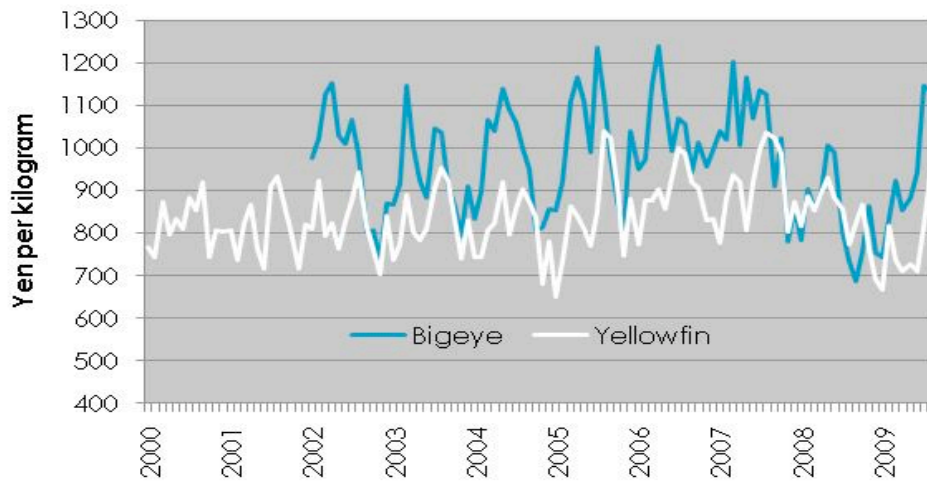


### Japan frozen sashimi prices (ex-vessel, Japanese ports) to September 2009<sup>57</sup>

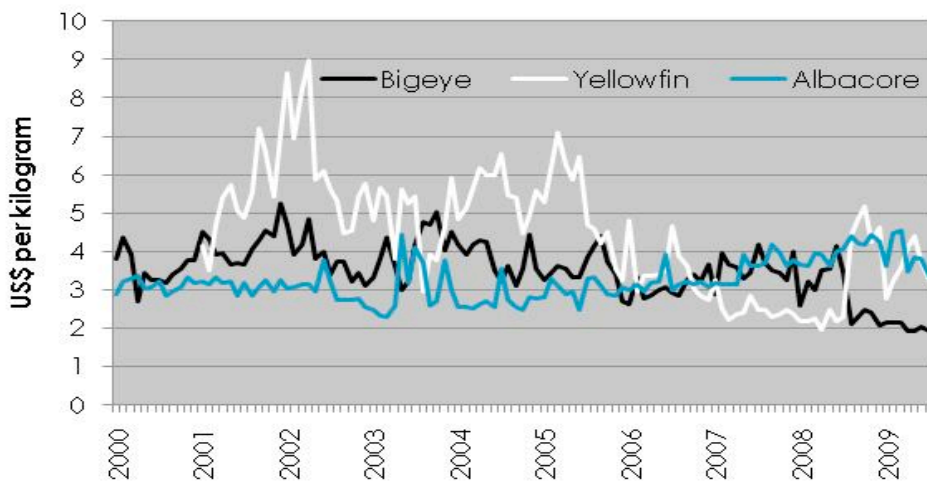




### Japan fresh sashimi prices (origin Oceania) to August 2009<sup>58</sup>

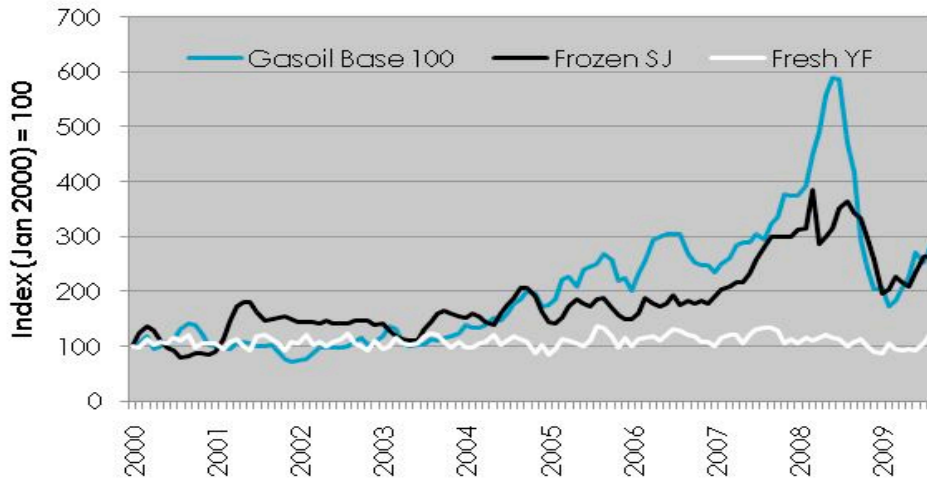


### US imported fresh sashimi prices to July 2009<sup>59</sup>





### Gasoil, canning-grade SKJ and sashimi YFT price index to August 2009<sup>60</sup>



### Coming in the next issue (October 2009, Vol. 2: Issue 10)

- Fiji and EU sanitary and phyto-sanitary measures for fish products
- The Great Recession and the tuna trade: mixed outcomes and effects
- Greenpeace action in the WCPO



<sup>1</sup> Prepared for the FFA Fisheries Development Division by Liam Campling, Consultant Fisheries Trade Analyst, FFA, Elizabeth Havice, Colorado College, and Amanda Hamilton, independent consultant. Desktop publishing by Antony Price. The authors would like to thank Len Rodwell for his input on an earlier draft of this briefing. The contents of this briefing (including all analysis and opinions) are the responsibility of the author and do not necessarily reflect the positions or thinking of the FFA Secretariat or its Members.

<sup>2</sup> The following draws upon inputs provided by provided by Manleen Dugal, Technical Advisor, Permanent Representation of the Pacific Islands Delegation to the WTO.

<sup>3</sup> For a summary of the Roadmap see FFA Fisheries Trade News, January 2009, 2:1. Available at: [http://www.ffa.int/trade\\_news](http://www.ffa.int/trade_news) The text of the Roadmap is available here: TN/RL/W/236, 'New Draft Consolidated Chair Texts of the AD and SCM Agreements', 18 December 2008. Available at: <http://www.wto.org>. A summary of the March-April meeting is available in FFA Fisheries Trade News, March-April 2009, 2:3&4. Available at: [http://www.ffa.int/trade\\_news](http://www.ffa.int/trade_news)

<sup>4</sup> TN/RL/W/213, Negotiating Group on Rules, 'Draft consolidated Chair texts of the AD and SCM Agreements', 30 November 2007. The text is available here (see Annex VIII on page 87 onwards): [www.wto.org/english/tratop\\_e/rulesneg\\_e/rules\\_chair\\_text\\_nov07\\_e.doc](http://www.wto.org/english/tratop_e/rulesneg_e/rules_chair_text_nov07_e.doc)

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<sup>6</sup> Non-Agricultural Market Access (NAMA) negotiations at the WTO focus on developing a framework to reduce tariffs on all non-agricultural products, which includes fish and fish products. For further information regarding NAMA see: Liam Campling, Elizabeth Havice and Vini Ram-Bidesi, Pacific Island Countries, the Global Tuna Industry and the International Trade Regime, Honiara: FFA. Available at: <http://www.lulu.com/product/download/pacific-island-countries-the-global-tuna-industry-and-the-international-trade-regime/1937272>

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<sup>11</sup> For overviews of the EU IUU Regulation see FFA Fisheries Trade Briefing, 1(11) October 2008; 1(12) November-December 2008; and, 2(3&4) March and April 2009. All available at: [http://www.ffa.int/trade\\_news](http://www.ffa.int/trade_news)

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