



## PREFERENTIAL TRADE AGREEMENTS

### Philippines tuna industry set to gain from EU GSP reform

The EU's reformed Generalised System of Preferences commences in January 2014. Of primary significance for Pacific island countries (PICs) is change to the GSP Plus (GSP+) which will last for 10 years and gives duty free access to the EU for canned tuna and tuna loins. Qualifying for the GSP+ requires that potential beneficiary countries:

- have less than 2% share of total exports to the EU under the GSP as a whole (a 'vulnerability criteria' that indicates limited absolute benefit from trade with the EU). This metric was increased from less than 1% under the previous GSP+;
- the beneficiary country's seven largest GSP sectors are over 75% of total exports to the EU (a second vulnerability criterion that indicates a low level of economic diversification in trade with the EU);
- have ratified and implemented 27 international conventions on sustainable development and good governance. This requirement is a result of the goal of the GSP+, which was designed to incentivise countries to implement law in these areas.

Countries can now apply for GSP+ status at any time rather than only during windows every 1.5 years. However, they will now be subject to stricter and more frequent monitoring, which increases from every 3 years to every 2 and now includes scrutiny by the European Parliament as well as the European Council.<sup>2</sup>

The Philippines now qualifies to apply for GSP+ status due to the widening of the first vulnerability criteria.<sup>3</sup> The Department of Trade and Industry has stated that the country is 'set to apply'.<sup>4</sup> The only remaining barrier to qualification is whether the Philippines is found to have met all EU procedures regarding ratification and implementation of the 27 international conventions.<sup>5</sup>

Philippine garment and tuna sectors are most likely to gain from GSP+ status if the country's application is successful. Together, the two sectors already reportedly account for more than 50% of the country's formal industrial labour force.<sup>6</sup> The Tuna Canners Association of the Philippines (TCAP) claims that

## CONTENTS

### Preferential Trade Agreements

Philippines tuna industry set to gain from EU GSP reform

### Fisheries Regulation

EU makes first use of sustainable fisheries trade sanctions

OPRT pushes for reduction in WCPO fishing capacity

### Fisheries Development

Greenpeace report promotes small-scale tuna fisheries in Pacific islands

China expands distant water fisheries

EU fishery strategy for the Pacific proposed at European Parliament

### Tuna Markets

Skipjack price volatility felt across industry segments

Fukushima crisis deepens, raises new questions for fisheries

### Tuna Price Trends



**FFA**

duty free access under the GSP+ will yield a 64% increase in canned tuna exports to the EU and boost local employment by the industry by 70%.<sup>7</sup> Given that the Philippines has a large locally owned and flagged tuna fleet, it should not encounter great difficulty in meeting GSP rules of origin. Although some boats may face a challenge in meeting other strict EU rules such as those on sanitary and phyto-sanitary (SPS) measures.

Perhaps the greatest challenge facing Philippine processors is raw material supply as there is little scope for expanding catch in the country's EEZ. To meet shortfalls in supply from local sources, an increasing amount of raw material is sourced from foreign fleets. The volume of raw material processed domestically hit a peak of over 250,000 mt in 2006/7, but has declined in recent years to around 220,000 mt due to low catches.<sup>8</sup>

## **FISHERIES REGULATION**

### **EU makes first use of sustainable fisheries trade sanctions**

On 28 August, the EU commenced trade sanctions against Faroe Islands for alleged unsustainable fishing. The sanction bans imports of herring and mackerel from Atlanto-Scandian stocks – as well as products containing such fish – caught by vessels under the control of the Faroe Islands.<sup>9</sup> Until 2013, the herring stock was managed jointly by Norway, Russia, Iceland, the Faroe Islands and the EU through a long-term management plan and pre-established shares of the Total Allowable Catch (TAC). However, according to an EU press release, in 2013 the Faroe Islands unilaterally decided to break out of this agreement and established an autonomous quota which more than trebled its previously agreed share. The ban also means that that some Faroese vessels will not be allowed to dock in EU ports, except in cases of emergency. This is likely to hit the Faroese economy hard: in 2012 around 55% in value of Faroese herring and mackerel exports were imported by the EU or transited from there.<sup>10</sup> A similar EU trade sanction is in the pipeline against Iceland.

The Faroe Islands and Iceland have both countered that the EU sanction is breaking international law and have requested a UN tribunal in the Hague to investigate EU breaches of obligations under the UN Convention on the Law of the Sea (UNCLOS).<sup>11</sup> A statement by the Iceland government argues that the EU action is part of an 'on-going campaign of threats of coercive measures against Iceland and the Faroe Islands with the objective of gaining advantages in multilateral

**To qualify for GSP+ Philippines must have implemented a wide range of international conventions**

**Philippine's EEZ has limited scope for expanded tuna supply**

**Herring and mackerel caught by boats under the control of the Faroe Islands is banned from import into the EU**



FFA

negotiations on the management of shared fish stocks'.<sup>12</sup>

This is the first example of the EU putting its regulation on unsustainable fishing practices into effect;<sup>13</sup> for more detail on this regulation see *FFA Fisheries Trade News* July-August 2012.<sup>14</sup> The trade sanction is operationalised by EU Member states using the catch certification scheme under the EU IUU regulation which allows customs authorities to detect herring and mackerel caught under the control of the Faroe Islands (reported on extensively in *FFA Fisheries Trade News*).

The primary driver for the EU establishing the regulation was the long-standing dispute with Iceland and the Faroe Islands over herring and mackerel fisheries. But it also applies to any 'stocks of common interest', which includes fish stocks managed by a regional fisheries management organisation (RFMO) to which the EU is a contracting party.<sup>15</sup> As the EU is a member of WCPFC, the regulation applies to tuna and other highly migratory fish stocks originating from the Western and Central Pacific region.

### **OPRT push for reduction in WCPO fishing capacity**

The Tokyo-based Organisation for the Promotion of Responsible Tuna Fisheries sent a letter to the Executive Director of the WCPFC asking for a multi-year management programme for bigeye tuna.<sup>16</sup> OPRT members represent the tuna longline industry in Japan, Taiwan, Korea, Indonesia, Philippines and China, and vessels flagged by Seychelles and Vanuatu. OPRT is particularly concerned about growing purse seine capacity in the region and calls for a cap on the number of large scale purse seiners and for measures to control recent increases in smaller longliners. OPRT members argue that 'the tuna fishery in the Central and Western Pacific ocean will be extinct unless actions are taken'.<sup>17</sup>

This move comes as attention is turning to the longline sector across the Pacific. In the August special working group meeting of the Western and Central Pacific Fisheries Commission Science Committee to discuss a revised conservation and management measure for tropical tunas, the PNA Secretariat tabled a proposal calling for foreign longline fishing countries to further reduce their bigeye catches by 30%.<sup>18</sup>

**Faroe Islands and Iceland request international tribunal to contest EU action**

**Sustainable fisheries trade sanctions by EU could also be applied to fisheries under WCPFC**

**OPRT and PNA Secretariat push different strategies for bigeye catch reduction**



FFA

## FISHERIES DEVELOPMENT

### ***Greenpeace report promotes small-scale tuna fisheries in Pacific islands***

A new Greenpeace report promotes an 'alternative model' of fisheries development in PICs.<sup>19</sup> Co-written by academics Kate Barclay and Hannah Parris, the report starts with the familiar story of PICs not capturing as much wealth from tuna as might be possible due to a reliance on access fees and low-paid employment in processing facilities. It criticizes the current large-scale industrial model, dominated by corporations and their 'home' countries, as being environmentally unsustainable and socio-economically inequitable.

The alternative model being proposed has a number of pillars:

- Methods of fishing used would be pole and line, troll, handline, free-school purse seine and 'best-practice' longline.
- Tuna species would be harvested at environmentally sustainable levels, with minimal bycatch.
- Tuna fishing vessels would be owned and operated by Pacific island communities and local entrepreneurs.
- Artisanal and village-based fisheries would be organised as 'fair trade' cooperatives to coordinate the sale of their catch.
- Fish would be processed in the region for canning and for high value-added fresh or frozen tuna markets and would be fully 'traceable' through the supply chain.
- Products from such fisheries would receive independent verification of environmental and social standards to try to leverage higher prices compared to unsustainable products.

The model calls on PIC governments to play a central role in ensuring effective fisheries management, fiscal, economic and social policies that both protect the resource and support local, smaller-scale businesses. It also recognises that cooperation with foreign industry, such as more 'progressive' tuna trading companies, is essential where local capital and/or expertise may not be present.

Though the sentiment behind Greenpeace's self-declared 'vision' suggests an integrated approach centred on both developmental and environmental outcomes, several questions about the approach emerge. First, the report

***Greenpeace  
argues  
for local  
ownership and  
'fair trade'  
principles***

***Government  
policy could  
better  
promote local,  
smaller-scale  
businesses***



FFA

contains a dualism between businesses owned by 'foreign' and 'local' interests, but if a business is owned by locals or foreigners it does not mean that it is 'better' or 'worse'. A local player may invest profits overseas and a foreign player may be subject to additional forms of positive regulation from their 'home' state such as OECD anti-corruption rules. Instead, the quality of an investment should be assessed on a case-by-case basis. A second problematic dualism is contained in the notion of 'industrial' vs. 'small-scale'. While there is little doubt that artisanal and small-scale fisheries in PICs could be more effectively commercialised, it is unlikely that they could capture the volumes of tuna required to employ the thousands of Pacific islanders currently working in tuna processing facilities in Fiji, PNG and Solomon Islands. Finally, the report correctly identifies the vagaries of tuna price fluctuations as a source of instability in the industry as a whole and a possible disincentive for small business development where cash flow is a constraint. However, the suggested approach of adapting 'fair trade' tuna is dependent upon the hope that supermarket buying policy doesn't shift in response to new competitive conditions and/ or the fickle whims of Western consumers (i.e. that they are willing to pay a price premium).

Despite these questions, this new report by Greenpeace should be welcomed both as an analytical intervention in its own right and as a key source to debate the relative merits of current mainstream thinking on tuna development in the PICs.

### **China expands distant water fisheries**

Increased consumption in China is contributing to aggregate global increases in fish prices.<sup>20</sup> This is driven by a combination of growing direct consumption among China's new rich and middle class and the import of fish raw material for export-orientated processing. As an indication of growing demand, the government is funding the construction of a US\$ 171.5 million seafood logistics centre in Hainan, the southern island province at the centre of recent fisheries access disputes between China and the Philippines and Vietnam.<sup>21</sup> This logistics hub is expected to be completed in 2015, along with a similar project in Fujian (opposite Taiwan). This new logistics capacity is designed to distribute planned increases in national capture fisheries and aquaculture production.

China's government plans to expand official annual 'national' marine capture fisheries production from 1.1 million tonnes in 2010 to 1.3 million tonnes by the end of its 12th five-year plan

**Greenpeace uses problematic dualisms such as local/foreign and small-scale/industrial to frame arguments**

**Chinese government continues to push DWF fleet expansion and funds new fisheries infrastructure**



FFA

**Study  
finds huge  
underestimates  
in China's  
reported  
distant water  
catch**

period (2012-2015).<sup>22</sup> In the context of declining stocks and collapsing fishing businesses in China's EEZ,<sup>23</sup> this expansion will be driven by accessing foreign EEZs and the high seas and by building (subsidised) distant water fleet vessels to a total of 2,300 by 2015, from a total of 1,900 DWF vessels in 2010.<sup>24</sup>

However, a recent study by the *Sea Around Us* project at the University of British Columbia, estimates that the Chinese catch outside of its EEZ averaged 4.6 million tonnes a year from 2000 to 2011, including 3.1 million tons from African waters, mainly West Africa.<sup>25</sup> This is a radical difference to the official annual average of 368,000 tonnes that China reported to the FAO.

It is well known that China is an increasingly influential player in the WCPO as a distant water fishing nation and supports its fishing fleets with subsidies, often coupled with development aid in exchange for fisheries access.<sup>26</sup> The combination of growing fishing capacity and huge subsidies is putting considerable pressure on other PIC-based operators and it appears that without subsidies many of the Chinese boats could not survive commercially.<sup>27</sup>

China is also deepening its engagement in West Africa and the high seas, which together are expected to account for the majority of the centrally planned increase in China's 'national' marine capture production.<sup>28</sup> In 2010, China's DWF consisted of 394 vessels operating in 11 African countries, with larger-scale operations based in Guinea, Mauritania and Morocco.<sup>29</sup> In the Indian Ocean, China's food standards agency – the General Administration of Quality Supervision (AQSIQ) – has entered into an agreement with Mauritius on the export licensing for Mauritian products. It also appears that Chinese fishing boats will now run head-to-head with EU, Japanese and other competitors in the Mauritius EEZ.<sup>30</sup>

### **EU fishery strategy for the Pacific proposed at European Parliament**

The Committee on Fisheries at the European Parliament has proposed an ambitious new EU fisheries strategy in the Pacific region.<sup>31</sup> The proposal is wide ranging and contains several short and medium-to-long term elements, some of which represent welcome developments and others reflect known European commercial interests.

In the short term, the proposed strategy recognises the importance of the Fisheries Partnership Agreement (FPA) with

**China deepens  
engagement  
in West Africa  
and Indian  
Ocean**



FFA

Kiribati to the success of the EU distant water fleet (DWF), but questions the viability of FPAs with FSM and Solomon Islands in the Western Pacific which have been signed but not implemented. Instead it welcomes initial European Commission assessments for FPAs with the Cook Islands and Tuvalu in the Central Pacific 'where the Community's purse-seiner fleet has traditionally centred its operations'. The proposal expresses concern about IUU fishing in the area and that more progress is needed to introduce 'basic tools to combat IUU fishing'. But this ignores internal EU reports that found otherwise. For example, according to a report for the European Commission, PNG's catch certification 'system is identified as being of very high quality with appropriate validation and verification procedures in place' and it also has 'a very strong MCS operational system'.<sup>32</sup> While PICS as a whole are 'considered to have relatively good systems of monitoring, control and surveillance in place ... creating an effective but not entirely perfect framework against IUU fishing'.<sup>33</sup>

The short-term strategy then turns to the comprehensive Economic Partnership Agreement (EPA). It calls on the European Commission to not grant any further derogation to the PACP in EPA negotiations 'without the granting of reciprocal benefits to the EU fishing industry, such as access to fisheries resources in those countries' EEZs'. This is controversial for two reasons. First, possible gains to PICs from global sourcing for fish products under HS 0304/05 are probably fairly minimal due to local high cost structures, geographical distance to market and high levels of competition with existing suppliers.<sup>34</sup> Therefore, exchanging the PICs main shared resource – tuna access – for a gamble on the *possibility* of developing a market in the EU for PIC fishery products under 0304/05 is very far from a genuinely 'reciprocal' benefit. Second, it is a well established principle in the FAO Code of Conduct for Responsible Fisheries (1995) that:

States should not condition access to markets to access to resources. This principle does not preclude the possibility of fishing agreements between States which include provisions referring to access to resources, trade and access to markets, transfer of technology, scientific research, training and other relevant elements. (Article 11.2.7)<sup>35</sup>

In short, based on commercial reality and international principle, the EPA should not include a condition that EU fleets can get access to Pacific waters in exchange for further concessions on global sourcing.

**European Parliament Committee on Fisheries supports new FPAs with Cook Islands and Tuvalu; downplays those with FSM and Solomon Islands**

**Exchanging access to PIC tuna for EU boats in return for the possibility of developing an EU market for PIC fishery products under 0304/05 is not a 'reciprocal' benefit**



FFA

In the medium-to-long term, explicitly inspired by the US Treaty, the Committee on Fisheries proposes a 'regional framework agreement between the EU and the countries of the Western and Central Pacific' negotiated under the auspices of FFA. This framework would provide the outline for establishing concrete *bilateral* agreements with particular PICs. Importantly, the proposal argues that the framework should be based on the VDS as opposed to the current EU FPA criterion of a reference tonnage. This is a positive development, recognising the home-grown regional initiative that is the VDS. Albeit with the caveat that 'measures are adopted to ensure the transparency of the VDS, its implementation by all the parties concerned and its compliance with the best available scientific advice'.

From the perspective of the EU DWF a 'regional framework agreement' would be advantageous as it would offer long-term strategic access to fisheries resources when commercially viable. But it misses two major points of the US Treaty: (1) benefits to the US are based on fisheries *alone* (it is not coupled with a free trade agreement as the proposal implies for the EU strategy); and, (2) it is an arrangement with all of the FFA members (though the Pacific island parties have internal agreements on the distribution of much of US Treaty-related funds) *regardless* of whether the US DWF is active in their EEZ.

Finally, the proposal suggests that European Development Fund (EDF) aid should be spent on 'increasing the percentage of sector-specific assistance for fishery infrastructure for the ACP-Pacific region'. The Committee on Fisheries points out that of EUR 745 million allocated to PICs and OCTs under the 10<sup>th</sup> EDF (2008-2013), only EUR 17.2 million (around 2% of the total) was allocated to fisheries. Of this, the majority is granted to regional bodies – FFA and SPC. The emphasis of the proposal on allocating more funds to new fishing infrastructure 'of which there is a chronic shortage' is likely to have an indirect benefit to the EU DWF should it deepen its engagement in the region, including providing greater leverage to the EU as a fisheries-related partner. Moreover, determining priorities for EDF finance should come from PICs and especially not from EU bodies with a known connection to European commercial interests.

In summary, the proposed strategy by the Committee on Fisheries indicates some elements of a positive new direction in its approach to PICs (e.g. recognition of VDS), but it also continues to reflect the commercial interests of the EU DWF (e.g. the highly controversial tying of an extension of global sourcing to a blanket commitment for fisheries access).

**The proposal  
accepts the  
VDS as a basis  
for future  
EU access  
arrangements**

**Push for  
regional EU  
fisheries access  
strategy but  
falls short  
of scope and  
benefits of US  
Treaty**



## TUNA MARKETS

### **Skipjack price volatility felt across industry segments**

After reaching a peak of US\$2,350/tonne in the first half of 2013, skipjack prices have begun to soften, reportedly dropping in some sales to as low as US\$1850-1900/tonne in July; the four month WCPO FAD fishing ban beginning in July, and the seasonal fishing closure in the EPO are expected to reduce supply (and potentially increasing price) in September.<sup>36</sup> For overall trends, see price data below. Skipjack price swings, and more extreme long-range swing from lows of US\$500/tonne as recently as 10 years ago, have had a range of impacts across the tuna supply chain.

First, 2012 marked a record earning year for the Pacific industrial purse seine fleet, and tuna fishers around the globe have benefitted from high fish prices. In 2012, more than 2.6 million tonnes was caught in the Western and Central Pacific, representing 59 per cent of global catch and 1,200 tonnes more than the 2009 record-setting year. Scientists and activists point to high prices as creating incentives for higher catch, emphasising that record catches of bigeye and yellowfin are a cause for conservation concern.<sup>37</sup>

Thai processors are also reacting to – and arguably shaping – price dynamics, particularly in the face of soft demand from the EU market for private label orders. Reportedly, recent price dips have been triggered by high inventories in Bangkok and concomitant slow purchasing from the processing firms. Given their huge buying power, it is believed that Thai firms including Thai Union and Sea Value have the power to depress prices and that the firms are seeking to push prices down to US\$1800/tonne to average the cost of inventory bought at higher prices and in anticipation of prices rising again during the WCPO FAD closure and the start of the seasonal EPO closures.<sup>38</sup> In the EU, UK canned fish brand John West saw margins drop in 2012, even on higher sales. The firm reported that higher costs drove gross profit down 9.6%.<sup>39</sup> Overall, rising canned tuna price has prompted EU importers to look for alternative sources of supply, including products from ACP countries that have zero per cent import duties. While 2012 EU imports of canned tuna grew from Mauritius, Ivory Coast (up 31%) and Papua New Guinea (up 38.5%), imports from Asia dropped, particularly Thailand (down 44.3%) and the Philippines (down 7.8%).<sup>40</sup>

Across species, wild fish product prices are on the rise.<sup>41</sup> The FAO fish price index up to October 2012 was up 16% over the

**Record catches and high fish prices are a boon for the Pacific industrial purse seine fleet**



**FFA**

previous year and expected to increase further in 2013;<sup>42</sup> the index for wild fish nearly doubled between 1990 and 2012.<sup>43</sup> Within these trends, wild caught fish, like tuna, have seen much bigger price increases than salmon, which is farmed in large volumes. Skipjack prices are increasing in line with this trend, raising the ultimate question of how markets, and ultimately consumers, will respond if high prices are here to stay.

### **Fukushima crisis deepens, raises new questions for fisheries**

Since the 2011 tsunami and subsequent crisis at Japan's Fukushima nuclear power plant, conflicting reports over the effects of nuclear radiation on the oceans generally, and tuna specifically, have appeared in media outlets. Of particular concern is the impact that radionuclide contamination can have on local fisheries in Japan, and on the fresh and frozen market segment.

Immediately following the disaster, three US government bodies, the Food and Drug Administration (FDA), Environmental Protection Agency (EPA) and the National Oceanic and Atmospheric Administration (NOAA) released a joint statement declaring seafood, including tuna, safe and unaffected by the nuclear power plant disaster.<sup>44</sup> The statement suggested that only the Japanese sand lance, a local fishery, had radiation levels exceeding safety standards. For tuna and other species that migrate from the coast of Japan, the agencies found that the time needed for a fish contaminated by radiation in Japan to migrate, be caught and reach the market is sufficient for short-lived radionuclides to drop significantly through natural radioactive decay. The FDA reported that it did not detect any longer-lived radioculides in any fish imported from Japan, nor had it detected significantly elevated radiation levels in migratory species, including North Pacific albacore, which begin an annual transoceanic migration in waters off of Japan.

In August of this year, calls for more testing have emerged in the wake of the announcement that steel tanks built to store radioactive water coming from melted reactors are leaking into the sea and that engineers are fighting a losing battle to stop spillage.<sup>45</sup> The Japanese Ministry of Economy, Trade and Industry and Tokyo Electric Power Co (Tepco) confirmed that water laced with radioactive materials was leaking into the ocean at a rate of 300 tonnes per day.<sup>46</sup> At present, the highest concern is for locals and marine resources near Fukushima. Fisheries near the plant are closed because of radioactive contamination.<sup>47</sup>

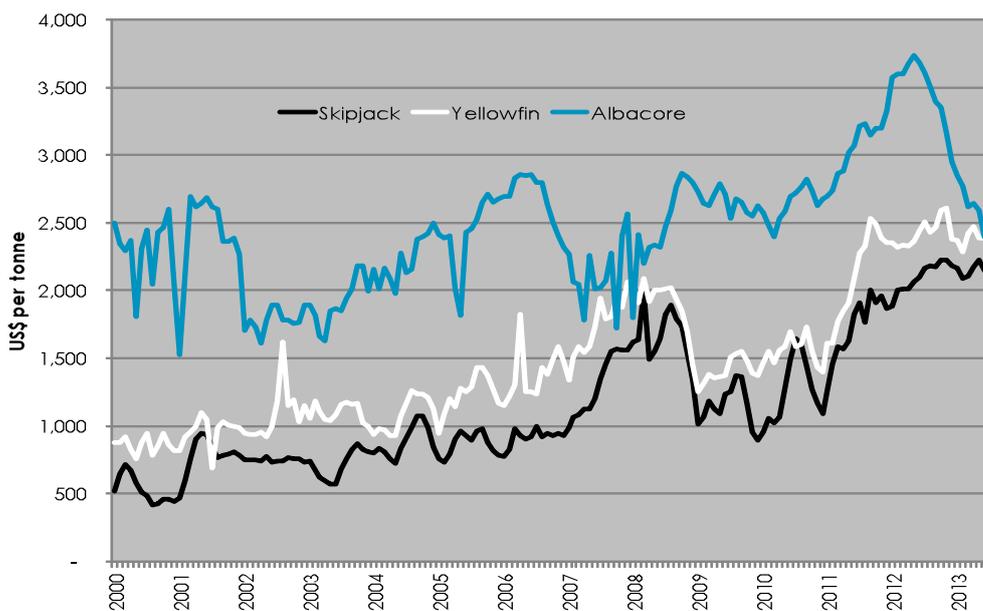
***High prices have led EU importers to look away from Asia for supply and towards ACP countries with duty-free access***



Away from the Japanese coast, a recent study showed radioactive isotopes originating from Fukushima in migratory Pacific bluefin tuna, causing public anxiety and concern. However, the study quantified the dose from Fukushima radionuclides to humans consuming tainted Pacific bluefin tuna in the US to be comparable to, or less than, the dose humans routinely obtain from naturally occurring radionuclides in many food items, medical treatments (e.g. dental x-rays) or air travel.<sup>48</sup> The revelations about ongoing leakage have re-raised concerns about hazards to seafood. Scientists have emphasised that hazards will largely be local, rather than ocean-wide, but urge continued sampling of waters and seafood products throughout the Pacific basin.<sup>49</sup>

## TUNA PRICE TRENDS<sup>50</sup>

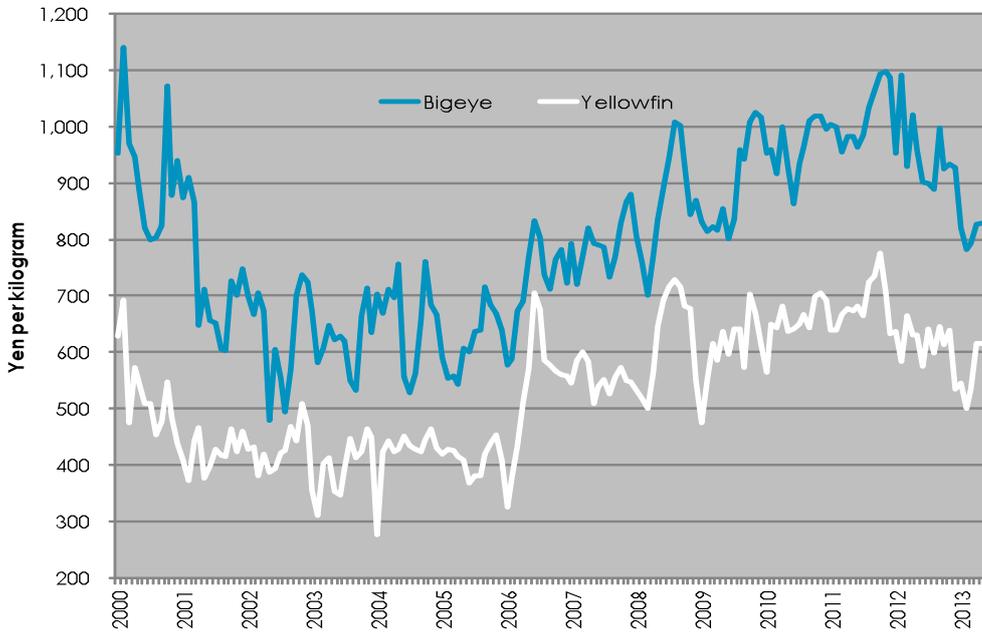
### Bangkok canning-grade prices to July 2013<sup>51</sup>



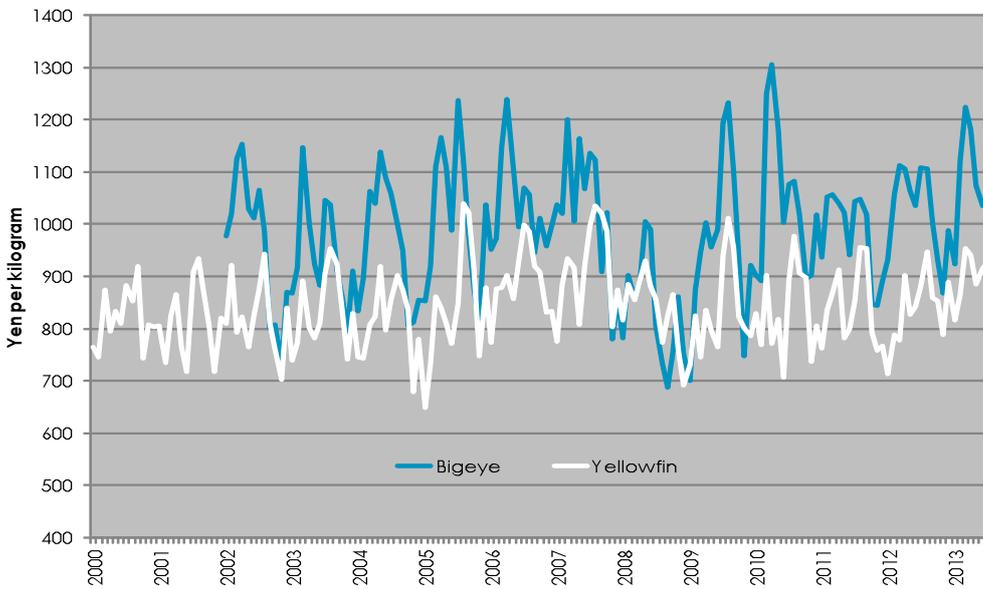
**News that 300 tonnes of contaminated water is leaking into the ocean daily at Fukushima is creating new anxiety about seafood safety**



### Japan frozen sashimi prices (ex-vessel, Japanese ports) to June 2013<sup>52</sup>

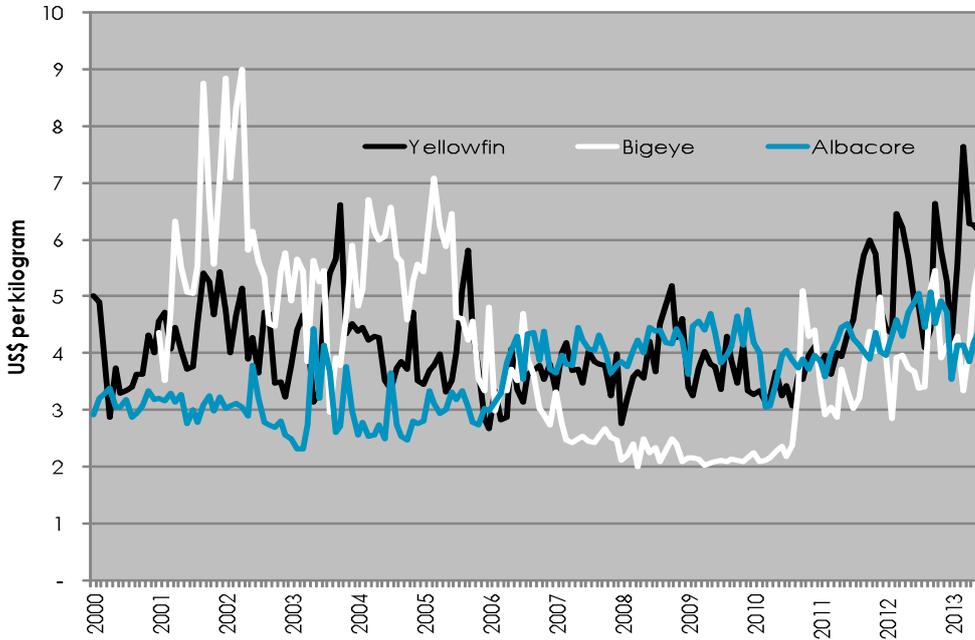


### Japan fresh sashimi prices (origin Oceania) to July 2013<sup>53</sup>

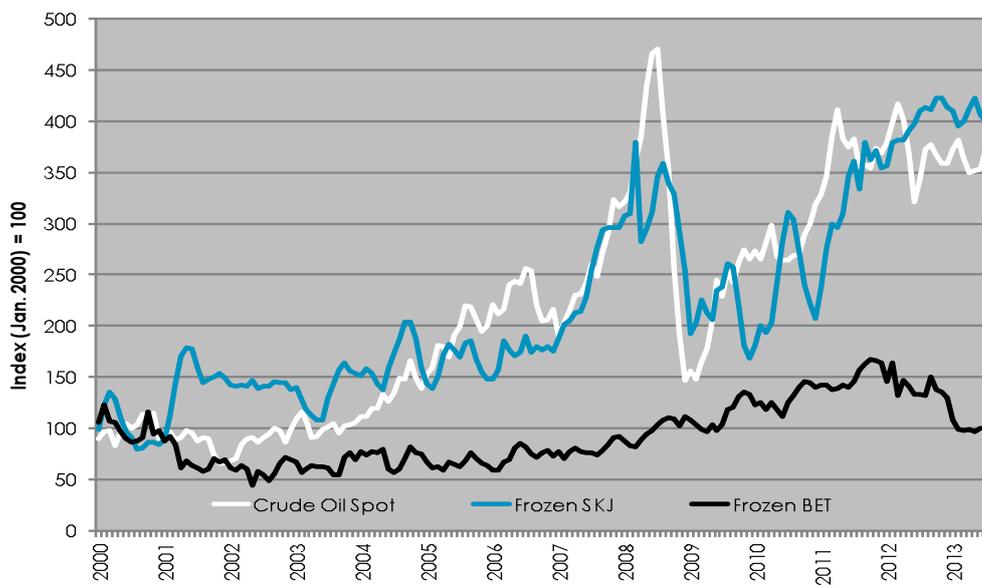




### US imported fresh sashimi prices to June 2013<sup>54</sup>



### Crude oil, canning-grade frozen skipjack (SKJ) and frozen bigeye (BET) price index to July 2013<sup>55</sup>





<sup>1</sup> Prepared for the FFA Fisheries Development Division by Liam Campling, Consultant Fisheries Trade Analyst, FFA and School of Business and Management, Queen Mary, University of London and Elizabeth Havice, University of North Carolina at Chapel Hill. Desktop publishing by Antony Price. The authors would like to thank Hugh Walton for his input on an earlier draft of this briefing. The contents of this briefing (including all analysis and opinions) are the responsibility of the authors and do not necessarily reflect the positions or thinking of the FFA Secretariat or its Members.

<sup>2</sup> A competitive limit is placed on all beneficiaries of the standard GSP (which provides preferences of only 3.5% over MFN tariffs for tuna products). If average imports from a country exceed 15% of GSP imports of the same products from all GSP beneficiary countries during three years then the country 'graduates' from the GSP for that product group. The graduation clause no longer applies to GSP+ countries. It never applied to EBA countries. European Commission, 'Factsheet: The EU's new Generalised Scheme of Preferences (GSP)', December 2012. [http://trade.ec.europa.eu/doclib/docs/2013/february/tradoc\\_150582.pdf](http://trade.ec.europa.eu/doclib/docs/2013/february/tradoc_150582.pdf)

<sup>3</sup> The following provides a full list of countries that meet the two indicators on export diversification to the EU: DG Trade, Information Notice for countries which may request to be granted the special incentive arrangement for sustainable development and good governance under Regulation (EU) No 978/2012 of 31 October 2012. Available here: [http://trade.ec.europa.eu/doclib/docs/2012/november/tradoc\\_150043.pdf](http://trade.ec.europa.eu/doclib/docs/2012/november/tradoc_150043.pdf)

<sup>4</sup> Ben Arnold O. De Vera, 'Philippines qualifies for EU's new round of duty-free imports scheme', InterAksyon.com, 19 August 2013. <http://www.interaksyon.com/business/68882/philippines-qualifies-for-eus-new-round-of-duty-free-imports-scheme>

<sup>5</sup> For detail on the procedures for granting GSP+ status see: Commission Delegated Regulation (EU) No 155/2013 of 18 December 2012 establishing rules related to the procedure for granting the special incentive arrangement for sustainable development and good governance under Regulation (EU) No 978/2012 of the European Parliament and of the Council applying a scheme of generalised tariff preferences. Official Journal of the European Union, L 48/5, 21 February 2013. Available at: [http://trade.ec.europa.eu/doclib/docs/2013/february/tradoc\\_150584.pdf](http://trade.ec.europa.eu/doclib/docs/2013/february/tradoc_150584.pdf)

<sup>6</sup> Ben Arnold O. De Vera, 'Philippines qualifies for EU's new round of duty-free imports scheme', InterAksyon.com, 19 August 2013. <http://www.interaksyon.com/business/68882/philippines-qualifies-for-eus-new-round-of-duty-free-imports-scheme>

<sup>7</sup> Ricardo Cruz, 'PHL to seek inclusion in EU's GSP+', Business Mirror, 18 August 2013. Available at: <http://www.businessmirror.com.ph/index.php/en/news/top-news/18186-phl-to-see-inclusion-in-eu-s-gsp>

<sup>8</sup> Amanda Hamilton, Antony Lewis, Mike A. McCoy, Elizabeth Havice and Liam Campling (2011), Market and Industry Dynamics in the Global Tuna Supply Chain, Honiara: Pacific Islands Forum Fisheries Agency. Available at: <http://www.ffa.int/node/567>

<sup>9</sup> European Commission, 'Press Release: Commission adopts trade measures against Faroe Islands to protect the Atlanto-Scandian herring stock', IP/13/785, Brussels 20 August 2013. Available at: [http://europa.eu/rapid/press-release\\_IP-13-785\\_en.htm?locale=en&subweb=347&lang=en](http://europa.eu/rapid/press-release_IP-13-785_en.htm?locale=en&subweb=347&lang=en)

<sup>10</sup> Eva Tallaksen, 'EU sanctions on Faroes kick in today', Undercurrent News, 28 August 2013. Available at: <http://www.undercurrentnews.com/2013/08/28/eu-sanctions-on-faroes-kick-in-today/>

<sup>11</sup> Gabriela Raffaele, 'Faroe Islands refers dispute with the EU to



international Tribunal', FIS, 20 August 2013. Available at: <http://www.fis.com/fis/worldnews/worldnews.asp?monthyear=&day=20&id=62971&l=e&special=&ndb=1%20target>= Eva Tallaksen, 'EU imposes sanctions on Faroes; says looking at steps towards Iceland', Undercurrent News, 20 August 2013. Available at: [http://www.undercurrentnews.com/2013/08/20/eu-imposes-sanctions-on-faroes/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=eu-imposes-sanctions-on-faroes](http://www.undercurrentnews.com/2013/08/20/eu-imposes-sanctions-on-faroes/?utm_source=rss&utm_medium=rss&utm_campaign=eu-imposes-sanctions-on-faroes)

<sup>12</sup> 'Icelandic Government Release Statement on "EU Threats"', Iceland Review, 19 August 2013. Available at: [http://www.icelandreview.com/icelandreview/daily\\_news/?cat\\_id=29314&ew\\_0\\_a\\_id=402334](http://www.icelandreview.com/icelandreview/daily_news/?cat_id=29314&ew_0_a_id=402334)

<sup>13</sup> Regulation (EU) No 1026/2012 of the European Parliament and of the Council of 25 October 2012 on certain measures for the purpose of the conservation of fish stocks in relation to countries allowing non-sustainable fishing. Official Journal of the European Union, L 316/34, 14 November 2011. Available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:316:0034:0037:EN:PDF>

<sup>14</sup> 'EU to impose trade measures on countries engaged in unsustainable fishing', FFA Fisheries Trade News, 5(4), July-August 2012. Available at: [http://www.ffa.int/trade\\_news](http://www.ffa.int/trade_news)

<sup>15</sup> See Article 2, Regulation (EU) No 1026/2012, 14 November 2011.

<sup>16</sup> OPRT, 'Press Release: OPRT requests an effective management program to recover bigeye in WCPO', 14 August 2013. Available at: <http://oprt.or.jp/eng/2013/08/oprt-requests-an-effective-management-program-to-recover-bigeye-in-wcpo/>

<sup>17</sup> As cited by Gabriela Raffaele, 'OPRT urges for effective Pacific tuna management', FIS, 22 August 2013. Available at: <http://www.fis.com/fis/worldnews/worldnews.asp?monthyear=&day=22&id=63044&l=e&special=&ndb=1%20target>=

<sup>18</sup> PNA Secretariat 2013, 'PNA Office presents solution to tuna overfishing: Stop FAD fishing on high seas, limit fishing on high seas, no more foreign fishing vessels', PNA Press Release, 27 August. Available at: <http://www.pnatuna.com>

<sup>19</sup> Greenpeace 2013, Transforming Tuna Fisheries in Pacific Island Countries: An Alternative Model of Development, Ultimo: Greenpeace Australia Pacific. Available at: <http://www.greenpeace.org/australia/en/what-we-do/oceans/resources/reports/Transforming-Tuna/>

<sup>20</sup> Emiko Terazono, 'Global fish prices leap to all-time high', Financial Times, 18 June 2013. Available at: <http://www.ft.com/cms/s/0/af42937a-d811-11e2-9495-00144feab7de.html> See also: 'The price of fish: Different scales', The Economist, 10 August 2013. Available at: <http://www.economist.com/news/finance-and-economics/21583296-fish-are-getting-more-expensive-they-do-not-all-move-same>

<sup>21</sup> 'South China Sea project creates new logistics centers', SeafoodSource.com, 19 August 2013. Available at: <http://www.seafoodsource.com/newsarticledetail.aspx?id=21850>

<sup>22</sup> 'China taps Africa to up capture fisheries output', SeafoodSource.com, 11 June 2013. Available at: <http://www.seafoodsource.com/newsarticledetail.aspx?id=21027>

<sup>23</sup> Liang Jialin and Jiang Han, 'Overfishing pushes 80% of Chinese fishermen towards bankruptcy', China Dialogue, 19 November 2012. Available at: <https://www.chinadialogue.net/article/show/single/en/5221>

<sup>24</sup> Tabitha Grace Mallory (2013), 'China's distant water fishing industry:



Evolving policies and implications', *Marine Policy*, 38: 99-108.

- <sup>25</sup> 'China's Foreign Fishing Is Largely Unreported: New Study Estimates Catch Is Worth US\$11.5 Billion a Year', Research Summary, UBC Fisheries Centre, April 2013. Available at: <http://www.publicaffairs.ubc.ca/wp-content/uploads/2013/04/Research-Summary.pdf>
- <sup>26</sup> Justin Ilakini (2013), 'Fisheries Subsidies and incentives provided by the Peoples Republic of China (PRC) to its Distant Water Fishing (DWF) Industry', Pacific Islands Forum Fisheries Agency (FFA) Secretariat paper. Available at: <http://www.ffa.int/node/737>
- <sup>27</sup> Gwynn Guilford, 'China's government is subsidizing your sushi—and driving other countries' fishermen out of business', Quartz, 14 August 2013. Available at: <http://qz.com/114596>
- <sup>28</sup> China taps Africa to up capture fisheries output', SeafoodSource.com, 11 June 2013. Available at: <http://www.seafoodsource.com/newsarticledetail.aspx?id=21027> See also the overview: 'China's involvement in Africa's commercial fisheries', Transparentsea.co. Available at: <http://transparentsea.co/index.php?title=China>
- <sup>29</sup> Mallory (2013)
- <sup>30</sup> Shaffick Hamuth, 'Mauritian Tuna soon on Chinese plates', Defi Media, 16 August 2013. Available at: <http://www.defimedia.info/news-sunday/news/item/37168-mauritian-tuna-soon-on-chinese-plates.html>
- <sup>31</sup> European Parliament Fisheries Committee, 'For a comprehensive EU fishery strategy in the Pacific region', draft report, 19 June 2013, discussed 10 July 2013. Available at: [http://www.europarl.europa.eu/meetdocs/2009\\_2014/documents/pech/pr/924/924362/924362en.pdf](http://www.europarl.europa.eu/meetdocs/2009_2014/documents/pech/pr/924/924362/924362en.pdf) For a short summary, see: CTA, 'The European Parliament will propose a comprehensive EU fishery strategy in the Pacific region', Agritrade Fisheries, 5 August 2013. Available at: <http://agritrade.cta.int/en/Fisheries/Topics/ACP-EU-relations-FPAs/European-Parliament-to-propose-a-comprehensive-EU-fishery-strategy-in-the-Pacific-region>
- <sup>32</sup> European Commission et al, 'Accompanying developing countries in complying with the Implementation of Regulation 1005/2008 on Illegal, Unreported and Unregulated (IUU) Fishing: Country Evaluation Report—Papua New Guinea', EuropeAid/129609/C/SER/Multi, March 2011
- <sup>33</sup> Blomeyer & Sanz, Centre of Marine Sciences, University of Algarve, University of Vigo, University of Wageningen (2012), 'Application of the System of Derogation to the Rules of Origin of Fisheries Products in Papua New Guinea and Fiji', requested by the European Parliament's Committee on Fisheries. Available at: <http://www.europarl.europa.eu/document/activities/cont/201210/20121010ATT53391/20121010ATT53391EN.pdf>
- <sup>34</sup> Robert Gillett and Garry Preston, Feasibility Assessment of Exporting Products of HS Headings 0304/ 0305 to the European Union (edited version February 2012), Report Prepared for the Pacific Islands Forum Secretariat
- <sup>35</sup> FAO (1995), Code of Conduct for Responsible Fisheries, Rome: Food and Agricultural Organisation of the United Nations. Available at: <ftp://ftp.fao.org/docrep/fao/005/v9878e/v9878e00.pdf>
- <sup>36</sup> Tom Seaman, 'Thai tuna giants get respite in lower skipjack prices', Undercurrent News, 16 July 2013. Available at: <http://www.undercurrentnews.com>
- <sup>37</sup> Jemima Garrett, 'Fears for Pacific tuna stocks amid record 2012 catch', Radio Australia, 14 August 2013. Available at: <http://www.radioaustralia>



net.au

<sup>38</sup> 'Thai Union forecasts upturn in tuna raw material prices', Undercurrent News, 13 August 2013. Available at: <http://www.undercurrentnews.com> ; 'Skipjack prices softening but staying well over USD 1900 mark', Atuna, 19 July 2013. Available at: <http://www.atuna.com>; Tom Seaman, 'Bangkok skipjack prices falling fast', Undercurrent News, 25 June 2013. Available at: <http://www.undercurrentnews.com>

<sup>39</sup> 'John West margin drops on higher sales', Undercurrent News, 20 August 2013. Available at: <http://www.undercurrentnews.com>

<sup>40</sup> 'Spanish canners warn over tuna "threat" in Thailand FTA talks', Undercurrent News, 5 August 2013. Available at: <http://www.undercurrentnews.com>; 'Tuna', Globefish, May 2013. Available at: <http://www.globefish.org>

<sup>41</sup> Emiko Terazono, 'Global fish prices leap to all-time high', Financial Times, 10 June 2013. Available at: <http://www.ft.com>

<sup>42</sup> 'Skipjack tuna prices far out-performing the global fish price index', Atuna, 18 July 2013. Available at: <http://www.atuna.com>

<sup>43</sup> 'The price of fish: Different scales', The Economist, 10 August 2013. Available at: <http://www.economist.com>

<sup>44</sup> 'U.S. seafood safe and unaffected by radiation contamination from Japanese nuclear power plant incident; U.S monitoring control strategy explained', Joint Press Release from the US Food and Drug Administration, Environmental Protection Agency and National Oceanic and Atmospheric Administration, 3 May 2011. Available at: <http://www.nmfs.noaa.gov>

<sup>45</sup> 'Japan's Fukushima plant leaking highly radioactive water', The Washington Post, 20 August 2013. Available at: <http://www.washingtonpost.com>

<sup>46</sup> David McNeill, 'Fishermen of Fukushima left all at sea as they mourn the loss of their livelihood', Irish Times, 9 August 2013. Available at: <http://www.irishtimes.com>

<sup>47</sup> Danielle Demetriou, 'Japan fishery industry under threat', The National, 20 Aug 2013. Available at: <http://www.thenational.ae>

<sup>48</sup> Nicholas S. Fisher, Karine Beaugelin-Seiller, Thomas G. Hinton, Zofia Baumann, Daniel J. Madigan, Jacqueline Garnier-Laplace, 'Evaluation of radiation doses and associated risk from the Fukushima nuclear accident to marine biota and human consumers of seafood' Proceedings of the National Academy of Sciences. Published online before print 3 June 2013.

<sup>49</sup> Larry O'Hanlon, 'What does the Fukushima leak mean for America?', Discovery News, 22 August 2013. Available at: <http://www.discovery.com>

<sup>50</sup> All databases are provided by the Fisheries Development Division at FFA.

<sup>51</sup> Customs Department, Thailand. <http://www.customs.go.th/Statistic/StatisticIndex.jsp>

<sup>52</sup> FFA database

<sup>53</sup> Japan Customs. [http://www.customs.go.jp/toukei/info/index\\_e.htm](http://www.customs.go.jp/toukei/info/index_e.htm)

<sup>54</sup> US National Marine Fisheries Service. <http://www.st.nmfs.gov/st1/trade/index.html>

<sup>55</sup> US Energy Information Administration. [http://tonto.eia.doe.gov/dnav/pet/pet\\_pri\\_spt\\_s1\\_m.htm](http://tonto.eia.doe.gov/dnav/pet/pet_pri_spt_s1_m.htm)