

## REPORT OF THE INTERNATIONAL WORKSHOP ON RFMO MANAGEMENT OF TUNA FISHERIES

*(Brisbane, Australia – 29 June to 1 July, 2010)*

### I. OPENING

1. The International Workshop on RFMO Management of Tuna Fisheries was hosted by the Pacific Islands Forum Fisheries Agency (FFA) and with funding from Australia, Papua New Guinea (PNG) and New Zealand, with organisational assistance provided by the Australian Fisheries Management Authority (AFMA).
2. Prof. Glenn Hurry (AFMA) and Mr. Sylvester Pokajam (PNG and Chairman of FFC) welcomed the group on behalf of the conveners. The meeting included participants from 40 Members and cooperating non-members of the five tuna RFMOs (IATTC: Inter-American Tropical Tuna Commission; ICCAT: International Commission for the Conservation of Atlantic Tunas; IOTC: Indian Ocean Tuna Commission; WCPFC: Western and Central Pacific Fisheries Commission; and CCSBT: Commission for the Conservation of Southern Bluefin Tuna), as well as representatives of the Secretariats of the five tuna RFMOs, 17 inter-governmental organisations, and 15 non-governmental organisations.
3. Prof. Hurry reminded the participants that the objectives of the workshop, provided by the San Sebastian meeting (Kobe II), were to recommend measures to ensure the long-term sustainability of the world's tuna fisheries, and focus on future management options and initiatives rather than just the causes and symptoms of overcapacity. Prof. Hurry drew attention to the role that the Kobe process should play in providing guidance and principles to the tuna RFMOs, in addition to other complementary initiatives such as the Bellagio Framework for Sustainable Tuna Fisheries.
4. Prof. Hurry had been elected chair of the meeting. At his recommendation, Dr. Katrina Phillips (Australia) was elected rapporteur.
5. The agenda was adopted and is attached as Appendix A. The list of participants is attached as Appendix B.

### II. REVIEW OF KOBE I AND II OUTCOMES ON ALLOCATION AND MANAGEMENT OF FISHING CAPACITY (*Moderator: Mr. Vincent Grimaud, EU*)

#### a. Overview of Kobe I and II outcomes

6. Mr. Vincent Grimaud (EU) presented a review of the key issues identified at the Kobe I and Kobe II meetings relevant to capacity management in order to establish the context and terms of reference of this workshop. Issues included a recognition that current fishing capacity at a global level is too high; that RFMOs need to set sustainable catch and effort limits while taking into consideration the aspirations of developing coastal states; and that each flag State or fishing entity should ensure that fishing capacity is commensurate with fishing opportunities. Comprehensive, integrated MCS measures play a fundamental role in the management of capacity.
- #### b. Progress on allocation and management of fishing capacity of RFMOs
7. Mr. Sung Kwon Soh (Acting Executive Director WCPFC) described allocation and management of fishing capacity in the WCPFC. While neither issue has been explicitly discussed by the WCPFC, in practice a number of substantial measures are in place to pursue effective conservation and

management through controls such as limits on vessel days, vessel number, fishery closures, total allowable effort and total allowable catches.

8. Dr. Guillermo Compeán (Director IATTC) described the IATTC Resolution C-02-03, which limits purse-seine vessel capacity through a vessel register, without establishing national capacity or allocation limits. However, special capacity allocations are made for a small number of developing States to allow their participation in the fishery. The number of years taken to reach an agreement on managing fishing capacity was discussed.
9. Mr. Driss Meski (Executive Secretary ICCAT) discussed progress on allocation and management of fishing capacity by ICCAT. ICCAT uses a variety of management tools including measures to freeze capacity and reduce excess capacity for certain fleets and prohibited transfer of fishing effort. In response to the need for equitable allocation of fishing opportunities, ICCAT established a working group in charge of developing criteria for allocation. These criteria were adopted in 2001.
10. Mr. Robert Kennedy (Executive Secretary CCSBT) discussed the global TAC established under CCSBT and its allocation among members and cooperating non-members, noting that fishing capacity is not directly managed by CCSBT. CCSBT has not developed a formal procedure for determining size of allocations, but work on this is scheduled to occur in October 2010.
11. Mr. Alejandro Anganuzzi (Executive Secretary IOTC) described progress on allocation and management in IOTC. The first measure directed at limiting access (the IOTC vessel register) was adopted in 2002. Since then, specific measures have been brought in to address issues such as limits on the capacity (tonnage) of vessels fishing for tropical tunas, swordfish and albacore. CPCs can submit fleet development plans. In 2010, the Commission established a process for discussing allocation and agreed on a closed-area management action.

**c. International obligations**

12. Mr. Pio Manoa (FFA) outlined the international legal instruments (UNCLOS, UNFSA and soft-law instruments such as the Millennium Development Goals) that establish the sovereign rights of States in Exclusive Economic Zones and the obligations of States regarding the utilisation of marine resources. Although State management practices may differ, the objectives for long-term sustainability and responsible fisheries are enshrined in international law. There should be compatibility between management measures established within areas of national jurisdiction and on the high seas.
13. The key issue arising from the discussion was that overcapacity and/or overexploitation is a problem around the globe but is being addressed in very different ways among RFMOs. The fundamental concern of all RFMOs was the need to address overexploitation to ensure long-term sustainability of tuna resources, which affects developing and developed states alike. The need to coordinate and then implement measures to manage capacity of all gear types around the globe was emphasised.
14. A distinction was made between control measures put in place in light of urgent advice from scientific committees and the development of criteria for long-term allocation. There is a real difficulty in using capacity-based measures in a compatible manner among zones, States and regions. It was also noted that the development and implementation of allocation criteria was a lengthy process.
15. There was lastly some discussion of the need to balance the sovereign rights of coastal states with legal obligations to cooperate in the management of highly migratory marine resources, taking into account any socio-economic impacts of reductions in capacity or access to fisheries.

### **III. FISHERIES DEVELOPMENT IN DEVELOPING COUNTRIES – OBLIGATIONS AND ASPIRATIONS** **(Moderator: Mr. Bernand Thoulag)**

16. Dr. Lara Manarangi-Trott (FFA) gave a presentation on the importance of fisheries to developing countries, in particular SIDS and States with small and vulnerable economies. Within tuna RFMOs, developed countries tend to own the boats while developing countries tend to control access to the fish resources. Many developing States (including SIDS) are members of tuna RFMOs. The fishing sector is an important contributor to the GDP of these developing states, with licence agreements, exports, and onshore processing activities representing key areas for economic development. The sustainable management of tuna fisheries and securing an equitable allocation of fisheries resources are necessary for sustainable economic development of developing countries.

#### **a. Aspirations of developing countries**

17. Several speakers described the aspirations of developing States in different regions of the globe: Mr. Glen Joseph described the aspirations of small island developing states in the Western Central Pacific (WCPFC); Dr. Gladys Cárdenas referred to the wide availability of tuna in Peruvian waters and the constraints to access to tuna fisheries within the context of coastal developing States in the Eastern Pacific Ocean (IATTC); Dr. Moses Maurihungirire presented the aspirations of developing States participating in Atlantic tuna fisheries (ICCAT); and Mr. Rondolph Payet described the aspirations of developing states participating in Indian Ocean tuna fisheries (IOTC).

18. A clear theme arising from the session was that the aspirations of developing States differed among the various tuna RFMOs. Another key point arising from the discussion was the importance of partnerships between developing and developed states in the transfer of capacity, knowledge, infrastructure and technology, not only in support of fishing fleets in developing States but also onshore activities such as processing and gaining market access.

19. The difficulty of distinguishing between coastal States and distant-water fishing nations (DWFNs) was noted by several States who fall into both categories.

### **IV. PERSPECTIVES ON MANAGING AND MIGRATING HARVESTING CAPACITY TO RETAIN PROFITABILITY (Moderator: Prof. Glenn Hurry)**

20. Mr. Max Chou (South Pacific Tuna Corporation) gave a presentation on managing and migrating harvesting capacity to retain profitability in purse-seine fleets, providing some examples of successful joint-venture arrangement. The need to firstly base catch limits and allocations on scientific assessment before addressing capacity was emphasised. Managing capacity in a manner that is fairer and more transparent to all parties, with no exemptions, was also stressed.

21. Ms. Eiko Ozaki (Organisation for the Promotion of Responsible Tuna Fisheries) described capacity issues in longline fleets, focusing on large-scale longline vessels. Collaborative efforts among different States and stakeholders (vessel owners, traders and distributors) to reduce the number of such vessels, and underlying causes of reduction, were discussed. The future of the longline tuna industry depends first and foremost on the sustainable management of tuna resources, followed by the viability of sashimi markets, and therefore is concerned over growing FAD operations that have led to significant increases in the catch of juvenile tunas.

22. Mr. Phil Roberts (Trimarine) discussed market needs and purse seine capacity. A focus was given on the changing dynamic of the EU market: an increasing number of consumers demand 'eco-friendly' tuna and certification. The EU's anti-IUU measure, which came into force in January 2010, is restricting the access of some legally licensed purse-seine tuna fisheries to a valuable market. Without further capacity controls new boats will continue to enter fisheries, increasing supply and depressing prices. Most boat owners want to see some form of capacity limitation. There are merits in transferring capacity to coastal states.

23. Mr. William Gibbons-Fly (US Department of State) presented capacity and allocation issues facing DWFNs, noting the heavy responsibilities on RFMOs to safeguard the vast resources of tuna including those under national jurisdiction. The main discussion points were the conservation and management of tuna resources; the importance of capacity controls; the participation of developing states in tuna fisheries; and that transparent and consistent rules for all members are required for effective management at the RFMO level.

24. It was clear that overcapacity is an issue of considerable concern from an industry perspective, with the transfer of capacity to developing states being preferred over the introduction of new capacity. Several participants voiced support for better incorporating an industry perspective into RFMO management. It was also recognised that the issue of fisheries subsidies needs to be urgently addressed but little progress has been made at present.

**V. TOWARDS A SOLUTION: FUTURE MANAGEMENT OPTIONS AND INITIATIVES (*Moderator: Mr. Robin Allen*)**

**a. Introduction**

25. Mr. Robin Allen provided an overview of the Bellagio framework to set the context for this session, highlighted the four key points of the framework: causes of overcapacity; controlling capacity; shifting to rights-based management and allocation; and effective MCS.

**b. Possible options for allocation**

26. Mr. Stan Crothers (independent fisheries advisor) presented an allocation model for tuna fisheries. The model is consistent with international law (UNCLOS, UNFSA), is dynamic, seeks to achieve sustainable development and incorporates the interests of developing States in a rights-based framework. The model draws a distinction between participatory rights and catch rights, and the responsibilities that come with both sets of rights. The allocation model seeks to ensure that business incentives are aligned with the productivity of a fishery and eliminate overcapacity as a symptom of failed fisheries management.

27. Mr. Les Clark (FFA consultant) discussed how allocation might work and what it may look like when the aspirations of developing countries are considered. Important themes were how current allocations and access arrangements are used to exclude new entrants and protect the interests of established fishing states, both within areas of national jurisdiction and the high seas. Allocations must be 'transformative' in the sense that they promote the future participation of developing states rather than lock in existing access patterns.

**VI. RECOGNITION OF ALL INTERESTS IN THE ALLOCATION OF PARTICIPATORY RIGHTS (*Panel: Mr. William Gibbons-Fly, Dr. Moses Maurihungirire, Mr. Charleston Deiyé*)**

28. Mr. Charleston Deiyé (Nauru) discussed allocation issues facing small island developing States in the Pacific. Tuna fisheries represent the greatest opportunity for economic development in the region. SIDS have a right to develop their fisheries both within areas of national jurisdiction and on the high seas, and do not want to be disadvantaged in securing access to these fisheries. The importance of full participation in regional and international fisheries organisations (PNA, FFA, WCPFC) was recognised.

29. Dr. Moses Maurihungirire (Namibia) described current challenges in allocation and fisheries access for developing States in the Atlantic. ICCAT has taken into consideration the needs of developing States in the allocation of swordfish TACs. However, further advances must be made to ensure equitable access to resources by all. Quota trading was highlighted as a potential way of ensuring equitable access and economical, sustainable fishing of tuna stocks in the Atlantic.

30. Mr. William Gibbons-Fly (US) sought to find common ground from the different perspectives on capacity and allocation discussed so far. Capacity management within IATTC was used as an example of allowing flexible participation in tuna fisheries by moving away from the notion of

national allocation. It was noted that coastal states exercised their sovereign rights during the negotiation of IATTC's resolution on capacity management, and then complied with the duty to cooperate once the resolution came into force.

31. Participants discussed the proposed model for the allocation of fishing rights, clarifying that a single TAC should be set for a tuna stock regardless of fishing gear or fishing zone (EEZ, high seas). The model provides a mechanism to achieve allocation, rather than determining allocation per se – a mechanism that provides certainty to all players and is sound basis for investment. It could be easily adapted by artisanal fisheries, such as those in Indian Ocean that have compiled fisheries development plans.
32. There was further discussion of existing allocation arrangements within RFMOs, such as bluefin and swordfish allocations established by ICCAT, to give more opportunities to developing States. While it can be argued that existing allocations are not equitable to all parties at present, some of the strengths of these allocations were emphasised, such as the efficiency of establishing multiannual TACs and the security this provides to industry. However, it was noted that even with a good allocation system the problem of overcapacity may still exist, and that capacity measures will still be required. Coordinated action is required at the RFMO level to ensure capacity measures are applied in an equitable manner. There was some debate on how allocations should be applied to the EEZs of coastal States compared with high seas areas.

**VII. FISHERIES MANAGEMENT OPTIONS TO PROVIDE FOR THE ASPIRATIONS AND PARTICIPATION OF DEVELOPING COUNTRIES (*Panel: Mr. Gus Natividad, Mr. Peter Graham, Mr. Rondolf Payet, Dr. Smith Thummachua*)**

33. Mr. Gus Natividad (Tuna fishery and processing, Philippines) provided an overview of the mutual benefits arising from joint-venture arrangements between developing States and industrialised States, emphasising the revenue returned to developing States from the establishment of onshore processing facilities. Papua New Guinea provides an example of a good balance between joint-venture arrangements and the development of domestic fisheries. Let RFMOs manage catch limits and the Pacific Island nations manage capacity within their EEZs within the established catch limits, and balance foreign access with their domestic fishery development.
34. Mr. Peter Graham (Cook Islands) echoed previous sentiments that more must be done to support, rather than merely consider, the aspirations of SIDS and other developing States. The need to ensure that fishing is sustainable while maximising profits for dependent communities was also emphasised.
35. Mr. Rondolph Payet (IOTC) addressed the aspirations of developing States in the Indian Ocean, drawing attention to the difficulty in achieving coordination among artisanal fishing fleets. A sequential approach to addressing capacity was discussed, whereby TACs are set based on scientific and socio-economic analyses followed by a determination of an appropriate level of capacity. It was noted that fisheries development plans may be a useful tool to guide developing States in the development of their domestic fisheries.
36. Dr. Smith Thummachua (Thailand) emphasised the need to manage tuna stocks throughout their distribution, including EEZs and the high seas. A freeze on current fishing capacity was seen as an urgent measure to address overcapacity; however, complete data on fishing capacity would be required to achieve this. In this context, capacity was defined as the ability to catch fish rather than as vessel number or vessel tonnage. A tradable and adaptive quota management system was proposed. The need to investigate the impact of climate change on tuna abundance and distribution was also raised.
37. Japan presented a paper on a reduction in the capacity of the purse-seine fleets of seven DWFNs currently fishing in the WCPFC. The target level of reduction was 20% by vessel number in all seven DWFN fleets by 2013 or, if appropriate, an equivalent reduction in fishing capacity in these

fleets operating in WCPFC. To be successful, there would need to be assurance that none of the reduced capacity would be transferred into other oceans.

38. A number of participants expressed the view that reduction in capacity was the responsibility of all tuna fishing nations (taking into consideration the needs and aspirations of developing States) and should be applied across gear types. It was further noted that reductions and transfers in fishing capacity should be conducted in an incremental manner so that both developed and developing nations can adjust to new capacity arrangements.
39. The attributes of the Vessel Day Scheme adopted within the WCPFC were used by some participants to illustrate an example of effective effort control within an individual RFMO.
40. The importance of firstly setting a management objective (Maximum Economic Yield or Maximum Sustainable Yield) before determining an appropriate level of capacity – which is dependent on the ability to define units of capacity – was discussed. It was also noted that fishing is conducted for different reasons in different areas, and that social objectives (the maintenance of a livelihood, rather than just a means of employment) must also be taken into consideration.

#### **VIII. ADDRESSING EXCESS CAPACITY AND ENSURING COMMERCIAL PROFITABILITY (*Panel: Mr. Max Chou, Mr. Paul Krampe, Mr. Sylvester Pokajam*)**

41. Mr. Paul Krampe (American Tunaboat Association) supported the concept of an interim freeze on fishing capacity, underlining the key role RFMOs must play in coordinating the management of global fishing capacity. A useful, complementary tool in bringing capacity under control was the establishment of each RFMO of active vessel registers and the development of a global unique vessel identifier.
42. Mr. Max Chou (South Pacific Tuna Corporation) stressed the need to ensure that tools to manage capacity were legitimate and transparent to ensure that benefits were being equitably proportioned between developing and industrialised States. The notion of transferring capacity/quota between different fishing vessels could be studied with a view of developing a formula for transfer.
43. Mr. Sylvester Pokajam (PNG) stated that developing coastal States had not fully developed domestic fisheries, and that issues of capacity management were primarily the responsibility of DWFNs. Many management measures are in place within EEZs, but RFMOs have failed to ensure that an equivalent level of regulation is applied to the high seas.
44. Attention was drawn to the utility of the sample management options provided in the Bellagio framework, such as mechanisms to allow quota trade. Some participants noted the practical difficulties of implementing such mechanisms at the present time.
45. Many participants voiced support for an interim/temporary freeze on fishing capacity, with the proviso that such a freeze provide a window for developing mechanisms for rights-based allocation and transfer of capacity that supports the aspirations of developing coastal States. Other participants opposed the adoption of a freeze on capacity in fisheries that were already managed under effort controls.
46. A further issue affecting some small island developing States is that some environments are not conducive to the establishment of onshore processing facilities, and in such circumstances expanding their involvement in fisheries provided the only opportunity for economic growth.

#### **Chair's recommendation**

47. There shall be no further joint tuna RFMO workshops of any sort on capacity, overcapacity or on related issues until RFMOs have made significant efforts to deal constructively with these issues.

## RECOMMENDATIONS FROM THE INTERNATIONAL WORKSHOP ON RFMO MANAGEMENT OF TUNA FISHERIES

### Key themes

- a. The long-term profitability of all tuna fisheries is linked to their sustainability and proper management, and all RFMOs should ensure that all stocks of tunas are maintained at sustainable and optimal levels through science-based measures.
- b. Overcapacity is a symptom of broader management problems, and in developing solutions we need to ensure that we deal with both the problem of overcapacity and the longer-term management issues.
- c. In some areas a high proportion of the world's tuna resources are harvested from the waters of developing coastal states. For some of these countries and many small island developing states they are their only tradable resource, and developing coastal States seek a better return for access to tuna resources. Providing developing coastal States with the assistance to better manage, utilise and trade and market these resources will increase the economic return. In this context, developed fishing countries should work with developing coastal States to build industries that provide a better return, including as appropriate reducing and restructuring fleets.
- d. Rights in RFMOs and under international law come with associated obligations, and these must be honoured by all member and cooperating non-member countries.
- e. Tuna sashimi markets are now world-wide, not just in Japan; e.g. USA, EU, China, Chinese Taipei, and Korea.
- f. Fish-aggregating devices (FADs) increase the catches in purse-seine fisheries for skipjack tuna, but FAD fishing for skipjack also captures juvenile bigeye and yellowfin tunas, lowering the long-term catch rates of those species.
- g. Rights already exist in most tuna fisheries, e.g. participatory rights in RFMOs, allocations in some RFMOs, and states' rights under international law.
- h. Some participants stated that now is not the time to build further purse seiners, unless industry can secure long-term access rights in partnership with developing coastal States.
- i. The issues relating to overcapacity and overfishing in tuna RFMOs do not change; hopefully the players now understand that they must act.

### Recommendations

RFMOs should, as a matter of urgency:

1. Develop publicly available authorised and active vessel<sup>1</sup> lists for all gears. These lists will include small-scale fishing vessels that are capable of catching significant amounts of fish under the competency of tuna RFMOs.
2. Encourage secretariats to continue their work on the global list of tuna vessels, including the assignment of a unique vessel identifier.
3. As appropriate, RFMOs include only vessels on their active vessel<sup>1</sup> register in any scheme for reducing capacity by eliminating vessels.
4. Review existing capacity against the best available scientific advice on sustainable levels of catch and implement measures to address any overcapacity identified.

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<sup>1</sup> The definition of 'active vessel' is to be determined by individual RFMOs

5. Each tuna RFMO consider implementing where appropriate a freeze on fishing capacity on a fishery by fishery basis. Such a freeze should not constrain the access to, development of, and benefit from sustainable tuna fisheries by developing coastal States.
6. All RFMOs establish strong requirements for the provision of accurate data and information to secretariats so that the status of tuna stocks can be accurately assessed. All RFMO members and cooperating non-members should make a firm commitment to provide these data on a timely basis, and it should be cross-checked with market, landings and processing establishment data under the competency of tuna RFMOs.
7. Develop a consistent enforceable regime for sanctions and penalties, to be applied to RFMO members and non-members and their vessels that breach the rules and regulations developed and implemented by RFMOs.
8. Ensure that the effectiveness of all conservation and management measures is not undermined by exemption or exclusion clauses.
9. Ensure that all conservation and management measures are implemented in a consistent and transparent manner and are achieving their management goals.
10. Review and strengthen their MCS framework to improve the integrity of their management regime and measures.

RFMOs should, in the medium term:

11. Develop measures of capacity and, in the absence of an agreed capacity definition, adopt the FAO definition “The amount of fish (or fishing effort) that can be produced over a period of time (e.g. a year or a fishing season) by a vessel or a fleet if fully utilised and for a given resource condition.”
12. Ensure that all stocks maintained at sustainable and optimal levels through science-based measures.
13. Review and develop management regimes, based *inter alia* on the concept of fishing rights for fisheries under the RFMOs’ competence.
14. Consider using right-based management approaches and other approaches as part of a 'tool box' to address the aspirations of developing states, overfishing, overcapacity and allocation.
15. The tuna RFMOs should ensure a constant exchange of information with regard to the capacity of fleets operating within their zones as well as the mechanisms to manage this capacity. Kobe III will provide an opportunity for the tuna RFMOs to provide an update on progress with these issues.