

PACIFIC ISLANDS FORUM FISHERIES AGENCY



ANNUAL REPORT 2007



FFA



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 •

FFA VISION

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



FFA

FFA MISSION

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.

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INTRODUCTION and OVERVIEW



FFA Director General Su'a N.F. Tanielu

INTRODUCTION

I am pleased to present the Annual Report for the 2007 Calendar Year. It is my second Annual Report since becoming Director-General of the Pacific Islands Forum Fisheries Agency in December 2006. At the outset, I wish to express my wholehearted appreciation to the Chair (New Zealand), and Members of the Committee for their unstinting support, leadership and direction throughout the year.

I would also like to express my appreciation to our major aid donors: Australia, New Zealand, the Global Environment Facility of the United Nations Development Programme (UNDP-GEF), the European Union (DevFish), the Overseas Fishery Cooperation Foundation (OFCF) of Japan, Taiwan, the Australian Centre for International Agricultural Research (ACIAR), and the Marine Stewardship Council (MSC) for their ongoing support towards the work programme of the Agency.

The year 2007 was another busy one for the Agency. The exponential growth in the demand for the services of the Agency arising from the increasing number of meetings spawned by, amongst other things, the establishment of the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific (WCPFC), has imposed an additional burden and more responsibilities on both the FFA Secretariat and Member Countries.

It was also a year of uncertainty for the future configuration of the Agency because of the Regional Institutional Framework process (RIF), which proposed the amalgamation of the Agency with the Secretariat of the Pacific Community (SPC). Dealing with these uncertainties occupied much of my time. It necessitated me to undertake consultations with Member Countries at the highest political level to explain the role and

functions of the Agency. The consultations focused primarily on the importance of Member Countries retaining political control for the direction, conservation and management of the region's lucrative tuna resources. The RIF process sadly threatened to undermine the solidarity of the Member Countries with views polarised between those who supported consideration of a new regional architecture and those who wanted the status quo maintained. The issue was resolved by Forum Leaders who directed "...the inclusion of the Pacific Islands Forum Fisheries Agency (FFA) into Pillar 1, in order to recognise the Agency's central regional role and to provide fisheries issues with the political profile they require." There are, however, important lessons to be learnt in the future about how changes to the regional architecture may be effectuated in a way that is more amenable to consensus.

Forum Leaders have made fisheries the number one priority issue for the region. The onus is therefore on the Agency and Committee to respond to the faith that Forum Leaders have placed on the Agency to deliver. In terms of what needs to be done, Forum Leaders have laid down the parameters of the work of the Agency. At their 2007 Meeting, they said that:

Despite the considerable work undertaken to date to strengthen the region's management of its highly migratory fish stocks, Leaders believe urgent supplementary work is needed in specific areas. Fisheries represent one of the region's strongest drivers for sustainable economic growth. As a source of both export revenue and food security, efforts must continue to maintain regional solidarity among Forum Members in their management of these fish stocks, particularly tuna. Greater effort to foster a long-term strategic approach to ensuring these resources are effectively managed will provide enduring benefits for all Forum Member countries. This approach must include the upholding and strengthening of existing regional arrangements, agreements and conservation measures that protect this essential resource in the face of threatened stock levels and intensifying global interest, particularly from distant water fishing nations.

There are considerable gaps in our regional fisheries management strategy and this is something the Committee must work on in the coming years. Throughout the year, it has become obvious that there are differences in the approaches to fisheries in the region within the membership; these differences have been brought out largely as a result of the WCPFC. The WCPFC was always going to test the resolve of the Agency and Member Countries, in particular, the numerous obligations that it imposes. Participation in the WCPFC meetings is an expensive undertaking for both the Agency and Member Countries. These meetings are not convened in easily accessible locations. They are no longer hosted in venues that are familiar to Member Countries. Venues such as Nadi, Fiji – which is more centrally located and relatively cheaper to access – are now giving way to venues such as Honolulu, Pusan and Pohnpei; these are far more expensive to get to, both in terms of time and finance. There are also marked differences in the benefits that FFA Members are now beginning to experience from the measures adopted by the WCPFC. For instance the adoption by the WCPFC of 2005-01, whereby the purse seine fishery will be managed through a Vessel Day Scheme, has firmly entrenched the management of the

purse seine fishery in the control of the Parties to the Nauru Agreement (PNA). However, this situation must not be taken for granted and the onus is on FFA Members to ensure that the measures adopted by the Commission and the responsibilities which they have been given are discharged effectively and responsibly.

Twenty-eight years ago, Forum Leaders first recognised the value of regional cooperation as an important and powerful negotiating tool. It has largely been through the regional cooperative efforts of FFA Member Countries that they have been able to propel distant water fishing nations (DWFNs) and regional tuna fisheries organisations to successfully endorse treaties, arrangements, conventions and conservation and management measures in ways that do not undermine their sovereignty and sovereign rights. It is probably a fair observation to make that, although the region has been a model of regional cohesion on fisheries issues, this cohesion diminished in recent years for the reasons stated above. Additional reasons that may also explain these phenomena include poor governance; foreign aid; influence of certain segments of DWFNs on national governments; different economic, cultural and geographic environments; and different endowments of tuna resources. The importance of regional cooperation however cannot be underestimated. Tuna is a highly migratory resource, and no single country or grouping of countries can effectively manage and conserve the resource. With the growing importance of the development of tuna to the national economies of some FFA Member Countries, it would be unrealistic to expect national interests not to be at the forefront of decision-making – in the context of both the FFC and the WCPFC. And yet, national interests must not be allowed to impede regional cooperation in effective fisheries management. The capture of more wealth that FFA Member Countries' aspire to will diminish through inadequate fisheries management.

According to the Food and Agriculture Organization (FAO), 3% of the world's fish stock are underexploited, 20% are moderately exploited, 52% are fully exploited, 17% are overexploited, 7% are depleted and 1% are recovering from depletion. In a penetrating analysis of the future of Pacific fisheries, the SPC and FFA¹ highlighted the need for food security over a 30-year projection.

¹ Secretariat of the Pacific Community (SPC) & FFA, *The Future of Pacific Fisheries – Planning and Managing for Economic Growth, Food Security and Sustainable Livelihoods*, Paper prepared for the 5th Meeting of the Conference of the Pacific Community, Apia, Samoa, November 2007, SPC/Conf. 5.



The Report noted the following:

The use of fish for food security is under the spotlight because the total population of the Pacific will increase by almost 50% by 2030. Careful planning is needed to identify how best to provide nutritious food for all in the future. SPC has identified how much fish should be eaten for a healthy diet, how much fish is being eaten in the region now, and how much fish will be needed for food security in the region in 2030.

The SPC study confirms that the Pacific is still extraordinarily dependent on fish. In many PICTs [Pacific Island Countries and Territories], fish makes up 70–90% of total animal protein intake. Most of this fish comes from subsistence fishing. The challenge for national planners is to ensure that growing populations continue to have physical, social and economic access to the fish they need. In rural areas, access to fish needs to be made available in ways that enable households to catch or produce it for themselves. In urban centres, it needs to be supplied at affordable prices.

The amount of fish needed for food security in 2030 will be much greater than most people realise: 275,000 tonnes for Melanesia, 40,000 tonnes for Micronesia and 45,000 tonnes for Polynesia. Preliminary analysis shows a large shortfall between the needs for fish in 2030 and estimated sustainable production from coastal fisheries for 13 of the 22 PICTs.

The challenge ahead for FFA Member Countries remains formidable, and these cut across a number of fronts. In 2007 the Agency, together with other agencies in the Council of Regional Organisations in the Pacific (CROP), continued to work on programmes aimed at strengthening tuna management and conservation. The task is by no means easy, but I am confident that with the cooperation of the Committee, aid donors and FFA Member Countries, these challenges can be addressed and achievements made.

FFA Director General Su'a N.F. Tanielu

MAIN ACHIEVEMENTS

- The Vava'u Declaration on Pacific Fisheries Resources decreed by Forum Leaders at their 2007 Summit was a milestone in fisheries. Forum Leaders made fisheries issues the number one priority for the region and committed to the following:
 - i) Promote domestic fisheries, in particular the development of national tuna industries, in the context of a phased introduction of rights-based management arrangements supported by an appropriate management and regulatory framework.
 - ii) Develop and manage coastal/inshore fisheries and aquaculture to support food security, sustainable livelihoods and economic growth for current and future generations of Pacific people.
 - iii) Maintain regional solidarity among Forum Member Countries in managing the region's tuna stock.
 - iv) Strengthen support for the Forum Fisheries Agency, the Secretariat of the Pacific Community and other regional fisheries bodies as they intensify their efforts in applying a long-term strategic approach to Pacific fisheries, and in tuna species in particular, to ensure that these resources are effectively managed so as to provide enduring economic, social and cultural benefits.
 - v) Uphold and strengthen the existing regional and national arrangements, agreements and conservation measures that protect this essential resource.
- The recognition by Forum Leaders of the role of the FFA under Pillar I in the RIF process
- The active involvement of the Secretariat in trade negotiations culminating in ongoing participation at the World Trade Organisation (WTO) Negotiating Group on Rules for Fisheries Subsidies and Countervailing Measures.
- The completion of the Tuna development action plan for Papua New Guinea.
- The recognition of the development aspirations of Small Island Developing States (SIDs) by the Fourth Session of the WCPFC and the apparent resolution of the abuse of the over-capacity resolution with the purse seine vessels of Marshall Islands and Tuvalu expected to be released by Taiwan.
- The resolution to the issue of the licensing by Kiribati of Ecuadorian boats at the fourth Session of the WCPFC. The WCPFC agreed that Kiribati could license these vessels under the Vessel Day Scheme (VDS) provided that they only fish in Kiribati's Exclusive Economic Zone (EEZ) and not on the high seas, and that these vessels be registered on the WCPFC Record of Fishing Vessels. This agreement was only for 12 months.
- The satisfactory achievement in establishment of Monitoring, Control and Surveillance (MCS) programmes.
- The entry into force of the VDS on 1 December 2007.
- The successful enhancement of the Vessel Monitoring System (VMS) and the development of the disaster recovery site at Macquarie Telekom in Sydney.
- The effective participation of FFA Members at the Fourth Session of the WCPFC. Effective participation may be measured against the priority areas identified in the FFA Brief. These include closure on an integrated and comprehensive MCS framework for the region, particularly, implementation of the Regional Observer Programme (ROP), implementation of the Commission VMS and operationalising the High Seas Boarding and Inspection Scheme. Progress in this direction was highly satisfactory with the adoption of the ROP Conservation and Management Measure (CMM) together with an agreed outline implementation schedule notwithstanding that reaching agreement on these texts involved some compromises on important points.
- The adoption of the "Pacific VMS" option – a high point for the FFA VMS, because it carries the Commission VMS forward, and at the same time demonstrates recognition of the rehabilitation of the FFA VMS.
- The adoption of the revised standards for operational catch and effort data provision in a manner that removes the uncertainty about the status of the previous standards. The standards include treatment of charters, the role of coastal states and commitment to provision of operational-level data.
- Progress towards resolving the issues associated with non Cooperating Commission Members carriers and bunkers, which are important for the domestic purse seine fisheries of several FFA Members.
- The official colloquium between FFA and the Solomon Islands Government to discuss issues pertaining to the responsibility of the host country.

MAIN CHALLENGES

Fisheries management and conservation continue to become more complex. The level of engagement by FFA Members at the WCPFC level continues to pose considerable challenges for the Secretariat and FFA Members. The number of meetings associated with the WCPFC as well as FFA's own calendar of events has become somewhat overwhelming. In order to be able to address these complex fisheries management and conservation issues, FFA Members and the Secretariat must position themselves to respond to these challenges. This means building the capacity of FFA Members and the Secretariat across all facets of fisheries management, development and compliance. 2007 was not an easy year in terms of the issues that had to be confronted. I am confident however that through the direction and leadership of the Committee, the Agency will be able to meet these challenges. The major challenges faced by the Agency in 2007 are outlined below.

- The ongoing concerns for the state of yellowfin and bigeye tuna; and the inability of the WCPFC to adopt additional conservation and management measures at its Fourth Session. The major shortfall of the Fourth Session will be seen as the failure of the WCPFC to adopt a further bigeye and yellowfin measure. In practice it was not possible within the time available to negotiate an agreement, although a useful measure could have been adopted if priority had been given to this issue. It is expected that the fallout of the process on this issue will be significant, including a new approach to compatibility by many FFA Members limiting the WCPFC's role more clearly to high seas.
- The inability to secure land for further development of accommodation for FFA staff.
- The increasing costs of accommodation in Honiara.
- The increasing polarisation of views within the WCPFC.
- The need to ensure that national interests do not undermine regional cooperative efforts.
- The need for improved governance, focusing on transparency and sharing of information, public sector administration, and consultative mechanisms with stakeholders.
- The need for improved fisheries data and knowledge of the dynamics of the tuna stocks and their ecosystem.
- The need to provide appropriate incentives and support for engagement by the private sector.
- The need to take account of the socio-economic issues that influence increased participation of FFA Members in the fisheries.
- The need to draft appropriate national management and development plans that also support regional efforts to restrict foreign access, and secure trade arrangements that maintain preferential market access for exports.
- The US treaty in the context of the dynamics of fisheries in the WCPF Convention region, including the Vessel Day Scheme.
- The increasing demands on the fixed resources available to the Secretariat to successfully implement and discharge the responsibility under its mandate.



Japan: 3rd FFA and Japan Cooperation Talks.

FISHERIES MANAGEMENT

ECOSYSTEM APPROACH TO FISHERIES MANAGEMENT

In the past ten years there has been a worldwide shift to incorporate more holistic forms of management for natural resources. This change has been particularly evident within marine systems, and has been most commonly focused on fisheries management. One of the numerous titles for this concept, endorsed by the Forum Fisheries Committee, is the Ecosystem Approach to Fisheries Management (EAFM), which forms one of the four subprograms under the Fisheries Management Program of the Forum Fisheries Agency.

In order for the EAFM model to be applied to the national Tuna Management Plans (TMPs), the following three important components must be carried out:

- EAFM Report
- Operational Plan
- Tuna Management Plan Review

The initial stage of developing the EAFM has involved implementation of the concept and defining its application in FFA Member Countries. This work has been undertaken by Dr Rick Fletcher through workshops involving FFA Members and the facilitation of the first consultation on the EAFM in Vanuatu in 2006. In addition to this work, Dr Fletcher has provided a supporting document outlining the concept and framework for the EAFM: *"A Guide to Implementing an Ecosystem Approach to Fisheries Management (EAFM) within the Western and Central Pacific Region"*.

The Ecosystem Approach to Fisheries Management was adopted by Fisheries Ministers at FFC61 in Nadi, Fiji, in 2006; subsequently, and given the ability of the EAFM to review current Tuna Management Plans (TMPs), the FFA through its Fisheries Management Division has incorporated the implementation of EAFM as one of its major and priority activity under its annual work plan. Virtually all Small Island Developing States of the FFA have TMPs, but they need to

be as effective as possible in addressing the social and ecological issues associated with tuna fishing in the region.

The next stage of the development and further progress of the EAFM is its implementation in individual FFA Member Countries. The EAFM work has been successfully undertaken in five FFA Member Countries: Vanuatu and Palau in 2006; and Federated States of Micronesia (FSM), Nauru and Tonga in 2007. Draft EAFM reports have been completed for Vanuatu, Palau, FSM, and Tonga. Vanuatu had its operational plan and TMP reviews completed.

Western and Central Pacific Fisheries Commission

Several meetings related to the Western and Central Pacific Fisheries Commission were held during the year:

- The Third Regular Session of the Scientific Committee was held in Honolulu, Hawai'i from 13 to 24 August under the Chairmanship of Dr Dae Yeon Moon.
- The Third Regular Session of the Northern Committee was held in Tokyo, Japan from 11 to 13 September under the Chairmanship of Mr Masanori Miyahara.
- The Intersessional Working Group on the Regional Observer Programme was held in Pohnpei, Federated States of Micronesia from 24 to 25 September under the Chairmanship of Mr Charles Karnella.

- The Third Regular Session of the Technical and Compliance Committee was held in Pohnpei, Federated States of Micronesia from 27 September to 2 October under the Chairmanship of Mr Wendall Sandford.
- The Inaugural Session of the WCPFC Standing Committee on Finance and Administration commenced in Tumon, Guam on 2 December and continued until 6 December under the Chairmanship of Mr Terry Toomata.
- The Fourth Regular Session of the WCPFC met in Tumon, Guam from 3 to 7 December under the Chairmanship of Mr Glenn Hurry.

The Secretariat provided the FFA Brief for all six WCPFC meetings, and convened preparatory meetings for the major WCPFC meetings.

In 2007, FFA held three sub-regional WCPFC Management Options Workshops (MOW) as part of the preparations of FFA Members for the Fourth Session of the WCPFC. These workshops included reviews of FFA Members' legislative implementation of the WCPFC Convention and decisions, as well as discussion of key issues for WCPFC Fourth Session and preparation for the FFA MOW (8–12 October, held in Rarotonga Cook Islands). The workshops also covered issues of importance for SC3 and TCC3, the third sessions of the Scientific Committee and the Technical Compliance Committee, respectively. The workshops considered the national as well as regional perspectives for particular WCPFC Convention issues.

The 2007 FFA MOW, in addition to taking stock of progress to date in the WCPFC, resulted in two FFA proposals being submitted to the Commission in advance of its Fourth Session:

- A draft proposal for discussion of a further bigeye and yellowfin conservation and management measure, that was without prejudice to the positions of individual FFA Members; and
- A proposal for the modification of the Cooperating Non-Member Conservation and Management Measure (CMM 2004-02).

Individual FFA Members also submitted a further eight individual delegation papers, many as proposals for consideration during WCPFC4. The fourth session of the WCPFC agreed to the following:

- The adoption of a Conservation and Management Measure for the Regional Observer Programme, along with an outline implementation schedule.

- The adoption of the "Pacific VMS" option, that utilises the FFA VMS framework.
- The adoption of the final procedures for implementing the high seas boarding and inspection scheme.
- The adoption of the revised standards for operational catch and effort data provision by Commission Members.
- A commitment to adopt a supplementary Conservation and Management Measure for bigeye and yellowfin stocks in 2008, that will apply to purse-seining, longlining and other commercial fisheries that catch bigeye and yellowfin tuna in the Convention Area.

Attendance at Meetings of Other Regional Fisheries Management Organisations

The FFA Secretariat continued the practice of attending meetings of other Regional Fisheries Management Organisations (RFMOs) in 2007. Observing such meetings provides an important opportunity to keep abreast of developments within, and gaining experience in the functioning of, other organisations.

Mr Tanielu Su'a (Director-General), Dr Manu Tupou-Roosen (Legal Counsel), Mr Apolosi Turaganivalu (Compliance Policy Officer), Mr Sean Sloan (Fisheries Management Adviser), Dr Chris Reid (Fisheries Economics Adviser) and Ms Lara Manarangi-Trott (WCPFC Liaison Officer) attended the First Meeting of the Joint Tuna RFMOs, 22–26 January 2007, held in Kobe, Japan.

Mr Samasoni Sauni (Fisheries Management Adviser), Mr Darren Cameron (Fisheries Management Adviser), Mr Bernard Thoulag (FSM) and Ms Tooti Tekinaiti (Kiribati) attended the big-eye management options special session of the Inter-American Tropical Tuna Commission (IATTC), held in La Jolla in early February 2007.

Mr Maruia Kamatie (Fisheries Management Adviser), Mr Joshua Mitchell (Cook Islands) and Mr George Maddens (Fiji) attended the Inter-American Tropical Tuna Commission Regular Session, held in Mexico in late June 2007.

In July 2007, Mr Tim Park (the Observers Programme Manager), Ms Nanette Malsol (Palau) and Mr Mike Riepen (FFA Consultant), attended the Joint Tuna RFMO Technical Working Group on Trade and Catch Documentation Schemes, Raleigh, North Carolina, USA, 23–24 July 2007.

Pacific Islands Oceanic Fisheries Management Project

The Pacific Islands Oceanic Fisheries Management Project (OFM Project), funded by UNDP's Global Environment Facility, was established in 1991 to provide grants in support of projects related to biodiversity, climate change, international waters, land degradation, the ozone layer, and persistent organic pollutants.

The OFM Project approaches its mid-life term at the end of the second quarter in 2008. The oversight of the project is the responsibility of the project's Regional Steering Committee (RSC) which convenes annually before the FFA Management Options Workshops typically held in October each year. Beneficiary country representatives at the project RSC are nominated focal points within country fisheries administrations.

FFA and SPC are the principal executing agencies for the project; providing a report to their governing bodies ensures widespread understanding of the project's progress, monitoring and transparency. An information paper is provided to the Forum Fisheries Committee (FFC) annually with a progress report of the OFM Project, highlighting recent significant issues and challenges faced during the project's implementation. The last report of the OFM Project was made to the Sixty-Fourth Meeting of the Committee held in Wellington, New Zealand in May 2007.

The approved budget for the OFM Project over a five-year period from 2005 to 2010 is for USD10.9 million. As at 31 December 2007, overall project expenditure amounted to USD5,043,011.

The total approved budget for the OFM Project in 2007 was approximately USD3.5 million of which USD2.7 was expended. A significant proportion (USD\$600K) of the unspent funds in 2007 was attributed to the delay of activities concerning seamount research and the related policy work under the auspices of The World Conservation Union (IUCN); these are expected to be resolved in early 2008.

MONITORING AND COMPLIANCE

The monitoring and compliance subprogram continued to support efforts to augment conservation and management measures and monitor the activities of fishing vessels in the region. This was done through support at national level, as well as through the investigation of new technologies to enhance the monitoring capability of FFA Members.

A summary of some of the activities follows.

Vessel Monitoring System (VMS)

Specific work undertaken in the operation and implementation of the FFA VMS in 2007, include:

- i) *Migration of Land Earth Station (LES) operation to VIZADA satellite communications:* Following the closure



Marshall Islands: Subregional WCPFC workshop

of the Perth LES, FFA signed a contract with France Telecom VIZADA and migrated all its LES operation to VIZADA LES in Yamaguchi, Japan. VIZADA provided a better customer support service, as well as a global Domain Name Identifier (DNID) service, which enables FFA VMS to track vessels around the globe within the Inmarsat footprint.

ii) *Service Level Agreement (SLA) with Absolute Software:* KAZ Group had previously developed the FFA VMS applications with some application sub-contracted to Absolute Software. KAZ Group advised being unable to provide the support required. FFA sought the assistance of Absolute Software. A new SLA was awarded to Absolute Software and KAZ Group's support services terminated.

iii) *Disaster Recovery Site (2nd Site):* The second site for the FFA VMS was requested by FFC in the event of a critical failure of the VMS Hub in Honiara, the Solomon Islands. Several risks were identified that could seriously disable or destroy the VMS Hub in Honiara, with both human and natural causes (riot/civil unrest, fire, cyclone, earthquake, lightning strike, critical hardware failure); a second site was considered necessary to mitigate these risks.

Macquarie Telecom Data Centre in Sydney, Australia, was chosen as the second site for FFA to host its VMS and other data services. The new site will provide FFA Members with a greater level of service regarding access to FFA VMS data. It would also enable the FFA Secretariat to upscale the size of the system (if necessary) with ease and simplicity. Further work would involve developing the site to be able to co-host member national systems and the WCPFC VMS requirements for data storage.

iv) *Vessel Day Scheme Programme:* VMS data is used to calculate days at sea in the PNA membership. Absolute Software was tasked to develop this application. The design work was started by Absolute in September 2007, which also involved testing of the application. The completed product was expected to be available for PNA users to monitor fishing effort in their EEZ in late March/early April 2008.

v) *FFA Member Disaster Recovery Co-hosting Services:*

The design work for this was started by Absolute in September 2007. It would provide FFA Member Countries' Disaster Recovery and Back-up Services. The National Fisheries Authority of Papua New Guinea is the first FFA Member Country to use this co-hosting facility, which is

fully integrated into the system. FFA will be assisting its other Member Countries to develop a similar capacity. Cook Islands is expected to be the next Member to take advantage of this setup. Continued enhancement of this service is scheduled for 2008.

vi) *VMS ALC Inspection Scheme:* A mandatory annual inspection of the Mobile Transmission Units (MTUs) began in August 2007 to ensure that each unit is installed and configured to FFA requirements. Records held at FFA were not always accurate due to changes made to the installation without notifying FFA. The MTU inspection is now linked to the annual renewal of vessel registration on the FFA Vessel Register. FFA remains committed to building national capacity in matters of VMS MTU controls. Future activities in this area will include conducting four training fellowships for in-country VMS/MCS enforcement officers to specifically address the VMS MTU problems in the FFA Member Countries.

vii) *MTU Type Approval:* The Type Approval Procedure review started in September 2007 and is due for completion in June 2008. The Type approval process is in line with industry-recognised standards (ISO and others). FFA is working to adopt type approved MTUs that meet regional specification across VMS agencies, in collaboration with the United States' National Oceanographic and Atmospheric Administration (NOAA), the European Union, the Australian Fisheries Management Authority (AFMA) and other VMS agencies.

viii) *VMS Data Exchange Protocols:* FFA started work in late 2007 to adopt data exchange protocols in line with industry standards, in collaboration with the WCPFC, AFMA, NOAA and other Regional Fisheries Management Organisations.

ix) *VMS Training and Development:* FFA started preparations late 2007 for conducting future VMS training through a recognised tertiary institution. FFA is developing training programmes with the Australian National Centre for Ocean Resources and Security. ANCORS is a centre of excellence in oceans governance and maritime security knowledge services in Australia. It is a leading contributor to the Oceans and Transnational Security "Research Strength" within the University of Wollongong.

Vessel Day Scheme

A significant component of VDS work during 2007 was the trial implementation of the VDS for the 12-month period 1 December 2006 to 30 November 2007. Its purpose was to allow time for PNA Members and the fishing parties to

accommodate the VDS into bilateral access agreements, as well as to trial the scheme itself. The Total Allowable Effort (TAE) agreed for the first year of the VDS of 28,469 days, was applied for the trial period. Days fished by the fishing parties in the waters of the PNA Members was monitored through the FFA VMS and adjusted against each PNA Member's allocation of days for the 12-month trial period. The VDS came into full operation on 1 December 2007 following the conclusion of the trial period on 30 November 2007.

The VDS Committee held its third meeting in Wellington, New Zealand on 21 May 2007; one of the outcomes was for the VDS sub-regional workshops to be conducted for PNA Members in June 2007. The first VDS sub-regional workshop was held in Port Moresby, Papua New Guinea from 12 to 14 June 2007. The participating PNA Members were Papua New Guinea, Solomon Islands, Tuvalu, Nauru and Federated States of Micronesia. The second VDS sub-regional workshop was held in Majuro, Marshall Islands from 17 to 19 June 2007. The participating PNA Members represented were Marshall Islands, Nauru, Palau, Kiribati, Papua New Guinea and FSM. A VDS workshop was also conducted specifically for the Ministry of Fisheries and Marine Resources of the Solomon Islands on 1 August 2007 at the FFA Conference Centre, Honiara, Solomon Islands. The fourth meeting of the VDS Committee was held in Guam on 25 November and 1 December 2007.

A VDS presentation by the Secretariat to the Japanese Government and the fishing associations was held in the margins of the FFA-Japan Consultation in Tokyo, Japan, in September 2007. This preceded the VDS Briefing for the fishing parties which was held in the margins of the WCPFC TCC3 in Pohnpei, Federated States of Micronesia, in September 2007. Fishing parties participating in the VDS Briefing were from Japan, China, Korea, the United States, Chinese Taipei, Federated States of Micronesia, Papua New Guinea, Kiribati, Marshall Islands and the Solomon Islands.

Observer Programme

Two observer training courses were conducted in 2007:

- i) *Marshall Islands, January 2007*: This involved 12 participants, three of whom were from the Federated States of Micronesia. Eight participants passed the course.
- ii) *Tonga, August 2007*: This involved 15 participants with 12 passing the course.

Other activities included:

- i) *7th Data Collection Committee (DCC) meeting, 12–16 November 2007*: Co-hosted by FFA and SPC, it involved

participants from: Australia, Fiji (Industry), Papua New Guinea, Solomon Islands and the United States' National Marine Fisheries Service (NMFS) and NOAA. The objective of the meeting was to standardise data forms for fisheries data collection in the region.

- ii) *7th Regional Observer Coordinators meeting, 19–22 November 2007*: This was co-hosted by FFA and SPC. It involved all FFA Member Countries (except Cook Islands and Kiribati), New Caledonia, French Polynesia and NOAA/NMFS. New technologies in data collection were also demonstrated by representatives of Trimble Australia and Archipelago (an observer provider from Canada). The concept of Competency Based Training was also introduced to observer coordinators from the region.

A total of 95 regional observer placements were made in 2007, with 80 of these on the FSM Arrangement vessels and 15 on US Treaty vessels.

There was a change in staff in early 2007. The former Observer Programme Manager left in February 2007 and a new Manager was recruited in July 2007. The programme being without an Observer Programme Manager for approximately six months affected some of the activities, including less observer training conducted in 2007 than in previous years.

Regional Surveillance Operations

Prosecution and Dockside Boarding Workshops

Three in-country Prosecution and Dockside Boarding Workshops were conducted in three FFA Member Countries, as follows:

- i) *Funafuti, Tuvalu, 12–21 February 2007* – involved 25 participants from Fisheries, Police, Customs, Immigration and the Local Magistrate Court.
- ii) *Apia, Samoa, 22–30 October 2007* – involved 20 participants from Police, Fisheries, Quarantine, Foreign Affairs and Attorney-General's Office; and three additional participants from Tokelau who were based in Apia.
- iii) *Tarawa, Kiribati, 6–12 December 2007* – involved 20 participants from Fisheries, Police, Attorney-General's Office, Customs and the Central Pacific Producers Ltd (CPPL – the national fishing company of Kiribati). Two fisheries officer from Kiritimati Island also participated.

A total of 68 officers received Certificates of Attendance from the workshops. Since the workshop was launched in 2005, 264 participants from 12 FFA Member Countries have participated.

The objective of the workshop is to enhance capacity building in the Member Countries by developing expertise and knowledge of officers responsible for fisheries MCS. The workshop involved basic training in International Law; National Laws; Regional and Sub-regional Fisheries Agreements; Fishing Vessel Boarding and Evidence Collection; and Court Procedures.

Funding for the workshops was provided by the UN Global Environment Facility under the Pacific Islands Oceanic Fisheries Management Project managed by the FFA Secretariat.

Pacific Islands Evidence Training and Investigation Course

The first *Pacific Islands Evidence and Investigation Course* was held from 6 to 24 August 2007 in Kavieng at the National Fisheries College of Papua New Guinea. The course was jointly coordinated by the FFA Secretariat and the Australian Fisheries Academy (AFA).

Fifteen participants from 13 FFA Member Countries received certificates that are equivalent to the Australia-accredited Certificate III in the Seafood Industry (Fisheries Compliance), the minimum qualification required for all fisheries compliance officers in Australia. The participants were from: Cook Islands, Fiji, Federated States of Micronesia, Kiribati, Nauru, Palau, Marshall Islands, Samoa, Solomon Islands, Tokelau, Tonga, Vanuatu and Papua New Guinea. Tuvalu was unable to send a participant and the candidate from Niue did not complete the course.

The course objective is to enable fisheries officers in FFA Member Countries who assist in the management of marine resources, to acquire knowledge and skills needed to detect and prevent fisheries offences. The course covered:

- Fisheries management principles and legislation;
- Monitoring fish catches;
- Undertaking patrol operations, including methods and resources; and
- Investigation techniques in the following areas: gathering evidence/note taking; chain of evidence; interviewing and statement taking; brief preparation; and court procedures.

The course provides the basis for tertiary qualification in Australian institutions in the same field. Course funding was provided by FFA and SPC.

Multilateral Regional Operations

The major activities in 2007 were *Operation Kurukuru* in the south and *Operation Big Eye* in the north, with several smaller regional operations also proving very successful.

i) *Operation Kurukuru 2007, 20 August–3 September 2007, Tonga*: This operation covered the EEZs of American Samoa, Cook Islands, Kiribati, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu – an area of 10.5 million square kilometres. The operation was hosted by the Tonga Defence Services, with funding provided by the Australian Defence Cooperation Program. The operation built on the strengths of Kurukuru 2006 which was also hosted by Tonga. It was supported by eight Pacific Patrol Boats (from

Table 1:

Origin of assets applied during Operation Big Eye 2007

Asset source	Asset contributed
Marshall Islands, Kiribati and Palau	1 x Pacific Patrol Boat (PPB)
Federated States of Micronesia	2 x PPB
Papua New Guinea	2 x PPB, 1 x Light Combat Helicopter (LCH), 1 x CASA surveillance aircraft
French Navy	1 x Frigate (surveillance support only)
US Coast Guard	1 x C130 surveillance aircraft, 2 x Coast Guard Cutters
US Navy	1 x P3 Orion surveillance aircraft (2 crews)
Royal New Zealand Air Force	1 x P3 Orion surveillance aircraft
Royal Australian Air Force	1 x P3 Orion surveillance aircraft
Forum Fisheries Agency	E-Ops Room and Technical Support Staff

Cook Islands, Kiribati, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu), one US Coast Guard Buoy Tender, four maritime patrol aircraft (provided by New Zealand, France and the USA), technical support from the Forum Fisheries Agency and 361 people throughout the region. The operation was an unprecedented success. Kurukuru also saw the strengthening of ties between regional organisations such as the Pacific Trans-National Crime Coordination Centre and Forum Fisheries Agency.

In total, 166 vessels were examined using the regional Vessel Monitoring Systems; 24 of these vessels were assessed as conducting potentially illegal activities during the operation. Aircraft identified 78 vessels and patrol boat crews conducted 31 boardings. By the end of the operation, three vessels were escorted to port for further investigation and interception of others was still in progress. Although the majority of the vessels in the area appear to be doing the right thing, a significant number have exhibited flagrant disregard for the rules.

ii) *Operation Big Eye 2007, 19–29 September 2007, Marshall Islands*: This operation was the largest operation so far in the *Big Eye and Island Chief* series. It covered the EEZs of the Marshall Islands, Federated States of Micronesia, Palau, Kiribati, Papua New Guinea and Guam. The operation presented many challenges, particularly coordinating assets over such a vast region. The assets committed to the Operation are shown in Table 1.

During the 10-day operational phase, 534 vessels were scrutinised by VMS, patrol vessels and aircraft. Sixty-seven vessels were boarded by patrol boat boarding parties at sea and by harbour inspection teams conducting dockside boardings. Of these, 38 vessels were found to be non-compliant licensed vessels with two Illegal Unlicensed and Unregulated (IUU) vessels, one of which was apprehended and charged. PNG Defence Force patrol boats boarded 31 vessels and apprehended three for illegal activities during “*Operation Little Eye*”, a continuation of Operation Big Eye resulting from the later entry of Papua New Guinea (PNG) assets into the operation.

Air surveillance assets from Australia, New Zealand and the United States flew 15 flights totalling 187 hours of aerial surveillance support to patrol vessels at sea. An estimated 2,000,000 square miles (approximately 5,200,000 square kilometres) of the participating nations’ EEZs were effectively put under surveillance over the 10-day operation.

The Electronic Operations Room system, introduced by the FFA Secretariat in 2006, continued to develop: it has proved very successful in interfacing data, such as FFA and national VMS, vessel sightings, aerial and patrol vessels’ tracks. This resulted in tasking patrol vessels more efficiently and effectively.

The Royal Australian Air Force (RAAF), Royal New Zealand Air Force (RNZAF), French Defence Force, and the United States Coast Guard (USCG) and Navy (USN) continued their ongoing and invaluable support to multilateral regional surveillance in 2007.

TREATIES AND SUB-REGIONAL ARRANGEMENTS ADMINISTRATION

Multilateral Treaty on Fisheries with the United States of America

The 19th Licensing Period of this Treaty ended on 14 June 2007, marking the end of the fourth year of the extension of the Treaty arrangements (made in June 2003, for 10 years). It also marked the nineteenth year of operation of the Treaty since it was first implemented in June 1988. The extended Treaty arrangements will continue until 14 June 2013.

Implementation of the Treaty by the FFA Secretariat, in its capacity as the Treaty Administrator, continued to form part of the major activities of the Secretariat during the period. Distribution of funds under the Treaty, based on catches made in the waters of the Pacific Island Parties, constituted the bulk of the activities of the Treaties Unit. This Unit has four core staff resourced from Treaty funds and one additional staff to assist in coordinating the Parties to the Nauru Agreement whose funding is provided by the PNA Members. A further decline in the number of vessels to 12, from 17 vessels in the previous period took place.

Several achievements in the implementation of the Treaty included in 2007:

- i) Payments by the United States Government and its Industry were received and distributed to the Pacific Island Parties in accordance with the established schedules;
- ii) Significant improvement in compliance of the US fleets in accordance with the reporting requirements and other obligations under the Treaty;
- iii) The work programme delivered in accordance with the requirements of the Pacific Island Parties; and

Table 2:

Accrued Financial Benefits to the Pacific Island Parties (from 15 June 1988 to 14 June 2007). Sources: Economic Development Fund (EDF), Technical Assistance Fund (TAF), Project Development Fund (PDF).

Country	Cash Shares (USD)	EDF/TAF/PDF (USD)	Total Benefits(USD)
Australia	2,943,332.35	1,555,750.00	4,499,082.35
Cook Islands	4,004,321.83	2,307,112.72	6,311,434.55
Federated States of Micronesia	19,812,219.27	2,279,239.51	22,091,458.78
Fiji	4,144,752.38	2,481,624.34	6,626,376.72
Kiribati	113,587,814.28	2,332,210.63	115,920,024.91
Marshall Islands	6,778,716.87	2,352,657.46	9,131,374.33
Nauru	17,221,607.91	2,408,118.73	19,629,726.64
New Zealand	9,480,355.35	2,307,732.33	11,788,087.68
Niue	2,943,493.52	2,299,456.80	5,242,950.32
Palau	4,276,062.89	2,314,145.16	6,590,208.05
Papua New Guinea	52,970,455.65	2,344,473.17	55,314,928.82
Samoa	2,995,962.35	2,320,161.06	5,316,123.41
Solomon Islands	8,932,631.88	2,334,245.25	11,266,877.13
Tonga	2,804,045.06	2,353,117.89	5,157,162.95
Tuvalu	39,648,668.05	2,317,593.50	41,966,261.55
Vanuatu	2,990,068.40	2,307,585.09	5,297,653.49
TOTAL	295,534,508.04	36,615,223.64	332,149,731.68

iv) The mid-term review of the Treaty was carried out satisfactorily between the Parties.

These achievements resulted from the continued cooperation between the Pacific Island Parties, the US and its Industry, and the Administrator in the implementation of the Treaty.

Major challenges faced in 2007 included:

- i) The continued decline in the number of US vessels at the start of the licensing period, although there was an increase towards the end of the period;
- ii) Slow progress on the ratification of the outstanding amendments to both the Treaty and the Internal Agreement between the Pacific Island States on the Implementation and Administration of the Treaty; and
- iii) A slightly lower observer coverage than the 20% target: only 19.7% observer coverage was achieved.

A summary of the accrued financial benefits to the Pacific Island Parties, as at the end of the 19th licensing period (14 June 2007) is shown in Table 2.

A total of US\$332,149,731.68 had been distributed to the Pacific Island Parties (PIP) since the beginning of the 1st licensing period. The amount included shares from the Project Development Funds, the 15% Allocation and the 85% Allocation.

The Treaty's administration budget is based on the FFA cost-recovery model requiring about USD230,000 annually to be contributed from the Treaty funds to the FFA core funds; this is for services provided by the FFA Secretariat in the implementation and administration of the Treaty on behalf of all the Pacific Island Parties.

Main Achievements

Implementation of the Vessel Day Scheme: The VDS came into full operation on 1 December 2007. Purse seine vessels licensed by the Parties to the Nauru Agreement are now subject to effort limits (fishing days) in the waters of the Parties under the VDS. The effort limit is linked to the WCPFC – Conservation and Management Measure CMM 2005-01, limiting days fished to a level no greater than 2004 levels. The previous measure under the Palau Arrangement (capping the total number of purse seine vessels to 205) has been replaced by the VDS as from 1 December 2007. A total of 188 purse seine vessels, excluding 19 under the US Treaty, were monitored under the VDS as at 31 December 2007. The Total Allowable Effort under the VDS will be reviewed at the annual meeting of the Parties to the Palau Arrangement in May 2008.

SUB-REGIONAL ARRANGEMENTS

The FFA Secretariat continues to administer the Agreement between the Parties to the Nauru Agreement and the two associated sub-regional Arrangements, namely, the Federated States of Micronesia Arrangement for Regional Fisheries Access (the FSM Arrangement), and the Palau Arrangement for the Management of the Western Pacific Purse Seine Fishery.

Nauru Agreement Concerning Cooperation in Managing Fisheries of Common Interest

The 26th Annual Meeting of the Parties to the Nauru Agreement (PNA26) was held during 21–23 May 2007 in Wellington, New Zealand. The meeting was the first one to combine the annual management meetings of the Parties to the Palau Arrangement and the Parties to the FSM Arrangement, under the umbrella of the annual meeting of the Parties to the Nauru Agreement. Each of the three meetings had specific agenda provisions under one agenda. The combined meeting started with the meeting of the Parties to the Nauru Agreement: the range of issues discussed includes those pertaining to WCPFC – in particular the Commission's response to the concerns of the Marshall Islands and Tuvalu, that related to the implementation of the Overcapacity Resolution and related issues.

The Parties considered the restructuring of the foreign fleets through the application of a points criteria system: this was to be developed by the Secretariat to assess the level of compliance and economic benefits to the Parties by each vessel/fleet. Another substantive outcome of the PNA meeting was the adoption of the PNA Road Map on WCPFC Issues. The meeting also approved the PNA Coordinator's proposed budget for Fiscal Year (FY) 2007/08.

The PNA Ministerial 2nd Annual Meeting was held on 1 June 2007, in Wellington, New Zealand, after the Ministerial Forum Fisheries Committee 3rd Meeting that day. The meeting endorsed the report of the combined meetings of the 26th Annual Meeting of the Parties to the Nauru Agreement and the 12th Annual Meetings of the Parties to the FSM Arrangement and the Parties to the Palau Arrangement. The ministerial meeting also endorsed the Terms of Reference for an independent study, to investigate on a collective basis, opportunities from the tuna resources of the Parties – including other options for the development of their domestic tuna industries.

Palau Arrangement for the Management of the Western Pacific Purse Seine Fishery (Palau Arrangement)

The 12th Annual Meeting of the Parties was conducted under the combined meeting agenda for the Parties to the Nauru Agreement, the Parties to the Palau Arrangement and the Parties to the FSM Arrangement. The main matters discussed in the meeting were the report of the VDS Committee 3rd Meeting, the review of the number of licence allocations in Annex 1 of the Palau Arrangement, and the status of ratification of the amendments to the Palau Arrangement.

A major outcome from the meeting was the decision of the Parties to exclude archipelagic waters from the VDS and to retain the previously agreed TAE of 28,469 days to be applied in the first year of operation of the VDS from 1 December 2007 to 30 November 2008.

The VDS Committee 4th Meeting was held in the margins of WCPF Fourth Session in Guam in November/December 2007, to further consider the issue of excluding archipelagic waters from the VDS, as well as to consider implementation strategies for the commencement of the VDS on 1 December 2007.



FSM Arrangement for Regional Access

The 12th Annual Meeting of the Parties to the FSM Arrangement was conducted under the combined meeting agenda for the Parties to the Nauru Agreement, the Parties to the Palau Arrangement and the Parties to the FSM Arrangement. The meeting considered and endorsed the Report of the Administrator for the calendar year 2006. Some of the major decisions reached by the Parties include agreements:

- i) A new schedule of fees for FY 2007/08;
- ii) To further consider the consultancy report on the Review of the FSM Arrangement in a Special Meeting of the Parties to be convened at time and place to be advised;
- iii) For the Secretariat to investigate alternative methods for determining the capacity of vessels to the current Vessel Gross Tonnage Measurement; and
- iv) Approval of the proposed administrative budgets of US\$169,017 for FY 2007/08.

Some of the major achievements under the Arrangement during 2007 included:

- Payment and distribution of funds in accordance with the established schedule;
- Audits carried out on 31 sponsored vessels; and
- Improvement of FFA VMS compliance by the vessels, as well as with the reporting requirements and obligations.

The meeting welcomed Tuvalu's notification of accession to become a Party to the FSM Arrangement. The accession became effective on 29 July 2007, that is 30 days after

receipt by the Secretariat of Tuvalu's Instrument of Accession. This brings the full membership to eight, who are also Parties to the Nauru Agreement. The Agency welcomes and congratulates Tuvalu on its accession to the FSM Arrangement.

A Special Meeting of the Parties was convened in Rarotonga, Cook Islands, on 8 October 2007, to further consider the report on the Review of the FSM Arrangement. A significant outcome from the meeting was the decision of the Parties to apply the effort limit of 3,907 days for the FSM Arrangement vessels, based on the average of 2004 and 2005 effort levels for FSM Arrangement vessel days outside home Party waters. The Parties also agreed to make similar considerations for the US Treaty vessels when the Parties meet as Pacific Island Parties at the next annual US Treaty consultation in March 2008.

LEGAL FRAMEWORKS AND INTERNATIONAL LAW

Domestic Legislation and Commission Measures

The WCPF Convention requires its Commission Members to promptly implement the provisions of the Convention and any conservation, management and other measures or matters which may be agreed from time to time.

Incorporating relevant decisions of the Commission's annual meetings into their national legislation remains an ongoing challenge for most of the FFA Membership. The legislative

matrices developed in early 2006 to assist countries in identifying legislative gaps, were updated in 2007 to reflect the decisions adopted by the Commission in December 2006. In addition, port State matrices to assist countries in identifying any gaps with meeting the FAO Model Scheme on Port State measures were developed.

In 2007, the WCPFC in-country workshops which had begun in 2006 were converted to three sub-regional workshops to ensure that all Member Countries were covered before the Commission's next annual meeting. In addition, the programme was expanded from the legal presentations on the Convention and Commission to include presentations on stock status, economic overview, non-target species, and the key issues for highly migratory fish stocks and MCS in 2007. In addition, countries were invited to send to these workshops a team of experts from various disciplines to include a lawyer, a policy advisor, an MCS advisor and an industry representative. The sub-regional workshops concluded with valuable presentations from these national teams; this assisted in identifying national WCPFC priority issues and in assembling respective national notices of action. This gave countries a sense of ownership over what actions they were required to take. In addition, this also placed Member Countries in a more informed position to discuss regional strategies at their annual Management Options workshop held in October 2007.

Legislative matrices and port State matrices were provided to all Member Countries at these sub-regional workshops. The legislative matrices act as a very useful, quick and easy reference for FFA Members on the current status of WCPF Convention obligations, the status of their national legislation in relation to those obligations, and the legislative and policy responses that are required to fully comply with the WCPFC decisions. Upon request, the Secretariat continued to assist Member Countries in addressing their legislative gaps.

Dockside Boarding and Inspection

The Secretariat's role in strengthening the national capacity of FFA Members continued through the in-country Prosecution and Dockside Boarding workshops. These workshops aim primarily to assist enforcement officers in performing their duties through an understanding of their powers under their national legislation, the regional and internal fisheries management frameworks; and also of legal processes, including evidence collection and presentation in Court. In 2007, such workshops were conducted in Tuvalu, Samoa (Tokelau included) and Kiribati.

To further the knowledge of officers who had participated in

these FFA Prosecution and Dockside Boarding workshops, the Secretariat joined forces with the Australian Fisheries Academy and SPC to successfully deliver an advanced regional evidence and training investigation course in Papua New Guinea.

National Legislation

The review of national fisheries legislation is a key responsibility and function of the Secretariat. The legislative guidelines on best practices for fisheries legislation allow for a systematic programme of assistance to FFA Members for benchmarking their fisheries legislation. In 2007, a consultant was engaged to assist the Secretariat in reviewing fisheries legislation in Fiji, Samoa and Vanuatu. The legislative guidelines provide a firm basis for this ongoing work.

Enhancement of Legal Capacity

The Secretariat continued to strengthen legal capacity in 2007 through the third Judicial Seminar for Pacific Islands Judicial Officers in Koror, Palau. The three-day seminar was targeted at the judiciaries of the Pacific Island Countries and was designed to provide judicial officers with an understanding of basic fisheries management and conservation principles. The programme included an overview of international law as it relates to tuna management; FFA and its role; WCPFC, its legal framework and its implications for the Courts; sample studies of international and regional fisheries cases; and a discussion of fisheries legislation in selected countries.

The judicial seminar provided an excellent opportunity for exchange of information between FFA and the judicial officers of the Pacific Islands region. Depending on availability of funds and resource personnel, the FFA Secretariat aims to conduct these judicial seminars every two years.

Legal fellowships were offered in 2007 to Derek Futaiasi of the Solomon Islands from the University of the South Pacific (USP) School of Law; and to Augustine Sylver of the Solomon Islands from the University of Papua New Guinea. Viliami Mo'ale of Tonga Ministry of Fisheries completed the second half of his legal fellowship at the Secretariat. These fellowships allowed all participants to familiarise themselves with the work of the Secretariat, and with international and regional fisheries management frameworks – particularly the Western and Central Pacific Fisheries Commission.

The Secretariat continues to update its holdings of fisheries cases and materials: these provide a useful resource and aid as precedents for use by Member Countries.

FISHERIES DEVELOPMENT

The Fisheries Development Division was established in 2006. Total staffing at the end of 2007 stood at seven, these being the Director Fisheries Development; the Fisheries Development Adviser; the Fisheries Development Officer; two Fisheries Economic Advisers; a position funded under the EU DevFish Project and the Fisheries Development Policy Specialist. Two positions were funded but remained vacant, these being one of the Fisheries Economic Adviser positions and the DevFish Project Coordinator. The selection process was completed for the latter with the appointee commencing duties in January 2008.

Activities conducted by the Fisheries Development Division have been funded by the EU DevFish Project as well as from other resources made available through the FFA Trust and General Fund. Additional funding to review investment frameworks was approved by the Government of Taiwan, to become available in April 2008.

While continuing to work through official and fisheries contacts, the Division has also strengthened links with the private sector. This recognises its key role as the primary vehicle for domestic tuna industry development, and developing a list of trade contacts facilitates discussion on fisheries trade issues.

ECONOMIC DEVELOPMENT AND MARKETING SUPPORT

This part of the Annual Report documents activities undertaken by FFA in 2007 that relate to fisheries development and also provides a brief overview of the fishery in the western and central Pacific Ocean. It covers services provided in support of economic development and market support, treaty access and trade negotiations, and domestic tuna industry development support.

Overview of the Fishery

The fishery of interest in 2007 may be summarised as follows:

- A precise estimate of the 2007 purse seine catch was not yet available at the time of writing this report. The 2006 catch was the second highest on record at about 1,554,000 tonnes; this is only about 40,000 tonnes less than the record high in 2005. The 2007 catch is expected to be higher than for 2006 as a result of increased catches by the Taiwanese and US purse seine fleets. This will be partially offset by a small decline in the catch by the Korean fleet.
- The distant water purse seine fleet operating in the western and central Pacific at the end of 2007 comprised a range of flags including 19 American, 34 Taiwanese, 35 Japanese, 28 Korean, 4 European Union, 12 Filipino, 10 Chinese, 6 Ecuadorian, 10 El Salvadorian vessels and 1 Panamanian, making a total fleet of 159 vessels. In addition, 6 Vanuatu and 4 New Zealand flag vessels are operating under bilateral access agreements.
- The total tuna catch in the longline fishery in 2006 was about 226,200 tonnes, a small decline on the 2005 catch of about 233,400 tonnes. The total catch of both bigeye and yellowfin declined, although this was partially offset by an increase in the albacore catch.

- Of Pacific Island Countries that have established significant domestic and locally based longline fisheries – Cook Islands, Federated States of Micronesia, Fiji, Niue, Palau, Papua New Guinea, Samoa and Tonga – significant increases in catches occurred in Fiji and Samoa in 2006.
- The total catch for the Japanese pole-and-line fleet was 51,945 tonnes, with 30,676 tonnes taken in the southern area comprising the EEZs of FFA Members and adjacent high seas. The catch in the southern area increased by about 8,000 tonnes, reflecting good fishing conditions for much of the year.
- The catch made by the domestic pole-and-line fleet of Solomon Islands was reportedly about 4,000 tonnes. The decline of about 3,000 tonnes was caused by reduced fishing effort resulting from increasing maintenance requirements for the vessels.

Tuna Market Information

The FFA tuna market news is available monthly: it publishes the movement of price for various tuna products in selected major markets and provides an annual review of global markets. These reports can be viewed on the FFA website www.ffa.int. Brief notes on selected fishery and market information follow.



CANNING MARKETS

Movements of prices for the following tuna products are as follows.

Skipjack

- Bangkok prices for skipjack of 4–7.5 pounds, cost and freight (lbs, c&f) were USD1100–1150 per metric tonne (mt) at the beginning of 2007 but fluctuated throughout the year. Prices trended up in the last quarter, ending the year at USD1450–1500/mt.
- The average Thai import price for frozen skipjack for 2007 was USD1328/mt (c&f), a 45% rise from USD918/mt (c&f) in 2006 (Figure 1 illustrates the price movement of frozen skipjack in 2007). Import volumes fell by 13% from 639,372 mt to 559,027 mt.

Yellowfin

- Prices for yellowfin (20 lbs and up, c&f) in Bangkok started with USD1400–1450/mt in January. Prices showed an upward trend until August when there was a decline from USD1950–2000/mt to USD1900–1950/mt. Prices remained at this level until mid-December when they rose to USD1950–2000/mt.
- The average price for the Thai market for frozen yellowfin was USD1696/mt (c&f), a rise by 23% from USD1375/mt (Figure 1 illustrates movement of price of frozen yellowfin in 2007 also). Import volumes rose by 17% from 93,936 mt to 109,869 mt.

Albacore

- Bangkok prices for albacore (10 kg and up, whole round, c&f) had been declining since October 2006. That trend remained for the first half of the year, resulting in the lowest price per metric tonne for 2007 being USD1750 in June, July and August because of good catches and low demand. In mid August, prices began to trend upwards and from September to December they remained steady at USD2200–2250/mt.
- The average Thai import price for frozen albacore over 2007 was USD1948/mt (c&f), a fall by 27% from USD2674/mt; import volumes rose by 6% to 35,088 mt.

SASHIMI MARKET

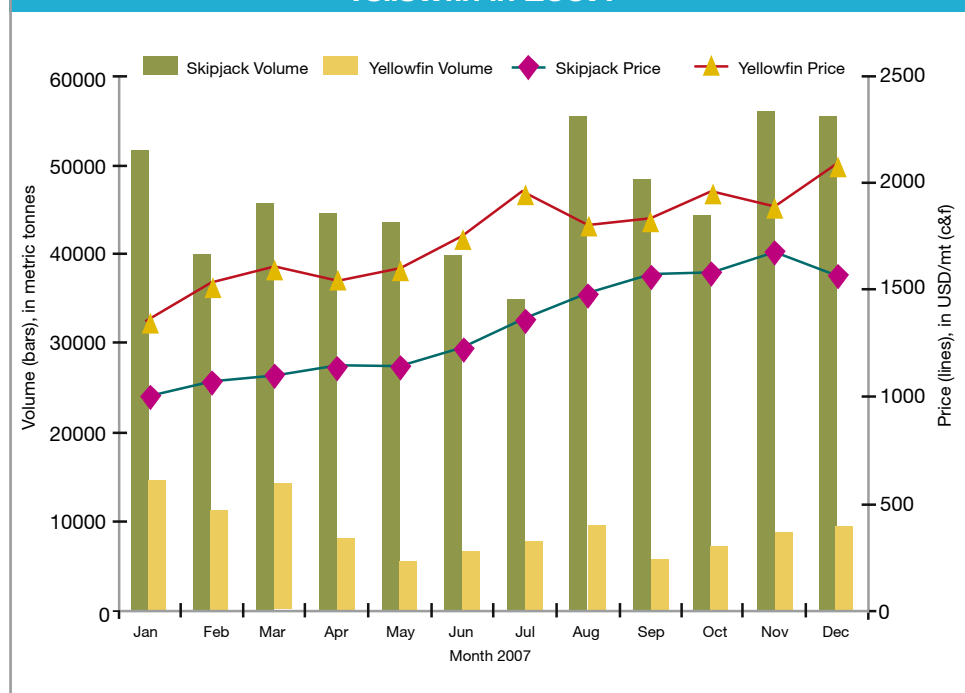
Price movements in the sashimi markets are as follows:

Japan – Yellowfin

- The price of frozen yellowfin at selected major Japanese fishing ports was 425 JPY/kg (c&f) at the beginning of the year and of fresh yellowfin 958 JPY/kg. Prices of both products fluctuated, finishing the year on 553 JPY/kg frozen and 765 JPY/kg fresh. Japanese import volumes of frozen yellowfin fell by 35% to 58,696 mt and fresh yellowfin by 11% to 16,853 mt.
- Import of fresh yellowfin by Japan has been declining over the last seven years. The 2007 volume of fresh yellowfin imports is less than half the volume imported (36,314 mt) by Japan in 2001.

Figure 1:

Thai Import Volumes and Prices (c&f) of Skipjack and Yellowfin in 2007.



A major contributing factor is the change in eating habit by the younger generation. The average Japanese import price for fresh yellowfin in 2007 was 786 JPY/kg (USD6.67/kg) an increase by 1% (5% in USD terms). Figure 2 illustrates the movement in prices of frozen and fresh yellowfin.

Japan – Bigeye

- The price of frozen bigeye at selected major Japanese fishing ports was 792 JPY/kg (c&f) in January. Fluctuations were experienced throughout the year, ending at 901 JPY/kg. For fresh bigeye the price was 1,212 JPY/kg at the beginning of the year, towards the middle of the year some fluctuations were experienced and then trended upwards to finish the year or 1,486 JPY/kg.
- The average price per metric tonne for frozen bigeye in Japan in 2007 was 669 JPY/kg, a fall by 10% from 741 JPY/kg whilst the average price for fresh bigeye was 901 JPY/kg, a rise from 897 JPY/kg by 0.4%. Figure 2 also illustrates the movement of prices of frozen and fresh bigeye. Import volumes of frozen bigeye slightly increased by 1% to 86,830 mt, but fresh bigeye imports declined by 8% from 15,790 mt to 14,482 mt (Figure 2).

US – Fresh albacore, bigeye and yellowfin in 2007

- The volume of fresh albacore imported by the US increased by 7% to 938 mt whilst import prices free

alongside ship (f.a.s.) rose by 0.2% to USD4.06/kg.

- US imports of fresh bigeye increased by 14% whilst import prices (f.a.s.) rose by 1% to USD7.53/kg.
- US imports of fresh yellowfin rose by 1% whilst import prices (f.a.s.) increased by 8% to USD7.65/kg.

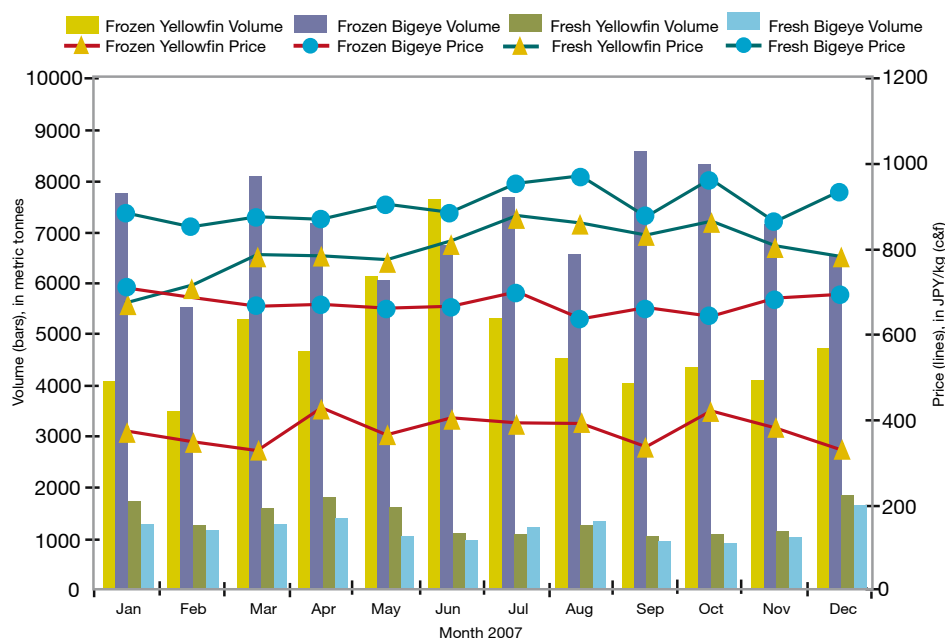
FISHERY DEVELOPMENT SUPPORT

The major undertakings in 2007 at the regional and sub-regional level are:

- Pre-assessment of the western and central Pacific tuna fishery using the Marine Stewardship Council criteria: these identified the Solomon Island pole-and-line fishery and the longline fishery for South Pacific albacore as potential candidates for full assessment;
- Completion of a study analysing the economic benefits from purse seine fishing operations; its aim was to provide guidance to policy makers on which models have the potential to provide the greatest benefit. The report found substantial economic benefits from local basing of purse seiners and onshore processing of their catches; but concluded that the contribution of many companies to government revenue was disappointing. A further study on troll fishing and sports fishing is to be conducted in 2008;
- Start of a study analysing purse seine development options for regional cooperation in the fishery's development.

Figure 2:

Japanese Import Volumes and Prices of Frozen Yellowfin and Bigeye and Fresh Yellowfin and Bigeye in 2007.



The study analyses policies to encourage on-shore processing of the tuna catch and how these can be applied on a sub-regional basis by the Parties to the Nauru Agreement;

- Coordinating a meeting between representatives of OPAGA, the Spanish tuna industry association, and P-ACP Government and Industry representatives.
- Completion of the second report on Economic Indicators for the western and central Pacific tuna fishery;
- Session sponsored by DevFish SPC on tuna fisheries at the SPC Heads of Planning and Statistics meeting in Noumea, with a view to raising awareness of the economic importance of the industry, as well as improving its treatment in national accounts;
- A study on Gender Issues in Tuna Fisheries – focusing on Papua New Guinea, Fiji and Kiribati – is in final draft form with the final report expected early in 2008;
- A manual on small-scale tuna value added-products was completed in May 2007.
- Starting the process for conducting the mid-term review of the DevFish Project with the report to be finalised early in 2008;
- Successful convening of the DevFish Project Steering Committee Meeting.

Major undertakings at national level are:

- Finalisation of a Tuna Development Action Plan for Papua New Guinea;
- Starting a Master Fisheries Plan for Tuvalu in October 2007 including visits to remote outer island regions, to be completed in the first quarter of 2008;
- Finalising a study on the economics of the Samoan alia fishery;
- Completion of a study on the economics of the pumpboat fishery in Papua New Guinea, including a review of the loan arrangements with fishing groups operating the vessels;
- Assistance to the National Oceanic Resource Management Authority (NORMA) of the Federated States of Micronesia in the conduct of an economic survey;
- Completion of a Preliminary Environmental Impact Assessment (PEIA) of the proposed Tuna Processing and Packing Plant in Vanuatu in March 2007;
- Financial evaluation of the Nauru Fisheries Corporation, with a view to restructuring and privatising some services;

- Starting a review of longline options for Tokelau, the final report to be completed early in 2008;
- A study to appraise the operational, financial and commercial issues that would be involved in the proposed development of the Asau port complex as a base for local longline tuna vessels;
- A series of projects to assist countries in establishing or maintaining Competent Authorities in Fiji, Papua New Guinea and Niue; to address the capacity for exporting products to the EU, noting that Fiji, Papua New Guinea and Solomon Islands have all faced difficulty in maintaining access to the EU market in 2007;
- An attachment on value-added tuna processing for management of a Papua New Guinea fish processing company;
- A study to develop a pilot project for small-scale tuna pole-and-line fishing in Solomon Islands. The study has so far identified considerable potential for introducing Indonesian-style pole-and-line techniques; the consultant is to visit Indonesia to collect information in 2008;
- Provision of fish aggregation devices (FADs) and equipment to convert diesel fishing boat engines to biofuel in Kavieng, Papua New Guinea, in a pilot project to develop small-scale tuna handline fishing;
- Sponsorship of a scholarship for a student to research depredation by whales on longline-caught tuna in Fiji;
- Review of the National Development Bank lending scheme for small fishing businesses was nearing conclusion in Papua New Guinea, with a view to improving the appraisal of loan applications and to ensure that the scheme meets the requirements of small and medium enterprises (SMEs) in the fisheries sector;
- Support for executive officer positions in fishing associations in Kiribati, Tuvalu, Cook Islands and Tonga.

It should be noted that the last four activities are part of the DevFish Project, managed by the SPC-based component of the project.

TREATY, ACCESS AND TRADE NEGOTIATIONS

The major undertakings at the regional and sub-regional level are:

- Publication of a comprehensive guidebook covering fisheries trade issues and their implications for FFA Members' tuna industries, and conducting a regional workshop on these issues involving officials from fisheries and trade. This has been followed up with the production of a monthly trade bulletin circulated to fisheries and trade officials and made available on the FFA website. FFA also provided input into the negotiation of World Trade Organization (WTO) rules for fisheries subsidies in conjunction with the Pacific Islands Forum Secretariat's (PIFS) Trade Office in Geneva. A draft text has been produced for consideration by WTO Members. The focus of FFA work is to ensure that the importance of the tuna fishery to Pacific Island Countries is accounted for; and that policy space is maintained to provide opportunities for FFA Members to develop their domestic tuna fisheries. Discussions on WTO rules for fisheries subsidies are to continue in 2008;
- Input into the negotiation of some form of fisheries agreement as part of the Economic Partnership Agreement (EPA) with the EU. The initial concept of a Fisheries Partnership Agreement with the EU, including an access component for EU purse seine vessels, has been modified as a result of a lack of interest by the EU in increasing access opportunities for its fleet. It is now proposed simply as a chapter in the overall EPA. Progress has been made in getting the EU to agree to revised Rules of Origin, allowing fish processed within a Pacific ACP State to be deemed originating product. However, prospects for other envisaged benefits, particularly increased development assistance, appear remote. Negotiations were scheduled to conclude at the end of December 2007, but the deadline was extended for a further 12 months. It is noteworthy that Papua New Guinea and Fiji signed an interim EPA with the EU in November 2007;
- A study on a possible framework for a sub-regional access arrangement for domestic longline fleets similar in concept to the FSM Arrangement. The study

concluded there was little support for the concept in some countries, where the locally based industry focused mainly on the danger of such an arrangement to allow foreign-controlled vessels into their EEZs. In other countries, however, the idea was appreciated by the domestic tuna industry. The best way forward is therefore likely to be a series of reciprocal arrangements between neighbouring countries or small sub-regional groups;

- Support to the Pacific Tuna Forum in Papua New Guinea through the provision of resource persons and funding of participants, the latter by arrangement with the Pacific Islands Regional Economic Integration Project (PACREIP) based at PIFS;
- Preparatory work for the mid-term review of the US Treaty focusing on the economic situation of the fleet, compared to when the Treaty was extended in 2003; and considering options to address the deferred payment by US industry and the future role of the Indexation Scheme.

At the national level the following activities were undertaken:

- Preparation of various access briefs for Marshall Islands, Nauru and Solomon Islands. Two reports reviewing the structure of access agreements were also produced for Solomon Islands and Tuvalu.
- Support a national consultative meeting with industry in Papua New Guinea, including a discussion on the key trade issues and their implications for the country;
- Preparation of a discussion paper assessing the implications of introducing compulsory offloadings by foreign access vessels for Solomon Islands.

Bilateral Fisheries Access Arrangements

Bilateral licensing arrangements with Distant Water Fishing Nations continued to be the main form of licensing in the purse seine fishery in 2007. The major change during the year was the introduction of Spanish-owned vessels flagged to Ecuador and El Salvador, fishing under an access agreement with Kiribati.

Access for foreign longline vessels continued to be dominated by fleets from Japan, Korea and Taiwan, operating large freezer vessels. Restrictions on the catch of bigeye imposed by the Western and Central Pacific Fisheries Commission are likely to restrict any expansion of these longline fleets in future.

CORPORATE SECRETARIAT MANAGEMENT AND MEMBER SUPPORT SERVICES

COMMUNICATION

Email

The FFA Secretariat registered its ffa.int domain name with Google to allow FFA to use the public email service provided by Google. Under its domain name, FFA can create up to 200 mailboxes of up to 4 gigabytes (GB) of storage space per user. Google has up-to-date SPAM filtering and anti-virus services. This service now enables traveling staff to access email while on duty travel, while retaining their normal ffa.int domain email addresses.

Decommissioned Leased Line

The Secretariat decommissioned the ageing 64 kbps leased line to the local internet service provider (LSP) Telekom. The leased line, in existence since 1999, and has provided a slow internet connection but had a committed data transfer and guaranteed link to OPTUS in Australia. Decommissioning was necessary because of the ageing equipment and the non-availability of parts.

ADSL Connections

The leased line was replaced by two Asymmetric Digital Subscriber Lines (ADSL) to Telekom, for internet and email services. A third connection is planned to enable the provision of wireless internet access for visiting delegates to meetings and conferences. This service will be made available at the main conference centre.

There was an increase in the number of ADSL connections to the VMS offices in Member Countries. Under the VMS cost-recovery mechanism, FFA subscribes directly to the local ISP in each country and pays for the ADSL costs. This has ensured continuity in the VMS operations and avoided disruptions due to non-payment of bills.

Dedicated Satellite Link upgrade

Equipment for the satellite bandwidth upgrade from 512 kilobytes to 1 megabyte duplex was ordered in late 2007, to be installed in early 2008. Its operation increases communication significantly for VMS operations and improves connections between the FFA hub site and the VMS Disaster Recovery Site.

INFORMATION TECHNOLOGY SUPPORT

Migration of VMS to the Disaster Recovery Site

The VMS Disaster Recovery Site (DRS) was successfully negotiated and setup at the Macquarie Data Centre in Sydney. This was possible after the termination of the existing Service Level Agreement with Kaz Technology Services and signing a new SLA with Absolute Communications.

Support for the MCS Operations

One Information Technology (IT) staff member and technical support were provided to the multi-lateral operations. Two major operations were conducted in 2007: Operation Kurukuru in Tonga and Operation Bigeye in Marshall Islands.

Security System Installation at FFA

Chubb New Zealand was contracted to install security devices at the FFA Secretariat. This included the installation of an electronic gate at the eastern end of the compound. All doors in the main Secretariat building have been armed electronically and are accessible via use of access cards. IT manages access permissions and the IT components of the security system. Three sensor cameras are located in the offices. They are programmed to work after hours and start recording on sensing motion.

Support Office Re-structure at the Secretariat and FFA

The MCS building renovation and the re-development of the library into office space has required new structured cabling to provide data and telephone service to the workstations.

Finance one application

The finance one application has been migrated to run as a thin client for the first time. Staff run the application from their desktops via remote desktop connections.

On-line reports have been completed. All project reports from the finance system are available via the intranet and all users can access their project financial reports in near real time.

FFA FUNDING ARRANGEMENTS

FFA's funding arrangements consist of Member contributions, donor funding and income generated through cost-recovery arrangements. Member contributions are receipted annually and are used to fund the core business activities of the FFA.

Contributions are adjusted by the annual inflation index, which was 2.8% for 2006/07.

Donor funding is made available from Member and non-Member Countries for specific projects relevant to the region. Vessel registration fees are received from boats registered in good standing in the FFA Vessel Register.

FFA relies on donor funding for a significant proportion of its work. Australia and New Zealand's programme funding were generously increased to AUD2,300,000 and NZD3,000,000, respectively, in the current Memorandum of Understanding (MOU) periods. The current MOUs expire in December 2008 and June 2008, respectively, and donor consultations are planned to be held in March and April 2008 to agree on the levels of the next three-year programme funding.

Rising costs were indicating future budget deficits for 2006/07 and 2007/08. The Secretariat therefore pursued increases in annual revenue to arrest the rising inflationary pressures; address the priority areas in the Strategic Plan; and to implement a new asset management programme and new governance requirements.

Figures 3 and 4 show the Donor and Member contributions for the year ending 30th June 2007.

FUND ADMINISTRATION AND MANAGEMENT

FFA has four operational funds: (1) the General Fund; (2) the Trust Fund; (3) the VMS Fund; and (4) the Housing Fund. Surpluses in these funds are transferred to the respective

Reserve accounts, being General Fund Reserve, VMS Fund Reserve and Housing Fund Reserve.

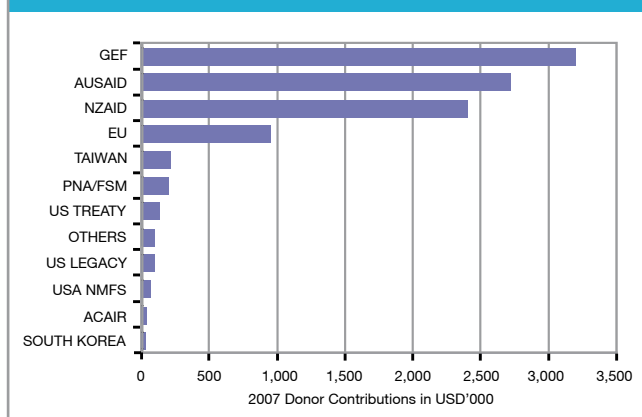
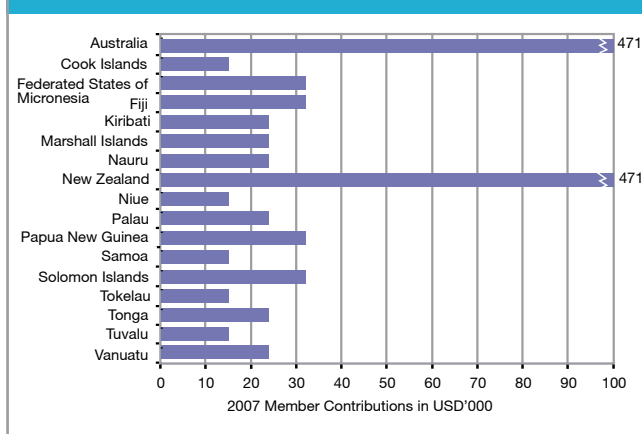
Member Country contributions and fees from FFA vessel registration are held in the General Fund. Donor contributions are held in the Trust Fund; the fees generated from VMS registration are held in the VMS fund, while all rental receipts collected from leasing FFA properties and non-FFA properties are held in the Housing Fund. Commencing from the 2007/08 financial year, the VMS and Regional Registers fees have been combined to form the FFA Vessel Registration fees.

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, Association, and the US Government, and license fees collected on behalf of the parties to the FSM Arrangement. From 1 December 2008, the FFA Secretariat is also managing the Vessel Day Scheme registration fees.

SUMMARY OF TOTAL INCOME AND EXPENDITURE IN 2007 (Table 3)

The Total General Fund income for the year amounted to \$3,510,998. General Fund revenue streams include Member Country contributions, FFA vessel registration fees, US Treaty (UST) services fees, programme support fees, Australia Project Development Fund (PDF) contribution, interest receipts and other miscellaneous income. For the reporting period, contributions from Member Countries accounted for 37% of the total revenue; FFA vessel registration fees contributed 46%, UST services fees and other programme support fees raised 12% and the remaining 5% was contributed by Australia PDF, interest receipt and other income sources. General Fund expenditure for the same period reached \$3,355,898 resulting in a surplus of \$155,100 – an increase of \$130,079 from the previous year's net result. The improved results were attributed to the increases in the number of vessels registered, as well as to savings from delays in several staff recruitments. The surplus was credited to the reserve account.

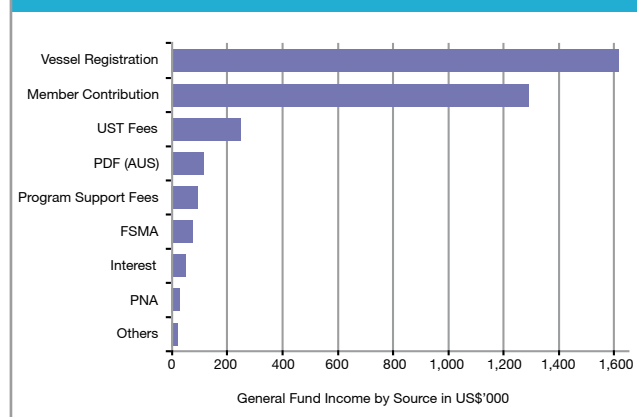
Figure 5 illustrates the funding sources for the General Fund. Total Trust Fund income including donor funding amounted to \$7,761,733 in 2007. Donations from donors represent 99% of the Total Trust Fund income; the remaining 1% is from non-donor funds, interest receipts from investments

Figure 3:**Donor Contributions for the Year Ending 30th June 2007****Figure 4:****Member Contributions for the Year Ending 30th June 2007**

and miscellaneous income. Corresponding Trust Fund expenditure for the period was \$7,697,453, resulting in a surplus of \$64,280 (2006: 39,522). As required by the financial instructions, the surplus was credited to the Trust Fund Reserve account which now has a balance of \$150,802.

Total VMS Fund income received for 2007 amounted to \$1,542,503 (2006 (six months): \$687,294), an improvement compared to the previous six months' report. As explained earlier, the improved VMS revenue is reflected by the increases in the number of vessels registered, augmented by a higher return on term deposit investments. Significant work on VMS upgrades, changing reporting requirements and system/communication support changing hands correlated with significant increases in expenses to \$1,503,055 (2006: \$672,998), resulting in a net surplus of \$39,448. The surplus is credited to the VMS Reserve Fund, bringing the total VMS Reserve to \$957,099 at the end of the reporting period.

Housing Fund total income amounted to \$696,190 (2006:

Figure 5:**FFA Funding Sources for the General Fund**

\$209,641), corresponding expenses for the same period moved up to \$630,396 (2006: \$156,488), recording a surplus of \$65,794 (2006: \$53,153). Commencing June 2007, Housing Fund surpluses are transferred to the Housing Reserve Fund rather than carrying them forward to the next financial year as advance funding.

Performance of all four operational funds showed surplus net results, an indication of the prudent financial management systems instituted by the FFA Secretariat. Total reserve funds amounted to \$1,716,664 comprising General Fund: \$685,805 (2006: \$466,425), VMS Fund: \$957,099 (2006: \$917,651) and Housing Fund: \$73,760 (2006: \$7,967).

The US Multilateral Fisheries Treaty

A total of \$22,099,344 (2006: \$21,861,481) was received from the US as payment for the 19th licensing period², and interest receipts³. From this amount, the US Government contributed US\$18 million, of which \$17,820,000 was received in June 2006, and the balance of \$180,000 paid in September 2006. Distribution of the funds was based on the current procedures provided in Article 1 of Schedule 1 of the Internal Agreement. The procedures require that a total of US\$18 million is to be distributed as follows:

- Administration budget is deducted first;
- A total of US\$1.778 million for Project Development Fund (PDF) is then deducted;
- 15% from the balance is distributed equally to the 16 Pacific Island Parties; and
- 85% from the balance is distributed based on the catch made in the Parties' waters.

The total Administration budget approved for the period was USD679,517, however, only USD663,517 was drawn down

² Licensing periods under the US Treaty do not follow the calendar year, but extend from June to June. The 19th licensing period was from 15 June 2006 to 14 June 2007.

³ 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 Treaty funds: the surplus carried forward from the 18th Licensing period (\$16,100) was used to balance the budget in accordance with the decision of the Parties.

The total Project Development Fund of USD1.778 million was distributed equally to the Pacific Island Parties in June 2006 through 15 established individual PDF accounts that are currently administered by the FFA Secretariat on behalf of the Parties. Australia's PDF share of USD111,125 was given back to the FFA Secretariat's core fund while New Zealand's share was transferred to Tokelau in accordance with standing instructions from New Zealand.

The 15% share allocation (total USD2,355,360) was distributed equally to the Pacific Island Parties in June 2006 as required under the Treaty. Each of the 16 Pacific Island Parties received a share of USD147,210. The 85% allocation (total USD13,979,368) was distributed to the Pacific Island parties in December 2006 based on the catch, agreed overpayment-adjusted cost, and in accordance with the requirement under the Treaty.

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 EEZ, less the catch by that Party's sponsored vessels in its own waters.

A total of USD4,235,175 was received during six months into the 13th distribution period⁴, as at 30 June 2007.

This comprised USD\$4,077,306 as the total license fees received during the period; and USD157,869 as interest earned on the fund from the term deposit.

A total of USD4,235,125 was available for distribution to the Parties based on their respective regional catch.

Table 3:

Summary of Income and Expenditure for the year ended 30 June 2007, in USD

	2007		2006 (Six month)	
	G/Fund USD	T/Fund USD	Total Fund USD	Total Fund USD
INCOME				
Member Contributions	1,287,932	0	1,287,932	626,427
Donor Funds	0	7,653,480	7,653,480	2,350,112
Interest	48,422	97,240	145,662	53,200
Programme Support	79,885	0	79,885	275,893
US Treaty Fees	245,447	0	245,447	0
FSM Arrangement	74,469	0	74,469	5,075
PNA Programme Support	27,942	0	27,942	0
PDF (Aus)	111,125	0	111,125	111,125
Vessel Registration Fee	1,615,052	0	1,615,052	434,548
Miscellaneous	20,724	11,013	31,737	31,314
TOTAL INCOME	3,510,998	7,761,733	11,272,731	3,887,694
EXPENDITURE				
Executive				282,233
Management	1,126,542	449,557	1,576,099	626,616
Fisheries Management	0	4,678,079	4,678,079	585,952
Fisheries Development	0	1,687,949	1,687,949	626,582
Fisheries Operation	644,531	479,833	1,124,364	1,701,768
Corporate Services	1,584,825	402,035	1,986,860	0
TOTAL EXPENDITURE	3,355,898	7,697,453	11,053,351	3,823,151
Net Surplus	155,100	64,280	219,380	64,643

⁴ Distribution periods under the FSM Arrangement follow the calendar year.

VMS Funds

	2007 Actual	2006 Actual
	USD	USD
Income		
Total VMS Receipts	1,458,146	645,392
Interest and Misc. Income	84,357	41,902
Total Income	1,542,503	687,294
Expenditure		
Personnel	386,408	157,469
Communication	346,897	126,129
Maintenance and Depreciation	467,108	108,092
Development and Training	113,238	0
VMS Review Implementation	177,756	70,003
Administration Overhead	11,648	211,305
Total Expenditure	1,503,055	672,998
Net Surplus	39,448	14,296

Table 4:

Balance Sheet for six-month period as at 31 December 2007, in USD.

	2007	2006
	(six months)	(six months)
CURRENT ASSETS		
Cash	5,823,639	5,358,401
Receivables	246,402	27,869
Others	1,213,569	851,005
Total Current Assets	7,283,610	6,237,275
CURRENT LIABILITIES		
Creditors and Other Liabilities	1,652,241	1,531,738
Provisions	662,915	381,388
Advance Funding	3,251,790	2,932,106
Total Current Liabilities	5,566,946	4,845,232
NET ASSETS	1,716,664	1,392,043
FUND BALANCES		
General Fund	685,805	466,425
VMS Fund	957,099	917,651
Housing Fund	73,760	7,967
TOTAL FUND BALANCE	1,716,664	1,392,043

Housing Fund

	2007 Actual	2006 Actual
	USD	USD
Income		
Rental Receipts	584,579	55,763
Other Receipts	58,458	0
Income B/F	53,153	153,878
Total Income	696,190	209,641
Expenditure		
Total Expenditure	630,396	156,488
	630,396	156,488
Net Surplus	65,794	53,153

STAFF ISSUES

Most of the newly created positions under the major organisational restructure and expansion in 2005 were filled by the end of 2006; however some positions remain vacant due to funding constraints. In addition, there were several staff resignations towards the end of 2007 as detailed below.

Corporate Services Division

The position of Manager Finance was finally filled in February 2007 after being vacant for more than six months. However, the new recruit resigned after six months thus leaving the position vacant again. Recruitment is expected to be finalised in 2008.

A review and restructure of the Corporate Services took place in 2007. This resulted in the position of Manager Human Resources and Administration split up into two positions – Manager Human Resources and Manager Administration.

The Manager Human Resources position was advertised and still vacant at 31 December 2007. Ms Wendy Ho, previously Manager Human Resources and Administration, continued as Manager Administration. The position of Media and Publications Officer was created to replace the position of Information Officer. It is anticipated that the position will be filled in early 2008.

Appendix A provides the Staff List as at 31 December 2007.

MEETING AND CONFERENCE SUPPORT

Participation of FFA Members at several meetings continued to be supported by the FFA Secretariat. These included the annual Forum Fisheries Committee meeting (FFC64) held in Wellington, New Zealand from 28 May to 1 June 2007. Two special FFC meetings were also held during the year, which the Secretariat supported; FFC65 held in Rarotonga, Cook Islands and FFC66 held in Tumon, Guam. The annual FFC Ministerial meeting was also held in Wellington on 31 May 2007.

Other significant meetings supported by the Secretariat during the year were the MCS Working Group meeting held in Honiara in March; the Third Technical Compliance Committee meeting held in the Federated States of Micronesia in September; the Management Options Workshop held in Rarotonga, Cook Islands in October; and the Fourth Session of the WCPFC held in Tumon, Guam in December.

Appendix B lists the meetings that took place in 2007.

PACIFIC ISLAND FORUM ISSUES

The Director-General, Mr Su'a Tanielu attended the 38th meeting of the Leaders of the Pacific Island Forum, held in Nuku'alofa, Tonga from 16 to 17 October 2007. The Leaders agreed on several priority areas, including fisheries, for attention under the implementation of the Pacific Plan – particularly as fisheries is one of the region's strongest drivers for sustainable economic growth. More importantly, the decision by Leaders under the Vava'u Declaration on Pacific Fisheries Resources "Our Fish, Our Future" (appended as Appendix C), reaffirms the Leaders' commitment to fisheries issues in the Pacific region. In addition they agreed to the inclusion of FFA into the governance pillar (Pillar 1), recognising the Agency's central regional role and providing fisheries issues with the political profile required.

CROP ACTIVITIES

The remuneration working group of the Council of Regional Organisations in the Pacific (CROP) continued to liaise on annual reference market review for professional staff during the year.

The FFA Secretariat continued to participate as an observer on the Taskforce of the Regional Institutional Framework (RIF) and as a member of the Pacific Plan Action Committee (PPAC) meetings.

The Secretariat was represented by the Director-General at the 18th SPREP annual meeting held in Apia, Samoa, in early September.

The Director-General, along with the Legal Officer and the Planning Coordinator, attended the sessions of the Forum Officials Committee pre-Forum Budget meeting, the PPAC and the RIF meetings in Tonga in late September.

ASSET MANAGEMENT

In early 2007, major refurbishment of the Director-General's official residence was carried out. It was necessary to upgrade the house as it was 15 years old and needed a major facelift. A major upgrade of the FFA Regional Conference Centre did not take place as planned. Priority was however given to refurbish the Regional Fisheries Surveillance Centre and converting the Library building to an office for the staff of the Treaties Administration and Observers Programme. Consequently, the FFA Library has been relocated to the Archives building and the Secretariat will look at an alternative option to house the FFA Archives in 2008.

In an effort to improve security measures at the FFA headquarters, surveillance cameras and an electronic door system have been installed.

Two motor vehicles were replaced in 2007 – the official vehicle for the Director-General as well as the utility truck in the Maintenance Section.

Lack of funding for the Site Redevelopment Project was a constraint, hence there were no other major capital works in 2007. The Secretariat will continue to explore funding options for proceeding with this project.

IMPORTANT VISITORS

Several high-level delegations visited the FFA Headquarters in Honiara this year. These included, in chronological order, a delegation from the UNDP office in Suva which included the newly appointed United Nations Deputy Resident Representative, Toily Kurbanov (February 2007) on a courtesy visit. Likewise the Permanent Representative of the Solomon Islands to the United Nations, H.E. Collin Beck, paid a courtesy visit to the FFA Secretariat. The US Ambassador to Fiji, Kiribati, Nauru, Tonga and Tuvalu, H.E. Larry Dinger visited the FFA Directorate in July. A Ministerial delegation from the Government of Vanuatu visited in August and a delegation from the World Bank, headed by Mr Christian Delvoie, Sector Director (EASIN division) met with the FFA Director-General.

CONCLUSION

In conclusion, I would like to pose the question, “What do FFA Members want to achieve for the region over the next 10 years”?

In response, I would say that;

- We need to manage the resources smartly,
- We need to maximise economic gains, and
- We need to protect the resources.

i) Managing the resources smartly essentially means having effective conservation and management measures in place supported by effective fisheries legislation. At the national level, it means working with FFA Members to ensure that they have modern, up-to-date management and conservation plans; that they apply the ecosystems-based approach to fisheries management in their policies and plans; and that they have an appropriate regulatory framework to ensure effective conservation and management. At the regional level, it means ensuring there is a robust regional fisheries management framework for the various fisheries. This means augmenting the Vessel Day Scheme; developing management strategies for the bigeye and yellowfin fishery; establishing a regional management framework for southern albacore tuna; and having the necessary frameworks to address by-catch issues. It also means having measures in place that address capacity issues, Fish Aggregating Devices, and the high seas. It means being proactive in the Western and Central Pacific Fisheries Commission in developing alternative bigeye and yellowfin management. This might involve advocating management and conservation measures in the WCPFC in a systematically

proactive manner. Such measures should be aimed at securing greater control over the resources. FFA Members can subsequently explore ways to maximise economic gains from more secured and guaranteed fishing rights.

- ii) Maximising economic gains means investigating more innovative ways to develop the resources and taking a broad-based approach to fisheries development. Given the differences in physical conditions, not all FFA Members may ultimately be able to develop canneries, hence other forms of development should be pursued. With limits in place, the resources should become more valuable. Alternative approaches to fisheries development should be explored, including the application of a rights-based fisheries management system. This might involve developing different approaches from the traditional licensing of foreign fishing vessels under access agreements, to more innovative means of dealing with fishers in ways that are transparent and not susceptible to political pressure.
- iii) Protecting the resource means ensuring that systems are in place to undertake effective monitoring, compliance and surveillance. This should entail the investigation of new surveillance technology, including interfacing satellite imagery with VMS data. Enhanced MCS systems should be underwritten by innovative IT approaches with greater use of web-based systems, e-reporting of catch and effort, and integration of national and regional databases. Getting more effective compliance arrangements in place, including through the use of multilateral platforms, might mean the enhancement of the regional surveillance role of the FFA. It would include the development of strategic partnerships with service providers such as the Australian Defence Force, US Coast Guard, New Zealand Defence Force and the French Navy. Shifting to a more integrated system of compliance, including catch documentation schemes, is the key.

appendix **A**: STAFF ESTABLISHMENT

as at 31 December 2007

DESIGNATION	NAME	NATIONALITY
Executive Management		
Director-General	Mr S N F Tanielu*	Samoa
Deputy Director-General	Dr T Aqorau*	Solomon Islands
Personal Assistant – Director-General	Ms A Vave-Erekali	Solomon Islands
Personal Assistant – Deputy Director-General	Ms C Murdoch	Solomon Islands
Corporate Services		
Director, Corporate Services	Mr D Rupokets*	Papua New Guinea
Manager Finance	Vacant*	
Planning Coordinator	Ms K Vave*	Fiji
Management Accountant	Mr R Rutepitu*	Solomon Islands
Manager Human Resources	Vacant*	
Manager Administration	Ms Wendy Ho*	Solomon Islands
Assistant General Fund Officer	Mr L Galo	Solomon Islands
Accounts Officer	Mr W Maesugea	Solomon Islands
Assistant Trust Fund Officer	Ms G Haro	Solomon Islands
Accounts Assistant	Ms G Konia	Solomon Islands
Assistant Finance Officer	Mr J Huta	Solomon Islands
Accounts Payable Officer	Ms R Maeke	Solomon Islands
Personnel Services Officer	Mr G Keketaovia	Solomon Islands
Accounts Officer – Conference/Travel	Mr S Gu'urau	Solomon Islands
Conference Centre Assistant	Mr L Alufurai	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
Property Manager	Mr S Havea	Solomon Islands
Maintenance Officer	Mr J Tommy	Solomon Islands
Maintenance Assistant	Mr K Noda	Solomon Islands
General Hand 1	Mr S Wini	Solomon Islands
General Hand 2	Mr H Tolo	Solomon Islands
Fisheries Development		
Director, Fisheries Development	Mr L Rodwell*	Australia
Fisheries Economics Adviser	Vacant*	
Fisheries Economics Officer 1	Mr P Terawasi*	Solomon Islands
Fisheries Economics Officer 2	Ms L Kaua*	Solomon Islands
Fisheries Development Adviser	Ms A Hamilton*	Australia
Fisheries Development Officer 1	Mr W Lakain*	Papua New Guinea
Fisheries Development Officer 2	Vacant*	
Industry Liaison Officer	Vacant*	
Trade Liaison Officer	Vacant*	
Fisheries Development Policy Specialist	Mr M Batty*	United Kingdom
Project Coordinator	Vacant*	
<i>Tuna Industry Adviser</i>	Mr M Nakada*	Japan

DESIGNATION	NAME	NATIONALITY
Fisheries Management		
Director, Fisheries Management	Mr M Amos*	Vanuatu
Fisheries Management Adviser	Mr S Shanks*	Australia
Fisheries Management Adviser	Mr M Kamatie*	Kiribati
Fisheries Management Officer	Vacant	
Fisheries Management Adviser	Vacant*	
Fisheries Management Adviser	Mr S Sauni*	Tuvalu
Fisheries Management Officer	Vacant	
Commission Liaison Officer	Ms L Manarangi-Trott*	Cook Islands
Legal Counsel	Dr M Tupou-Roosen*	Tonga
Legal Officer	Vacant*	
Legal Officer (Prosecutions)	Ms J Gordon*	Solomon Islands
Compliance Policy Officer	Mr A Turaganivalu*	Fiji
Project Coordinator (OFM)	Ms B Hanchard*	Cook Islands
Fisheries Management Adviser (OFM)	Mr D Cameron*	Australia
Project Finance & Admin Officer (OFM)	Mr R Gholomo	Solomon Islands
Fisheries Operations		
Director, Fisheries Operations	Vacant*	
Manager, Information & Technology	Mr N Kapun*	Papua New Guinea
Systems Analyst	Mr B Scott*	Australia
Database Administrator	Mr R Chand*	Fiji
Network Administrator	Mr H Salonica*	Papua New Guinea
Data Quality Officer	Mr C Falasi*	Solomon Islands
ITC Helpdesk Officer	Ms C Wini	Solomon Islands
Information Officer	Vacant*	
Librarian	Mr E Marahare	Solomon Islands
Observers Programme Manager	Mr T Park*	Australia
Assistant Observer Placement Officer	Mr A Orianiha'a	Solomon Islands
Observer Data Entry Officer	Ms J Kwainarara	Solomon Islands
Data Clerk	Ms D Kari	Solomon Islands
Surveillance Operations Officer 1	Mr L Pawut*	Papua New Guinea
<i>Surveillance Operations Officer 2</i>	LGDR P McCarthy*	Australia
Register Data Officer 1	Ms S Mauli	Solomon Islands
Register Data Officer 2	Ms G Harold	Solomon Islands
Manager, Vessel Monitoring System	Mr A Carlot*	Vanuatu
Vessel Monitoring System Liaison Officer	Mr D Koroi	Solomon Islands
VMS Assistant Officer	Mr S Masika	Solomon Islands
VMS Administration Assistant	Ms H Panda	Solomon Islands
<i>Fisheries Enforcement Adviser</i>	Vacant*	
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	Vacant	
PNA Coordinator	Mr A Jimwereiy*	Nauru

*Denotes Professional Staff. Out of a total of 35 professional staff positions, 8 are female and 27 male.

The positions shown in italics (Tuna Industry Adviser, Surveillance Operations Officer 2 and Fisheries Enforcement Adviser) are not FFC-established positions.

appendix B: CALENDAR OF MEETINGS

DATE	MEETING	LOCATION
22–24 Jan	ACP private sector and official meeting on Fisheries under Economic Partnership Agreements (EPA)	Brussels, Belgium
25–26 Jan	Pacific ACP – EU meeting on Fisheries Partnership Agreement (EPA)	Brussels, Belgium
22–26 Jan	Joint Tuna RFMO Meeting	Kobe, Japan
28–31 Jan	Consultations with Japan	Kobe, Japan
5–6 Feb	IATTC Special Commission Meeting – Special session on BET and YFT Conservation/Management Options	La Jolla, USA
7–8 Feb	IATTC 8th Meeting on Finance	La Jolla, USA
9–10 Feb	IATTC 6th Meeting of the Bycatch Working Group	La Jolla, USA
12–21 Feb	PNA visit to PNG and Philippines is a regional initiative	PNG & Philippines
12–21 Feb	Prosecution and Dockside Boarding Workshop	Funafuti, Tuvalu
28 Feb	EU Pacific Meeting	Suva, Fiji
5–9 Mar	Vessel Day Scheme Workshop	Koror, Palau
12–13 Mar	19th Internal Meeting of Pacific Island Parties	Le Meridien Port Vila, Vanuatu
14–16 Mar	SPC/AFA/FFA Meeting	FFA HQ
14–16 Mar	19th Annual Consultation with the US	Le Meridien Port Vila, Vanuatu
16–17 Mar	South Pacific Regional Fisheries Management Organisation (SPRFMO) Planning Meeting	Le Meridien Port Vila, Vanuatu
19–20 Mar	FFA Fisheries Trade Workshop	Le Meridien Port Vila, Vanuatu
26–30 Mar	10th MCS Working Group Meeting	FFA HQ, Honiara
27–28 Mar	Internal FFA Secretariat Meeting – Consultation on Analysis of WCPO Tropical Tuna Fishery Management Strategies and Options	FFA HQ, Honiara
28–30 Mar	DevFish Roundtable Consultations (project planning meeting)	Suva, Fiji
29–30 Mar	WCPFC VMS Conference	Brisbane, Australia
2–4 Apr	Judicial Seminar for Pacific Islands Judicial Officers	Koror, Palau
16–20 Apr	FFA Sub-regional Workshop on WCPFC (East)	Tonga
16–25 Apr	Prosecution and Dockside Boarding workshop (including Niue & Tokelau)	Apia, Samoa
23–25 Apr	FFA EAFM Consultations	Venue TBC
30 Apr – 4 May	FFA VMS Training	Canberra, Australia
13–21 May	11th Session of IOTC	Seychelles
21 May	VDS Committee 3rd Meeting (morning) and 26th Annual Meeting of the Parties to the Nauru Agreement Officials Meeting (afternoon)	Wellington, New Zealand
22 May	12th Palau Arrangement Official Annual Meeting	Wellington, New Zealand
23 May	12th Federated States of Micronesia Arrangement Officials Annual Meeting	Wellington, New Zealand
24–25 May	FFC Sub-Committee on South Pacific Tuna and Billfish (SPTBFSC)	Wellington, New Zealand
26 May	DevFish Annual Steering Committee Meeting	Wellington, New Zealand
28 May – 1 Jun	64th Forum Fisheries Committee Meeting (FFC64)	Wellington, New Zealand
31 May	Ministerial FFC 3rd Meeting	Wellington, New Zealand
1 Jun	PNA Ministerial 2nd Annual meeting	Wellington, New Zealand
11–15 Jun	WCPFC Intercessional Working Group on the Regional Observer Programme	Pohnpei, FSM
12–14 Jun	First VDS Sub-regional Workshop	Port Moresby, PNG
17–19 Jun	Second VDS Sub-regional Workshop	Majuro, Marshall Islands

appendix B: CALENDAR OF MEETINGS continued

DATE	MEETING	LOCATION
18–27 Jun	Prosecution and Dockside Boarding workshop	Tarawa, Kiribati
18–30 Jun	IATTC Regular Session & AIDCP Annual Meeting	Mexico
25–30 Jun	SPC Workshop on stock assessment	Noumea
23–24 Jul	Joint Tuna RFMO Technical Working Group on Trade and Catch Documentation Schemes	Rahleigh, North Carolina (US)
1 Aug	VDS National Workshop for Solomon Islands Ministry of Fisheries and Marine Resources	FFA Conference Centre, Honiara
6–24 Aug	AFA/FFA/SPC Pacific Islands Evidence and Investigation Course	Kavieng, PNG
9–12 Aug	FFA Science Working Group – preparation for SC3	Hawai'i
13–24 Aug	WCPFC Scientific Committee: 3rd Regular Session	Hawai'i
3–7 Sep	FFA Sub-regional Workshop on WCPFC (North)	Marshall Islands
11 Sep	3rd Consultation between FFA Members and Japan	Tokyo, Japan
11–13 Sep	WCPFC Northern Committee: 3rd Regular Session	Tokyo, Japan
24–25 Sep	WCPFC Intersessional Working Group on ROP	Pohnpei, FSM
27 Sep – 2 Oct	WCPFC Technical and Compliance Committee: 3rd Regular Session	Pohnpei, FSM
6 Oct	GEF Regional Steering Committee Meeting	Rarotonga, Cook Islands
7 Oct	Parties to the Niue Treaty	Rarotonga, Cook Islands
8–9 Oct	Special meeting of the Parties to the FSM Arrangement	Rarotonga, Cook Islands
8–9 Oct	9th FFC Subcommittee on Southern Tuna and Billfish	Rarotonga, Cook Islands
8–12 Oct	FFA Management Options Workshop (MOW4)	Rarotonga, Cook Islands
13 Oct	Special FFC65	Rarotonga, Cook Islands
16–17 Oct	38th Meeting of Pacific Forum Leaders	Nuku'alofa, Tonga
22–30 Oct	Samoa In-country Prosecutions and Dockside Boarding Workshop	Apia, Samoa
22 Oct – 2 Nov	Meeting of the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR)	Hobart, Tasmania
5–8 Nov	2007 US/PIP Broader Cooperation Talks	San Diego, California
6 Nov	3rd Meeting of PIP Working Group on mid-term review of the US Treaty	San Diego, California
7–9 Nov	FSM EAFM Stakeholders workshop	Pohnpei, FSM
9–18 Nov	ICCAT Regular Session	Istanbul, Turkey
12–16 Nov	SPC/FFA Tuna Fishery 7th Data Collection Committee Meeting (DCC)	Brisbane, Australia
19–22 Nov	FFA/SPC 7th Regional Observer Coordinators' Workshop	Brisbane, Australia
25 Nov & 1 Dec	VDS Committee 4th Meeting	Fiesta Resort, Guam
26–30 Nov	Special FFC66 and FFA Pre-WCPFC4 meetings	Fiesta Resort, Tumon, Guam
29 Nov – 2 Dec	Special FFC – pre WCPFC4 (tentative)	Pohnpei, FSM
2–6 Dec	Inaugural Session WCPFC Standing Committee on Finance and Administration	Tumon, Guam
3–7 Dec	WCPFC, 4th Regular Session	Tumon, Guam
6–12 Dec	Kiribati In-country Prosecutions and Dockside Boarding Workshop	Tarawa, Kiribati

The Vava'u Declaration, below, is extracted from the Forum Communiqué of the Pacific Islands Leaders at their 38th Pacific Islands Forum meeting in Nuku'alofa, Tonga during 16–17 October 2007.

THE VAVA'U DECLARATION ON PACIFIC FISHERIES RESOURCES "OUR FISH, OUR FUTURE"

We, the Leaders of the Pacific Islands Forum, meeting at Vava'u in the Kingdom of Tonga:

RECOGNISING that our regional fisheries resources remain a key driver for sustainable economic growth in the region, especially for small island states, and that they must as a consequence be supported by responsible and effective stewardship;

RECALLING the commitment by Leaders under the Pacific Plan to maximise sustainable returns from fisheries by developing an ecosystem-based fisheries management planning framework; encouraging effective fisheries development, including value-adding activities; and collaboration to ensure legislation and access frameworks are harmonised;

ALSO RECOGNISING the aspirations of Pacific Islands Countries to strengthen their engagement in sustainable fisheries and to maximise the flow on benefits from both domestic fisheries and foreign fishing operations in the region;

RECALLING in this context our 2004 call for closer Ministerial oversight of Pacific fisheries issues;

NOTING with appreciation and deep concern the report on the current state of Pacific fisheries provided to us by the current Chair of the Forum Fisheries Committee, at the request of the Committee's 64th Meeting, held at Ministerial level;

COGNISANT of the significant economic opportunities which the regional fisheries resource offers to all our members, and of the comparatively low returns on the resource being achieved by countries in the region;

SEIZED by the scientific advice that over-fishing of two key regional tuna species – bigeye and yellowfin tuna – now places stock levels in jeopardy;

CONSCIOUS therefore of the imperative need for us to take immediate and decisive collective action to ensure that, within the next three to five years, we secure our peoples' future livelihoods, regional food security, and environmental sustainability of our seas and their ecosystems;

HEREBY reaffirm the importance of fisheries to the economies of all Pacific Forum countries, and commit ourselves to:

- **PROMOTING DOMESTIC FISHERIES**, in particular the development of national tuna industries, in the context of a phased introduction of rights-based management arrangements supported by an appropriate management and regulatory framework;
- **DEVELOPMENT AND MANAGEMENT OF COASTAL/INSHORE FISHERIES** and aquaculture to support food security, sustainable livelihoods and economic growth for current and future generations of Pacific people;
- **MAINTAINING REGIONAL SOLIDARITY** among Forum member countries in managing the region's tuna stocks;
- **STRENGTHENING OUR SUPPORT** for the Forum Fisheries Agency, the Secretariat of the Pacific Community and other regional fisheries bodies as they intensify their efforts in applying a long-term strategic approach to Pacific fisheries, and in tuna species in particular, to ensure that these resources are effectively managed so as to provide enduring economic, social and cultural benefits;

- **UPHOLDING AND STRENGTHENING** the existing regional and national arrangements, agreements and conservation measures that protect this essential resource; and **CONSISTENT** with our earlier calls for the sustainable utilisation of fisheries resources, and with our concerns regarding food security for future generations, we further solemnly **COMMIT** ourselves and our governments to the conservation and sustainable management of highly migratory tuna resources by:
 - **FULLY IMPLEMENTING** without delay the conservation and management measures developed and endorsed by the Western and Central Pacific Fisheries Commission (WCPFC);
 - **SEEKING THE URGENT ADOPTION OF ADDITIONAL MEASURES** by the WCPFC to address over-fishing of bigeye and yellowfin, including a reduction in longline catches and addressing purse seine fishing, and specific steps to reduce the catch of juvenile bigeye and yellowfin;
 - **RECOGNISING THE ASPIRATIONS OF SMALL ISLANDS DEVELOPING STATES** to develop their domestic fisheries and **CALLING ON DEVELOPED MEMBER COUNTRIES** of the Commission to implement measures to support such endeavours;
 - **DEVELOPING AND IMPLEMENTING**, with the assistance of the Forum Fisheries Agency, a comprehensive regional Monitoring, Control and Surveillance (MCS) strategy;
 - **INVESTIGATING AND TAKING APPROPRIATE STEPS** as a matter of priority to strengthen, simplify and give full transparency to our national fisheries governance and licensing arrangements;
 - **CONTINUING SUPPORT** as appropriate for the current tuna tagging initiative of the Secretariat of the Pacific Community, including the aspiration that it expand to cover the rest of the Pacific; and,
- **SUPPORTING AND ENDORSING** efforts by the Forum Fisheries Agency, supported by the Forum Secretariat, to take forward as a matter of urgency work to examine the potential for new multilateral Pacific regional arrangements patterned on the Niue Treaty Subsidiary Agreement model for exchange of fisheries law enforcement data, cross-vesting of enforcement powers, and use of fisheries data for other law enforcement activities; and

CONSISTENT with our previous deliberations, **REAFFIRM** the Declaration on Deep Sea Bottom Trawling adopted at the 2006 Nadi Forum and **WELCOME** the subsequent UNGA Resolution 61/105 which called for strong measures to regulate and manage deep sea bottom trawling;

COMMIT to the protection of high seas biodiversity and the conservation and management of non-highly migratory fish stocks in the Pacific Ocean;

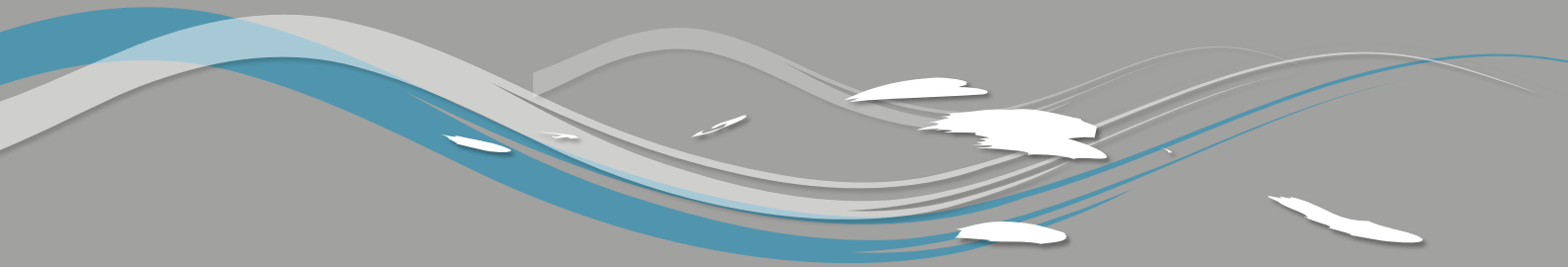
ENCOURAGE effective participation in the negotiations to deliver a best-practice South Pacific Regional Fisheries Management Organisation in view of the longer-term strategic significance to Members and the possible interaction of the high seas pelagic stocks with tuna resources governed by the WCPFC;

AGREE TO RAISE THESE DEEP CONCERNS as a matter of urgency with Distant Water Fishing Nations (DWFNs) and regional coastal states participating in the Post-Forum Dialogue, and urge their close cooperation with our efforts; and,

REQUEST the Forum Fisheries Agency, the Secretariat of the Pacific Community, the Forum Secretariat and the Western and Central Pacific Fisheries Commission to jointly monitor progress in implementing these commitments, and reporting on this – especially progress in regional tuna management – under the Pacific Plan to Forum Fisheries Ministers and our next Leaders' Meeting for further consideration.

appendix **D**: ACRONYMS USED IN THIS REPORT

ACIAR	Australian Centre for International Agricultural Research	MTU	Mobile Transmission Units
ADSL	Asymmetric Digital Subscriber Line	NMFS	National Marine Fisheries Service
AFA	Australian Fisheries Academy	NOAA	(US) National Oceanographic and Atmospheric Administration
AFMA	Australian Fisheries Management Authority	Non-CMM	non Cooperating Commission Members
AIDCP	Agreement on the International Dolphin Conservation Program	NORMA	(FSM) National Oceanic Resource Management Authority
ALC	Automatic Location Communicator	NZD	New Zealand Dollar
ANCORS	Australian National Centre for Ocean Resources and Security	OFCF	Overseas Fishery Cooperation Foundation
AUD	Australian Dollar	OFM	Oceanic Fisheries Management (Project)
BET	Big-Eye Tuna	OPAGAC	(association of Spanish tuna boat owners) Organización de Productores Asociados de Grandes Atuneros Congeladores de España
CCAMLR	Commission for the Conservation of Antarctic Marine Living Resources	P-ACP	Pacific (State) [member of] African, Caribbean and Pacific
CCM	Commission Conservation Measure	PACREIP	Pacific Islands Regional Economic Integration Project
c&f	cost & freight	PDF	Project Development Fund
CPPL	Customs and the Central Pacific Producers Ltd	PEIA	Preliminary Environmental Impact Assessment
CROP	Council of Regional Organisations in the Pacific	PICTS	Pacific Islands Countries and Territories
DCC	Data Collection Committee	PIP	Pacific Island Parties (to the US Treaty)
DNID	Domain Name Identifier	PNA	Parties to the Nauru Agreement
DRS	Disaster Recovery Site	PNG	Papua New Guinea
DWFN	Distant Water Fishing Nations	PPAC	Pacific Plan Action Committee
EAFM	Ecosystem Approach to Fisheries Management	PPB	Pacific Patrol Boat(s)
EDF	Economic Development Fund	RAAF	Royal Australian Air Force
EEZ	Exclusive Economic Zone	RFMO	Regional Fisheries Management Organisation(s)
EPA	Economic Partnership Agreements	RIF	Regional Institutional Framework
EU	European Union	RNZAF	Royal New Zealand Air Force
FADS	Fish Aggregating (or: Aggregation) Devices	ROP	Regional Observer Programme
FAO	Food and Agriculture Organization	RSC	Regional Steering Committee
f.a.s.	free alongside ship	SC	Scientific Committee
FFA	(Pacific Islands) Forum Fisheries Agency	SIDS	Small Island Developing States
FFC	Forum Fisheries Committee	SLA	Service Level Agreement
FSM	Federated States of Micronesia	SME	Small and Medium Enterprises
FY	Financial/Fiscal Year	SPC	Secretariat of the Pacific Community
GB	gigabyte	SPREP	Secretariat of the Pacific Regional Environment Programme
GEF	Global Environmental Facility (UNDP)	SPRFMO	South Pacific Regional Fisheries Management Organisation
IATTC	Inter-American Tropical Tuna Commission	TAE	Total Allowable Effort
ICCAT	International Commission for the Conservation of Atlantic Tuna	TAF	Technical Assistance Fund
IOTC	Indian Ocean Tuna Commission	TCC	Technical and Compliance Committee
ISO	International Organisation for Standardisation	TMP	Tuna Management Plans
ISP	Internet Services Provider(s)	UNDP	United Nations Development Programme
IT	Information Technology	UNGA	United Nations General Assembly
IUCN	The World Conservation Union	USA	United States of America
MCS	Monitoring, Control and Surveillance	USCG	United States Coast Guard
IUU	Illegal, Unregulated and Unreported Fishing	USD	United States Dollar
JPY	Japanese Yen	USN	United States Navy
kg	kilogram	USP	University of the South Pacific
LCH	Light Combat Helicopter	UST	United States Treaty
LES	Land Earth Station	VDS	Vessel Day Scheme
MCS	Monitoring, Control and Surveillance	VMS	Vessel Monitoring System
MOU	Memorandum of Understanding	WCPFC	Western and Central Pacific Fisheries Commission
MOW	Management Options Workshop	WCPF Convention	Convention for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific
MSC	Marine Stewardship Council	WCPO	Western and Central Pacific Ocean
mt	metric tonne	WTO	World Trade Organization
		YFT	Yellow-Fin Tuna



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