

2004 Annual Report

# FFA MEMBERS

Australia

Cook Islands

Federated States of Micronesia

Fiji

Kiribati

Marshall Islands

Nauru

New Zealand

Niue

Palau

Papua New Guinea

Samoa

Solomon Islands

Tokelau

Tonga

Tuvalu

Vanuatu

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## **PACIFIC ISLANDS FORUM FISHERIES AGENCY**

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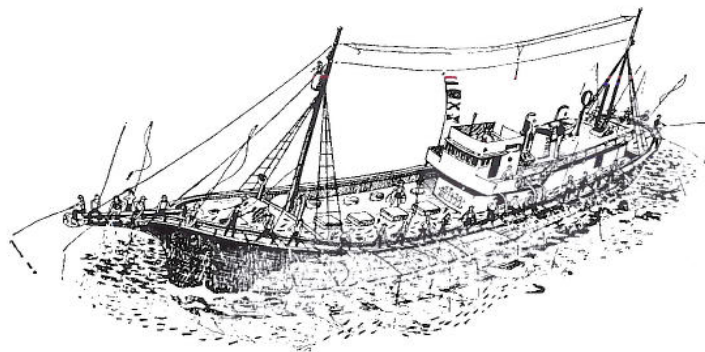
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# FFA VISION AND MISSION

## Vision of the Members of the Pacific Islands Forum Fisheries Agency

We will enjoy the highest levels of social and economic benefits for our people through the sustainable development of our fisheries resources.

## Mission for the Pacific Islands Forum Fisheries Agency

To support and enable our members to achieve sustainable fisheries and the highest levels of social and economic benefits in harmony with the broader environment.

## Editorial

The contents of this report are presented to the annual session of the Forum Fisheries Committee in the May of the following year (2005). A number of significant decisions have been taken by the Committee at that May 2005 meeting that warrant mention in this publication.

Noticeably, the Committee of Fisheries Ministers have approved a new long term Strategic Plan as the principal guiding document for the FFA, the new vision and mission of which are part of this report. The new Strategic Plan addresses the regions' key fisheries management and fisheries development challenges and sets the course of the Agency for the next 15 years. The new vision and mission, defined in the Plan, have been included in this report.

The key Committee decisions will result in fundamental changes to the operations of the FFA Secretariat. A new organisational structure is evolving in line with the principal program areas of the FFA Strategic Plan; Fisheries Management and Fisheries Development. The Committee's commitment to institutional change is evident in their support to increase funding contributions to the FFA.

The face of the FFA will be represented in a new logo, which is displayed as a watermark on this page. The FFA has been in service for over 25 years, and the environment in which it operates is dynamic and exciting. The resolve of the FFA membership, and their recognition that they must keep pace with the changing environment, will ensure that the FFA will remain effective and efficient in the future.

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# DIRECTOR'S ANNUAL REPORT FOR 2004

## Part I – Introduction And Overview

### INTRODUCTION

2004 will be remembered as one of the more significant years in the life of the Forum Fisheries Agency (FFA). Not only for the fact that the FFA celebrated its 25th anniversary, but because 2004 also witnessed the establishment of a new regional fisheries management organization, the Western and Central Pacific Fisheries Commission (WCPFC).

When the Forum Leaders adopted the FFA Convention in 1979, they envisaged the need for the establishment of 'additional international machinery' to provide for cooperation between all coastal States in the region and all States involved in harvesting highly migratory fish stocks, to provide for the effective conservation, management and optimum utilization of the resources. This vision materialized in December, 2004 when the WCPFC had its inaugural meeting in Pohnpei, Federated States of Micronesia. The establishment of the WCPFC heralds the dawn of a new era in regional fisheries management for the western and central Pacific Ocean.

The beginning of the year also marked the mid-term life of the FFA Corporate Plan 2002 – 2005. The plan provides for an independent review at its mid-term, to evaluate the performance of the Agency against the stated objectives, goals and performance indicators. The review made some very useful recommendations designed to enhance the quality of delivery of technical services and advice by the Agency to its members and stakeholders.

The development of a new strategic plan for the FFA was also recommended in 2004, to map out long term strategic directions for the Agency and its members, noting the significant developments in regional and international fisheries management. The governing body of FFA, the Forum Fisheries Committee (FFC) endorsed the recommendation and sanctioned a process for the development of a new strategic plan for the FFA. The development of the new Strategic Plan coincided with the directive from the Forum Leaders at its annual meeting in Apia, Samoa in August, 2004, for greater ministerial oversight of regional fisheries issues. The Leaders also recognized the importance of fisheries to island economies and the need to increase sustainable returns from the fisheries resources. These issues will be the challenges that the FFA has to address under its new Strategic Plan, a draft of which will be presented for the final consideration and approval by FFC at its annual meeting in June, 2005 the meeting of which will include a ministerial segment.

This annual report is provided in accordance with the requirements of article VI(a) of the FFA Convention. It documents and highlights the main activities of the Agency and its members in 2004. The structure of the report differs slightly from previous annual reports in that it has been realigned to capture the two main programmes that the new draft FFA strategic plan seeks to promote in the form of 'Fisheries Management' and 'Fisheries Development'. It also has a section on 'Corporate Secretariat Management and Members Support Services' which covers all the activities of the Agency in support of the Agency's routine operations and logistical support to the Agency's core programmes.

# DIRECTOR'S ANNUAL REPORT FOR 2004

## Main Achievements and Challenges in 2004

The year 2004 has been, without doubt, a landmark year for the FFA. It was an exciting and busy year with the coming into force of the Convention for the Conservation and Management of Highly Migratory Fish Stocks for the Western and Central Pacific Ocean (the Convention) in the middle of the year and the inaugural meeting of the WCPFC at the end of the year. As the Preparatory Conference process came to an end, the WCPFC regime unfolds and with it comes new obligations and responsibilities for the FFA members in the coming years. With these changes in the regional fisheries management landscape, the FFA has had to redefine its strategic directions to ensure its existence continues to be relevant and best serves the interests of its members. This was addressed in the process sanctioned by FFC in 2004, to develop a new strategic plan for the FFA which was one of the more significant programmes of work for the year.

This annual report will provide in greater detail, the main achievements and challenges of the FFA for the year under report - January through to December 2004. However, the following sections of this introductory part of the report will provide a synopsis of some of the major achievements and challenges for the Agency and its members in 2004 as a broad overview.

## Major Achievements

The major achievements for 2004 may be outlined as follow:

### (I) THE 6TH AND 7TH SESSIONS OF THE PREPARATORY CONFERENCE

In the build up to the coming into force of the Convention and the inaugural meeting of the WCPFC, there were two sessions of the Preparatory Conference held in 2004. The first was held at Bali, Indonesia in April, 2004; and the second held prior to the first meeting of the WCPFC at Pohnpei. The Bali session was the last substantive negotiation session of the process. The FFA members met prior to that session to consider internally the Negotiation Brief prepared by the Secretariat. The FFA members managed to secured wide agreement on most of their agreed positions, including establishing the WCPFC staff conditions of employment based principally on CROP<sup>1</sup> conditions and the budget contribution formula of 10:20:70, of which 10 per cent will be distributed equally, 20 per cent will be based on national wealth and 70 per cent according to catch levels.

The last session of the Preparatory Conference process was a wrap-up session that allowed the Plenary to consider and adopt the reports of the various working groups, as well as the overall report of the Preparatory Conference process for presentation at the first meeting of the WCPFC. The participation of the FFA members was again successfully aided by a Negotiation Brief prepared by the Secretariat.

The government of the Federated States of Micronesia is commended and congratulated for the excellent arrangements and hospitality during the final session of the Preparatory Conference and the inaugural meeting of the WCPFC. At the first meeting of the Commission, Pohnpei, Federated States of Micronesia was formally approved as the seat for the WCPFC Secretariat headquarters.

<sup>1</sup> Council of Regional Organisations in the Pacific

## ACHIEVEMENTS

### (II) THE WESTERN AND CENTRAL PACIFIC FISHERIES COMMISSION

The establishment of the WCPFC was definitely the highlight of 2004. This is the culmination of over 10 years of intense negotiations between the FFA members and distant water fishing nations and other states and entities with real interest in the regional fisheries of the western and central Pacific. The process was initiated in November 1994 with the first multilateral high level conference held at Honiara which set the process in motion for a series of high level conferences that negotiated the Convention. The Convention was adopted in September, 2000 and came into force on 19 June, 2004 after it was ratified by 13 States, all of which were FFA member States.

After the Convention's adoption, a Preparatory Conference process was launched with the first session being held in April, 2001, to prepare ground work for the establishment of the WCPFC. The process concluded at its seventh and final session that took place on 7 and 8 December 2004 prior to the inaugural meeting of the WCPFC in Pohnpei, Federated States of Micronesia.

### (III) THE SPECIAL MINISTERIAL FFC MEETING

The convening of the special ministerial FFC meeting held prior to the first meeting of the WCPFC was also a highlight of the year. FFC meetings are normally held at officials' level and the last ministerial level FFC meeting was held in 1997. The ministerial level meeting was designed to provide ministers with an opportunity to consider progress made on the development of the draft strategic plan for the Agency. It also allowed them to consider and adopt a collective ministerial statement to the first meeting of the WCPFC setting out their expectations of the new regional fisheries management organization and rendering their political backing to the new organisation.

### (IV) THE MID-TERM REPORT OF THE FFA CORPORATE PLAN 2002 - 2005

The start of the year coincided with the mid term of the FFA Corporate Plan 2002 - 2005 which called for an independent mid-term review of the performance of the FFA against the plan. The review was undertaken by a consultant, Dr Kenneth MacKay, who successfully undertook the review in consultation with representatives of member governments and other stakeholders of the Agency. The review report was tabled for discussion at the annual FFC meeting at Tarawa, Kiribati in May, 2004. The report made many useful recommendations designed to enhance the quality of service delivery by the Agency. These recommendations were endorsed in the main by the FFC, including the recommendation that sanctioned the development of a new strategic plan for the Agency.

### (V) THE 25TH ANNIVERSARY OF FFA

The Agency celebrated its 25th anniversary of existence with a special reception at the annual FFC meeting at Tarawa, Kiribati. It also commemorated the occasion at its headquarters in Honiara, Solomon Islands, together with representatives of its host government and other member governments that attended the special FFC meeting in October, 2004. The FFA after 25 years has a proud record of achievements in promoting regional solidarity in the area of fisheries management. With the call by Forum Leaders for increased returns from fisheries resources to Pacific island countries, the FFA and its members have greater challenges ahead.



# DIRECTOR'S ANNUAL REPORT FOR 2004

## Main Challenges

The major challenges for 2004 may be outlined as follows:

### (I) PREPARATIONS FOR PREPARATORY CONFERENCE 6 AND 7 AND WCPFC-1

The Secretariat prepared Negotiation Briefs for the two sessions of the Preparatory Conference in 2004. The first of these was held earlier in the year at Bali, Indonesia in April. Preparation for this session coincided with preparations for the annual FFC in the month of May, which put additional pressure on staff that were involved in both the preparation of the Negotiation Brief and meetings papers for the annual FFC meeting. The brief was prepared in time for the Bali meeting and served the members well in their planning and participation for the Preparatory Conference that eventuated as the final substantive negotiation session.

Arrangements for the final session of the Preparatory Conference and the first meeting of the WCPFC was complicated by the absence of funding to support the participation of the FFA members at the Pohnpei meetings in December. A workshop sanctioned by FFC to look into management options that the FFA members may take into the first meeting of the WCPFC also lacked, at the time, funding support. At the end of the day, FFA traditional donors who are also members, Australia and New Zealand, agreed to provide the necessary funding support to enable participation of members at those important meetings and for the convening of the Management Options Workshop. The outcomes of the Management Options Workshop contributed substantially to the development of the Negotiation Brief for the Pohnpei meetings.

### (II) DEVELOPMENT OF THE NEW FFA STRATEGIC PLAN

The development of a new strategic plan was sanctioned at the annual FFC in May, 2004 and since then the Secretariat had been intensively engaged in developing a draft plan. The Secretariat initially developed a draft plan that was considered by a reflection group of eminent persons. As a result of discussions by the reflection group a further draft plan was developed. This draft was circulated to member governments for comment and was presented to FFC at its special meeting in October, 2004 in Honiara, Solomon Islands for discussion. The next version of the draft plan was then discussed by the special FFC that met at Pohnpei prior to the first WCPFC meeting in December. At the Pohnpei meeting, officials further revised the draft plan and tabled this for the initial consideration by Fisheries Ministers at their special ministerial level FFC meeting. Further, a small working group met in early 2005 to again consider the latest draft plan and incorporate comments made by ministers at their Pohnpei meeting. The final draft of the plan will be tabled for consideration and adoption by Ministers at the annual FFC in June, 2005 at Majuro, Marshall Islands.





## MAIN CHALLENGES



### (III) AMENDMENTS TO THE MULTILATERAL FISHERIES TREATY WITH THE UNITED STATES OF AMERICA AND THE INTERNAL AGREEMENT AMONGST PACIFIC ISLANDS PARTIES

The amendments to the Multilateral Fisheries Treaty with the United States of America that enables its operation to continue beyond 14 June, 2003 have yet to come into effect because all parties have not yet ratified them. The effect of these amendments have been applied provisionally through a memorandum of understanding signed by all parties but the amendments must be ratified by all parties to place them on firm legal grounding.

The consequential amendment to the Internal Agreement amongst the Pacific Islands Parties to enable the distribution of the new fee level of \$21 million<sup>2</sup> remained inoperative because it also has not been ratified by all parties. In fact, only two ratifications were received during the year. The delays in ratification resulted in the Secretariat only being able to distribute \$18 million of the \$21 million available for the 16th Licensing Period that commenced on 15 June, 2003. The remaining \$3 million was invested awaiting the coming into force of the consequential amendment. The same situation applied to the 17th Licensing Period that commenced on 15 June, 2004. The issue of the non-operation of the consequential amendment was complicated by the efforts to revise the distribution formula under the Internal Agreement, an issue that remained unresolved through 2004.

### (IV) SOURCING FUNDING SUPPORT

A number of unforeseen activities that took place in 2004 had not been provided for in the 2004 budget. These included activities related to the development of the new FFA Strategic Plan; undertaking certain services reviews associated with the mid-term review of the Corporate Plan including the IT Services and the VMS reviews; participation of member representatives at the final session of the Preparatory Conference and first meeting of the WCPFC; and the convening of a Management Options workshop. The absence of any budgetary provisions for these activities compelled the Secretariat to undertake intense negotiations with its two traditional donors that are also members, to reprioritize funding commitments under their programme support to cater for these emerging priorities. In some instances, additional funding was provided on top of annual allocations from these donors. NZAID and AusAID are to be commended for their understanding, flexibility and support that enabled the Secretariat to successfully undertake these additional activities in 2004.

Concerted efforts continued to be made in 2004 to progress the approval of two major outstanding project proposals with the Global Environment Fund (GEF) and the European Union (EU). Although there was positive feedback from these donors, the projects remained in the pipeline at the end of 2004.

### (V) INTERIM DEPUTY DIRECTOR

With the position of the Deputy Director unfilled at the start of 2004, the FFC Chair invoked his discretion under the Rules of Executive Appointment to appoint Mr. Bruce Chapman from New Zealand as the interim FFA Deputy Director for six months. This appointment worked out extremely well and Mr. Chapman ably discharged the role of Deputy Director in the first six months of the year, a period in which the Secretariat had to service two major meetings that included the session of the Preparatory Conference at Bali, Indonesia, in April and the annual FFC meeting at Tarawa, Kiribati in May.

At the annual FFC meeting in Tarawa, FFC was able to resolve the long outstanding issue of the appointment of a Deputy Director and Mr. Stephen Dunn was duly appointed and assumed office in August, 2004.

<sup>2</sup> All figures are in U.S. dollars unless otherwise indicated

# DIRECTOR'S ANNUAL REPORT FOR 2004

## Part II - Fisheries Management

This part of the report documents the activities of the FFA and its members in 2004 in the area of fisheries management at national and regional levels. The activities are grouped into the areas of ecosystem based fishery management, monitoring control and surveillance and treaties and sub-regional fisheries arrangements.

### ECOSYSTEM BASED FISHERY MANAGEMENT

#### NATIONAL FISHERIES ARRANGEMENTS

There was steady progress during 2004 on national fisheries planning, both in terms of assistance with drafting and reviewing of national management plans. Funding assistance for this work was primarily provided by Canada.

Funding from Canada ceased at the end of 2004, but the anticipated implementation of the GEF Fisheries Management Project in mid 2005, plus the AusAID funding for national reviews, should ensure that the Secretariat is in a position to maintain activities in this important area in 2005.

A priority in 2005 will be finalising draft plans for Marshall Islands, Niue, Nauru and Samoa and developing a programme of assistance for countries where implementation of plans have proved difficult. Additionally, AusAID are funding the development of a proforma ecosystem based management planning process that will guide the way FFA develops and reviews management plans in the future.

#### THE WCPFC PREPARATORY CONFERENCE

The WCPF Convention entered into force on 19 June 2004. The Convention represents a milestone in fisheries co-operation in the region. Its entry into force heralds a new era for the management and conservation of the region's highly migratory fish stocks.

Much of the year has focussed on the Preparatory Conference for the WCPFC. Two Preparatory Conferences were convened during the year. The 6th Preparatory Conference was held at Bali, Indonesia in April. The 7th session of the Preparatory Conference was held at Pohnpei, Federated States of Micronesia, in December.

The 7th and final session of the Preparatory Conference brought to conclusion seven rounds of negotiations between the participating States to establish the institutional and administrative framework of the WCPFC.

FFA members should feel a deep sense of satisfaction for putting in place an institution in which they can play an effective role. From the outset of the Preparatory Conference process, FFA members agreed to three objectives. These were to ensure:

- the smooth operation of the business of the WCPFC;
- full and effective participation by FFA States in the work of the WCPFC; and
- the operations of the WCPFC are cost-effective.



Forum Chair, the right honourable Tuilaepa Sailele Malielegaoi (second from left) relaxes with Secretariat staff at the FFA Social Club

## FISHERIES MANAGEMENT

Overall, FFA members did well to achieve their objectives. In particular, the Preparatory Conference recommended streamlined rules of procedure which stipulates a quorum to ensure Pacific island States participate in the meetings of the WCPFC and limits the number of sessions of meetings of the WCPFC and its subsidiary bodies. Furthermore, the Preparatory Conference recommended Financial Regulations that establish a Special Requirements Fund to meet travel costs for developing States and Territories to be funded from the WCPFC budget. The fund is unprecedented in other regional fisheries management organisations. The budget and staffing of the WCPFC is reasonable and will not impose a disproportionate burden on small island developing States (SIDS). In this respect, FFA members have generally done well in the Preparatory Conference process.

The closure of the Preparatory Conference also brought to close FFA's administration of the Preparatory Conference Organisation Fund. The Fund had been established as a means of allowing participants to contribute financially towards the work of the Interim Secretariat for the Preparatory Conference and to defray costs of hosting meetings of the Preparatory Conference in small island developing States.

The major recommendations of the Preparatory Conference to the WCPFC were for the WCPFC to:

- adopt the recommended agenda for its first session;
- adopt the recommendations contained in the final report of working group 1 (WG.I) on Organisational Structure, Budget and financial Contributions of the WCPFC;
- adopt the recommendations contained in the final report of working group 2 (WG.II) on Science Needs of the WCPFC;
- adopt the recommendations contained in the final report of working group 3 (WG.III) on MCS Needs of the WCPFC;
- adopt the draft rules of procedure of the WCPFC; and
- decide that the headquarters of the WCPFC be in Pohnpei, Federated States of Micronesia.



# DIRECTOR'S ANNUAL REPORT FOR 2004

## THE WESTERN AND CENTRAL PACIFIC FISHERIES COMMISSION

The inaugural meeting of the WCPFC was convened at Pohnpei, Federated States of Micronesia from 9 – 10 December. The WCPFC elected Mr. Glen Hurry of Australia as Chair and Mr. Liu Xiaobing of China as Vice-Chair.

With respect to the Secretariat of the Commission, it was agreed that Mr. Michael Lodge be offered the position of Executive Director. The WCPFC, however, deferred the issue of the terms and conditions of staff of the Commission until such time as the Executive Director was able to draw up detailed proposals for consideration.

The WCPFC also adopted the budget of \$975,000 for 2005. With respect to technical and compliance issues, the WCPFC adopted the procedures for its record of fishing vessels and authorisations, and specifications for the marking and identification of fishing vessels. The WCPFC also adopted the procedures for co-operating non-members.

The WCPFC adopted a resolution on conservation and management measures. The resolution called on the Scientific and Technical and Compliance Committee to provide advice at its second meeting on such matters as the estimates of both sustainable catch and effort levels for bigeye, yellowfin and South Pacific albacore; ten year projections of total biomass and spawning stock biomass for bigeye and yellowfin tuna; and the effects on the stocks of measures to mitigate the catch of juvenile bigeye and yellowfin including controls for setting on floating objects.

The WCPFC also resolved that at its second meeting it would adopt conservation and management measures necessary to address sustainability concerns. These measures could include catch and/or effort limits, and capacity limits for large scale tuna fishing vessels.

FFA members can take heart in the invaluable contribution that they have played in helping to shape the WCPFC. Through their hard work and perseverance, they have been able to put in place structures that will facilitate their effective participation in the WCPFC. The Special Requirements Fund in the Financial Regulations are unusual features in international fisheries organisations, and thus FFA members can take some pride in breaking new ground in the way tuna organisations operate.

The more difficult task, however, lies ahead. The work of the WCPFC will become more complex. It is vital that FFA members continue to sustain the focus demonstrated throughout the Preparatory Conference. As the region prepares to go into a new phase, FFA members must build and strengthen co-operation amongst themselves.

## MONITORING CONTROL AND SURVEILLANCE

### REGIONAL AERIAL SURVEILLANCE AND MCS WORKING GROUP MEETINGS

The 7th meeting of the MCS Working Group took place at Madang, Papua New Guinea in late March to early April 2004, immediately following the 13th meeting of the Regional Aerial Surveillance Agencies at the same venue. Three days of the 4 day meeting were devoted to a workshop designed to assist FFA member delegations prepare for WG III on MCS Issues, to be held during the 6th Preparatory Conference for the WCPFC Commission at Bali, Indonesia from 19 - 23 April 2004. Participants also discussed a variety of matters including proposed amendments to the Harmonised Minimum Terms and Conditions for Foreign Fishing Vessel Access and the status of the FFA members' Vessel Monitoring System (FFA VMS).

### MCS NATIONAL ASPECTS

During 2004 the Agency's MCS Division provided a wide range of training, workshop and fellowship attachment opportunities to FFA members to enhance their respective human resource capacities.

# FISHERIES MANAGEMENT

## OBSERVER TRAINING COURSES

### TUVALU

A 3-week national observer training course was held at Funafuti, Tuvalu commencing in early February 2004. Ten examinations and practical tests were given on the course subject matter. Of the 20 participants that completed the course, 15 obtained Regional Certification (passes over 70 per cent) with 3 gaining Pass Distinction (passes over 80 per cent). The 5 participants who did not gain Regional Certification attained 50 per cent passes, thereby gaining eligibility for Tuvalu's National Observer Programme.

### NEW ZEALAND

A Regional Fisheries Observer Training Course was held at the Nelson Polytechnic College, New Zealand from 19 - 23 April 2004 as part of the Pacific Islands Fisheries Officers Course. The course was designed to enhance the ability of Pacific islands fisheries officers to understand the roles and operational aspects of observer programmes, and their importance in the management of the Pacific tuna stocks.

There were 10 participants from Fiji, Kiribati, Solomon Islands, Niue, Samoa, Tonga, American Samoa, New Caledonia and Tokelau. All of the participants were successful in obtaining a pass grade for the observer component, and this was added to the overall Pacific Islands Fisheries officers course grading.

### PAPUA NEW GUINEA

A 3-week national observer training course was held at Kavieng, New Ireland Province between 21 June and 9 July 2004. A newly-established set of entrance criteria developed by the SPC and the FFA was used for the first time. All 19 participants selected using this set of criteria completed and passed the course, with two gaining Pass Distinctions (pass over 88 per cent). The Papua New Guinea National Fisheries Authority Observer Programme continues to expand with approximately 70 SPC/FFA-certified observers involved in the programme.

### TONGA

Eighteen prospective fisheries observers from Tonga, Niue and Samoa received expert tuition at a training course held at Nuku'alofa, Tonga in late September 2004. Funded by the Australian Government through AusAID, the course covered FFA/SPC observer training, and certification for sea-safety, first aid and radio operation. Sixteen of the participants gained FFA/SPC regional observer certification while two gained Tonga National Observer Programme certification.

## FFA VMS TRAINING, AND DOCKSIDE BOARDING AND APPREHENSION WORKSHOPS

**FROM 1 - 5 NOVEMBER 2004** FFA's Legal Adviser and Fisheries Enforcement Adviser provided instruction for fisheries, police and Tonga Defence Services staff on matters in relation to prosecution and dockside boarding. 16 participants were guided through the Tonga Fisheries Management Act 2002 and gained an enhanced understanding of relevant regional and international fisheries instruments.

The highlight of the workshop was the practical boarding and inspection exercise on two locally-based foreign fishing vessels at the Nuku'alofa wharf. Serious infringements of fishing licence conditions were detected on both vessels, in the one case resulting in the arrest of the vessel's captain for non-cooperation with an Authorised Officer.

Workshop participants expressed their satisfaction with the workshop materials and quality of the instruction. For many of them, this was the first opportunity to fully appreciate and understand their powers as Authorised Officers.

## NATIONAL FISHERIES OFFICERS' SURVEILLANCE COURSE

**FROM 17 - 24 NOVEMBER 2004** the Agency's Fisheries Enforcement Adviser (FEA) provided support to staff of AMC Search based at the Australian Maritime College, Launceston, Australia in the delivery of a regional surveillance officers' course. The course involved 12 participants from 7 FFA members – Papua New Guinea, Federated States of Micronesia, Tuvalu, Marshall Islands, Kiribati, Palau, Tonga and Fiji – the class consisted of officers from national patrol boat programmes. Although the entire course lasted 5 weeks covering several areas of fisheries surveillance and enforcement, the FEA taught the final week of classes covering the areas of Authorized Officers, Powers of Authorized Officers, Evidence Gathering, Evidence Analysis, Verbal Judo, Interviewing, Statement Writing and Case Reporting. The FEA's portion of the class consisted of lectures and several practical exercises.

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## **MCS FELLOWSHIP ATTACHMENTS**

During 2004 fisheries and surveillance personnel from Palau, Federated States of Micronesia and Tonga undertook MCS Fellowship Attachments at the FFA Secretariat. These attachments are available to support the participation of MCS Officers from selected FFA members to research and report on MCS matters of particular interest to their respective countries.

Mr. Ellender Ngirameketii, Chief of a Palau's Maritime Law Enforcement Division, visited the FFA Secretariat from 23 - 27 August 2004 to undertake an MCS Fellowship Attachment. During the week Ellender spent at the Agency, he studied the regional, and international fisheries agreements and arrangements to which Palau is a party, including their current status. Ellender's attachment was supported by funding from the Australian Government through AusAID.

Mr. Justino Helgen, FFA VMS Officer with the Federated States of Micronesia National Police, undertook an MCS Fellowship Attachment at the FFA Secretariat from 22 - 26 November 2004. Justino used this opportunity to clarify the role of the FFA MCS Division, and regional and international legal instruments and arrangements, to improve the efficiency of the MCS Programme in the Federated States of Micronesia.

Ms. 'Ana Taholo from the Tonga Ministry of Fisheries completed an MCS Fellowship Attachment at the FFA Secretariat from 22 - 26 November 2004. 'Ana's intention was to look at Tonga's national MCS programme, the FFA regional MCS programme, and the resources available at the regional level to support national programmes. A further aim was to assess the implications of the WCPF Commission on MCS issues at the domestic level.

## **SURVEILLANCE OPERATIONS**

Two FFA Secretariat staff assisted surveillance officials from participating countries in the implementation of fisheries surveillance "Operation Island Chief 2004", conducted from 9 - 27 August 2004. Illegal fishing was the target of this joint Palau, Marshall Islands and Federated States of Micronesia compliance operation in the EEZs of these three Parties to the Niue Treaty Subsidiary Agreement they signed in February 2002.

The operation's primary aim was to reinforce the practical aspects of their 2002 agreement. A further aim was the development of increased awareness of illegal, unreported and unregulated (IUU) fishing activities in the EEZs of the three participating nations.

Papua New Guinea and Kiribati provided observers to the operation and shared FFA VMS vessel position data from their respective EEZs. The Royal New Zealand Air Force and United States Coast Guard provided vital aerial surveillance support.

A feature of Operation Island Chief 2004 was the strategic use of synthetic aperture radar imagery provided by the Canadian Space Agency. Vessel position information from this source was combined with information from the FFA VMS that proved its worth throughout the operation.

During the operation 83 fishing vessels were sighted by aircraft, 27 fishing vessels were boarded and 5 fishing vessels were apprehended for various fishing violations. As a result of the apprehensions, \$370,000 was paid as compensation to the participating governments by the offending parties.

The first major case was made against a distant water foreign fishing vessel by the Federated States of Micronesia for failing to have its VMS turned on in accordance with their access agreement. The offending vessel paid \$90,000 in compensation. Furthermore, the case was made against a distant water foreign fishing vessel by the Federated States of Micronesia for failing to report by-catch and discards in accordance with their access agreement. The offending vessel paid \$200,000 in compensation.

## **TREATIES AND SUB REGIONAL FISHERIES ARRANGEMENTS**

### **MULTILATERAL TREATY ON FISHERIES WITH THE UNITED STATES OF AMERICA**

The first Licensing Period under the extended treaty arrangements of the Multilateral Treaty on Fisheries with the United States of America concluded on 14 June 2004. As of 15 June, 2003 the financial arrangements will continue for 10 years until 14 June 2013.

# FISHERIES MANAGEMENT

The day to day administration and implementation of the Treaty was a key part of the FFA Secretariat's activities in 2004 and is discharged by the FFA Director who has responsibility as the Administrator of the Treaty. Distribution of funds for the Treaty constituted the bulk of the activities carried out by the Treaties Administration Division comprising of four staff funded by the Treaty.

The sixteen Pacific Island Parties meet annually to consider such issues pertaining to the administration of the Treaty including the operational budget for the Treaty Administration division. The parties also meet annually with the United States to review the operation and performance of the Treaty.

The key achievements for the administration of the Treaty during the year include:

- timely payments by the US Government and first instalment of US Industry contributions;
- timely distribution of the PDF and 15 per cent share allocations;
- successful coordination of the 16th annual consultation with the US;
- successful coordination of the 2003 broader cooperation talks;
- 2nd payment instalment by US Industry with interest received in full;
- distribution of the 85 per cent share allocation was completed;
- positive report by an independent auditor on the financial statements; and
- attainment of 29.2 percent observer coverage;

These achievements were the result of continued cooperation between the Pacific island parties, the United States and the Administrator for implementation of the Treaty.

The challenges encountered during the year included:

- slow progress of the ratification of the 2002 amendments to the Treaty which will enable its operation to extend beyond 14 June, 2003;
- poor progress of the ratification of the consequential amendments to the Agreement Among the Pacific Islands on the Implementation of the Treaty (commonly known as the internal agreement) which will enable the distribution of the new fee level of \$21 million;
- limited progress on Niue's proposal to amend the current distribution formula for funds under the Treaty; and
- continued decline in the number of US vessels.

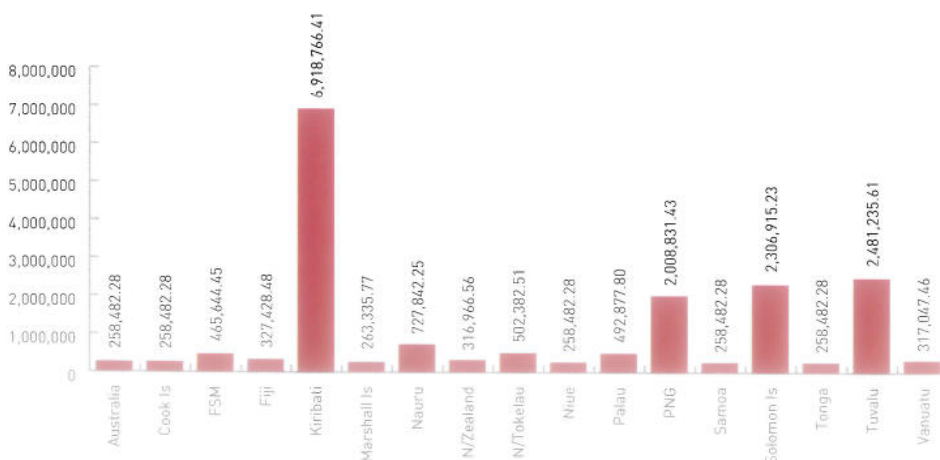
The gradual decline to sixteen vessels in the number of US vessels fishing under the Treaty in 2004, raises an issue regarding the long term viability of the Treaty. The decline is mainly due to economic factors beyond the control of the Administrator.

## BENEFIT FROM THE TREATY

A summary of the financial benefits to the parties of the Treaty during the 16th licensing period that ended on 14 June, 2004 is shown in Table 1. A total of \$18,163,203.05 was distributed to the Parties during the period. The distribution included shares under the project development funds (PDF), the 15 per cent and 85 per cent components for the period.

**TABLE 1**

### US TREATY FINANCIAL SHARES FOR THE 16TH LICENSING PERIOD



# DIRECTOR'S ANNUAL REPORT FOR 2004

## FSM ARRANGEMENT FOR REGIONAL FISHERIES ACCESS

Implementation of the FSM Arrangement by the Director in his capacity as the Administrator also formed a key part of the FFA Secretariat's activities in 2004. Distribution of funds for the FSM Arrangement constituted a significant activity of the Treaties Administration Division staff whose work is supported by funds provided from the Arrangement.

The governing body for the implementation of the FSM Arrangement is formed by the 7 Parties to the Nauru Agreement (PNA) members who are also parties to the Arrangement. The Arrangement is open for accession by any of the FFA members. The parties meet annually to review the operation of the Arrangement and consider administrative issues, including the budget for the administration of the Arrangement.

The key achievements for the administration of the Arrangement during the year included:

- timely payments of licence fees and other charges by the vessel operators;
- timely distribution of the funds based on the regional catch;
- successful coordination of the 10th annual meeting of the parties and the 3rd special meeting of the parties;
- agreement of the parties to contribute to the FFA core fund for FFA services;
- agreement reached by the parties of an MOU to provisionally apply agreed amendments pending their formal ratification by all the parties;
- unqualified independent audit of the financial statements; and
- attainment of 63 days per vessel against a target of 50 days per vessel observer coverage.

The challenges encountered during the period included:

- inability of some of the parties to maximise returns from the vessels sponsored to fish under the Arrangement due to infrastructural constraints beyond their control;
- slow progress on ratification of the amendments to the Arrangement;
- slow progress on proposals to increase the regional access fees; and
- increase in the number of vessels applying for a regional licence under the Arrangement.

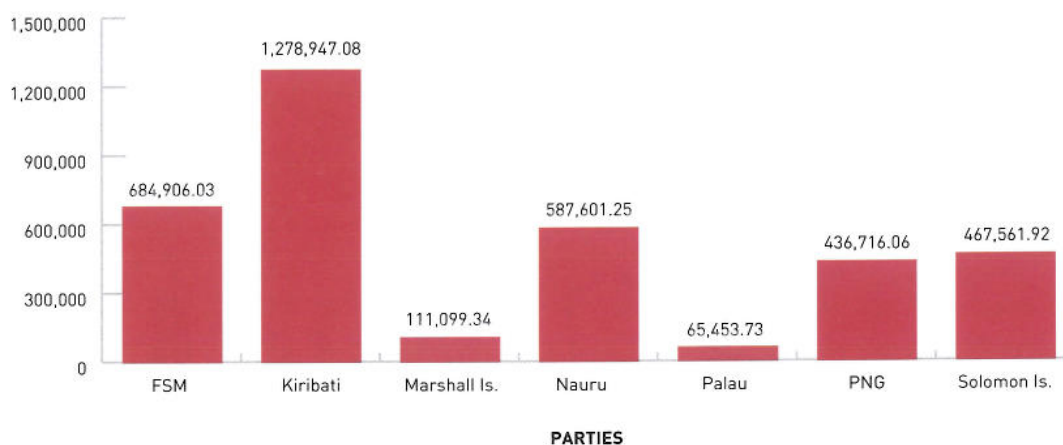
Some of the benefits expected from the Arrangement by the parties included the following:

- development of locally based purse seine industry by providing favourable treatment to purse seine fishing enterprises that are based in the countries of the parties;
- access to a wider fishing ground in other Parties' zones;
- greater participation by nationals of the Parties in the tuna fishery; and
- increased regional cooperation.

A summary of the financial benefits to the parties based on the distribution of financial shares in 2004 is shown in Table 2. A total of \$3,707,285 was distributed to the parties for 2004.

**TABLE 2**

### FSM ARRANGEMENT FINANCIAL SHARES DISTRIBUTED IN 2004





## FISHERIES MANAGEMENT

### **PARTIES TO THE NAURU AGREEMENT**

The PNA continued to maintain their bilateral access agreements with the major distant fishing nations during the year. Continued assistance and support was provided by the Secretariat on a request basis when agreements were negotiated, or during annual consultations.

The PNA agreed to establish the post of PNA Coordinator in 2004. The post will be funded by the parties under a memorandum of understanding and will be based at the FFA Secretariat. The establishment of the post reflects the commitment of the parties to meet the costs of servicing PNA. A selection process for the post was completed in December 2004 and the successful applicant, Mr. Anton Jimwereiy of Nauru will take up the position once funding arrangements are in place.

The PNA also worked to facilitate the implementation of the Vessel Days Scheme (VDS) by addressing issues outside of the mandate of the Scheme, but which would have an effect on it, such as purse seine activity in the zones of non-parties to the Palau Arrangement.

### **PALAU ARRANGEMENT**

Parties to the Palau Arrangement continued work on the VDS throughout 2004. The Parties to the Palau Arrangement met on three occasions during the year to consider the scheme and the PNA also met on four occasions to consider broader issues associated with the implementation of the scheme. Key issues that emerged in the finalisation of the scheme were the need to seek cooperation from the FFC to implement the scheme, the need for some form of transitional arrangements as part of the implementation of the scheme arrangements to address the specific concerns of Nauru in relation to its allocation of days and the need to control an influx of vessels into the FSM Arrangement as a means of avoiding the limit on vessel days. Country visits were made to Nauru and Palau to brief government officials on the implementation of the scheme.

A draft MOU to provide for the implementation of the Scheme was finalised in December 2004 and the Secretariat will work with Parties in the first half of 2005 to finalise and commence the implementation of the Scheme.

### **ATTENDANCE AT MEETINGS OF OTHER REGIONAL FISHERIES MANAGEMENT ORGANISATIONS**

The FFA Secretariat continued the practice of sending delegations to meetings of other regional fisheries management organisations in 2004. The purpose of these trips is twofold, both to keep abreast of developments within these organisations and to provide FFA members with first hand knowledge of the functions of other tuna commissions. The Secretariat attended the 14th Special Session of International Commission for the Conservation of Atlantic Tuna (ICCAT) held in November 2004 accompanied by the Chief Executive Officer of the Ministry of Fisheries for Fiji. Arrangements for a fisheries official from Tuvalu to also be part of the delegation were not finalised due to problems in obtaining a US visa.

### **4TH INTERNATIONAL FISHERIES OBSERVER'S CONFERENCE**

The conference held at Sydney in 2004 brought together a broad cross section of observer program administrators, scientists, academics and observers themselves to discuss practical developments in observer programs across the world. Topics covered included observer working conditions, program design, technological developments, and observer safety.

Deputy Director, Mr. Stephen Dunn, Observer Coordinator, Mr. Karl Staisch and Assistant Observer Programme Officer, Mr. Ambrose Orianiha'a attended the conference. The conference is considered an essential forum for those involved in the observer program so they can keep abreast of developments. It presents a major opportunity for capacity building amongst both FFA staff and members.

# DIRECTOR'S ANNUAL REPORT FOR 2004

## Part III – Fisheries Development

This part of the report documents activities of the FFA in 2004 that relate to fisheries development. It covers services provided in support of economic development and market support, treaty access and trade negotiations and domestic tuna industry development support.

### **ECONOMIC DEVELOPMENT AND MARKETING SUPPORT** **BILATERAL FISHERIES ACCESS ARRANGEMENTS**

Bilateral licensing arrangements with distant water fishing fleets continued to be the main form of licensing in the purse seine fishery in 2004. There were no new bilateral entrants in the purse seine fishery during 2004 and the major changes that have occurred have been a reduction in the Taiwanese bilateral fleet as a result of vessels transferring to other flags and an increase in the Chinese purse seine fleet. The increase in the Chinese fleet could continue in 2005. To date it has been achieved through the acquisition of existing vessels rather than through the introduction of vessels from outside of the region.

Access for foreign longline vessels continues to be dominated by fleets from Japan, Korea and Taiwan operating large freezer vessels. During 2004 the first EU longline vessels appeared, but their activities were reportedly confined to high seas areas. The Japanese pole and line fleet remains the only pole and line fleet operating under access arrangements in this region.

### **TUNA MARKET INFORMATION**

FFA provides regular monthly reports on tuna market conditions for the major tuna products in key markets, as well as an annual summary including an overview of the status of the fishery in terms of catch and vessel activity. These reports are available in full on the FFA website [www.ffa.int](http://www.ffa.int). Selected fishery and market information is highlighted below.

### **OVERVIEW OF THE FISHERY**

A brief overview of the fishery in 2004 may be summarized as follows:

2004 purse seine catch is estimated at 935,000 metric tonnes (mt). This figure is based on incomplete data and is therefore not strictly comparable with the 2003 catch of approximately 1,195,000 mt. It is expected that the total catches will be at least the same level as 2003, based on vessel activity during the year.

The distant water purse seine fleet operating in the western and central Pacific at the end of 2004 was made up of 17 American, 33 Taiwanese, 35 Japanese, 28 Korean, 4 European Union, 10 Filipino vessels and 8 Chinese, making a total fleet of 125 vessels.

The total tuna catch in the longline fishery in 2003 was approximately 222,800mt<sup>3</sup>, a decline of approximately 9,100 tonnes on the record catch of 2002.

For Pacific island countries, significant domestic and locally based longline fisheries have been established in the Cook Islands, Federated States of Micronesia, Fiji, Palau, Papua New Guinea, Samoa, Solomon Islands and Tonga. Outside of FFA member countries there was also a significant domestic fleet established in American Samoa and French Polynesia.

The Japanese distant water pole and line catch for 2004 was estimated at 70,800 tonnes, a decrease of approximately 5,200mt over the previous year. The fleet consists of 37 vessels. A small fleet of pole and line vessels continues to operate in Solomon Islands supplying the cannery operating in the Western Province.

<sup>3</sup> Source: SPC Yearbook 2003. A reliable estimate of the 2004 catch was not available at the time of compiling this report.

# FISHERIES DEVELOPMENT

## MARKET INFORMATION

The main trends experienced in terms of movements of tuna prices in the markets of interest are provided in the succeeding paragraphs.

## CANNING MARKETS

Movement of prices in the canning markets for the following three tuna species are as follows:

### SKIPJACK

Bangkok skipjack prices traded in a wide range during 2004 from a low of \$650-670/mt in mid-March to a six year high of \$1150-1170/Mt in late August to early September.

The average Thai import prices for frozen skipjack for 2004 increased by 27 per cent to \$889/mt (c.i.f.), their highest level since 1998, while import volumes declined by 7 per cent to 449,885mt.

### YELLOWFIN

Bangkok yellowfin prices (20lbs and up, c&f) also traded in a wide range during 2004 from a low of \$950-1000/mt in mid-March to a peak of \$1450-1500/mt in July. As with skipjack, the 2004 peak was the highest level at which prices have been since 1998.

The average Thai import prices for frozen yellowfin for 2004 fell marginally to \$1080/mt (c.i.f.), while import volumes fell by 12 per cent to 76,899mt.

### ALBACORE

Bangkok albacore prices (10kg and up, c&f) continued to increase in 2004 finishing the year in a \$2400-2450 range, an increase of \$200 compared with the start of the year. Bangkok albacore prices have steadily risen since late in 2002 when they were around \$1700/mt.

The average Thai import prices for frozen albacore for 2003 rose by 21 per cent to US\$2173/mt (c.i.f.), while import volumes rose 11 per cent to 32,522mt.

## SASHIMI MARKET

Movements of prices in the sashimi markets of interest are as follows:

### JAPAN - YELLOWFIN

Prices at 10 major Japanese wholesale markets in 2004 averaged 1007JPY/kg for fresh yellowfin, up 2 per cent on 2003, and 703JPY/kg for frozen yellowfin, down 3 per cent. Volumes for fresh yellowfin fell 13 per cent to 17,512mt while frozen yellowfin volumes rose 21 per cent to 19,235mt.



# DIRECTOR'S ANNUAL REPORT FOR 2004

## **FISHERY DEVELOPMENT SUPPORT**

Much of the Secretariat's work on domestic industry development in 2004 was carried out in conjunction with work on national tuna fisheries management and development plans, with work being carried out in Marshall Islands, Solomon Islands, Fiji and Samoa in 2004. Unfortunately, the EU funded "Development of Tuna Fisheries in Pacific ACP Countries" (DEVFISH) was not approved in time for a commencement in 2004. However, approval has now been given and funding will be available at some point in 2005. This will allow recruitment to the position of Fisheries Development Policy Specialist within the Secretariat, making it better placed to address both policy and technical fisheries development issues and assist FFA members in the implementation of National Development Plans.

Recognising the importance of the private sector in fisheries development, the Secretariat participated in a workshop on the implications of the WCPF Convention on domestic based fishing industries. A key outcome of the workshop was the establishment of a regional tuna industry association which will act as a coordination point on regional industry development issues.

The domestic purse seine fleet remained stable with approximately 50 vessels operating in 2004. The largest fleet is in Papua New Guinea, supplying canning and loining plants located in Madang and Wewak. Further shore based development in Papua New Guinea is planned in 2005 through Chinese and Thai investments.

High fuel prices and low catch rates resulting from oceanographic variability, particularly in the albacore longline fishery adversely affected domestic longline fisheries, despite an apparent increase in catch rates compared to 2002. The situation prompted Fiji to undertake a review of the economics of the longline fishery in late 2004.

## **TREATY ACCESS AND TRADE NEGOTIATIONS**

### **EU MULTILATERAL DISCUSSIONS**

As part of the preparations for the negotiation of an Economic Partnership Agreement with the EU, FFA members agreed to explore options for the development of a Multilateral Fisheries Partnership Agreement between the European Union and Pacific ACP States. The FFC has supported the development of a proposed agreement in the form of a Multilateral Head Agreement signed by all parties, setting out the framework for fisheries access including conservation and management arrangements, fisheries development provisions and market access arrangements. Access arrangements would continue to be negotiated on a bilateral basis. In addition to providing fisheries access for vessels from the EU, it is anticipated that Pacific ACP States will benefit from trade and development provisions of the agreement. Work on the development of the Agreement will continue in 2005 with a deadline of 2007.

# CORPORATE SECRETARIAT

## Part IV – Corporate Secretariat Management And Member Support Services

This part of the report covers the corporate support activities of the FFA in 2004 that support the fisheries management and fisheries development programmes and the services rendered in direct support of the members needs. It also includes reporting on interactions with other regional and international organisations and internal funding arrangements and administrative issues for 2004.

### STRATEGIC PLANNING

Following the mid-term review of the FFA Corporate Plan, FFC at Tarawa approved the development of a new Strategic Plan. The FFC, at its special meeting at Honiara on the 28 October 2004 considered the draft strategic plan developed by the FFA Secretariat with input from the discussions of a reflection group of eminent persons convened by the FFA Director.

At the conclusion of the Honiara meeting, the FFC decided that the Secretariat would further develop the draft strategic plan, taking into account comments and feedback from members. The FFC further decided that it would consider the revised draft plan at its meeting at Pohnpei, Federated States of Micronesia in December, 2004. The FFC officials meeting considered the draft strategic plan and forwarded it for the consideration and comments of the Ministers at their Ministerial meeting on 8 December 2004.

The FFC agreed that the Strategic Plan would be reviewed and refined by a small working group to be convened by the Director in early 2005, and submitted for the approval of Ministers at the annual FFC at Majuro in June 2005.

### FORUM LEADERS DIRECTIVES

The development of a new strategic plan for the FFA was timely in the sense that it coincided with directives from the Forum Leaders relating to regional fisheries issues. At their annual meeting in Apia, Samoa in August, 2004 the Forum Leaders reiterated the importance of fisheries to the Pacific islands economies and agreed to seek increased sustainable returns from the utilization of fisheries resources and encouraged increased participation of resource owners in the fishing industry.

The Leaders also directed that the Forum Fisheries Ministers, and the FFC, review those matters noted above and the need to change the FFA Convention to allow for ministerial oversight of regional fisheries matters.

These Leader's directives had been prominent in the discussions held so far in relation to the new strategic plan for the FFA, in particular discussions on a new governance structure for the FFA.



# DIRECTOR'S ANNUAL REPORT FOR 2004

## THE FORUM FISHERIES COMMITTEE

The FFC had a very busy year in 2004. It had four meetings during the year, its annual meeting and three special meetings, one of which included a ministerial segment.

The annual FFC meeting was held at Tarawa, Kiribati in May. Kiribati as host assumed the FFC Chair, taking over from Fiji. Mr. David Yeeting, the Kiribati Permanent Secretary for Fisheries and Marine Resources Development became the FFC Chair replacing Mr. Mitieli Baleivanualala, Fiji's CEO of the Ministry of Fisheries and Forestry.

The Tarawa FFC considered amongst other routine and operational matters, the report of the mid-term review of the FFA Corporate Plan 2002 - 2005. The review is sanctioned by the plan itself and it provided an opportunity for an independent assessment of the performance of the FFA against the stated objectives, goals and performance indicators in the Corporate Plan. The review was undertaken by Dr Kenneth MacKay and was done in consultation with some representatives of member governments and other stakeholders. The review report covered a wide range of areas and made several recommendations designed to look at certain services provided by the FFA with the view to enhancing the quality of service delivery to member governments and other stakeholders. Most of the recommendations were endorsed by FFC and the Secretariat was required to facilitate the convening of service reviews including the VMS review and the Information Technology Services review. These respective reviews were undertaken in 2004 with their reports received in early 2005. They are expected to be tabled for discussion at the 2005 annual FFC meeting.

One of the major recommendations of the mid-term review report was the development of a new strategic plan for the FFA. This was also approved by FFC at Tarawa with an agreed process to develop such a plan. The progress of developing that plan has been described previously in this report.

The Tarawa FFC also resolved the long outstanding issue of the appointment of the Deputy Director. It appointed Mr. Stephen Dunn from Australia to that position. Mr. Dunn assumed the role of FFA Deputy Director in August, 2004.

Two of the three special FFC meetings were held in conjunction with the two sessions of the Preparatory Conference held during the year. These sessions were held at Bali, Indonesia in April and at Pohnpei, Federated States of Micronesia in December. The main purpose of those special FFC sessions was to allow FFA members to consider the Negotiation Brief prepared by the FFA Secretariat and agree on collective positions and strategies to aid them in their participation in the session and work of the Preparatory Conference. The special FFC meeting in Pohnpei had a different dimension to it, as it involved a Ministerial segment. The ministerial segment was designed to take advantage of the presence of the many FFA Ministers attending the inaugural meeting of the WCPFC, to allow them to collectively consider and comment on the draft strategic plan and to also consider a collective statement to the inaugural WCPFC meeting. These twin aims were both achieved and the ministers were able to provide some comments and guidance of the draft strategic plan for the FFA and also cleared a joint statement that set out their collective expectations and aspirations for the role of the WCPFC.

The other special FFC was convened in Honiara, Solomon Islands in October, at the margins of the Management Options Workshop, to consider collectively for the first time, the draft strategic plan produced by the Secretariat with inputs from the reflection group and comments from member governments.



# CORPORATE SECRETARIAT

## CROP INTERACTIONS

FFA continued through 2004 to maintain close relations with member agencies of CROP by participating in processes of harmonisation and regular annual meetings.

## CROP HEADS MEETINGS

The Heads of CROP meeting was held from 2 – 3 July 2004 at Port Vila, Vanuatu and hosted by the University of the South Pacific (USP). The meeting was chaired by the new Secretary General of the Forum Secretariat, Mr. Greg Urwin and was attended by Executives of the FFA, the Secretariat of the Pacific Community (SPC), the South Pacific Regional Environment Programme (SPREP), the South Pacific Applied Geoscience Commission (SOPAC), the South Pacific Tourism Council (SPTC), the South Pacific Board for Educational Assessment (SPBEA), and representatives from the USP. Representatives from ESCAP Pacific Operation Centre (EPOC) and the Pacific Aviation Safety Office (PASO) also attended as observers.

The two-day annual meeting of CROP Heads was structured into two sessions. The first was an informal session to consider the implications on CROP of the outcomes of the Forum Review. It also reviewed the progress of the work undertaken by its various working groups. At the formal session on the second day, the meeting considered amongst other issues, the outcomes of the Review of Harmonisation of Remuneration and progress made on preparations for the Mauritius 2005 International Conference on the Sustainability of Small Island Developing States. They also considered the outcomes of the Pacific Islands Regional Ocean Forum and the status of the EU – ACP Regional Indicative Programme.

A short CROP Heads meeting was also convened in the margins of the 34th SPC Committee of Representatives of Governments and Administrations (CRGA) at Noumea, New Caledonia in November 2004 to discuss a number of issues. More regular meetings of CROP Heads were suggested and two meetings each year as agreed would improve communications and collaboration. The first in the margins of the pre-Forum Officials Committee; the second aligned with the SPC annual meeting. FFA was represented by Deputy Director, Mr. Stephen Dunn.

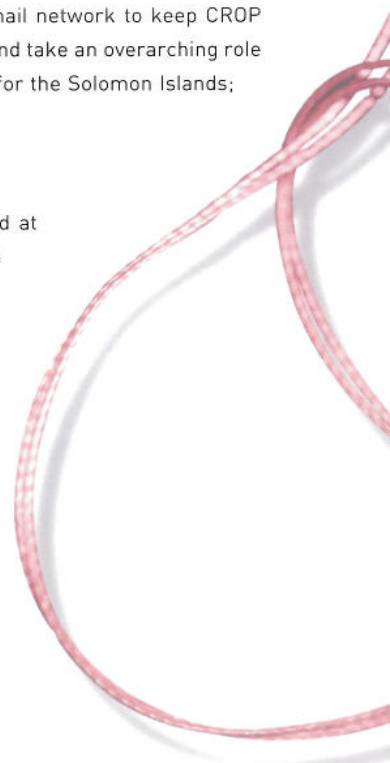
A paper was presented on progress, in a range of areas, to assist Nauru and provided an update on Nauru's economic situation. It was agreed at this meeting that the Forum Secretariat would establish an email network to keep CROP members up to date with the activities and levels of support from individual CROP agencies, and take an overarching role to keep track of all these activities. The Forum Secretariat also led discussion on what next for the Solomon Islands; beyond military and police involvement.

## 4TH SPC HEADS OF FISHERIES MEETING

Opened by the SPC Secretary General, the 4th meeting of the Heads of Fisheries was held at Noumea, New Caledonia from 30 August to 3 September 2004. FFA Deputy Director, Stephen Dunn attended the Heads of Fisheries meeting, which in his estimation, was a useful introduction to many of the challenges facing the region's fisheries and demonstrated the practical nature and usefulness of the FFA and SPC programs.

## CROP MARINE SECTOR WORKING GROUP

Following on from the Heads of Fisheries meeting, Stephen Dunn also represented FFA at the CROP Marine Sector Working Group meeting held at Noumea New Caledonia. The meeting discussed progress with the Integrated Strategic Action Framework (ISAF) for the Pacific Islands Regional Oceans Plan (PIROP). Comments from USA and Australia to the draft were considered, and the working group agreed on the best way to move the ISAF forward.



# DIRECTOR'S ANNUAL REPORT FOR 2004

## PACIFIC PLAN TASK FORCE MEETING – NOUMEA

A meeting of the Pacific Plan Task Force was held at Noumea, New Caledonia in November 2004 prior to the 34th SPC CRGA. The main purpose of the meeting was to discuss the latest draft of the proposed actions under the Pacific Plan, including consideration of written comments from task force members. The main focus of the meeting was on actions that would result in early practical benefits aligned with such topics as trade, transport, training, health and education. Prior to this meeting FFA had not participated in the work of the task force. FFA has attempted to place some emphasis on regional fisheries issues within the Plan.

## 34TH COMMITTEE OF REPRESENTATIVES OF GOVERNMENTS AND ADMINISTRATIONS

The 34th session of CRGA was held at Noumea, New Caledonia from 16 – 19 November 2004 at which Mr. Stephen Dunn represented FFA. The highlights of the CRGA agenda included extensive debate about the process for the recruitment of the Director-General resulting in agreement that, applicants do not need have prior support for their application from their national Government, and that applications be accepted from countries of non-member Governments.

Also at CRGA, the CROP Harmonisation Working Group report was discussed at length with little discussion or disagreement on any of the recommendations other than with respect to the working group recommendation which relates to the process for consideration of recommended pay increases; and the recommendation relating to the 6 year rule. With respect to the 6 year rule, the outcome was that incumbent professional staff will be able to apply at the end of a 6 year contract, but from that point, an appointment will be for a maximum of 3 years before competitive advertisement again. At the 9 year point the incumbent would again be able to reapply and so on.

Of concern at CRGA was the proposal by SPC to increase member contributions due to the withdrawal of the United Kingdom from the SPC membership.

## FORUM MEETINGS

FFA was represented at the series of Forum meetings held at Apia, Samoa by the FFA Director, Mr. Feleti Teo and the Executive Officer, Barbara Hanchard. These meetings included: The Forum Officials Committee (Pre-Forum Session) held from 3 – 4 August, the 13th Smaller Island States Leaders' Summit and the Pacific ACP Leaders Meeting held on 5 August, the 35th Pacific Island Forum held from 5 – 7 August and the 16th Post Forum Dialogue from 9 – 10 August concluded the series of meetings. The FFA Director presented the FFA 2003 Annual Report to the Forum Officials Committee highlighting some of the many issues contained in the report.

Fisheries had a very high profile at this year's Pacific Forum as a result of a fisheries development proposal by Fiji, discussion concerning a ministerial FFC and the coming into force of the WCPF Convention. In relation to fisheries discussions at the Forum, the most significant decisions taken are summarised in the Forum Communiqué as follows:

*"Leaders, recognising the importance of fisheries to the Pacific island economies and people, agreed to seek increased sustainable returns from fisheries resources including through the increased participation of resource owners in the fishing industry. Domestic industry development was seen as an important means of increasing returns to Pacific Island Countries. Leaders directed that Forum Fisheries Ministers and the Forum Fisheries Committee meet to review these matters and the need to change the FFA Convention to allow for Ministerial oversight of regional fisheries matters, while enhancing the role of FFA vis-a-vis the Western and Central Pacific Tuna Commission, and to report back to Leaders."*



## CORPORATE SECRETARIAT

### COMMUNICATIONS

The installation and commissioning of the dedicated VMS satellite link was completed in April 2004 with external assistance from a consultant. The satellite equipment was purchased from Australia through Pacific IP Services, Noumea which also leases satellite segment from NewSkies Satellites NSS-5. The link via NSS-5 provides a 128 kilobytes duplex link for VMS operation. The satellite equipment currently installed is capable of providing bandwidth upgrade of up to 2 megabytes with no additional upgrade to hardware. Costs will vary with bandwidth upgrade.

Mr. Al Blake, who had completed a similar configuration for SPC, Noumea was engaged as a consultant to configure the NewSkies satellite link and the VMS system components. The VMS system has been configured to use the full 128K link resulting in a vast improvement in the speed of data download. The vessel position reports downloaded from the LES (Xantic) to the FFA hubsite have improved significantly.

An on-going disagreement between Solomon Telekom and the Agency concerning the installation of the VMS satellite link is centred on Solomon Telekom's disputing the status and scope of the privileges and immunities of the Agency as extended to it by the host government. Solomon Telekom insist that the installation of the VMS satellite link contravenes their exclusive licence granted to them by the Solomon Islands Government. A letter was received in April 2005 from the General Manager of Solomon Telekom advising that they would be charging FFA a 'Sub-Licence fee' of SBD\$1,000 per month for the FFA VMS satellite link which would be used as a contribution to the non-profitable rural telecommunications in Solomon Islands.

FFA has repeatedly advised Solomon Telekom of the consent provided by the host government through the Ministry of Foreign Affairs for the installation and operation the VMS satellite link and provided them with a letter of clarification on the status and privileges of the Agency. Solomon Telekom continues to charge the FFA a 'Sub-Licence Fee' as at September. The Agency has to date withheld payment of the fee.

Essential communication links such as telephone, fax and email systems were operational through out the year. The telephone PABX system was identified as urgently needing replacement. Quotations were sought from local companies. Of the two local companies who responded, Solomon Telekom's quote has been accepted. Funding was identified in early 2005 and installation of the new PABX should take place in June, 2005.

Internet and email systems continue to provide an important mode of communication. Email viruses and SPAM emails are a continual problem. To contain the influx of SPAM emails and viruses, the Agency is ensuring that all servers, work stations and laptops are protected by anti-virus software. Anti-SPAM software was installed to filter SPAM emails from genuine ones. It was discovered that this however was not foolproof and some genuine emails were rated SPAM and quarantined. To avoid work delays and genuine emails from not getting to the recipients, the software is currently off line for further testing.

# DIRECTOR'S ANNUAL REPORT FOR 2004

## FFA WEBSITE DEVELOPMENT

Two new websites were developed and implemented by the FFA Information Unit during 2004. The CARAVEL project, an online registration system for vessel owners and operators, was operational in time for the vessel registration period commencing September 2004. Over 25 vessel owners and operators used CARAVEL to register their Vessels for the 2004/2005 Regional Register period.

The second online service developed in 2004 was the FFA Extranet system. The FFA Extranet allows FFA members to login to the FFA website and download meeting papers and other confidential information. This project was completed in late December 2004 to coincide with the 17th Annual Consultation between the Pacific Islands Parties (PIP) and the United States which met in March 2005. Meeting papers for the 17th Annual Consultation were posted on the secure website for members to download.

## SUMMARY OF FFA FUNDING ARRANGEMENTS

The FFA's funding arrangements consist in the main of member country contributions, revenue generated internally and donor funding.

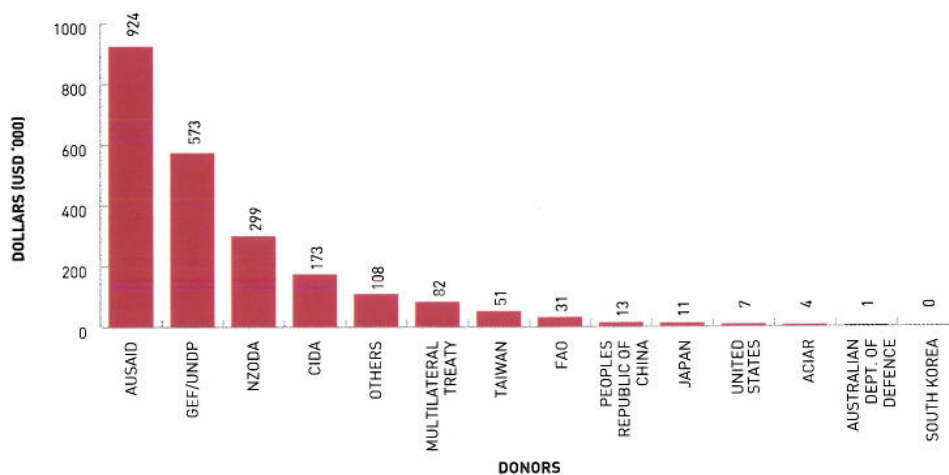
Member country contributions are receipted annually and are used to fund the core business activities of the FFA.

Donor funding is made available from member and non-member countries and organisations for specific projects of relevance to the region. The FFA relies on donor funding for a significant proportion of its work.

Member and donor contributions are greatly appreciated by the Agency, and outlined below are tables illustrating these contributions for 2004.

**TABLE 3**

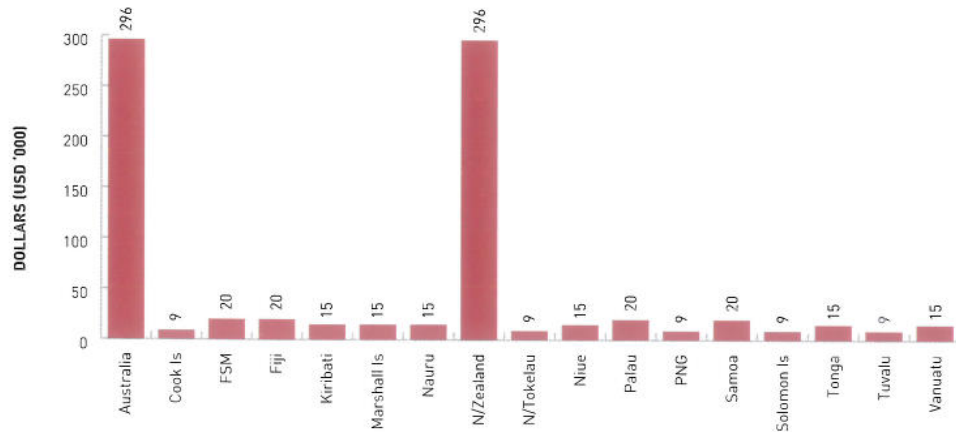
### 2004 DONOR CONTRIBUTIONS



## CORPORATE SECRETARIAT

TABLE .4

## 2004 MEMBER COUNTRY CONTRIBUTIONS



The FFA has four operational funds: the General Fund, the Trust Fund, the VMS Fund, and the Housing Fund. Surpluses in these funds are transferred to the respective reserve accounts, being the General Fund Reserve, VMS Fund Reserve and Housing Fund Reserve.

Member country contributions and fees from the Regional Registration are held in the General Fund; donor contributions are held in the Trust Fund; the fees generated from the VMS registration of fishing vessels are held in the VMS fund; and funds collected from the rental of the FFA properties are held in the Housing Fund.

In addition to its operational funds, the FFA Secretariat also manages several other funds on behalf of member countries under certain regional fisheries agreements and arrangements. These include fees collected under the US Treaty from the US Tuna Foundation and the US Government, license fees collected on behalf of the parties to the FSM Arrangement and contributions paid into the Preparatory Conference Organisational Fund.

## SUMMARY OF TOTAL INCOME AND EXPENDITURE IN 2004

Total General Fund income amounted to \$1,926,422 in 2004. Apart from the member country contributions, other General Fund revenue comprising 58 per cent of the total income were generated from regional registration fees, UST service fee, program support, Australian PDF contribution, and other income. The total General Fund expenditure for the year amounted to \$1,862,577 resulting in surplus funds of \$63,845. This surplus was credited to the General Fund Reserve account.

Total Trust Fund income including donor funding amounted to \$2,276,972 in 2004. The non-donor funds represented 6 per cent of total income, which comprised interest, program support, and miscellaneous income. The total Trust Fund expenditure for the year was \$2,274,602, leaving a net surplus of \$2,370. The surplus was credited to the General Fund Reserve account.

Total VMS Fund income amounted to \$872,549 and the total expenditure was \$720,146 leaving a net surplus of \$152,403. The surplus has been credited to the VMS Fund Reserve account.

Total Housing Fund income was \$237,622 and the total expenditure was \$77,704 leaving a surplus of \$159,918. Sufficient of the Fund's receipts are treated as income as necessary to meet expenditure and the balance of the Fund is carried forward. The balance carried forward to 2005 was \$159,918. In accordance with convention, the Balance Sheet treats this amount as Advance Funding.

At 31 December 2004 the General Fund Reserve totals \$543,746, the VMS Fund Reserve \$725,401 and the Housing Fund Reserve amounts to \$7,967.

# DIRECTOR'S ANNUAL REPORT FOR 2004

## MANAGEMENT OF OTHER FUNDS

The following describes the range of corporate support services that the Secretariat provided in 2004 in support of the various programmes and projects that it undertook as part of its core services to its member governments. It also includes matters relating to staff movements.

## THE US MULTILATERAL FISHERIES TREATY

The procedure for the distribution of Treaty payments is set out in Schedule 1 of the Internal Agreement among the Pacific Island Parties. From the total US contribution of \$21 million received during the 16th licensing period<sup>4</sup>, the Administration budget (as approved annually by the Pacific Island Parties) and Project Development Fund (PDF) are deducted, and the balance is divided as follows: 15 per cent shared equally between the Pacific Island Parties, and 85 per cent shared according to the volume of catch reported in the waters of the Pacific Island Parties in the licensing area.

After deducting the Administration budget (\$503,890) and PDF (\$1,778,000), the balance available for distribution was \$18,718,110. The 15 per cent equal share of this was \$2,357,716 which was divided equally between the Pacific Island Parties; each Party received \$147,357. As agreed, the balance of \$16,360,394 is invested in a term deposit at the Standard Chartered Bank, Singapore Branch until distribution is made.

The US industry contribution of \$3 million was paid in two instalments; one of \$1.5 million at the beginning of the licensing period; the second after six months. Total interest earned on both of the contributions by the US government and the industry was \$636,186 at an interest rate of approximately 2 per cent per annum.

The total amount distributed during the 16th licensing period to the Pacific Island Parties for PDF, 15 per cent and 85 per cent share allocations, including accrued interest, was \$18,018,011.

## THE FSM ARRANGEMENT

The procedure for distribution of the payment under the FSM Arrangement is set out in Annex VI of the Arrangement. From the total license fees received, the Administration budget (as approved annually by the Parties) for the implementation of the Arrangement is deducted, and the balance is distributed to each of the Parties based on the sum of the regional catch for each of the Parties, multiplied by the regional price per tonne. The regional catch for a Party means the aggregate catch in each distribution period reported in that Party's exclusive economic zones less the catch made by that Party's sponsored vessels in its own waters.

A total of \$3,728,774 was received during the tenth distribution period<sup>5</sup>, as at the 31 December 2004. This was made up of \$2,266,503 as the total licence fees actually collected during the period; a sum of \$1,422,733 as carried over balance from the previous year; and \$39,538 as interest earned on the fund from the term deposit.

After deducting the Administration budget of \$21,812 and bank charges of \$677, a total of \$3,067,436 was distributed to the Parties based on their respective regional catch.

<sup>4</sup> Licensing periods under the US Treaty do not follow the calendar year. They extend from mid-June of a year to mid-June of the following year. The 16th licensing period was from 15th June 2003 to 14th June 2004.

<sup>5</sup> Distribution periods under the FSM Arrangement follow the calendar year.

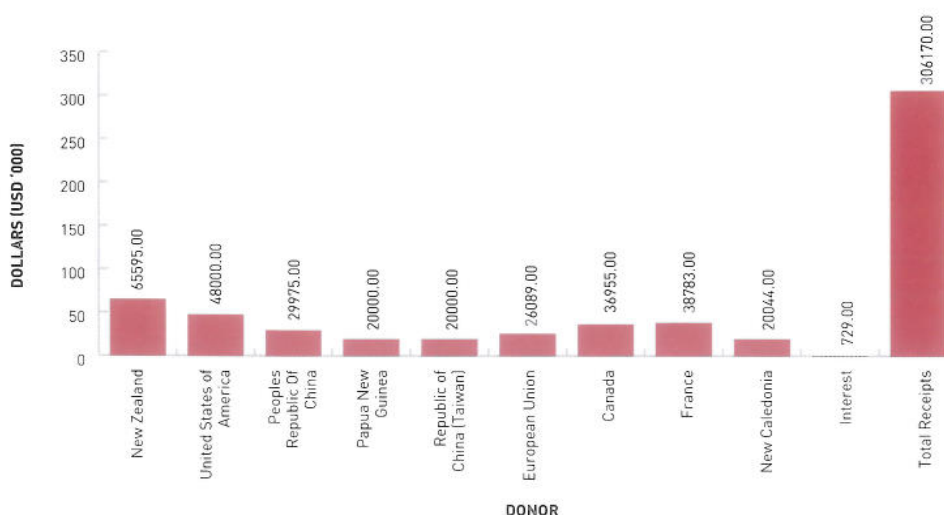
# CORPORATE SECRETARIAT

## THE PREPARATORY CONFERENCE ORGANISATIONAL FUND

The Fund balance as at 1 January 2004 was \$135,478. Contributions to the Fund were voluntary contributions received from participating states and entities in the Preparatory Conference for the establishment of the WCPFC. In 2004, a total sum of \$306,170 was received from the following contributors as shown in Table 5.

**TABLE 5**

### TOTAL CONTRIBUTIONS TO PCOF



The year's expenditures consisting of in-country conference costs, Chairman's travel and associated costs, Preparatory Conference Secretariat travel and associated costs, consultancy fees and miscellaneous administrative expenses, FFA management and administrative costs amounted to \$287,715.

The closing fund balance as at 31 December 2004, after offsetting over expenditure of \$756 from the first Scientific Coordinating Group meeting was \$153,177. In the first meeting of the Commission it was requested that the PCOF be wound up by 31 January 2005, and the balance remaining in the Fund transferred to the working capital fund of the Commission. Since the Commission had not formally established its bank accounts by the 31 January 2005, the funds were transferred on an interim basis, to a WCPF Commission General Fund Account at the National Bank of Solomon Islands.

## STAFF ISSUES

2004 was a busy year for staff recruitment, selection and departures. The highlight, however, was the Agency's capacity to attract a number of highly qualified and experienced officers to key positions as follows:

## EXECUTIVE MANAGEMENT

Mr. Bruce Chapman, the Interim Deputy Director, appointed to fill the position for a period of six months left the Agency in July 2004. Mr. Chapman returned to New Zealand.

The Deputy Director position was filled by Mr. Stephen Dunn of Australia. Mr. Dunn was the Director-General of New South Wales Fisheries before taking up his appointment in August 2004.

# DIRECTOR'S ANNUAL REPORT FOR 2004

## MARKETING AND ECONOMICS

The Fisheries Management Adviser, Mr. Joel Opnai completed a three year contract with the Agency in April 2004 and returned to his home province, Kavieng, Papua New Guinea.

In September 2004, Mr. Tanielu (Dan) Su'a, took up the position of Fisheries Management Adviser. Mr. Su'a was Assistant CEO and Head of Fisheries Division in the Ministry of Agriculture, Forestry, Fisheries and Meteorology in the Government of Samoa.

During December 2004, Ms. Josie Tamate who held the position of Project Economist for six years returned to Niue. Mr. Peter Forau took up the position of Project Economist in January 2005. Mr. Forau was the Permanent Secretary for the Department of Planning and Aid Coordination, Solomon Islands Government before joining the Agency. It should be noted that Peter has subsequently accepted the prestigious position of Deputy Secretary-General of the Forum Secretariat in Suva, a sad loss for the FFA and its Members, but a gain for the region as a whole.

## LEGAL SERVICES

Legal Counsel, Mr. John Atwood resigned after serving one year of his contract. Mr. Atwood left in August 2004 and was replaced by Dr. Transform Aqorau in October 2004. Dr. Aqorau is well known to member governments and is a leading expert in international fisheries law. Transform was recruited from the Legal Advisor position at the Pacific Islands Forum Secretariat, and had previously held this position for the FFA.

## CORPORATE SERVICES AND INFORMATION TECHNOLOGY

Mrs. Suliana Low, Corporate Services Manager, resigned in August 2004 after serving just over one year of her contract. Ms. Narelle Caldwell replaced Mrs. Low in November 2004. Ms. Caldwell previously held the post of Director of Strategy and Policy with the Australian (New South Wales) State Government Department, WorkCover.

In July 2004, the Assistant Finance Officer, Mr. Micah Aloplitu, resigned to take up a scholarship to study financial management at the University of South Pacific in Suva in July. Mr. Joseph Huta was appointed to the position of Assistant Finance Officer. Mr. Huta has worked with the Agency for a number of years.

The Data Quality Officer position approved by FFC56 has been filled by Mr. Bryan Scott. Mr. Scott commenced in this new position in January 2005. He was recruited from the Australian Antarctic Division of the Australian Antarctic Data Centre based in Hobart, Tasmania.

## MONITORING, CONTROL AND SURVEILLANCE

Mr. Michael Ferris, Surveillance Operations Officer resigned in September 2004 after serving the Agency for just over two years. The vacancy left by Mr. Ferris has been filled by Mr. Lamiller Pawut who took up the position in January 2005. Mr. Pawut was the MCS Manager of the National Fisheries Authority of Papua New Guinea.

In December 2004 Mr. Albert Carlot returned to Vanuatu. Mr. Carlot commenced with the Agency in 1991 and over a 13 year period held a number of positions within the Agency culminating in the position of VMS Support Officer prior to his departure.

The position of VMS Support Officer was filled by Mr. Kyle Hurst of Australia in December 2004. Mr. Hurst was the VMS Compliance Officer/Technical Officer for the Department of Primary Industries, Queensland Fisheries Service, Australia prior to coming to his appointment at the FFA.

The Director extended his gratitude to Mr. Bruce Chapman for his term as Interim Deputy Director and welcomed the new Deputy Director, Mr. Stephen Dunn.

The Director welcomed all the new staff to the FFA and also acknowledged with appreciation the services and contributions of Mr. Joel Opnai, Mr. John Atwood, Mr. Michael Ferris, Mrs. Suliana Low, Mr. Albert Carlot, and Ms. Josie Tamate.

A comprehensive staff list is contained in this report.

# CORPORATE SECRETARIAT

## MEETING AND CONFERENCE SECRETARIAT SERVICES

The Secretariat provided conference secretariat support services for its governing council meetings in 2004 and other FFA related meetings and training courses. Meetings of the Forum Fisheries Committee (FFC) numbered 4 sessions in 2004 and these included the:

<b>FFC55 (Special)</b>	<b>Bali, Indonesia</b>	<b>15 – 16 April 2004;</b>
<b>FFC56 (Annual)</b>	<b>Tarawa, Kiribati</b>	<b>24 - 28 May 2004;</b>
<b>FFC57 (Special)</b>	<b>Honiara, Solomon Islands</b>	<b>28 – 29 October 2004;</b>
<b>FFC58 (Special)</b>	<b>Pohnpei, Federated States of Micronesia</b>	<b>1 - 10 December 2004</b>

and a ministerial component

<b>FFC58 (Ministerial)</b>	<b>Pohnpei, Federated States of Micronesia</b>	<b>8 December 2004</b>
----------------------------	--	------------------------

Other significant meetings supported by the Secretariat were the MCS Working Group meeting and, the Management Options Workshop.

## VIP VISITORS

A number of notable dignitaries visited the FFA headquarters in 2004. The EU Commissioner for Development Cooperation and Humanitarian Aid, Mr. Poul Nielson and a delegation of three other representatives paid a courtesy visit to the Agency on 4 February 2004. A presentation was made to the delegation to provide them with a brief overview of the work of the FFA in the region. A central topic of discussion during the visit was the pending Fisheries Development project which the FFA will execute under the 9th EDF.

A brief courtesy call was made on the FFA Director by Sir John Kaputin of Papua New Guinea on 30 March. Sir John's visit was part of a Pacific schedule in support of his candidature for the African Caribbean and Pacific (ACP) Secretary General position for which he has since been successfully appointed.

New Zealand Minister for Foreign Affairs, Mr. Phil Goff with a delegation of New Zealand Pacific Islands Parliamentary representatives and New Zealand media representatives visited the FFA on Monday 7 June 2004. It was Mr. Goff's second visit to the FFA over a two year period.

A 3 person delegation from Timor L'este, headed by the Permanent Secretary for the Timor L'este Ministry of Fisheries visited the FFA on 8 September as part of a fact finding mission. Of particular interest to the visitors was the ways in which the Pacific region manage and implement monitoring, control and surveillance issues, particularly observer programmes and vessel monitoring systems.

On 8 November representatives of the OPEC Development Assistance Committee visited the Agency. The members of this group included Mr. Richard Carey, Mr. Ole Christofferson and Ms. Glenys Karran from NZAID. The purpose of their visit was part of a process to review the effectiveness of its members development aid regionally.

In his capacity as the Forum Chair, the Samoan Prime Minister, the right Honourable Tuilaepa Sailele Malielegaoi, accompanied by the Secretary General of the Forum Secretariat, Mr. Greg Urwin and the Samoan Chief Executive Officer for Foreign Affairs Mr Mose Sua and Samoan Ambassador to Australia, Mr. Clifford Eteuati visited the FFA on 15 December. The Director briefed the Forum Chair on the WCPFC and its relations with the FFA and also provided an update on the development of the new strategic plan for the FFA.

# DIRECTOR'S ANNUAL REPORT FOR 2004

## Part V – Conclusion

The years 2004 and 2005 will be remembered as a crossroad for the FFA; the final thrust of effort to ensure the Commission came into being; the drafting of a new strategic plan; and a fundamental rethink about what the FFA should be doing and what services it should be providing to its Members.

The major challenge facing the FFA is to ensure that Members take a full and an active role in the work of the new Commission. Over the next five years the Commission will shape the way the region manages its fisheries and the FFA members must lead this process. Members' sovereign interests have to be protected and this will take both skill and courage if the region is to make the most of its precious fisheries resources, and not squander them. Countries are going to have to put aside self interest in favour of the collective good.

The new Strategic Plan repositions the operations of the FFA. In recent years the Secretariat's progressively increasing focus on providing services such as VMS, Treaties Administration, Observer Program, and meeting support has undoubtedly distracted efforts from the core business of assisting Members with their fisheries legislation, management planning, and fisheries development. Members need to give this careful consideration and decide whether to provide the resources to give the Secretariat renewed focus in these areas.

The FFA is entering a new era in fisheries management. New projects under the business plan will help to develop and promote ecosystem based fishery management models, develop economic performance indicators, so decisions can be made in the future on the basis of quality advice about the success of past strategies, and ensure all Members have quality fisheries legislation.

The situation with the US Treaty is grim. It is likely that the 18th licensing period will see as few as 15 boats operating under the Treaty arrangements. The US have flagged the complexity of maintaining a Treaty with so little industry interest. How this situation can be reversed is not clear but all efforts must be made to keep the Treaty going.

The vessel days purse seine effort control scheme proposed under the Palau Arrangement was progressed during 2004. The scheme will need a significant commitment from all Parties to the Palau Arrangement if it is to be successfully implemented and the Deputy Director has been assigned personal responsibility for facilitating its implementation.

There were a number of reviews undertaken in 2004. In particular, implementation of the VMS and IT services reviews will present substantial challenges to the staff involved in those services.

Subject to FFC59 approval, 2005 will be the first year where the Regional Register and VMS registers are administered through a single process. This one-stop-shop approach will reduce bureaucracy for industry, and ultimately reduce administration costs.

The Observer Program will also be reviewed in 2005 to ensure it remains focused, efficient and continues to deliver on expectations.

There are many challenges and issues ahead which the Agency and its members will have to grapple with under a dynamic fisheries management environment, regionally and globally. This will put greater strain on the FFA membership's resolve to gain greater returns from the sustainable utilization of the regional fisheries resources through cooperative and collaborative efforts. It is hoped that the FFA Strategic Plan 2020 will provide the blue print to guide the FFA and its members in addressing those challenges ahead.



# FFA STAFF ESTABLISHMENT

## PROFESSIONAL AND SUPPORT STAFF (AS AT 31 DECEMBER 2004)

DESIGNATION	NAME	NATIONALITY
<b>EXECUTIVE MANAGEMENT</b>		
Director ^	Mr. F P Teo *	Tuvalu
Deputy Director ^	Mr. S Dunn *	Australia
Executive Officer	N B Hanchard *	Cook Islands
Personal Assistant – Director ^	Ms. A Vave	Solomon Islands
Personal Assistant – Deputy Director	Ms. C Murdoch	Solomon Islands
Information Officer	Mr. B Hall *	Australia
Librarian	Vacant	
<b>ECONOMICS &amp; MARKETING</b>		
Manager Economics & Marketing ^	Mr. L Rodwell *	Australia
Market Adviser	Dr C Reid *	Australia
Project Economist	Mr. P Forau *	Solomon Islands
Fisheries Management Adviser 1	Mr. T Su'a *	Samoa
Fisheries Management Adviser 2	Vacant * ā	
Fisheries Development Policy Specialist	Vacant *(advertised)	
Project Coordinator	Vacant *(advertised)	
Tuna Industry Adviser	Mr. M Honda *	Japan
<b>LEGAL SERVICES</b>		
Legal Counsel ^	Dr T Aqorau *	Solomon Islands
Legal Officer	Vacant * (advertised)	
Fisheries Law Adviser	Vacant *	
<b>TREATIES ADMINISTRATION</b>		
Multilateral Treaty Manager	Mr. K Ruaia *	Kiribati
Project Development Officer	Mr. D Papaol *	Papua New Guinea
Senior Treaties Data Clerk	Ms. R Marsh	Solomon Islands
Treaties Data Clerk	Ms. J Inito	Solomon Islands
<b>MONITORING CONTROL &amp; SURVEILLANCE</b>		
Manager MCS ^	Mr. A Richards *	Papua New Guinea
Observers Programme Manager	Mr. K Staisch *	Australia
Surveillance Operations Officer ^	Mr. L Pawut *	Papua New Guinea
Fisheries Surveillance Adviser (Guam)	Vacant*	
Register Data Officer 1 ^	Ms. C Navere	Solomon Islands
Register Data Officer 2 ^	Ms. T Forau	Solomon Islands
Vessel Monitoring System Support Officer^	Mr. K Hurst *	Australia
Vessel Monitoring System Liaison Officer^	Mr. D Koro	Solomon Islands
Fisheries Enforcement Adviser	Mr. K Painter *	U.S.A

# DIRECTOR'S ANNUAL REPORT FOR 2004

## CORPORATE SERVICES

Corporate Services Manager ^	Ms. N Caldwell *	Australia
Finance & Accounting Manager	Mr. D Rupokets *	Papua New Guinea
Administration & Personnel Manager ^	Ms. W Ho *	Solomon Islands
Assistant General Fund Officer ^	Mr. L Galo	Solomon Islands
Assistant Trust Fund Officer	Ms. G Haro	Solomon Islands
Assistant Finance Officer ^	Mr. J Huta	Solomon Islands
Personnel Services Officer ^	Mr. G Keketaovia	Solomon Islands
Accounts Officer - Conference/Travel ^	Mr. S Gu'urau	Solomon Islands
Office Services Supervisor ^	Ms. D Boso	Solomon Islands
Office Services Assistant 1 ^	Ms. S Olisukulu	Solomon Islands
Office Services Assistant 2 ^	Ms. E Suri	Solomon Islands
Tea Attendant/Cleaner ^	Ms. I Mae	Solomon Islands
Driver/Courier ^	Mr. A Aratara	Solomon Islands
Maintenance Officer ^	Mr. J Tommy	Solomon Islands
Maintenance Assistant ^	Mr. K Noda	Solomon Islands
General Hand ^	Mr. D Fiubala	Solomon Islands

## INFORMATION TECHNOLOGY & COMMUNICATION

Information & Technology Manager ^	Mr. N Kapun *	Papua New Guinea
Senior Analyst Programmer ^	Mr. G Mar *	Fiji
Senior Project Analyst	Vacant *	
Database Administrator ^	Mr. R Chand *	Fiji
Network Administrator ^	Mr. G Porowai *	Solomon Islands
Data Quality Officer ^	Mr. B Scott *	Australia

^ Denotes General Funded positions

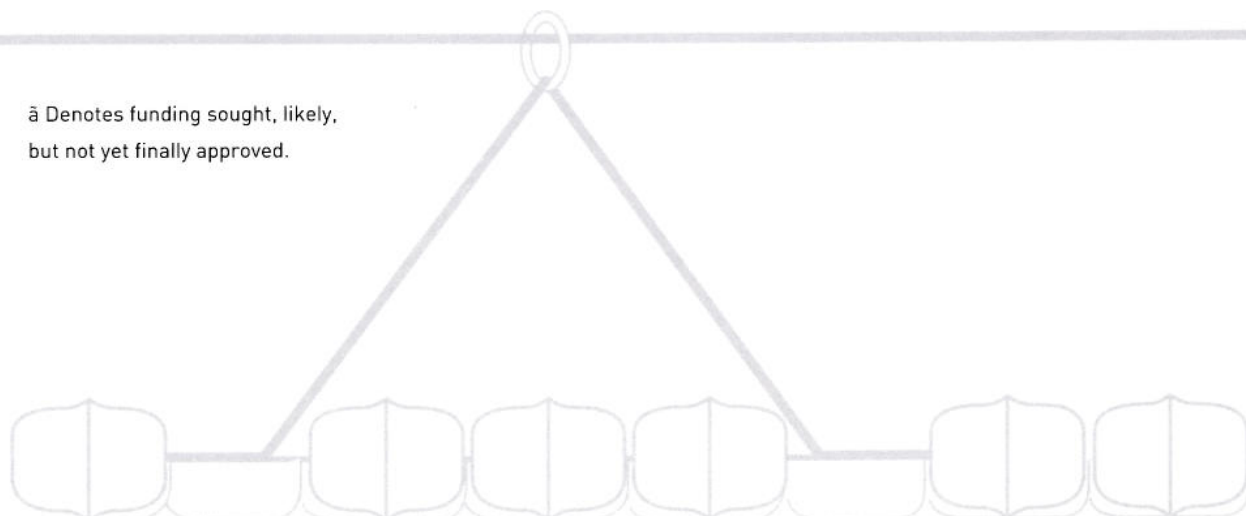
The positions underlined (Tuna Industry Adviser and Fisheries Enforcement Adviser) are not FFC established positions and are resourced by their host agencies.

\* Denotes Professional Staff.

Of the 23 professional staff positions that are filled, 20 are male and 3 female.

Of the 20 support staff positions that are filled, 9 are male and 11 are female.

ã Denotes funding sought, likely, but not yet finally approved.



# CALENDAR OF MEETINGS

## CALENDAR OF MEETINGS

### 2004

10-14 February	Special Palau Arrangement Meeting	Wewak, PNG
8 Feb – 1 March	Tuvalu Observer Training Course	Funafuti, Tuvalu
23-26 February	Pacific Strategic Action Plan Meeting (GEF)	Mocambo Hotel, Nadi Fiji
1-2 March	Sixteenth Annual Internal Meeting of the Pacific Islands Parties to the US Treaty	Funafuti, Tuvalu
3-5 March	Sixteenth Annual US Treaty Consultation Meeting	Funafuti, Tuvalu
29 March-3 April	7th Monitoring, Control & Surveillance Working Group	Port Moresby, Papua New Guinea
13-14 April	Special Palau Arrangement (PA) and Parties to the Nauru Agreement (PNA) Meeting	Bali, Indonesia
15-16 April	Special 55th Forum Fisheries Committee Meeting (FFC55)	Bali, Indonesia
19-24 April	Sixth Preparatory Conference for the Convention of the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific (PrepCon 6)	Bali, Indonesia
19-23 April	Observer Training Course	Nelson, New Zealand
17-21 May	PNA & PALAU Arrangement Meetings & Ninth Annual Meeting to the Parties to the FSM Arrangement Meetings	Tarawa, Republic of Kiribati
24 – 28 May	Annual 56th Session of the Forum Fisheries Committee (FFC56)	Tarawa, Republic of Kiribati
7-8 June	72nd Meeting of the Inter-American Tropical Tuna Commission (IATTC)	Lima, Peru
16-21 June 2004	Licensing Officers' Workshop	FFA Secretariat
12 – 15 July	Intersessional Meeting on Capacity	Sapporo, Japan
19-30 July	Observer Training Course	Nuku'alofa, Tonga
3-4 August	Forum Officials Committee Pre-Forum Session	Apia, Samoa
4-5 August	GEF Regional Synthesis Meeting	Nadi, Fiji
5 August	Small Island State Leaders' Summit	Apia, Samoa
	Pacific ACP Leaders Summit	Apia, Samoa
	Opening of the 35th Pacific Islands Forum	Apia, Samoa
7 August	Formal Session of the 35th Pacific Islands Forum	Apia, Samoa
9-10 August	16th Post-Forum Dialogue Meeting	Apia, Samoa
11-18 August	17th Meeting of the Standing Committee on Tuna and Billfish (SCTB17)	Majuro, Marshall Islands
20-21 August	Reflection Group Meeting on Strategic Planning	FFA Secretariat, Honiara, SI
26 – 27 August	GEF Project Design Workshop	SPC, Noumea, New Caledonia
30 Aug – 3 Sept	4th SPC Heads of Fisheries Meeting	SPC, Noumea, New Caledonia
14-16 September	Nauru In-country Prosecution Workshop	Nauru
13-14 October	Broader Cooperation Talks, San Diego, California	San Diego, California, USA

# CALENDAR OF MEETINGS

## CALENDAR OF MEETINGS

2004

18-22 October	Maritime Surveillance Advisers Meeting	Brisbane, Australia
25-27 October	Management Options Workshop	FFA Headquarters, Honiara, SI
28-29 October	Special 57th session of the Forum Fisheries Committee (FFC57)	FFA Headquarters, Honiara, SI.
1-5 November	Tonga In-country Prosecution Workshop	Nuku'alofa, Tonga
8 – 11 November	International Observer Conference	Sydney, Australia
12-15 November	Observer Coordinators meeting	Sydney, Australia
16-20 November	Sixth Meeting of the SPC/FFA Tuna Fishery Data Consultative Committee	Brisbane, Australia
1-3 December	Special 58th session of the Forum Fisheries Committee Meeting (FFC58)	Ponhpei, Federated States of Micronesia
6-8 December	7th Preparatory Conference on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific	Ponhpei, Federated States of Micronesia
9-10 December	1st Meeting of the Western and Central Pacific Fisheries Commission	Ponhpei, Federated States of Micronesia

# FELLOWSHIPS AND ATTACHMENTS

ACTIVITY	HOST COUNTRY	SURNAME	FNAME	POSITION
MCS Fellowship Attachment	Solomon Islands	Taholo	Ana	VMS Officer
MCS Fellowship Attachment	Solomon Islands	Helgen	Justino	VMS & MCS Officer
Legal Fellowship Attachment	Solomon Islands	Suveninakama	Jovilisi	Legal Officer
E&M Fellowship Attachment	Solomon Islands	Naupoto	Samisoni	Economist
E&M Fellowship Attachment	Solomon Islands	Obed	Wesley	Surveillance Officer

# SUMMARY OF INCOME AND EXPENDITURE

TABLE .6

## SUMMARY OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2004 (USD)

	GENERAL FUND	TRUST FUND	TOTAL
<b>INCOME</b>			
Member Contributions	808,292		808,292
Donor		2,136,622	2,136,622
Interest	9,427	6,439	15,866
Programme Support	262,039	102,493	364,532
US Treaty-Service fee	101,400	30,600	132,000
FSM Arrangement	4,500		
PDFund (Aus)	111,125		111,125
Regional Registration Fee	608,500		608,500
Conference Centre	9,614		9,614
Miscellaneous	11,525	818	12,343
<b>TOTAL INCOME</b>	<b>1,926,422</b>	<b>2,276,972</b>	<b>4,198,894</b>
<b>EXPENDITURE</b>			
Executive Management	359,218	492,892	852,110
Monitoring, Control & Surveillance	136,432	246,671	383,103
Economics & Marketing	131,080	1,137,725	1,268,805
Legal Services	90,833	138,782	229,615
Corporate Services	828,004	141,294	969,298
Information Technology & Communications	317,010	117,238	434,248
<b>TOTAL EXPENDITURE</b>	<b>1,862,577</b>	<b>2,274,602</b>	<b>4,137,179</b>
Surplus Funds	63,845	2,370	61,715
<b>Housing Fund</b>			
Income	77,704		89,983
Expenditure	77,704		89,983
Surplus Funds	0		0
<b>VMS Fund</b>			
Income	872,549		872,549
Expenditure	720,146		720,146
Surplus Funds	152,403		152,403

# BALANCE SHEET

TABLE .7

BALANCE SHEET AS AT 31 DECEMBER 2004 (USD)

	TOTAL
<b>Current Assets</b>	
Cash	4,069,341
Receivables	17,058
Others	678,278
<b>TOTAL CURRENT ASSETS</b>	<b>4,764,677</b>
<b>TOTAL ASSETS</b>	<b>4,764,677</b>
<b>Current Liabilities</b>	
Creditors & Other Liabilities	967,555
Provisions	321,046
Advance Funding	2,198,962
<b>TOTAL LIABILITIES</b>	<b>3,487,563</b>
<b>NET ASSETS</b>	<b>1,277,114</b>
<b>FUND BALANCE</b>	
General Funds	543,746
VMS Funds	725,401
Housing Fund	7,967
<b>TOTAL FUNDS</b>	<b>1,277,114</b>



# MAP OF FFA MEMBERS

## MAP OF FFA MEMBERS



### Pacific Islands Forum Fisheries Agency

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