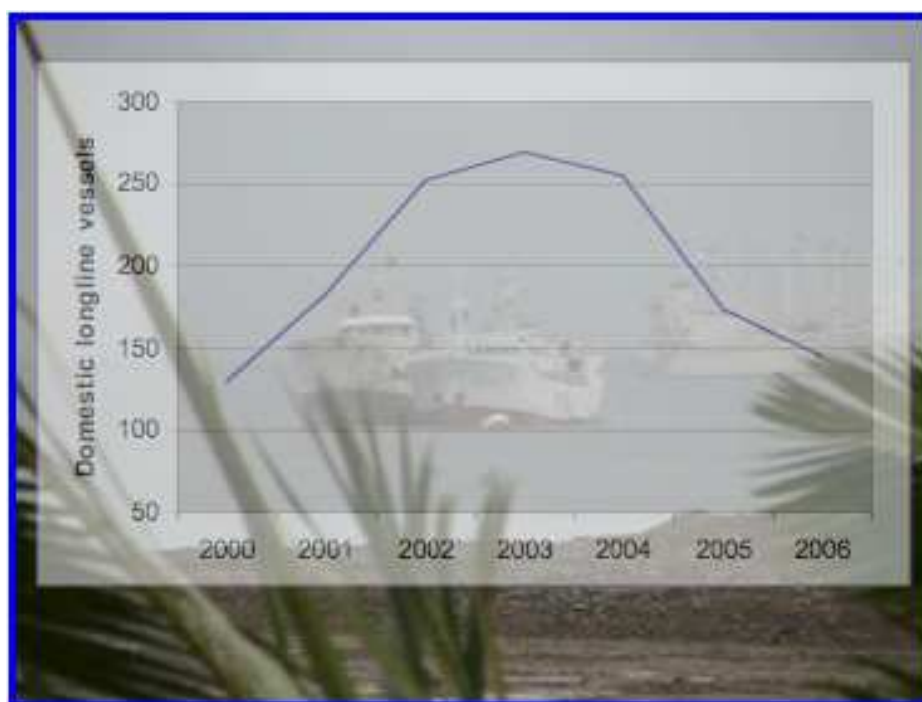




Development of tuna fisheries in the Pacific ACP countries (DEVFISH) Project

LOGLINE FRAMEWORK (LLF)



Project Title: **A SUB-REGIONAL MANAGEMENT FRAMEWORK FOR SOUTH PACIFIC LOGLINE FISHERIES**

Report by the Associates

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December, 2007

The DevFish project is funded by the European Union and implemented by FFA and SPC.



FFA



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Cover Graphic and Photograph:

- *Graphic – Recent growth and decline in the number of domestic South Pacific Longline fishing vessels.*
- *Photograph – Longline vessels in Suva Harbour, Fiji, October 2007.*

Disclaimer

The findings and opinions expressed in this report are those of the consultants and do not necessarily represent the views of the implementing agencies or the European Commission.

Preparation of this Report

This is the final report on the FFA DevFish Project, *A Sub-Regional Management Framework for South Pacific Longline Fisheries*, for submission to the 3rd Sub-Committee on South Pacific Tuna and Billfish Fisheries, May 2008

Distribution: Members of the Committee, and other interested stakeholders

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Preface:

Introduction and Acknowledgements

This *Introduction and Acknowledgements* outlines the preparation of this report and the general reasons for completion of the study according to current findings and stakeholders views; and to explain why certain elements of the Terms of Reference at *Annex A* have not been addressed in detail.

During the conduct of the study, direct and indirect Consultations were held with as many of the 3 stakeholder groups (private sector, national government, international agencies¹) as possible, and within the agreed timeframe and contract arrangements. Those persons are detailed in *Annex B*. Their clear understanding of the TOR and timely responses to requests for meetings and indirect communications is acknowledged with thanks. During the consultations and by appropriate research the Associates reviewed all prior reports and documents related to the issue, the key references for which are at *Annex C*.

During the overall Consultative Process and formally at the 2nd Meeting of the Sub-Committee on South Pacific Tuna and Billfish Fisheries (SC-SPTBF) in Rarotonga, it was agreed that the Associates would prepare a draft Longline Framework (LLF) Agreement according to the generally described perceptions regarding reciprocal longline licensing. This was drafted as a *primary output* of Phase One of the project. It was delivered as a draft to all stakeholders, either personally or by email. It has been slightly edited following initial discussions and subsequent findings and is presented in *Annex D*.

This was undertaken to ensure that all stakeholders had a clear understanding of the scope and effects of such a multilateral general agreement. It was agreed at the SC-SPTBF that it would not be a form of a 'complete' Access Licensing Agreement, but more in the general framework addressing 'fisheries of mutual interest' (as in the PNA) and reciprocal licensing. The findings and analytical results on the majority of TOR items were proceeded with during further stakeholder consideration of the *primary output*, in order to complete this document as Phase One of the project.

At the end of Phase One an interim report (most of which is in this report) was delivered and discussed with government stakeholders at FFA side-meetings during their attendance of the WCPFC in Guam 3-7 December 2007. The attention of stakeholders and the DevFish Project staff was drawn to the choice to finish the study by completion of Phase One, or to continue work towards full TOR completion with a Phase Two.

Phase Two, as described in the Executive Summary below, would proceed with further detailed design and estimation of the institutional, management and financial implications only if stakeholders wished to move towards a centrally managed multi-zone agreement. However, in Guam the stakeholders noted the findings in the interim report and concluded that two things are not required; neither a final draft LLF Agreement for more detailed consideration; nor the conduct of the above design work for the provision of a centralised Administrator (such as FFA) of the Longline Framework Agreement.

This report thus completes the work required, taking into account the results of the three month Consultation process that began at a side-meeting held with some private sector stakeholders at the Pacific Tuna Forum, 12-13 September in PNG and ended in early December.

Notwithstanding this curtailment of the project, this report completes the Consultation Process and analytical work required. If the SC-SPTBF returns to consideration of the implementation of a Longline Framework at a later stage, this report provides much of the background work and drafts that may be used in its deliberations. Therefore, the Associates acknowledge with thanks, both the attention given by the public and private sector stakeholders during the Consultation Process, and the effective public-private policy dialogue that they have used and which is further engendered.

The LLF Associates – December 2007.

¹ Group 1: Private Sector industry stakeholders in countries, either as full national firms or in joint venture with foreign interests. Group 2: National stakeholders represented by Fisheries Departments. Group 3: International Agencies, including FFA, SPC, International Financial Institutions, and Aid Agencies.

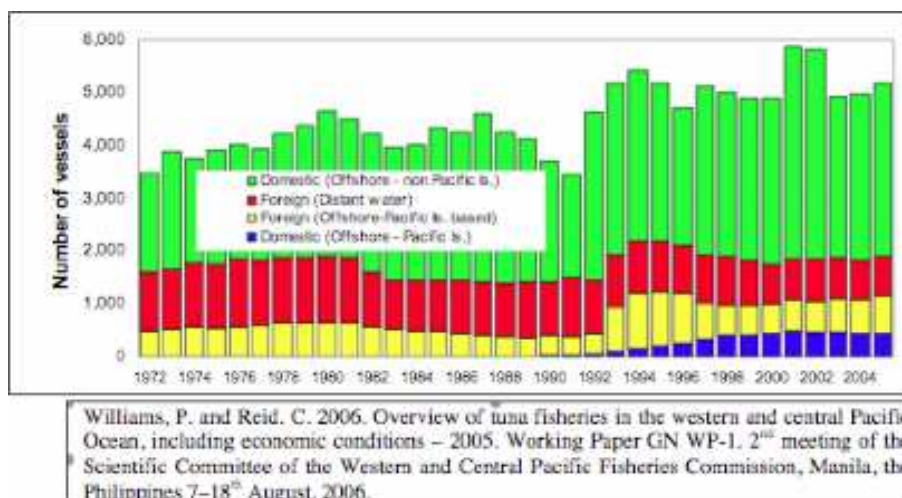
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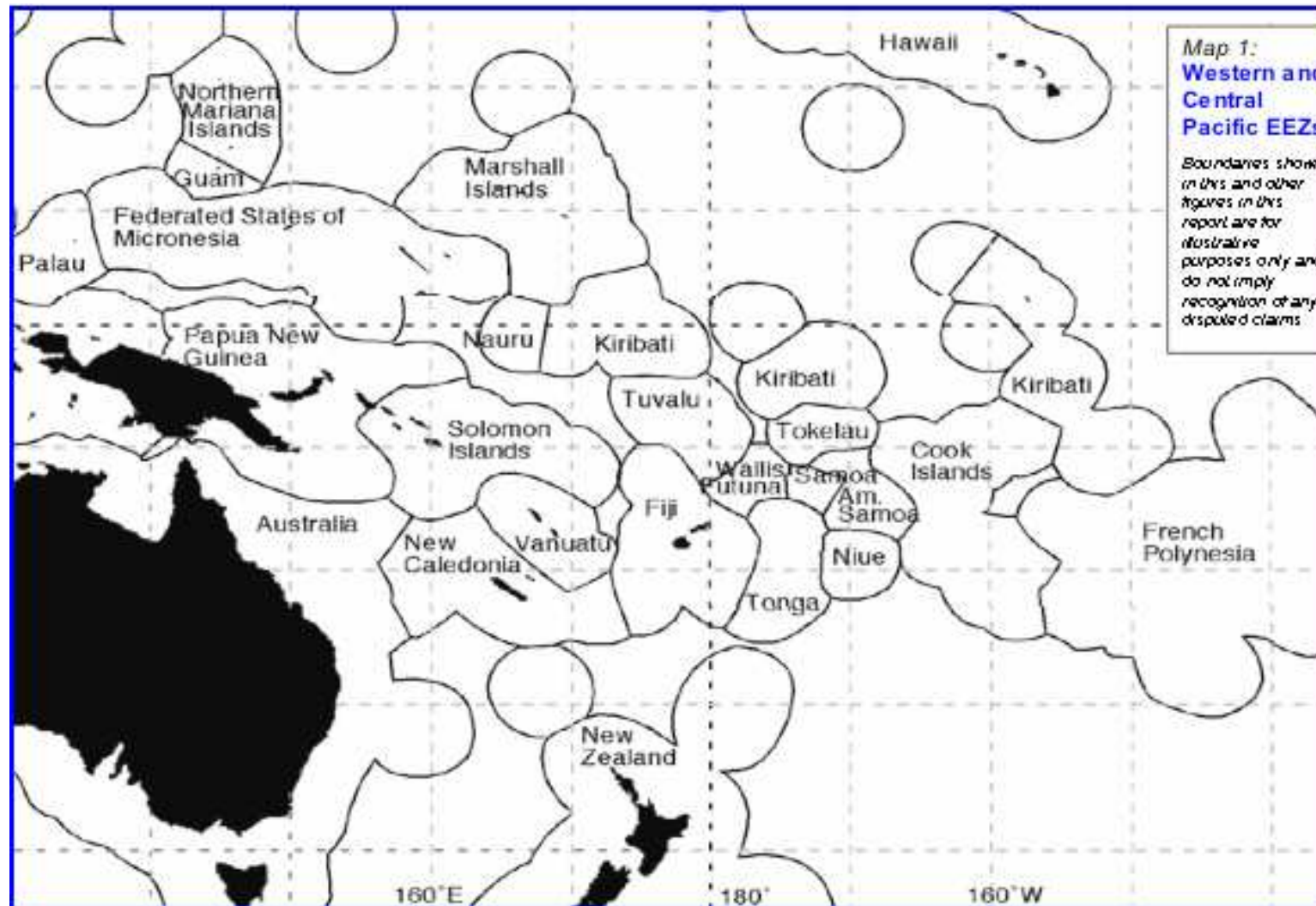
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ABBREVIATIONS

ADF	Australian Defence Forces
CCM	WCPFC Member, Cooperating Non-Member and participating Territory
CNFC	China National Fisheries Corporation
DEVFISH	EU-funded Development of tuna fisheries in the Pacific ACP countries project
DWFN	Distant Water Fishing Nation
EEZ	Exclusive Economic Zones
FFA	Pacific Island Forum Fisheries Agency
FFC	Forum Fisheries Committee
FIAs	Fishing Industry Associations
FOFA	Fiji Offshore Fisheries Association
FSMA	Federated States of Micronesia Agreement
FTBOA	Fiji Tuna Boat Owners Association
LLF	Longline Framework
MCS	Monitoring, Control and Surveillance
MTCs	Minimum terms and conditions for fishing access
NFD	National Fisheries Development Ltd
PITIA	Pacific Islands Tuna Industry Association
PEP-Pacific	Private Enterprise Partnership for the Pacific
PNA	Parties to the Nauru Agreement
RFMO	Regional Fisheries Management Organisations
SC-SPTBF	FFC Sub-Committee on South Pacific Tuna and Billfish Fisheries
SCARF	Seed Capital Revolving Fund
SFEA	Samoa Fish Exporters Association
SPC	Secretariat of the Pacific Community
TAC	Total Allowable Catch
TEFA	Tonga Export Fisheries Association
TMPs	Tuna Management and Development Plans
ULT	Ultra Low Temperature
VDS	Vessel Day Scheme
VMS	Vessel Monitoring System
WCPFC	Western and Central Pacific Fisheries Commission
WPRFMC	Western Pacific Regional Fishery Management Council





1. EXECUTIVE SUMMARY

Study objective The principal objective of this study was to determine if additional net benefits can be derived from the sub-regional longline fishery by the introduction of a new management agreement that would centre on the provision of licensing arrangements that would allow access by eligible longline vessels to multiple Exclusive Economic Zones, i.e. Multi-zone Access.

Methodology Conducted Extensive initial consultations on the study objective and the full terms of reference with all stakeholders were held as follows:

- Industry stakeholders at the Pacific Tuna Forum in Port Moresby (see Annex H) and by initial telephone contacts, primarily with PNG and Fiji companies, and subsequently with Cook Islands companies in Rarotonga;
- Government stakeholders at the SC-SPTBF meeting in Rarotonga at which a preliminary output draft Longline Framework Agreement was decided to be prepared.

Following these Consultation Processes and gathering of preliminary opinions it was agreed that the study be divided into two phases:

Phase One:

The first phase consisted of a review of the current status of the domestic longline fishery in the subject countries (Cook Islands, Fiji Islands, Niue, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, and Vanuatu) including obtaining the attitudes to longline multi-zone access by stakeholders, principally industry and government. This was followed by an analysis of the options for multi-zone access, and by conclusions and recommendations based on the consultancy findings in relation to all terms of reference except the implementing arrangements. Travel to most countries was conducted, plus discussions with representatives in other places, and direct contacts by email and telephone.

*(Note: For the purposes of this study the term **Multi-zone Access** refers to any form of licensed access by regional fleets, including the formation of simplified multi-zone bilaterals, or trilaterals, or sub-regional or regional agreements, and under whatever reciprocal arrangement is perceived as advantageous to all parties.)*

Phase Two:

The second phase would have followed the first, and consisted of the detailed design work necessary prior to implementation of a multi-zone access agreement. However, this work would only proceed after the findings of Phase One were considered by the stakeholders and it is decided by them to proceed with the further development of such an arrangement. The consultants would continue with Phase Two when that approach was agreed and they were informed.

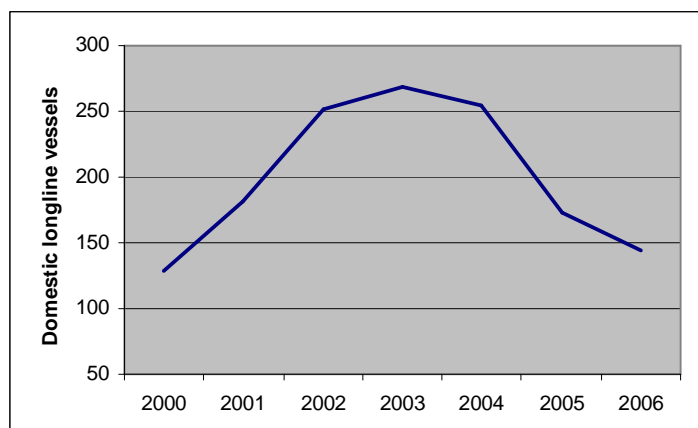
On 10 December 2007, the Associates were informed that stakeholders consulted during preliminary FFA meetings to the WCPFC in Guam had agreed that any further work under Phase Two would not be necessary, and therefore the Phase One methodology conducted was approved, the result of which is this report.

Background

Domestic longline tuna fisheries in the southern sub-region are at a turning point. Existing operational models that served the industry well in its formative years (1993–2003) no longer provide the commercial returns necessary to sustain or grow the sector.

The growth until 2003 and the ongoing decline of the domestic longline fleet is illustrated in the figure below. That figure simply combines the longline domestic fleet vessel numbers for the ten countries considered in this report.

New operational models, facilitated by innovative commercial, administrative and resource management frameworks are required. This report contains an analysis of one such proposed innovation, the introduction of multi-zone access licences.



Stakeholder views

Opinions on the proposed multi-zone longline access were sought from industry and government in the subject countries.

Consultations took place with government representatives of the 10 subject countries, with some 21 individual longline enterprises with domestic operations, with representatives of 5 national fishing industry associations (FIAs), and with the Pacific Islands Tuna Industry Association (PITIA).

Generally, the fully domestic fishing industry were opposed to the proposal for a multi-zone access agreement. The exception to this were the operators of the predominantly foreign-owned large freezer vessels which, unlike the typical locally-owned vessels, have the operational capacity to benefit from the proposal.

FIAs of all countries delivered opinions that reflect the views of the fresh chilled vessel operators in opposing the measure, a position generally supported by their governments.

Options and analysis

In considering the general nature and context of a Longline Framework Agreement, the outline at Annex D was distributed to both government and industry stakeholders for their comment, and it will form the primary document for further work when Phase Two is considered for further deliberation by the SC-SPTBF.

Summary of findings

This report concludes that there is little prospect that the introduction of a longline multi-zone access agreement would have a material beneficial impact on the regional domestic longline fishery. On the contrary, such an agreement would favour foreign-owned boats, very likely at the expense of

locally-owned operations.

The main reasons for this conclusion are argued in this report and briefly summarised as follows:

- Few of the domestic, locally-owned vessels currently in service would have the operational capacity to make significant use of such an agreement. They might benefit if they were not limited to one port, but the foreign-going national fishing masters do not generally have foreign port access certification.
- The locally-based charter vessels that could benefit are the predominantly foreign-owned freezer vessels, which can use current bilateral access arrangements that already allow for EEZ access outside the host-country EEZ.
- It is argued and has been independently determined in some countries that locally-owned domestic industry failures are more appropriately attributed to management shortcomings than technical difficulties, although there are current economic conditions (fuel and official costs, market prices and foreign competition). Therefore, changes directed at technical aspects, and focussing on the multi-zone access element of the LLF proposal, are unlikely to be a single effective solution to this problem;
- The weight of industry stakeholder opinion, whose views are generally supported by government stakeholders, is against the proposal for a detailed and centralised LLF Agreement that supersedes all bilateral access agreements, and favours the status quo.

Nevertheless, a general view was expressed by the SC-SPTBF that some form of general agreement concerning fisheries of mutual interest would be of value. At this point in time, some stakeholders noted that - without the detail of actual licensing access at this stage - these findings and drafts (Annex D) may set a stage for future benefits in access relationships that meet development options and prospects of each member.

Further decision-making

As noted above, the consultants sought guidance, following consideration of the findings of the Phase One of the study as set out in this report, as to whether or not further work on this proposal is required.

Stakeholders and DevFish Coordination informed the consultants not to proceed with Phase Two to formulate the final implementation procedures at this time.

Study structure

The following outlines the division of the study into two Phases and hence the structure of this report.

Phase One:

This consists entirely of this report, which is comprised of a number of chapters.

- 1. Executive Summary:** This section.
 - 2. The Current Situation:** including brief summaries of objectives, consultations and background.
 - 3. National Longline Fisheries:** including summaries of longline developments and onshore developments and prospects. Details of each national fishery situation are in Annex E.
 - 4. Existing Management Arrangements:** including general analysis of fishery management plans, regional experiences in multilateral fisheries agreements, and Monitoring Control and Surveillance issues.
-

5. Stakeholder analysis: including a review of the outcomes and positions of industry and government stakeholders in relation to the benefits that might accrue now and/or into the future from a Longline Framework.

6. Framework Options: a general and incomplete view of the implications of a LLF option, which will have more attention paid to it when it is agreed to proceed with Phase Two.

7. Conclusions and Recommendations: summary at the end of Phase One.

Phase Two:

As and when required by the SC members, this report may be finalized appropriately with the following chapter 8, and it could be submitted, following extension of this project to an agreed Phase Two.

8. Implementation Arrangements

This is only to be undertaken when agreement is reached by the members of the SC.

2. INTRODUCTION

2.1. Methodology

2.1.1. Objectives of the study

The objectives of this study are to determine if additional net benefits can be derived from the sub-regional longline fishery by the introduction of a new management agreement that would centre on the provision of licensing arrangements that would allow access by eligible longline vessels to multiple Exclusive Economic Zones (EEZs) of participating countries.

Subsidiary to this central focus is the establishment of a general framework agreement concerning cooperation in the management of longline fisheries of common interest.² This latter objective is in support of regional fisheries integration that provides a basic agreement on future arrangements without supplanting existing and future reciprocal bilateral arrangements with a multilateral access arrangement.

The countries identified, on a preliminary basis, for detailed consideration are: the Cook Islands, Fiji Islands, Niue, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, and Vanuatu.

2.1.2. Consultative Processes

This report presents both the findings achieved and the interim conclusions of the project consultancy since the start date on 16 August 2007. Effectively, it is a detailed report of the Consultative Process (or fieldwork) with all relevant members of the Sub-Committee on South Pacific Tuna and Billfish Fisheries (SC-SPTBF) and their national longline industries. Briefly, these consultations were conducted with country stakeholders (see persons contacted, Annex B) in places and on dates, as follows:

- **Papua New Guinea: 8-12 September.** Longline industry members and other stakeholders were consulted at a closed meeting during the Pacific Tuna Forum in Papua New Guinea, during which other individual stakeholder consultations took place. Following those initial consultations more were briefly undertaken with FFA in Solomon Islands.
- **Fiji: 16-23 September.** Consultations with many stakeholders in Fiji.
- **Cook Islands: 8-12 October.** Presentation at the 2nd SC-SPTBF committee meeting during which a general paper was delivered and a presentation was made. In addition, direct Cook Islands industry consultations were conducted during that period. A draft LLF Agreement was indicated to all members.
- **Samoa, Tonga, Niue, Tokelau: 17-25 October.** Consultations with many stakeholders in Samoa, Tonga and with representatives of Tokelau in Samoa and Niue in New Zealand.
- **Fiji: 29-31 October. & 6-7 November.** Further discussions with stakeholders in Fiji, including EU delegation, ADB, OFCF.

² 'fisheries of common interest' is the key phrase that sets the fishery framework in the title of the Nauru Agreement 1982.

- **Desk-based: 26 October to date.** Further consultations (email and telephone) with many other stakeholders in Solomon Islands, Tuvalu, Vanuatu, etc.

As a result of these consultations during the above periods, and prior to the delivery of this final report, many of the individual tasks in the TOR have been addressed. However, this Report does not include a number of the tasks in the TOR that relate to the possible implementation of the Longline Framework (LLF).

Therefore, in developing a work strategy for this study, the consultants formed the view that it should be divided into two separate activities, the second phase contingent on the outcome of the first.

In the conclusions of this report the remaining consultations, methodology and research tasks, i.e. Phase Two, are generally identified as those that will need to be addressed for the full completion of the contracted TOR.

2.1.3. Initial approaches and methodology

Phase One of this project is described in Sections 1 - 7 of this report and comprises three general approaches, as follows:

A. The acquisition and comprehensive review of existing documentary material on the sub-regional longline fishery:

- a. This process was necessary to expand and update the consultants' existing knowledge of the fishery so as to enable a synthesized, evidence-based understanding of the development issues to be obtained.
- b. Base documentation consisted of national tuna management and development plans, overview papers prepared for regional meetings such as the regular Secretariat of the Pacific Community (SPC) Heads of Fisheries meetings, and recent country statements, such as those prepared by most countries for the recent 3rd Regular Session of the Scientific Committee of the Western and Central Pacific Fisheries Commission (WCPFC), Honolulu, August, 2007;
- c. The general industry development history and current situation is briefly summarised in Section 3 below, and the relevant country detail is laid out in Annex E to ensure familiar data is also available to all readers.

B. Extensive stakeholder consultations, principally with government and industry participants:

- a. Country visits for this purpose were made to the Cook Islands, Fiji, Papua New Guinea, Samoa, Solomon Islands and Tonga. Representatives of Tokelau were consulted in Apia, and Reef Shipping (operators of the Niue longline fishery) were met in Auckland. Consultations with those countries not able to be visited were conducted by phone and / or email.
- b. These visits took place during the period September – November, 2007, and included a preliminary presentation on the study by the consultants at the 2nd (Officials) meeting of the Forum Fisheries Committee (FFC) Sub-Committee on South Pacific Tuna and Billfish Fisheries (SC-SPTBF) in Rarotonga, 8-9 October, 2007.

C. Preparation and distribution of an outline of the ‘Framework Agreement Concerning Cooperation in the Management of Longline Fisheries of Common Interest’

The nature and extent of the LLF was discussed at some length at the SC-SPTBF in Cook Islands. Of significance to further consultations and development of this report, the following was very generally agreed at the meeting.

- a. A regional agreement could be established along the general lines of the Nauru Agreement (PNA). This was largely accepted in the sense that it would be a general framework upon which the longline ‘fisheries of mutual interest’ could be based now, and then further developed into the future. *(Note: In the 25 years of the PNA there have been two amendments only but it has formed the fundamental basis upon which all subsequent access agreements and management arrangements have been conducted.)*
- b. In similar manner to the PNA approaches, such an LLF does not commit any signatory nation to bilateral, or sub-regional, or multilateral reciprocal licensing arrangements. Acknowledging that 1) where and when certain circumstances in individual countries constrain full fish industry development and sustainable resource use rights and that 2) extra-EEZ licensing might be beneficial, a LLF could:
 - provide a formal basis for the continuity of regional solidarity with regard to neighbouring South Pacific states in their individual and collective determination to extract the maximum benefits from their sovereign resource ownerships;
 - also provide an internationally acknowledged means that enables any available TAC surpluses beyond domestic needs to be made available under regional terms and conditions of licensing;
 - be continued without supplanting DWFNs access relationships, or foreign charters, or foreign joint ventures, that are already established and proving to supply at least some of the benefits to which each LLF signatory aspires.
- c. As a result of this general understanding that came from the SCTBF, a very general framework document was prepared and delivered to all public and private sector stakeholders for their comment – see Annex D.
- d. Full responses on this draft Longline Framework are yet to be collated. Individual country circumstances and a general view of the acceptability of such an agreement may be agreed at some time in the near future. The draft LLF will then need to be referred for legal opinion and for drafting into an appropriate document for further FFC consideration.
- e. Effectively the responsibility for this next step is devolved to island governments for their further consideration of consultancy activity under Phase Two of this project, including instructions on timings, scope and costs for the agreement's implementation arrangements, in particular in relation to the ‘Administrator’.

2.1.4. Longline Framework and Fishing Rights

This very general Longline Framework Agreement does not set in place any detail on what any subsidiary arrangement might be based (*Article III – Forms of subsidiary arrangements between the parties*). Effectively, it is not a multilateral or multi-zone access agreement.

Nevertheless, it does set in place an Article under which states can allocate ‘*fishing rights*’ across a spectrum of users with different priorities of allocations (*Article VI – Catch and Licence Allocations*).

The general definition of a fishing right is either a quantity of fish (a Quota); or an equivalent quantity of fishing effort measured in fishing days per gear type and the period in which they can be operated.

Such allocation of rights will change over time according to the needs of each state. In general, this allocation concept can be adapted as and when the modern approach to rights-based fisheries management is planned, initiated and progressively adopted in the states of the South Pacific.

To reiterate the elements that have been discussed in the region over a number of years on assisting countries in ‘*Moving towards Rights Based Fisheries Management Regime for the Tuna Fisheries in the Western and Central Pacific Ocean*’, the following key features of a rights-based alternative are³:

- ***The use of rights as the primary management instrument:*** This entails shifting the emphasis of control to managing businesses rather than boats.
- ***The granting of rights to nationals:*** This entails allocating rights to nationals whether they are individuals or locally registered companies with whatever level of foreign shareholding is agreed upon by the State concerned.
- ***Limited number of rights:*** This entails restricting the number of rights available to make the rights valuable.
- ***Imposition of standards on right holders:*** This entails imposing stringent terms of investment and job creation or otherwise they lose their rights.
- ***Payment of fees by right holders:*** This entails the imposition of fees on right holders.
- ***Reduced role for access agreements:*** This entails requiring foreign vessels to operate only under charter to right holders.

This Introduction is followed by chapter 3: *National Longline Fisheries* in which the characteristics of the current fisheries are summarised. Full descriptions by country are contained in Annex E

Given that the LLF is a regional and broad management arrangement the context of it within the scope of chapter 4: *Existing Management Arrangements* is addressed through an overview of the options that exist and have been identified to implement the proposed agreement, an analysis of what the net benefits arising there from might be, and how these options and their outcomes are viewed by the stakeholders.

General responses by all public and private sector stakeholders to this draft LLF agreement are reviewed in chapter 5: *Stakeholder Analysis*.

³ I. Cartwright, 2002.

2.1.5. Analysis of the benefits and costs of a new arrangement:

Again, the consultants see an analytical benefit in the methodology to assess whether the benefits of such an arrangement warrant the costs (net benefits) by splitting the questions into two parts:

Part 1:

- Do the stakeholders perceive benefits to them in their vessels, or their country's domestic vessels, accessing multiple EEZs beyond their home country EEZ?;
- Are these benefits supported by the consultant's analysis?; and
- If so, how can these benefits be described or quantified?

Part 2:

- Presuming such stakeholder benefits are perceived to exist, and are significant, do the stakeholders believe that the proposed sub-regional longline framework agreement is the optimal way for them to realise these benefits.

These findings are summarised in chapter 7: *Conclusions and Recommendations*, which offers advice, based on the consultancy work, on:

- whether multiple EEZ longline access would provide net benefits, and if the implementation of a sub-regional longline framework agreement is the optimal way to realize these benefits, if they exist.
- In addition to those conclusions and recommendations, summaries are outlined of some next steps that might be taken in stages to achieve a Longline Framework that yields net economic benefits to the industry and managerial benefits to the national and regional fisheries administrations.

2.1.6. Subsequent activity

Phase Two consists of the development of Implementation Arrangements, and would be undertaken by the consultants if, following a review of Phase One by each country, it is decided that such an agreement should go ahead, and if so, what form it should take.

2.2. Background to this Study

2.2.1. Origins

The possibility of allowing some form of reciprocal access arrangement for sub-regional longline vessels was raised in the FFC several years ago. The idea has never made much progress, perhaps because the countries with the most developed fisheries would have benefited from access to neighbouring and less heavily exploited EEZs, but these neighbouring countries seemed likely to get little in return. This situation may now be changing as many countries now have some form of locally based longline fishery, but nearly all face constraints imposed by the fisheries resources, facilities, and economic environment to which they have access as national fleets.

At the DEVFISH-sponsored Tuna Industry Workshop held in Apia, Samoa, in April, 2006, participants requested the South Pacific Forum Fisheries Agency (FFA) to look again at the opportunities for developing a sub-regional access arrangement for Pacific Island longline vessels. FFA responded at first with the conduct of the study entitled '*An Assessment of Development Options in the Longline Fishery*' which was conducted by

two of the Associates. Following completion of the study of development options this study has been defined and contracted.

2.2.2. Current Impetus and Constraints

A major impetus for this has been the prolonged period of low catch rates in the south and east of the region due to oceanographic conditions, suggesting that the longline fleet needs to be more mobile. Foreign fleets have this mobility, with access to a number of fishing areas covered under access agreements that have been negotiated on a bilateral basis, and often subsidized, by their Governments.

Effectively, as catch distribution changes and access distribution can be achieved by foreign fleets (and to a similar extent by domestic charter fleets) they can do so without the difficulties in changing home bases that national domestic fleets would suffer, both managerially and infrastructurally. Increasingly, foreign-owned, domestically-based vessels are basing in regional ports and accessing multiple EEZs under bilateral arrangements implemented by the regional host country or by direct enterprise-to-government commercial arrangements.

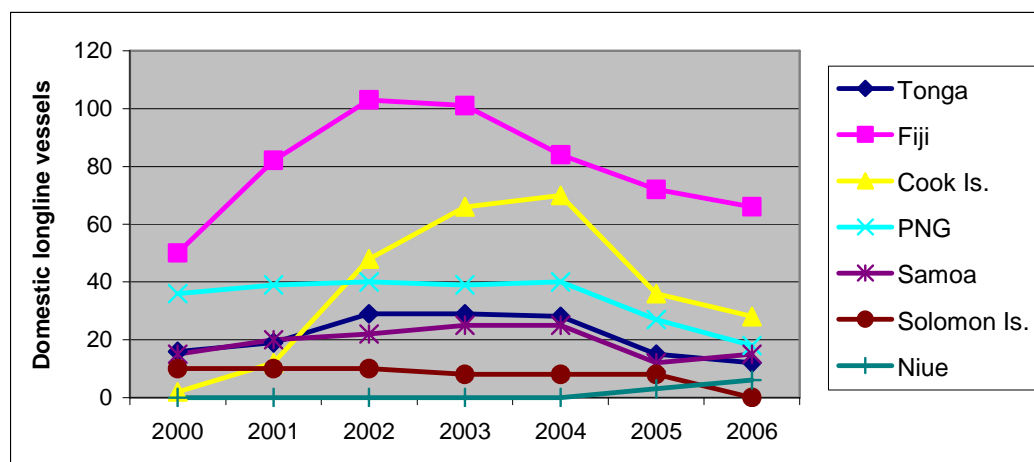


Figure 1. Domestic (local and locally-based foreign) longline vessels by country, 2000 - 2006

Figure 1 above illustrates on a regional basis what has become evident at the national level. Locally-based vessels are struggling, and some are leaving the fishery, not only because they lack access to productive fishing areas, but also because they face operational difficulties and higher costs as a result of being based in locations with relatively less-developed infrastructure and labour skill bases.

It is believed that greater regional integration in the fishing industry could help to overcome these difficulties, potentially giving Pacific Island vessels a range of capabilities, including:

- access to more productive fishing grounds as and when required;
- use of efficient ports with good infrastructure and communications; and
- crew recruitment from countries (preferably within the region) which can provide skilled seamen at competitive wage rates.

Improved regional access arrangements could secure the first of these three requirements, but only by vessels of sufficient size and with sufficiently skilled crew at all levels to fish outside their host country EEZ. The main challenge is to ensure that any regional arrangements meet the national fishing industry aspirations of participating countries and their successful and trustworthy fishing businesses.

As a final step in the definition and initiation of this work, a discussion paper outlining proposed Terms of Reference of such a sub-regional management framework review was prepared by the SC-SPTBF Secretariat (FFA) and discussed by Government officials at a recent meeting of the SC-SPTBF, Wellington, 24 - 25 March, 2007. Following some modifications and additions, that Terms of Reference paper formed the basis for this study.

2.3. Summary of advantages and disadvantages perceived of a sub-regional management framework

The following is a brief summary of the background in the Terms of Reference.

2.3.1. Advantages of a LLF:

- Greater regional integration of the southern longline fishing industry can use successful management arrangement models that stem from the purse seine fishery. These current models are the Palau Agreement, the FSM Arrangement and the Vessel Day Scheme, all of which were originally devised following the Nauru Agreement, although they were preceded by the US Treaty.
- Such management models provide security of access and a growing exclusivity for members over a lengthy time period during which foreign access vessels become gradually excluded.
- Well-established multilateral arrangements can work beyond the timeframe of their usually annual access agreements to enhance the convenience of companies that are developing in the national domestic fisheries according to long-term aspirations.
- Centralised LLF administration (as in the purse seine management models and the US Treaty), and management of the compliance mechanisms, could be dealt with confidently by the member's experienced agency, the FFA;
- Agreed licence fee models, and estimated future reciprocal licence incomes, can be at levels for reciprocal access in ways that convince licence sellers and buyers that the LLF:
 - a) will support the access needs of some national domestic longline fishing developments to the available access licences in some other country zones;
 - b) will enable reciprocal planning of factories, infrastructure and utilities and so provide development incentives to further advance on-shore value-added processing in countries where fishing bases are difficult to develop; and
 - c) can enable and encourage them to land some proportion of their effective allocation in the reciprocal country; thus by offering some other forms of income benefits that support onshore development financial viabilities the 'normal' fishing access fees would be reduced.

2.3.2. Disadvantages of a LLF:

- Multilateral access is difficult to negotiate and ratify because of current circumstances and experience. Some regional members have existing bilateral access agreements (e.g. Fiji-Vanuatu), which proceed with differential and time-variable financial costs of fishing. They have generated returns from access that are well-recognised and largely accepted by both parties, and have been conducted for sufficient time to engender bilateral acceptability;
- Clear and complex eligibility criteria will be needed to avoid substantial but inappropriate foreign access via charter, re-flagging or other arrangements that undermine the regional-domestic fishing business aspirations;
- A simplified but wide FFA member-only multilateral fishing access agreement, under an overall longline management framework, does not support the different development objectives and opportunities that each country has. This limit is both current and must be considered in any planning for the future with respect to their sustainable sovereign rights and their capacities and aspirations for onshore development, over and above fishing fleet development.

The full costs of the role of Administrator, which would probably be FFA, have not been fully evaluated. However, the LLF would be

- an access agreement that is solely required for national fleets, not for DWFNs, and is likely to yield relatively low total fee incomes;
- the cost-recovery policy of FFA implies significant deductions from what at this stage is an unknown reciprocal income;
- vessel monitoring system costs at central Administrator level are very high and would be a significant burden on the domestic reciprocal licensee resulting in demands for significant access fee reduction, or reduced report time requirements to reduce daily VMS operating costs, or changes to other VMS operational modalities to reduce costs to fishing boats.

2.3.3. Alternatives to an LLF:

- Notwithstanding the above advantages and disadvantages of a multilateral arrangement, the simplification and transparency of the existing and successful bilateral arrangements could be a viable alternative. Enhancing simplification and transparency would directly enhance regional reciprocal fishing opportunities; and at lower implementation costs would improve host state access licence revenue streams.
- Part of that simplification is a rationale requiring FFA to administer the reciprocal bilateral arrangements, including monitoring, under its existing low-cost administrative arrangements.
- Furthermore, in relation to onshore industry development needs, the bilateral access agreements that already exist might place a fish offloading condition on licences in support of the summary advantages above. This would be attractive for both parties since it might offer a discounted access fee to the regional domestic fishing company in return for secure onshore supplies to domestic fish processing businesses in those members where the latter is the key future fishery development benefit for the host country, not the former.

3. NATIONAL LONGLINE FISHERIES

3.1. Participation in the LLF

The general origins of the need for this study, and the approach in the previous section, underline the regional perception that a final outcome can be agreed, and that LLF signatories can be at any membership level at FFA. Initially it focuses on targeted albacore longline fisheries in the island members of the SC-SPTBF (SC). However, this regional perception also recognises that a LLF might have a future scale and potential for national longline fisheries beyond that committee membership, perhaps including the northern states where longline fisheries target largely on yellowfin and bigeye.

The terms of reference require a general definition in broad terms of the area and fishery to be covered by the Agreement. It then posed as a '*Southern Arrangement*' of possible participants to include those countries with businesses that target albacore for fishery development purposes: Cook Islands, Fiji Islands, Niue, Papua New Guinea, Samoa, Solomon Islands, Tokelau, Tonga, Tuvalu, and Vanuatu.

Some further interpretation is as follows:

- **Sub-regional** = some or all members of the SC, but with perspectives that enable future inclusion of non-SC countries, e.g. FSM, etc;
- **Management framework** = an agreed approach to general regional development by fishery access that supports the concept of '*Greater Regional Integration in the fishing industry*' but does not imply any subversion of national fishery development intents through a '*DWFN loophole*'. (Similar basis of the Nauru Agreement 1982)
- **Access arrangement/agreement** = a form of licensing administration that enables simplified regional reciprocal licensing, as and when licensing within sustainable yield levels are either requested by regional companies, or offered by countries within sustainability limits and according to development aspirations.

Another perception about the advantages and scope for national fishing industry development is the ranking of each country in relation to the exploitation of their sovereign resources throughout the region. See Annex F.

3.2. The sub-regional longline fishery: a development overview

This section also attempts to draw on the recent domestic longline development experiences of the ten countries outlined in the Section above to extract lessons that can be learned. These lessons can then be applied in evaluating the potential effectiveness and impact of the proposed sub-regional longline management framework from an operational development standpoint.

An overview of domestic longline development at the national level in the subject countries is contained In Annex E, and is summarised in Table 1. below.

The growth of domestic chilled sashimi longline tuna fisheries over the last fifteen years was enabled by a mix of favourable factors that have been recognised from the outset of this development period⁴. These include the introduction on mono-filament line, low fuel costs, the growth in domestic tourist-dedicated air services operating from nearby airports, and high market prices. These factors combined to offset the inherent disadvantages that

⁴ Preston, G. 1995.

small, short trip duration vessels offer in terms of adverse catching costs, and enabled domestic operators to acquire these low capital cost vessels and operate them profitably.

However, with the erosion of these favourable factors offsetting the poor cost efficiency of smaller longliners, the commercial viability has come under increasing pressure.

The central question is: *Why have the encouraging gains made in the regional domestic longline fisheries during the 1990s and early 2000s been largely lost?*

Although it is well-documented from basic catch records that there has been significant declines in albacore catch rates and values in some regions of the overall fishery, there are other reasons for the loss of early encouraging gains. Perhaps a first step in evaluating this question is to avoid an immediate assumption that the cause is a specific fishery sector problem. Viewed from a broader perspective, the situation is that there have been a series of small business failures in a sector where, albeit atypically in recent years, risks have been high and returns low. The causes of the risks and the scale of the returns had numerous influences, most of which were not natural resource and fishing ground distribution issues.

Extensive experience accumulated and surveys have been conducted by the Sydney-based World Bank agency, Private Enterprise Partnership for the Pacific (PEP-Pacific). This agency has established the main underlying causes of small enterprise failure in the region that apply across all sectors. The key failure is indisputably general shortcomings in enterprise management, and the Asian Development Bank⁵ and other sources have published the same finding.

3.3. Problems and Solutions: fishing business management and natural resource risks

3.3.1. The rise and fall of some longline companies

The above general analysis of the origins of failure is particularly strongly brought out in the attempts via the SCARF⁶ programme in Fiji to encourage indigenous Fijian participation in the longline industry, but is equally applicable to other circumstances.

In Fiji, individual industry participants, all with strong operational and technical skills acquired during many years as vessel crew and/or masters in the local Fiji longline industry, were effectively SCARF funded into commercial-scale longline vessels and enabled to enter the fishery as owner/operators. What was overlooked was the need to develop financial, marketing, human resources management, etc., skills, in these funding recipients. In summary, the managerial expertise component was absent, and, regrettably, the projects invariably failed. Notwithstanding these difficulties, some indications of the current commercial viability position in Fiji, as delivered by a major, stable and continuing domestic company at the Pacific Tuna Forum, are in Annex F. In summary, it is clear that Fiji has no further licensing opportunities.

Another notable feature of longline industry development in the region has been the virtual absence of entry into the industry by local businesses already established in other commercial activities. This would have meant, if it had happened, that managers already experienced in business practices would have become involved in the fisheries sector. In some countries this is not completely true. In PNG, for example, there were several multiple business interests that entered the longline industry but, when commercial

⁵ Asian Development Bank, 2004. *Swimming against the Tide: An Assessment of the Private Sector in the Pacific*. Pacific Study Series. P. Holden, M. Bale and S. Holden. ISBN 971-561-534-1. Pp145-173.

⁶ SCARF Seed Capital Revolving Fund

viability generally ceased, they divested, returning the industry in that country to the regional norm, where the management of fisheries companies, particularly catching activities, are conducted by managers with little general management experience or training. In Cook Islands one multi-business group is still involved.

Instead, almost without exception, domestic locally-owned longline start-ups have been owned and operated by people with technical fishing industry experience, but limited, or no, pre-existing business training or experience. The SCARF experience in Fiji, outlined above, is an extreme example of this more general situation, which again has resulted in serious shortcomings in managerial expertise in the sector

Proceeding from a good situation to a period of reduced catch rates, higher operating costs, and weakening market returns, those longline operations that had their previous managerial shortcomings masked had their weaknesses exposed. The situation that masked the weaknesses was management's general perceptions in the good times about the ease with which adequate returns could be secured from the domestic longline sector.

3.3.2. Management Risks and Natural Resource Change

Risk evaluation and management to avoid failure when risk rates climb were not undertaken, the result being the eventual destruction of their technical fishing skills and company failures.

In particular, those operators, perhaps the majority, who combined these shortcomings with a failure to use the period of relatively high returns to consolidate their operations against future potential downturns (such as what has happened). Instead, they used these returns to justify fleet expansion based on borrowings, and thus they were very poorly placed to weather the downturn period, and in most cases they have consequently exited the industry.

Nevertheless, some multi-business entrants evaluated the risks and divested as soon as possible, with consequent losses in employment, fishing and processing skills and to market access; and the loss of future encouragements that domestic developments, over and above foreign participation, are not viable under the level of risk they had experienced.

On top of the business constraints of changing markets and operation costs, a lot of the risks perceived were also based on falling catch rates, which is always a factor in natural resources exploitation and management. The domestic vessels must move to places where the rates are high, not just staying at home and competing with foreign, locally-based larger boats that have a region-wide operating capacity and, where access availability is established, they move in early and take up any licences to the limit available.

This is what has driven the region to want some form of Longline Framework that enables region-wide and risk-avoidance competition with the foreign fishing vessels. Reciprocity to enable regional longline fisheries development is aimed at ways in which the member nations can agree to re-apportion allowable catches to regional domestic fleets when populations are locally depleted, or population densities have moved.

3.3.3. Problems and Some Solutions

There is no doubt that the familiar combinations of adverse factors were certainly the proximate cause of the difficulties faced by the domestic longline sector. By all business analysts, it is argued that the reason this has effectively halved domestic longline fleet

numbers is through the inadequacy of enterprise management to prepare for and deal with adverse situations. A detrimental consequence for national aspirations has been the clear increase in the proportion of those remaining that are foreign-owned and locally-based.

Licence fee incomes may be stable against allowable licence numbers but the development returns from domestic product development, marketing, employment and infrastructure investment have declined.

Perhaps the central lesson is that technical “fixes” can only be expected to be effective if implemented within a framework of managerial competence, which has been often lacking. A range of these technical fixes might include, at the top, the proposed sub-regional longline access. The LLF will not address the fisheries management competence needs. Nevertheless, some general Longline Framework, without the competitive nature of guaranteed reciprocal access, might offer some elements of the ‘*Greater Regional Integration*’, that has been called for.

Clearly, there are also policy “fixes” that need to be established. These would include acceptance by governments of the need to move away from foreign-locally based fishing ‘*towards a fully owned domestic fleet*.’⁷ Such policy changes will include, among many other things, national attention to further elaboration of their Tuna Management and Development Plans to ensure that they have mechanisms in place to accept and work with the annual limits, TACs and/or TAEs (licence numbers)⁸.

A central element of policy change is the acceptance of general reductions in access licence fees as domestic vessel fleets begin to expand. In addition, policy and management support should be directed to the companies that cannot or do not wish to commit to fleet capitalisation. Governments should transparently recognise that they are happy for companies to rely on foreign owned vessels as they become more completely involved with onshore processing and national company marketing, i.e. they may use foreign locally-based boats on reliable contracts and take ownership of the offloaded catch for their own business purposes. Again, policy decisions may be constructed to enable transparent and direct company negotiations with foreign owners on the periods of their licences and their terms and conditions directly related to national eligibilities, employment, shareholding, etc.

A consequence of this need to establish private sector-driven development within a government supported tuna industry development environment refers back to management competencies. Some business development sections may already be integrated in fisheries administrations. To succeed they should have clear guidelines on all matters to enable domestic private companies to directly negotiate with foreigners in a transparent way and within the national and/or regional policy framework. Some elements of this policy direction may be included in the LLF.

3.4. Domestic longline development lessons

The terms of reference for this study identified the difficulties experienced by the domestic longline sector, and suggested that a multi-zone access arrangement would help to alleviate these difficulties by giving domestic longline vessels the ability:

“(i) to access productive fishing grounds;

(ii) to use efficient ports with good infrastructure and communications; and

⁷ Quoted from the licensing changes and summary conclusions in Fiji in Annex G.

⁸ Policy changes and TMDPs are also mentioned elsewhere in this report.

(iii) to recruit crew from countries (preferably within the region) which can provide skilled seamen at competitive wage rates.”

These elements of the Longline Framework are some of the key advantages of such access arrangements. These solutions may be accelerated through the application of specific terms and conditions of reciprocal licences and the agreements under which they are issued, i.e. the subject of regional eligibility criteria under the general Longline Framework arrangement/agreement – the LLF.

While eligibilities may be important they are not the only solutions to alleviate the recognised difficulties. As is normal for business lending and developments that support private sector initiatives, the lessons learned about fishing business management are primarily that it is the most risky natural resource sector for numerous reasons. Just like business banks that evaluate risks, lenders such as government treasuries (such as the Fijian Seed Capital Revolving Fund, SCARF), aid agencies loans and grants, capital funds under ADB loans and projects should evaluate assets, skills and business competencies prior to any company encouragements and purchasing power becoming available through controlled finance.

Simply having a fishing skill and a licence are both nothing and everything:

- **nothing** because commercial viability depends on a very wide range of additional business skills under avoidable or acceptable circumstances, but
- **everything** when the former are all in place to maintain the company, and the licence holder retains his inalienable fishing right because of his competencies in meeting national aspirations that are transparently recognised by his government.

3.5. Domestic longline development futures

Fishing skill is a valuable thing and a fishing licence is also highly valuable, and it gets more valuable as resource pressure increases to the sustainability limits and the licence continues in the fisherman's hands. Following bad fishery development circumstances, the private sector have accepted the 'lessons learned' and will not repeat them. What remains for them is a new vision of where domestic fishing industry development can go, and that this requires new policy and regional directions that are well-established to convince them that new directions are possible.

Perhaps, the acceptability of the general nature of the LLF as a background document will need to be undertaken at the member level followed by industry awareness of regional policy directions. However, what is clear from this study is that different elements of the private sector, clearly reflected in the different compositions and attitudes of the two Fishing Industry Associations in Fiji and the changes in the PNG longline industry, will need a complex and time-consuming approach to ensure clear complementarities for the purpose of national and regional long-term aspirations.

Again, fisheries administrations should 1) maintain or enable access to the required tuna industry development business skills, 2) let the transparency rule operate and 3) simply get on with their primary compliance control role and leave the private sector to develop the industry in ways that meet national and regional aspirations.

Notwithstanding these problems with local participation in the risky business of international fish trade, there are many other issues that need to be addressed at the policy and technical levels to support the three perceived advantages that might be gained for domestic longline vessels. Many of these are beyond the scope of this consultancy but nevertheless are outlined as next steps in chapter 7: *Conclusions and recommendations*.

3.6. National Longline Fisheries details

The often-presented summary details of longline fisheries in each of the countries are not included in the main text of this report. For direct reference to summary country information, please refer to Annex E. However, in the table overleaf are the most recent catch statistics for the key target species, *Albacore sp.* Following that table are the annual catch distribution patterns for 2000 and 2005.

Table 1. Albacore Catches in the South Pacific (courtesy of the South Pacific Commission)

Vessel Nation	2000	2001	2002	2003	2004	2005	2006
AMERICAN SAMOA	626	3,233	5,951	3,931	2,462	2,924	4,176
AUSTRALIA	381	591	553	490	667	743	2,428
CHINA	2,056	2,711	2,920	6,223	6,104	4,103	4,103
COOK ISLANDS		2	686	1,406	1,463	2,379	2,363
FIJI	6,065	7,971	8,026	6,881	11,290	8,901	11,031
FRENCH POLYNESIA	3,473	4,261	4,557	3,846	2,164	2,425	2,918
JAPAN	2,992	4,883	5,414	4,336	5,533	7,119	7,119
NAURU	589	2,101	3,742	1,606	1,271	2,119	1,563
NEW ZEALAND	895	1,020	1,165	1,111	1,469	1,590	1,358
PAPUA NEW GUINEA	1,344	2,614	2,545	2,971	1,248	602	501
REPUBLIC OF KOREA	159	124	142	857	1,903	2,088	2,088
SAMOA	4,067	4,820	4,224	2,231	1,233	1,264	2,113
SOLOMON ISLANDS	224	54	127	122	267	267	267
TAIWAN	10,235	12,330	12,796	14,105	13,307	11,168	10,449
TONGA	862	1,268	1,189	611	182	283	283
VANUATU		655	6,756	4,903	9,566	9,339	11,648
	33,968	48,638	60,793	55,630	60,129	57,314	64,408

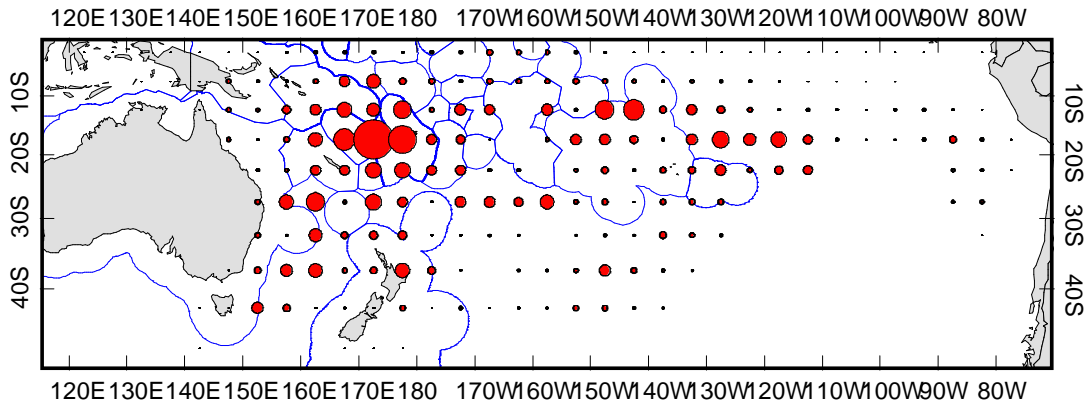
Given the sub-regional principal target focus on albacore, this table is included to show the increases in albacore catches by vessels operating under national flags with almost double catch growth over 7 years. SC-SPTBF members are highlighted. When the totals of the Island states Cook Islands, Fiji, Papua New Guinea, Samoa, Solomon Islands, Tonga, Vanuatu are summarised and compared to the total they take between 36 – 44% of the total albacore catch from the sub-region.

Albacore Catch Rate Distributions in 2000 and 2005

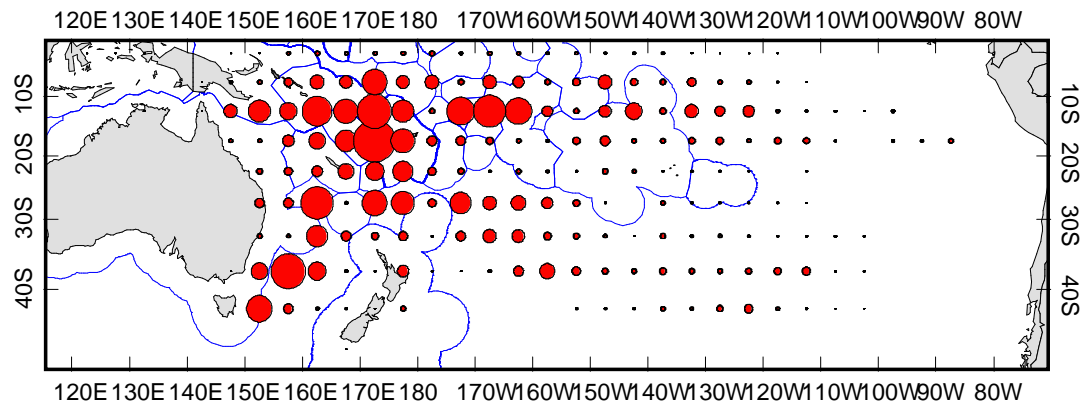
(courtesy of the SPC Oceanic Fisheries Programme.)

From these annual data maps it is clear that fish population distributions are quite different over a 6 year period, perhaps in part due to the timescale of ENSO such that fish concentrations changed, or catch rates are also due to fleet activity changes.

2000



2005



4. EXISTING MANAGEMENT ARRANGEMENTS

4.1. National Tuna Management Plans

4.1.1. Introduction

Most of the FFA member countries have in place Tuna Management and Development Plans (TMPs) in one form or another, which usually incorporate a number of common fisheries management features. These include specific fishing effort controls; through Total Allowable Catch (TAC) with effective quota controls, and/or Total Allowable Effort (TAE) with limits on fishing vessel licences. Alternatively, the TMPs have mechanisms to set and regulate these, which may include some form of industry-government consultative arrangements to agree fisheries management decision-making.

The following sections present an overview of these TMPs as they relate to this study, in particular those arrangements that have relevance to a multilateral framework. However, this is not intended to be an exhaustive catalogue of the current regulatory frameworks relevant to longline fisheries in each of the ten countries under consideration. Rather, it is intended to assist in developing a broader overview of how longline resource management is currently addressed at the national level throughout the sub-region.

4.1.2. Current longline resource management measures

As shown by the table below, 6 of the 10 countries under consideration have adopted a limit on longline vessel numbers as the method of controlling longline effort in their EEZs.

Table 2. Effort controls by 10 countries of the SC-SPTBF

Country	Date of Plan	EEZ (sq. km)	Total Tuna TAC (Mt)	TAC for Longline	Number of Longline Vessels			Vessels Licensed Active 2006	
					Allowed by Plan	Local	Foreign	Licensed	Active
Cook Islands	2004	1.83m						36	30
Fiji	2002	1.26m	15,000	15,000	90	25	65	66	
<i>Niue</i>	<i>2007</i>	<i>436,490</i>							
PNG	2000	3.12m	338,000	10,000	100	80	20	42	26
Samoa	2005	109,932	5,650	5,650				54	
Solomon Islands	1999	1.63m	95,000	15,000	120				
<i>Tokelau</i>									
<i>Tonga</i>	<i>1999</i>	<i>700,000</i>						<i>15*</i>	
<i>Tuvalu</i>	<i>2004</i>	<i>757,000</i>						<i>51*</i>	
Vanuatu	2000	680,000			100				

* = 2005 published data

The table above has been extracted from TMPs and other texts that have been developed for each country in recent years, although some are more recent than others. In countries where total Tuna TAC is reported it is divided to separate longline TAC from purse seine TAC where this is appropriate; in the above table PNG and Solomon Islands. This is clearly very general TAC outline information because the TMPs generally have not been updated and published on an annual basis, even when revised stock assessments and consequent TACs are agreed⁹.

As can be noted from the data in the table, some countries have not recently published the latest annual licensed vessel and active licensed numbers. It would be very useful if SC-SPTBF members could update the above Table 2. with numbers following their consideration of this report.

The following two boxes show the differences in reports between Tonga and Tuvalu.

Notwithstanding the above comment, the following has been extracted from August 2006, Tonga National Tuna Fishery Report (WCPFC-SC2-2006). Clearly that table indicates the growth and decline in the locally-based foreign vessels (LBFV) but gives no indication of vessel flags or ownerships.

Year	Gear	Domestic Vessels	LBFV	Total
2000	Longline	14	2	16
2001	Longline	17	2	19
2002	Longline	18	11	29
2003	Longline	13	16	29
2004	Longline	14	14	28
2005	Longline	15	0	15

Again, the 2006 Tuvalu National Tuna Fishery Report (WCPFC-SC-2006) has a table on the recent history of fishing licences, that has been extracted by Tuvalu from the SPC generated TUFMAN system, which is discussed in more detail in later section 4.6.

Table 1. Active DWFNs Fleet for Long-line Gear 2001-2005

YEAR	FIJI	JAPAN	KOREA	TAIWAN	TOTAL
2000	0	17	25	7	49
2001	0	4	77	0	81
2002	0	1	61	0	62
2003	0	0	12	7	19
2004	2	2	51	0	55
2005	1	0	42	8	51

Source: TUFMAN (Tuna Fisheries Data Management Database)

In a number of countries, some part of the available licences (as nominated under the TMP or revised according to stock assessments) may be allocated to specific groups. In Fiji, for example, the reservation of 25 longline licences to indigenous Fijians in the overall Fiji licence numbers was established 5 years ago with 65 allocated to foreign/charter vessels.

It is understood that in Solomon Islands a two-for-one weighting between large freezer and non-freezer vessels (i.e. 120 = 80 large freezer + 40 non-freezer), but only the overall number is tabulated in Table 2 above.

In many ways there is not standard way of classifying vessels and limiting their

⁹ Note: as a working document for this research, all available TMPs/TMDPs have been compiled into a single briefly indexed reference document.

numbers, which is perfectly reasonable given different country circumstances, industry developments and national aspirations. For example, the following table is extracted from the Samoa current TMP.

Table 3: Moratorium on number of vessels operating in the Samoa EEZ

<i>Category</i>	<i>Available Licenses as per 2002 Management Plan</i>	<i>Active Vessels in 2002</i>	<i>Active Vessels in 2003</i>	<i>Active Vessels in 2004</i>	Moratorium 2005 - 2009
<i>Class A: Less than and equal to 11m</i>	No limit	60	41	30	No limit
<i>Class B: Over 11m and up to 12.5m</i>	19	5	5	4	15
<i>Class C: Over 12.5m and up to 15m</i>	21	8	8	8	15
<i>Class D: Over 15m and up to 20.5m</i>	16	12	12	12	12
<i>Class E: Equal to or greater than 20.5m</i>	9	5	5	5	5

Nevertheless, it will be important under the LLF, or through other shared regional mechanisms, to make full registered/licensed/active fishing vessel datasets available to all members on a real-time basis. Regional development and fisheries management decision-making, both in the medium term and on an annual basis for the purposes of reciprocal licensing, would require compatible approaches and procedures beginning with shared information on the status of the fishing fleets, and national views on operating criteria and limits.

Further consideration of this issue is addressed in section 4.6 below.

4.2. Regional experiences in multilateral fisheries agreements

Since the establishment of the FFA Convention as an international fisheries agreement that is deposited with the UN, there have been many other South Pacific agreements and arrangements whose purposes are to institute the objectives of the Convention as and when new circumstances arise, or when Convention objectives need further support.

The following arrangements and methodologies, agreements and practices have been developed over time to further the responsibilities of sovereign ownership and principally focussed on purse seine fishing. In the following section, the objectives of the arrangements are summarised. These objectives are then subject to some analysis of their success in meeting national development objectives, and through which the terms of their intent are subject to monitoring, control and surveillance.

The big question is: *Can any of these management arrangement models be adapted and then adopted to suit the needs of arrangements that may be established under a LLF Agreement as a subsidiary/annex to the agreement?*

Although largely focussed on the northern purse seine fishery management arrangements, direct references are made below to the texts of their key intents, some of which have been appropriately adapted in the drafting of the LLF.

4.2.1. Palau Arrangement

The Palau Arrangement does not specify any objectives. According to Aqorau and Lili in their 1993 review of the Nauru Agreement¹⁰, the purpose of the Palau Arrangement is to *“limit purse seine effort in the sub-region with a view to provoking an increase in licence fees as a result of increased competition for access”*. This also implies that licence fee increases were introduced to provoke competitiveness advantage, and thus were also designed to remove DWFN vessels that could not compete on a level cost/return balance sheet because of increased fee costs.

In terms of other purposes, an implicit conservation objective is found in the preamble of the Arrangement. This identifies the need to *“ensure sustained conservation of living marine resources both within and beyond the exclusive economic zone”* and *“prevent any decrease in the size of harvested populations below those necessary to ensure their stable recruitment”*.

Preambular reference is also made to the need to *“avoid adverse impacts on the marine environment”* and to ensure that *“fishing must be carried out only on the basis of ecologically sound practices”*. This clearly refers to the modern view of fisheries management according to ecosystem approaches; and to the precautionary principals that state direct recognition of marine stewardship for the purposes of sustainable exploitation.

A requirement for the Palau Arrangement to achieve economic benefits for the Parties can also be implied from the preambular reference to the promotion of *“optimal utilisation”* and from its subsidiary nature to Article 1 of the Nauru Agreement. That Article states that Parties shall seek *“without any derogation of their respective sovereign rights, to coordinate and harmonise the management of fisheries with regard to common stocks within the Fisheries Zones, for the benefit of their peoples”*.

The Nauru Agreement, in its preamble, also recognises *“that only by co-operation in the management of Fisheries Zones may their peoples be assured of receiving the maximum benefits from such resources”*.

The subject of this derogation and of individual country responsibilities in achieving maximum benefits are also included in the draft Longline Framework at Annex D of this document.

4.2.2. FSM Arrangement (FSMA)

The objective of the FSMA is to provide preferential treatment and reciprocal access for vessels based in PNA countries to enable them to enjoy competitive advantages compared to Distant Water Fishing Nation (DWFN) vessels operating under bilateral access agreements.

Specifically, the FSMA provides the ability for eligible vessel operators to gain guaranteed access to a number of zones at an overall discounted rate and without having to negotiate multiple bilateral access agreements. This is designed to promote domestic industry development through the localisation (also referred to as domestication) of DWFN vessels.

The FSMA is not meant to be a “stand alone” instrument. Rather, it was intended to be applied in conjunction with a structured program of reductions in the availability of DWFN vessel licences under the Palau Arrangement and a corresponding increase in availability of locally based licences.

¹⁰ Aqorau, T. and P. Lili. 1993. *Review of the Nauru Agreement, Report to FFA*.

The FSMA would then provide a ‘*carrot*’ reward for localisation of DWFN purse seine vessels by providing lower access fees. At the same time a squeeze of vessel numbers allowed to be licensed under the bilateral category of the Palau Arrangement would provide the ‘*stick*’ deterrent. Such arrangements always need both the *carrot* and the *stick*, the metaphor of the ‘*encouragement*’ and the ‘*deterrence*’ to ensure those that are being lead keep to the approved pathway without punishment for diversion.

Reciprocal access under the FSMA is defined as the primary encouragement to allowing access to all the EEZs of Parties to the Arrangement, in the same manner as the US Treaty, i.e. a DWFN access equivalence but cheaper for regional partners. If the rules of the FSMA are not followed the deterrence is loss of the access, which has been assessed very recently (section 4.3.2 below) and recommendations are now under discussion for appropriate changes.

The intent of the FSMA is to provide genuine and quantifiable economic benefits to PNA countries. Qualifying criteria were developed to attempt to ensure that eligible vessels would provide such benefits. The full shape of the qualifying or eligibility criteria that are appropriate to the LLF is likely to be structured in a similar way (and generally has been included in the draft LLF) but will need significant further analysis and agreement at the time a LLF Agreement becomes an accepted negotiating text.¹¹

4.2.3. Vessel Day Scheme (VDS)

The VDS arose from a review of the Palau Arrangement (Geen, 2000) that identified a need for tighter control by PNA countries over the total amount of purse seine fishing effort in EEZs in the region from both biological and economic viewpoints.

The main features of the VDS are:

- Setting by PNA of a sub-regional total allowable number of purse seine days that controls the amount of in-zone fishing effort;
- Sub-regionally coordinated, national vessel day limits for each of the Parties;
- No restrictions on the choice by Parties of which vessels to licence on a bilateral basis, or with respect to vessel numbers;
- National fishing days would be tradable with other Parties on a periodic basis.

The VDS is intended to be both flexible in terms of allowing Parties to best meet their national interests, and capable of effectively controlling fishing effort for conservation and economic purposes. In particular, the scheme is intended to generate increased access fees by reducing the total number of in-zone fishing days in the region, thereby creating an environment in which DWFNs would have to compete more directly to acquire sufficient fishing days from Parties.

This fisheries management scheme may not be directly adopted under the LLF but some form of similar measure could be adopted to provide the basis of intent to ensure biological and economic perspectives can be managed with regional outcomes for the same objective of ‘*maximisation of economic benefits*’ for the members of the LLF.

¹¹ The history of access agreements in the South Pacific predates UNCLOS and PNA in 1982 and many will recall that the basis for these was the UN document on the Law of the Sea called the *Informal Composite Negotiating Text* (ICNT). It set in framework the general understanding; and it initiated many agreements but was replaced by UNCLOS text when all of that was agreed.

4.3. Success in meeting Development Objectives

4.3.1. Palau Arrangement

The Palau Arrangement can only deliver conservation and economic benefits if it is effective in restricting catches and fishing effort. That is, if vessel operators are permitted to exert as much fishing effort in the region as they please, subject to bilateral access agreements, then nothing will be achieved by the Arrangement. It had been realised that conservation and economic benefits could not be achieved by bilateral access agreements alone. The degree to which fishing effort and catches have been restricted as a result of the Arrangement is, therefore, a prime indicator of whether the Arrangement has been able to achieve its objectives.

The first provisional limit on the number of purse seine vessels allowed to operate in the waters of Parties was set at the Ninth Annual Meeting of PNA in Nauru in April 1990 while the Palau Arrangement was being developed. The limit was set at 164 vessels. This limit was progressively increased, with the current level of 205 vessels being reached at the Eleventh Meeting of PNA in 1992. This limit does not appear to have been based on any explicit consideration of the attainment of conservation or economic benefits.

A number of reviews of the Palau Arrangement between 1994 and 2000¹² found that the limits on vessel numbers under the Arrangement had not significantly restricted fleet size and, at best, had been only partially and temporarily restraining on the ambitions of some potential new entrants to participate in the fishery following the 10% cut in the number of bilateral licences implemented in 1997. Further planned reductions in bilateral licence numbers were not implemented to compensate for the level of fishing efficiency and power in the current fleets.

4.3.2. FSM Arrangement (FSMA)

A recent review of the FSMA¹³ indicates that *“the FSMA has resulted in only a small to moderate increase in the ‘domestication’ of vessels from ‘distant water fishing nation’ status to being locally based or domestic in PNA countries”*. For details please refer to the review directly, but in summary it notes that:

- The number of locally-based purse seine vessels has grown from 7 in 1997 to 35 in 2006;
- The level of catch by FSMA vessels has increased from 2% of the total catch in the region to over 15%, and the average catch per vessel has also increased; and
- The level of employment of PNA nationals on vessels is generally low, although there are some examples of high levels of employment.

Although the growth in FSMA vessel numbers and catches could be seen to be modest over a nine year period, it should be remembered that the FSMA was designed to work in conjunction with the Palau Arrangement.

This has not occurred, as there have been no reductions in bilateral access licences under the Palau Arrangement since 1997. In the absence of downward pressure on the availability of bilateral access licences, it is not surprising that the incentives for

¹² Kaufmann 1994, Geen & Bergin 1995, Geen 2000

¹³ Parris et al, 2007

localization provided under the FSMA have been inadequate to promote a more rapid transition of (DWFN) vessels to becoming locally based.

A range of reforms to the FSMA have been proposed, recognizing that Parties now have broader expectations with regard to the objectives of the Arrangement. In particular, some Parties now see the FSMA as being a policy tool that facilitates a broader range of local industry development, while for other Parties, without onshore investment, access fees have become the key benefit.

The four main reforms are:

- To change the objectives of the Arrangement to broaden the meaning of “*fishing operations*” to include onshore development, including processing;
- To establish a separate set of eligibility criteria for projects related to onshore processing;
- To increase licence fees to an average access fee rate for FSMA vessels operating in non-home party waters; and
- Explicitly link the FSMA and VDS and introduce a fishing days limit equal to the current “notional” allocation that would be assigned to the Parties and maintained for FSMA vessels only.

The latter reform proposal would re-establish a clear link between the level of purse seine fishing effort in zones and the desirability of operating as a locally based vessel to access the fishing days available under the FSMA. Reducing the total regional number of vessel days will increase the attractiveness of the Arrangement.

Again, this level of fisheries management experience and the need for adaptation/reform over time is an object lesson that should be incorporated in the general detail of any LLF subsidiary arrangements that may be included when the LLF Agreement is agreed.

4.4. Regional Arrangement Compatibilities with a LLF

It is clear to all concerned that the nature and scope of sub-regional arrangements that were designed specifically for the enormous surface fisheries (mainly purse seine but also pole and line) of the northern group have been a success. However, it is also recognized that formal inter-country agreements have not yet been put in place to enable a strategy for the maximization of surface tuna sovereign benefits, and that fishery domination remains with DWFNs. The SC-SPTBF will recognize that attention to the development of a Purse Seine Strategy is under way. The PSS may have direct bilateral elements of investment or corporate developments that will not be defined but will be innovative forms of development cooperation to enable maximisation of economic benefits.

Nevertheless, the clear and continuing advantages of the PNA and subsequent subsidiary agreements/arrangements is a model for gradual transitional changes that might be adopted by SC members in relation to the southern albacore fishery. At this stage no clear multi-zone access fishery for regional members is either wished for, or generally financially viable, without unacceptable disadvantages. Some of these longline industry-perceived disadvantages are mirrored in the lack of ‘domestication’ that the PNA have suffered.

Once again, a lesson learned from the big northern fisheries is that whatever arrangements are put in place they most often involve foreign-owned fishing vessels that operate within a framework of slow developments of national aspirations.

There are, however, regional understandings that the longline fisheries have different characters from the purse seine fishery, which will need to be adapted and used acceptably for long-term fishery development goals. Such goals need further definition and acceptance without losing sight of the fact that markets can be highly selective about suppliers. Markets are mostly selective about quality, volume, source and corporate attachment.

- **Quality selectivity** issues revolve around two separate elements. HACCP and Tariffs on consumer products and markets are important. On the other hand quality selectivity in relation to processing raw materials such as loining for the standard international canning trade is not so important.
- **Volume supply selectivity** relates to continuity of supply, which can only be directly guaranteed from foreign fishing vessels through joint ventures with national partners. The advantage of joint ventures with partners that have 'sunk' costs in their fishing vessels is clearly related to the benefits to national partners of offsetting capital risk. Such supply guarantees are also helped by access to other zones when resource quantities and seasonalities dictate, and national partners facilitate this via a regional arrangement.
- **Source selectivity** will be advantaged when the national/foreign partnerships are well-established in all senses, and commercial development growth stems largely from increased volumes, hence access to other zones also becomes established. The regional/national companies that have indicated their general wish to have reciprocal access are those that have the foreign-owned locally-based operating framework.
- **Corporate attachment selectivity** is a long process to establish. Business competitiveness, through best access to the resources (national and regional) coupled with best product marketing (including consumer preferences such as MSC Certification) is generally perceived as appropriate.

However, in the South Pacific, as elsewhere in the world, 'open access' fisheries that are driven by 'open commerciality' do not meet national demands to extract sovereign benefits themselves. A general and open Longline Framework to take regional development advantage of the particular circumstances of contiguous fishery zones, including specifically when there are constrained onshore facilities, will benefit mostly from circumstantial agreements that can be based on country-to-country, or company-to-country, or company-to-company bilateral access. In other words, it is clear that the LLF is not an access agreement in the classical sense; it is a facilitating framework.

Nevertheless, a LLF can generate standards that are agreed for these types of agreements. The most important of these standards is the eligibility criteria that may form a 'working' annex to the main LLF agreement text, i.e. it will be subject to alteration when clearly needed in a regional integration consensus.

Approaches to the implementation of a regional longline development strategy that meets national and regional fishing industry aspirations will be a next step that needs consideration by the SC-SPTBF. There would be an initiation phase needing considerable research by all members and further conduct of the public-private policy, management and development dialogue to once again address the issues raised in the three industry meeting and to review progress to date by members and their regional agencies.

4.5. Eligibility Criteria and their use in attaining Development Objectives

The key development objective for PNA countries in establishing the FSMA was to promote the growth of domestic industry by providing some competitive advantages for locally based purse seine vessels. To ensure that these vessels would provide real economic benefits to their host country, a set of eligibility criteria was developed that was based on a points system.

The eligibility criteria are effectively of two types:

- criteria that reflect the ownership and control of the vessel, including national equity involvement, flag of registration and fishing history; and,
- criteria that reflect the extent of local economic activity generated by the vessel, including nationals employed, local purchases, offloading, onshore investment and government revenue.

The first set of criteria has less bearing on the economic benefits derived from the operation of the vessel by the host country and has more to do with both national pride and the international requirement to conduct Flag State Control. The second set of criteria are firmly based on gaining sufficient economic benefits from the operation of the vessels to warrant their inclusion as 'locally based' under the FSMA. Achieving an appropriate balance between the various criteria and adjusting the level of the "bar" so that real locally based vessels are eligible but 'disguised' DWFN vessels are not, has been an ongoing matter of discussion and adjustment by PNA countries.

Underlying the tensions in this debate is the unevenness of the split of economic benefits derived by various PNA countries from the FSMA. Some countries such as PNG, Solomon Islands and Marshall Islands derive benefits from significant onshore investment and vessel activity, whereas countries such as Nauru and Palau that have no locally based purse seiners rely solely on access fees as they are unable to receive reciprocal licensing benefits.

The proposed reform of the FSMA is aimed at addressing this issue by setting access fees at an equivalent rate to that derived from DWFN vessels. FSMA vessels will continue to benefit from ease of access to a number of zones compared to having to negotiate a number of bilateral access agreements.

Generally, the use of eligibility criteria has been a useful mechanism for ensuring that economic benefits are generated for PNA countries. Auditing of the criteria and of their application by host countries has also provided transparency and a degree of confidence to non-host countries that the licensed vessels are operating in a manner consistent with the intent of the FSMA.

In terms of Eligibility Criteria that may be used similarly in a LLF will be the subject of close attention if Phase Two of this project is begun. At the present time it is sufficient to note that criteria will include much the same as for purse seine, i.e.

- ownership and control of the vessel (national equity involvement, flag); and
- local economic activity generated by the vessel (nationals employed, local purchases, offloading, onshore investment and government revenue).

4.6. Monitoring Control and Surveillance (MCS)

The major conclusion of this study is that the establishment of a multi-zone fishing access licensing arrangement – beyond the bilateral access agreements that already exist - would have no direct material beneficial impact on the regional domestic longline

fishery at this stage. Notwithstanding this conclusion, and recognising that a LLF may be advantageous for general acceptance and future adaptation, there may well be other immediate fisheries administration and management benefits that could be considered in further discussions on the LLF.

From a direct MCS perspective, there are significant benefits to be gained from a sub-regional arrangement that coordinates certain MCS functions and centralises information, particularly if the arrangement covers all longline vessels licensed to fish in more than one zone. FFA member countries have initiated a number of MCS related mechanisms to establish control over fishing vessels operating in the region, the most fundamental being Minimum Terms and Conditions for fishing access (MTCs).

To enforce MTCs, many initiatives have been established, including:

- National observer programmes, port sampling and inspection;
- VMS and the Niue Treaty; and
- Data management (TUFMAN) and data sharing.

Properly coordinated, these separate initiatives and activities have the capacity to provide FFA member countries with a powerful compliance toolbox. To date, however, the only initiative that can be considered completely successful is the port sampling programme. In most countries where longline vessels unload, port sampling approaches 100 percent of all landings, so that the coverage ensures statistical sampling certainties. Coupled with relatively good catch logsheet returns, compared to other world fishing regions, detailed and accurate data is available for a wide range of analyses, from general compliance control to stock assessment.

A regional or sub-regional longline management arrangement as general catered for in the draft LLF could provide the coordination necessary. The following is an overview of current MCS activities in the south-eastern FFA member countries and, where appropriate, suggestions are provided on how the situation can be improved through a regionally coordinated arrangement such as through an LLF.

4.6.1. Data Management

All fishing activity related data needs to be entered into an integrated fisheries management database (TUFMAN). TUFMAN is largely the product of SPC and is being established in FFA member countries (hardware, software and manpower development). Largely this devolution of primary data responsibility to SPC has historical and professional contingencies. In addition and in meeting its own mandate, FFA needs to further develop such components as VMS, inspection, prosecutions, sightings, regional register, vessel registers and MCS related report production, including those required to fulfil WCPFC obligations, and as a result integrate all datasets from different data sources that can generate standard MCS reports. Such reports would include warnings when limits are exceeded, or particular MTCs are flouted, or events are discovered that need concerted action, etc.

Under a regional management arrangement, all longline related data would be entered into each national TUFMAN and available to the FFA TUFMAN for integration and region wide analysis. A fully developed TUFMAN should allow analysis of all data sets to answer the basic question of what each vessel caught, when and where, and also allow for a more accurate assessment of stocks. The analytical capabilities of TUFMAN will also ensure that any anomalies such as reported catch and unloading differences are detected and acted upon.

4.6.2. Observers

No country in the region has a national longline observer program that meets the regionally accepted target of 20 percent coverage. Most countries average less than 5 percent coverage per year due to logistical problems, the lack of observers or because observers are reluctant to go to sea on longliners:

- Cook Islands has no coverage of vessels operating in the northern region that are based in the Samoas and unload in Pago Pago;
- Fiji with approximately 60 licensed vessels and 11 observers achieved less than 4 percent coverage in 2006;
- Niue has no operational observers;
- Samoa coverage is minimal due to the small size of many fishing vessels: putting an observer on board would mean taking a crew off and requiring the observer to act as crew;
- Tuvalu has been collecting Observer fees for at least the last 5 years but has not made any Observer placements partly because the vessels don't land in Funafuti.

A regionally coordinated approach could be to establish Observer Programme base stations in key ports using regionally qualified observers. Such an activity may be addressed in a general way in the LLF.

In the south-east region the key ports are Suva (Fiji), Port Vila (Vanuatu) and Pago Pago (American Samoa). Suva currently hosts 130 longline vessels of which 60 are licensed to fish in Fiji and the remaining 70 are licensed to fish in other countries including Solomon Islands, Tuvalu and Vanuatu. Flag vessels from Vanuatu and Cook Islands are also present in the fleet. Vanuatu hosts 44 vessels that fish in other FFA member country zones. Pago Pago is still the main unloading point for canning grade tuna and is the base for Korean longliners that operate in Kiribati. In the northern region, which is mainly for species other than albacore, the main port is Port Moresby, which together with Suva, Port Vila and Pago Pago, would form well-distributed key Observer Programme base stations.

4.6.3. Port Sampling

With SPC technical and financial support, national port sampling programs are successful and often attain 100 percent coverage. Port sampling reports should be entered into TUFMAN.

4.6.4. VMS

Ideally vessels should be monitored throughout their range by licensing countries and flag States so that activity including transshipment and unloading outside the jurisdiction can be monitored. Currently licensing countries only see the vessel when it is in the EEZ. There is no buffer zone and very few adjoining FFA members share VMS information. The VMS track of a vessel that has left the EEZ and entered either the high seas or the zone of a non-FFA country is not seen by the licensing country. This information is, however, captured at FFA headquarters and the only way that an FFA member can get the information is through the flag State.

The regional approach to VMS would be to allow all parties to receive VMS data on all licensed vessels and/or all vessels involved in the same fishery, throughout their range. This should include all port calls including those that occur outside the WCPFC region.

The original purpose of VMS was not only to track vessels but to also allow for the transfer of catch data electronically. An electronic catch log capability needs to be developed and integrated into the data management system. All fisheries administrations should be recipients of VMS information on licensed vessels and vessels in their zone.

Agreement on VMS information sharing for the purposes of a regional framework for the longline fisheries of concern to the Parties could be established through the LLF Agreement.

4.6.5. Joint and reciprocal surveillance and enforcement

FFA member countries have adopted the Fish Stocks Agreement and have either enshrined flag State responsibility in law or are about to. In the Cook Islands, for example, flag vessels and nationals that violate the fisheries laws of another State or the conservation and management measures of a Regional Fisheries Management Organisations (RFMO) are deemed to be in violation of the Marine Resources Act, 2005.

The US Lacey Act provisions have also been adopted making it an offence to import, export, transport, possess, buy or sell fish that has been caught in violation of the laws of another State or the conservation and management measures of an RFMO.

In terms of Niue Treaty arrangements, active surveillance operations occur on a sub-regional or bilateral basis, and they are driven largely by the Australian Defence Forces (ADF) Patrol Boat Programme. These operations generally occur on an annual basis over a two-week period and involve the establishment of several important elements, including:

- a joint operations centre;
- the appointment of authorized officers;
- analysis of shared VMS and licensing data; and
- the deployment of surface and aerial platforms.

When the ADF operation is completed, unfortunately the sharing of data stops.

While it may not be practical to maintain a joint operations centre and share assets continuously, the sharing of information - VMS, licensing, inspection and other data such as zone entry/exit reports and unloading data - should be ongoing between countries involved in the same fisheries and licensing the same vessels.

The full implementation of the Data Sharing Arrangement that FFA administers and the full development of TUFMAN would enable this sharing. A regional management arrangement, in the form of the Longline Framework Agreement, could provide for ongoing joint and reciprocal surveillance and enforcement including the sharing of information and assets between parties. Timely and accurate data analysed through TUFMAN would allow for rationalised deployment of surveillance platforms on a region-wide as opposed to national basis.

All this might be formally established under the LLF, particularly to assist national administrations to monitor their own vessels under any current bilateral access arrangements or any future reciprocal licensing arrangement. This would improve assurance between regional partner Fisheries Administrations (or enforcement

agencies) of their vessel monitoring and management capacities through timely scheduled inter-country reporting or sudden event management.

4.7. Further WCPFC issues

The FFA member participation in the new WCPFC has expanded their participation in and in coordination with other international fisheries forums with implications for a Longline Management Framework. The following is extracted from the Report of the SC Wellington meeting against Agenda Item 16.

‘..... the United States Western Pacific Regional Fishery Management Council (WPRFMC) has held a workshop on the South Pacific Albacore Longline Fisheries to promote collaboration between all south Pacific island countries and territories with an interest in the fisheries for south Pacific albacore. The purposes of the workshop have been focused on research and stock assessment activities and improved information sharing between all countries and territories involved in the fishery.

The FFC Sub-committee has been established to undertake a broad range of activities, however, its work will be particularly focused on progressing the development of refined management arrangements for south Pacific tuna and billfish species in the area below 10°S in the south Pacific.

Ideally, the two groups will continue to complement one another. However, given the potential overlap in the work of the two groups, it may be useful for the FFC Sub-committee to consider how the two groups could coordinate activities better in the future towards mutually beneficial outcomes.’

Thus, notwithstanding the general agreement to coordinate with the US council on stock assessment issues, the FFA SC alone will focus on ‘refined management arrangements’, such as the Longline Framework.

5. STAKEHOLDER ANALYSIS

This chapter focuses on the origins of this study and the reactions and responses of all stakeholder groups (private/public/regional) to the whole subject of private sector development and regional approaches to management of the longline fisheries.

Consultative processes were undertaken with the private sector, through individual enterprises and their Fishing Industry Associations, and the public sector, through government departments and their institution, the FFA.

5.1. Prior consultations

“A proposal from Mark Wilson as part of the Tonga delegation to set up an “Albacore Alliance” was discussed by interested member countries (including Aus and NZ), and relevant American and French territories. The proposal reflected a previous proposal for a subregional agreement labelled “PolyMelan” aimed at harmonious licensing arrangements for the species. The focus this time would be on creating a common interest lobby to make sure the Commission placed the appropriate level of priority on the albacore fishery. The meeting agreed to defer any further discussion for at least 12 months until the Commission had given an indication of how it intended to approach Albacore management” (HOF 2004, DDG trip report).

The regional tuna development issues have been acknowledged as needing regional attention for many years, and largely this is the origins and rationale of the FFA DevFish project.

For the purposes of this report some attention to regional arrangements that include development incentives and objectives have been presented in the previous section. It is, therefore, not useful to reiterate the intentions or discussions of the “PolyMelan” idea, which never moved forward from the mid-1990s. The issue raised by Tonga, as above, also included South Pacific territories that are not SC-SPTBF members.

To address the need for attention to fishery development issues, DevFish conducted three sub-regional tuna industry meetings in 2006. These three meetings included nine of the ten countries with which this report is concerned.

- **Polynesian Group:** industry meeting, Apia, April 5 – 7, 2006, involving Samoa, Cook Islands, Tonga and Niue. 20 issues were raised as being key to the fishing industry. Among these, identified and ranked first by Samoa, was *“Bilateral Fishing Agreements with neighbouring islands EEZ”*. While this does not specifically refer to a region-wide, multi-lateral arrangement, this is understood to be one of the reasons that this current study has been commissioned.
- **Micronesian Group:** industry meeting, Majuro, 7 - 9th November 2006. Palau, FSM, Marshall Islands, Nauru, Kiribati and Tuvalu which was the only country of current interest involved in the meeting. They raised a number of issues, urgent and non-urgent, and included in the non-urgent issues was *“a need for strategies to make Pacific Island fisheries more viable, and to make local bases more attractive to foreign vessels”*. The current study could be considered to have this goal.
- **Melanesian Group:** industry meeting, Lami, Fiji, 4 - 6th September 2006, involving Fiji, Papua New Guinea, Solomon Islands and Vanuatu. 15 priority areas for further action were identified, and ranked in approximate order of priority. Most of the areas were concerned, directly or indirectly, with improving economic returns from the tuna fishery.

The following is the list of identified 15 priority areas discussed in Fiji, which were ranked in approximate order of importance (using a scoring system). Many of these could be addressed in the broader regional strategy, and could therefore be a part of the discussions on a future longline Framework.

1. *A coordinated approach on seafood safety and sanitary issues*
2. *Sea freight and air freight services and costs*
3. ***Fuel efficiency and alternative fuels for tuna fishing vessels***
4. ***Strengthening of the Pacific Islands Tuna Industry Association (PITIA)***
5. ***Specific proposals from the tuna industry for incorporation into the Economic Partnership Agreement and Fishery Partnership Agreement negotiating process***
6. ***Development of a strong industry position on key trade issues including tariff preferences into the EU market, relaxation of the rules of origin, and new efforts to secure duty free access for canned tuna into the US market***
7. ***The high cost of regional registration and VMS for domestic vessels***
8. ***Strengthened regional efforts in Monitoring, Control and Surveillance***
9. ***Greater transparency in access agreements and vessel licensing***
10. ***Port State measures to prevent IUU fishing***
11. *Use of Carbon Monoxide in tuna products*
12. ***Crewing of vessels by Pacific Island nationals***
13. ***A coordinated approach on by-catch issues***
14. *Depredation by whales*
15. ***A possible multilateral agreement for longline access between Pacific island countries***

This was rated the lowest priority by meeting participants. Most industry participants from Fiji have made satisfactory bilateral access arrangements for their vessels, and there is currently no demand for access into neighbouring zones from other Melanesian countries. Concern was also expressed over eligibility to participate in the agreement – it could act as a backdoor for foreign owned and controlled vessels to gain access to fisheries reserved for locals.

The meeting was informed (by the FFA Secretariat), however, that there is a trend for countries to close their zones to access arrangements which may restrict domestic fleets more in future; also that there is more interest in such an arrangement in countries to the South East of the region.

The only priority area (No. 15) above includes the original comments text from the meeting document. The reason for these perceived priorities being summarised in this report is that one of them is the subject of this study. Although the issue of multi-zone access for longline vessels was identified as the lowest priority issue at that meeting the following appears to be implied in the text. At that 3rd meeting when the scale of discussions was clearly broadened, the '*trend for countries to close their zones*' and the clear identification of the Polynesian countries showing '*interest in such an arrangement*' was introduced by FFA and recognised in the accepted Report of the Meeting.

Notwithstanding its low priority a general Longline Framework Agreement would or could be more than just access and might be structured in a way that addresses most of these industry priority concerns as highlighted in bold above.

Overall, from the reported outcomes of the three meetings, it does not appear that multi-zone access for regional longline vessels, administered regionally, is a high priority issue

for industry, although it was included at the bottom of the above 15. The current views of Samoa, who advocated a study of this matter, are set out in Section 5.2.5 below.

5.2. Industry

5.2.1. Individual enterprises

The multi-zone access arrangement was discussed with representatives of some 21 individual regional longline companies during the course of this consultancy (Cook Islands 4, Fiji 4, Niue 1, Papua New Guinea 3, Samoa 4, and Tonga 5).

During these discussions with individual domestic longline enterprises it became clear that the enterprises fall into two distinct 'camps', (Camp 1: locally-owned and Camp 2: locally-based, foreign-owned). Each 'camp' is prescribed primarily by their vessel ownership, the nature of their joint venture foreign/local partnerships, with quite different positions on the subject of multi-zone access.

A third 'camp' or vessel category, discussed at the end of this section, are locally-based, foreign-owned, distant-water vessels that fish exclusively outside the EEZ of the host country in which they are based. In the case of the countries concerned in this report, perhaps the only countries having vessels in this category are Fiji (70 vessels in 2006) and Vanuatu (44 vessels). As will be seen, these vessels, while having the least economic impact on the host-country economies, are likely to be the greatest beneficiaries of a multi-zone access proposal.

5.2.2. Domestic fresh chilled vessels

The first group of domestic vessels consists of predominantly wholly locally-owned enterprises, often long established, who have struggled through the recent period of poor catches, high costs and the downturn in market returns. All of these companies operate relatively small (less than 25 m.) longliners who store their catch fresh, chilled. These vessels' maximum trip duration, storage capacity and transit costs mitigate quite clearly on operational and cost grounds against trips outside of their own host-country EEZ.

Notwithstanding this general finding in relation to financial attitudes of 'southern' longline domestic companies, there is an object lesson in Micronesia where one company has bases in Marshalls, FSM and Palau which enable its small, fresh-chilled fishing vessels to move between these zones and land their catches at convenient handling bases for air freight out of any of these ports (as well as Davao in the Philippines). The focus of this object lesson is the bigeye/yellowfin targeting that is successful in Micronesia where bases have convenient and in some cases direct air connections with the Japanese sashimi market. These advantages (species and close markets) are not paralleled in the southern group

In essence, then, there are southern domestic longline operators who are solid and experienced, and who often own or control a significant proportion of the local longline catching capacity. They have the markets for their targeted species, then manage the landings, handling and export of high quality product. At this stage, these operators can see no value in the multi-zone access proposal since they would not be in a position to utilise it.

Conversely, however, being risk averse they oppose any such arrangement that might introduce opportunities that might result in adverse consequences to their operations. It is not necessary, when viewed through the eyes of these companies, to actually identify

what these adverse consequences might be. However, competition on resource exploitation resulting in local depletion, abuse of the arrangement through loopholes, and infrastructure crowding are issues that were always raised.

It is enough simply to state clearly that, under current circumstances, the domestic fresh chilled class of operation can see no benefit of multi-zone access competition, but even if put in place and not used by them they might be exposed to additional costs and their businesses further jeopardised.

5.2.3. Domestic freezer vessels

These operations are usually foreign-owned and controlled, and locally-licensed through the medium of a local company. They employ, most often by charter, large vessels capable of carrying out trips with a duration of a month or more and storing catch of a hundred tonnes or more, frozen on board. In this, they have a very different capability compared to the fresh chilled vessels described above.

Because of these differences, unlike the fresh chilled boats, the freezer vessels are able to viably extend their voyages outside the host country zone and into neighbouring EEZs. This is already happening, with some companies having company to government access agreements signed and in operation, e.g. Suva-based foreign-owned company operating under access agreement in Vanuatu.

To comply with eligibility criteria for classification as locally-owned, these vessels are frequently operated through local companies. The scale of the investment required is too great for sole ownership by these local companies and this has meant that significant foreign interests are involved in all domestically-based longline freezer vessels operating in the subject countries.

Not all of this category of vessel are Asian-owned, as might be assumed – for example, as noted in Section 1.4.3, the Reef Shipping vessels fishing into the new processing plant on Niue are also accurately described as foreign-owned (NZ), locally-based freezer vessels.

In summary, this second class of operation, the large domestic freezers, with the operational capacity to fish outside the host country EEZ on a commercial basis, would be able to benefit from multi-zone access. This positive view on a LLF is reflected in the comments from representatives of such companies. They see positive benefits, unlike their industry counterparts with fresh chilled vessels who see no benefits and suspect additional costs. However, it should be recorded, as noted elsewhere, that these operators also comment that they already enjoy ready access to ex-host country zones, and as a consequence do not stress any urgency or operational necessity in implementing the proposed multi-zone access arrangements.

5.2.4. Locally-based freezer vessels operating ex-host country zone

This is the third class of longline operations. These vessels have a similar size and operational model to the domestic freezer vessels, except that they are not licensed to fish in the host country EEZ. Because they are not licensed to fish in the host country zone, they do not need to comply with local ownership requirements, and are, therefore, exclusively foreign-owned.

An example of this mode of operation is the China National Fisheries Corporation operating from Suva as a base, but with vessels that fish exclusively outside the Fiji zone, under licence in other country's EEZs.

As noted above, this category of operation is by far the most active in the utilization of multi-zone EEZ access, particularly outside the host country EEZ, and it can be supposed that such vessels would be the principal beneficiary of any regional multi-zone access agreement for longline vessels.

If a Longline Framework was agreed, to avoid a loophole in relation to foreign access under this category of operations, there would need to be very strict ownership eligibility criteria. This would require significant evidence-based financial scrutiny to ensure that this form of reciprocal access was not what local industry have long feared, a backdoor for DWFNs at the expense of national aspirations.

5.2.5. Fishing Industry Associations (FIAs)

Of the ten countries considered in this report, five have active FIAs concerned with the offshore tuna fishery, including the domestic longline tuna fishery. These are the Cook Islands, Fiji, Papua New Guinea, Samoa and Tonga. There is also the Pacific Islands Tuna Industry Association (PITIA), acting as the umbrella body for national FIAs, formed in 2004.

Direct meetings were held with representatives of all five of the national FIAs, and also via telephone and a personal meeting with the PITIA Chair, James Movick.

Cook Islands

Responses from officials of the Cook Islands Tuna Industry Association to the draft of the proposed LLF Agreement were unequivocal in that the local longline industry participants were not supportive of it. These participants fish the southern Cooks using their own vessels and not targeting albacore for export to Pago Pago. That clear position had been endorsed by industry meetings in Rarotonga.

However, the operators of the demise charter vessels operating in the northern Cook Islands fishery are landing directly to the Pago Pago canneries, the basis and position of which in the South Pacific fisheries economy are referred to extensively in Annex E: National longline fisheries. These operators could see value in such a LLF proposal, as it would allow their vessels, if eligible and duly licensed, to extend their operations into adjacent EEZs. For example, their initial focus would be the Kiribati EEZ surrounding the Line Islands which is contiguous with the northern Cooks. Of course, this positive assumption of theirs would depend on Kiribati becoming a participating country.

Fiji

There are two relevant FIAs active in Fiji. The Fiji Tuna Boat Owners Association (FTBOA) provided a written response that clearly indicated that the FTBOA did not support the proposal. On the first question, as to the benefits to Fiji, they stated that the Association was *"somewhat surprised that this Consultancy has been initiated in the first place and question the necessity for it at this time"*. There was, in their view *"no purpose in Fiji being included in the list of participating countries accepting that the "cap" on longline fishing access into our EEZ has already been reached"*. And *"Fijian companies requiring access into neighbouring EEZs already have appropriate commercial arrangements in place and have done so for many years"*.

The FTBOA was equally negative on the desirability of introducing new arrangements that would require existing and future commercial access arrangements to be centrally administered – *"We do not consider there is a need for a FFA Secretariat to manage such arrangements and would, in any case, be concerned at the likely cost"*.

The second FIA in Fiji, the Fiji Offshore Fisheries Association (*FOFA*) took a different position, reflecting, no doubt, their membership which includes local companies in joint venture or partnership arrangements with foreign-owned fishing companies operating freezer vessels in Fiji, or based in Fiji and operating in adjacent EEZs. *FOFA* felt that the proposed arrangement would be of assistance to its members who, at present, seek access to adjacent zones on an “as required” basis, and for short durations. However, *FOFA* also noted that such arrangements with, particularly, Vanuatu and the Solomon Islands, were conducted simply and currently required very little administrative effort.

Papua New Guinea

The Fishing Industry Association (PNG) Inc. is the industry representative body in Papua New Guinea. The Association responded to the two basic aspects of the proposal, as follows;

With regard to what benefits there might be as perceived by the local industry:

- *“There appears strong opposition to access to and into [neighbouring] zones. It serves no benefit, and if access to another zone was desired then bilateral access exists ... underpinning this are high fuel costs making such sorties unlikely ...*
- *the likelihood of larger freezer boats from foreign Asian fleets using another party to gain access [is another concern].”*

With respect to the most appropriate administrative arrangement to achieve multi-zone access if this is required, the Association ranked as follows:

- *First choice would be the continuation of the current situation, where access was negotiated by industry or the PNG National Fisheries Authority on a bilateral basis; or*
- *Second choice would be the “soft” agreement where access continued to be negotiated bilaterally, but within a FFA administered framework.*
- *Third and least popular choice was the proposal as originally conceived, namely a region-wide multilateral access agreement.*

Samoa

There are two FIAs in Samoa. The first, the Samoa Fish Exporters Association (*SFEA*), represents members with commercial scale vessels (defined by the Samoa Fisheries Division as over 12.5 m.). The *SFEA* held a meeting of members and officials to consider the multi-access proposal, and communicated the outcomes to the consultants.

On the benefits to *SFEA* members of the proposed arrangements, the Association saw immediate difficulties with any reciprocal access. Currently, there is a moratorium on additional commercial longliners fishing in the Samoa zone, and, in any case, additional effort would not be welcomed by industry due to continued uncertainty on stock status. So, while Samoa longliners might welcome access to adjacent zones (as is presently achieved on a commercial basis, with, for example, Tokelau), there could not be any reciprocal access by other regional vessels to the Samoan EEZ.

In relation to administrative arrangements, the *SFEA* was strongly in favour of the maintenance of the existing situation, where national interests can be accommodated within a framework of bilateral negotiation with neighbouring countries.

The second FIA in Samoa, the *Tautai Association*, represents the interest of the domestic small scale (alia) longline fishery. In a meeting with the President of this FIA, strong opposition to the proposal was voiced.

Tonga

The Tonga Export Fisheries Association (*TEFA*) is the relevant FIA in Tonga. *TEFA* has indicated that they would consider a sub-regional longline access arrangement to be beneficial, and favour the application of a loose “umbrella” agreement such as is illustrated in Annex D. herein.

5.2.6. Pacific Islands Tuna Industry Association (PITIA)

Within the Articles of Incorporation of PITIA a clear statement of intent of this recently established organisation is in *Article IV. Purposes and powers*, box below.

Article IV. Purposes and powers

The purposes for which the Association is organized are:

1. To provide a united voice for the domestic tuna fishing and associated industries in the Pacific Island Forum nations and territories.
2. To facilitate and encourage the promotion of the economically and biologically sustainable use of tuna and tuna-related resources by domestic tuna fishing and associated industries in the Pacific Islands region.
3. To undertake, coordinate and promote liaison and negotiations with national, regional and international bodies and other entities having an interest in or an effect on the fishing or associated industries of the Pacific Island Forum nations and territories.
4. To represent the interests and views of the Association members, and the commercial tuna industry generally, in all matters of governmental policy relevant to commercial tuna and other fishing operations and businesses in the Pacific Islands region; and to represent the common viewpoints of members and to bring forward and promote those viewpoints in appropriate national (through national tuna industry associations), regional and multilateral forums;
5. To provide a responsible and representative body through which governments and other organizations may obtain the views and participation of the Pacific Islands tuna industry.
6. To receive and accept contributions and grants from any person, firm, association or corporation, or any municipality, body politic, or governmental agency or authority.
7. To conduct, coordinate and participate in consultancies, studies and reviews on issues and activities relevant to the tuna industry.
8. To prepare and disseminate informational material on issues and activities relevant to the Pacific Islands tuna industry in the Pacific Islands region.
9. To promote transparency and good governance in the fishing industry;
10. To adopt an advocacy role on behalf of members on agreed issues of concern;
11. To promote economic cooperation between domestic tuna industries;
12. To provide assistance to national fisheries organizations, and where none exist in a country, to assist with their establishment;
13. To disseminate information to members on matters of interest, via various means, including a website;
14. To undertake industry promotion, e.g. through assisting in the marketing and branding of tuna and tuna-related products and the establishment of industry standards and protocols where appropriate;
15. To promote the excellence of Pacific Island tuna products;
16. To seek to have members' interests and views on regional and Commission standards and guidelines incorporated in existing and new legislation and regulations;
17. To increase the economic and social profile of domestic tuna fisheries, such as demonstrating their economic value to national economies;
18. To promote the positive aspects of tuna fishing, including efforts to reduce impacts on sustainability and the environment, and to work with NGOs on issues such as environmental certification;
19. To promote effective compliance regimes and the reduction of Illegal, Unlicensed and Unregulated vessels; and
20. To organize and undertake training for and on behalf of the Members and any Association staff, and
21. To undertake any and all other activities as deemed appropriate and related to any of the above.

It should be clear from the above that PITIA is well-intentioned to offer a very general regional consolidation of industry interests, particularly through its regional representation of national Fishing Industry Associations.

In recent discussions with the Chair, Mr James Movick, he emphasised that the objectives of the *Purposes and Powers* are both representational and practical, from the highest policy levels, to product development and promotion, down to very general public awareness.

In a general sense, Mr Movick concurs with some future possibility of a PNA-like Longline Framework, which in the early stages has particular relevance to the albacore fishery. However, following early stages he believes that it may be generally extended to include all forms of targeted longline fisheries that are conducted by the domestic fishing fleets of the region, from north to south and west to east.

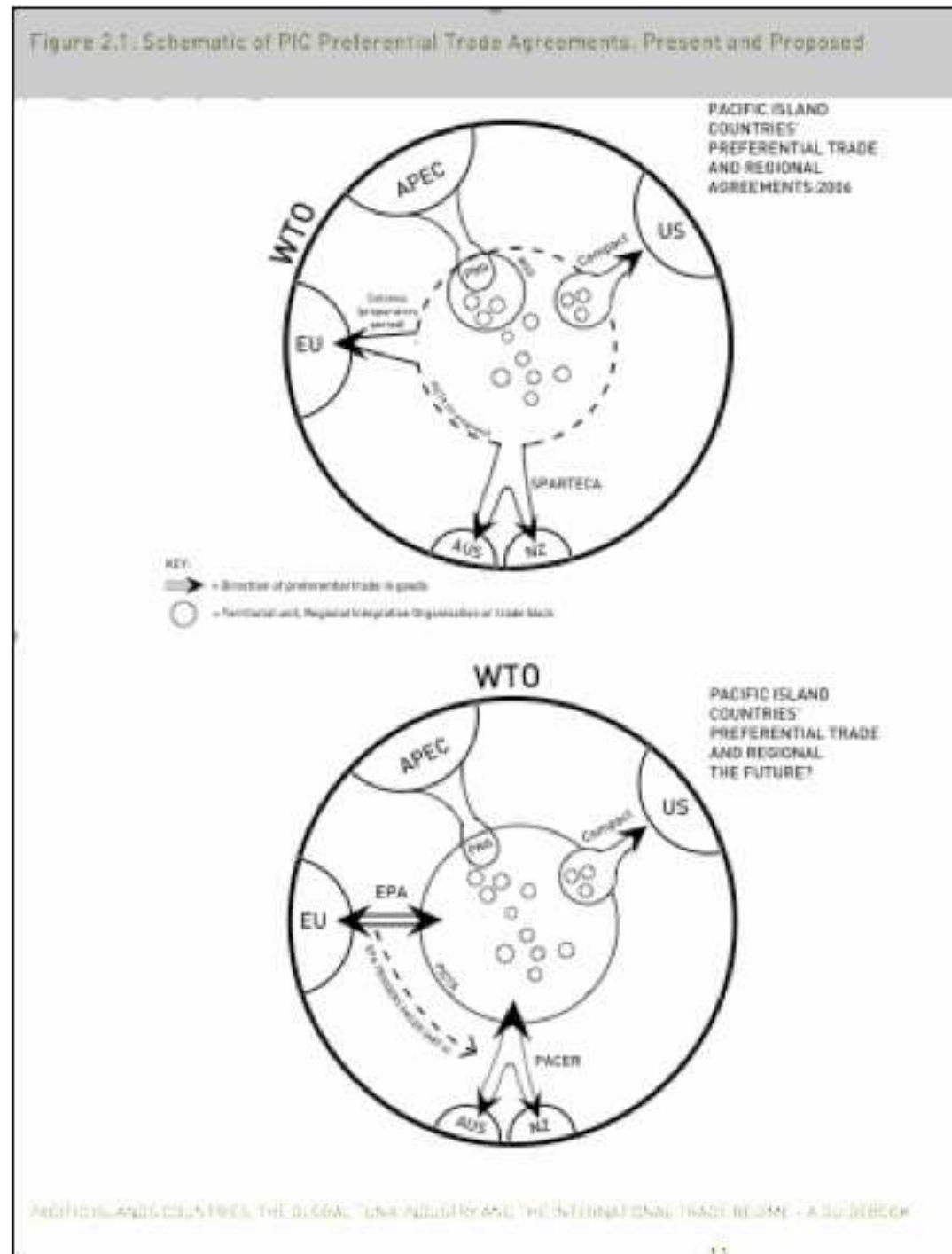
Of particular note and following that 'northern' view, the recommended open extension of any LLF to all territories within the region includes France-associated departments and other dependent territories – New Caledonia, Wallis & Futuna, French Polynesia, American Samoa and Pitcairn (UK). As the private sectors in each country develop over time, on their own or in business collaboration with other genuine regional fishing companies, PITIA can coordinate further FIA developments, plus shared technical, managerial and marketing skills at a regional level without governmental dependency. However, there is one exception at the moment, which is the specific issue of ACP/EU trade relations. The currency of that issue is also only part of the overall trade issue.

The complex issue of what the industry's concerns are on Trade Relations are mentioned as:

- Priority 6 in the 15 key priorities of the Melanesian Group meeting; and
- Paragraphs 14 and 15 in the PITIA *Article IV: Purposes and Powers* is receiving focussed attention.

The overall trade issue has been well addressed in the *FFA GuideBook: Pacific Island Countries the Global Tuna Industry and the International Trade Regime*, April 2007. For the purposes of this report a key graphic from the Guidebook is included overleaf.

In addition to this aspect of trade relations, and as recognised by the SC-SPTBF following the Marine Stewardship Certification paper delivered at the last committee meeting, there is also the issue of rising product value in global markets from such recognition. It is understood that some regional companies will wish to incorporate this 'label value' in their export products and have entered discussion about how this can be done. It could be incorporated in some form in the very general Longline Framework, as and when that is demonstrated as a recognised regional economic benefit.



5.3. Government

The proposal for a general Longline Framework was drafted as a first attempt and distributed to all private and public stakeholders. In so doing it was directly discussed with representatives of fisheries administrations from each of the ten countries. Direct discussions were held with the Cook Islands, Fiji, Papua New Guinea, Samoa and Tonga. Phone or email contact was made with Niue, Solomon Islands, Tokelau, Tuvalu, and Vanuatu. In some countries it was subject to email contact and interaction.

In general, government fisheries administrations and other potentially affected government agencies adopted a supportive stance to the positions taken by their domestic industries.

Some concern was expressed that broader interests be accommodated in any agreed arrangement and in particular, the commercially viable and sustainable exploitation (the effective prosecution) of the sub 20° south latitude albacore resource.

This concern relates to a conservation and management measure adopted by the Western and Central Pacific Fisheries Commission (WCPFC) for south Pacific albacore. The measure limits the numbers of vessels fishing for south Pacific albacore in the Convention Area south of 20°S for each WCPFC Member, Cooperating Non-Member and participating Territory (CCMs) to current (2005) levels or recent historical (2000-2004) levels. Small Island Developing States and Territories are exempt from this measure to the extent that they *“pursue a responsible level of development of their fisheries for South Pacific albacore”*.

There are a number of issues arising from this conservation and management measure that potentially impact on the countries considered in this report, although it can be noted that only five of the ten countries (Vanuatu, Fiji, Niue, Tonga and the Cook Islands), have EEZs that extend below 20°S.

Nonetheless, this measure offers a potentially significant opportunity for vessels based in countries adjacent to the sub-20°S albacore resource, and it might be that the proposed multi-zone access would be of assistance. Certainly, effective prosecution of this resource would have to be via large freezer vessels, which have been shown to be advantaged by such an arrangement in other sub-regional longline fisheries. Such advantage may be initially regarded as sustainable but undertaken in ways that disadvantage national vessels.

5.4. Summary

The weight of stakeholder opinion towards the proposed Longline Framework Agreement is clearly divided between the two main classes of operation adopted by the sub-regional longline fleet.

The operators of smaller, fresh chilled fish vessels, which tend to be locally-owned, oppose the proposal since it is seen as being of little value to this class of operator, and is perceived as carrying the risk of adverse consequences, if implemented.

Conversely, the operators of larger freezer vessels, which are predominantly foreign-owned, support the proposal, as it would facilitate their mode of operation, which encompasses a number of adjacent EEZs in addition to the host country EEZ.

FIA opinions typically reflect the views of the fresh chilled vessel operators in opposing the establishment of a new regional agreement that focuses on tuna longline and would need to be Administered by FFA. From a very similar perspective this position is also generally support by their governments.

6. FRAMEWORK OPTIONS

6.1. Alternative options

As noted in the introductory sections of this report, the desirability of designing and implementing a sub-regional multi-zone access agreement for domestic longline vessels can be divided into two parts and hence two questions:

- **Q1.** *Would such an arrangement offer net benefits?; and*
- **Q2.** *If so, what would be the best administrative arrangements to achieve this?*

Following the full Consultative Process it has become clear that there appear to be three options in terms of alternative arrangements that could be used to achieve the goal of allowing regional domestic vessels access to multiple zones, as set out below.

(Note: At Annex F there is a brief reference to the current situation in the Caribbean, and the possibility of whether what is developing there can be used as a possible alternative option, as requested in the Terms of Reference section on Methodology.)

6.1.1. The status quo

This common phrase means to keep the access management circumstances and administrative requirements exactly as they are now, because in the current situations they already work well against the divergent needs and agreements of the different operational models that occur in most countries. PNG is different from Cook Islands which is different from Fiji, which is different from Niue, which is different from Tuvalu, etc.

It is also worth making the point that circumstances may change as countries try to localise their fisheries. Cook Islands and Niue used to licence foreign access vessels and now do not;

Vanuatu plans to make all longliners land to their new processing plant in the longer term;

Tuvalu would like to facilitate a commercial concern to buy and operate a longline vessel to fish in its own waters but to take advantage of its relationship with Fiji industries to land and sell or export from there and to possibly have reciprocal fishing access in Fiji water during its contiguous zone operations. etc.

Therefore, the status quo is to drop the concept of multi-zone access as a primary rationale for the LLF and remain with existing bilateral access agreements.

Nevertheless, as a result of this study there will be two outcomes:

- The consideration of the wide range of LLF possibilities when recognising that a general approach to *'fisheries of mutual/common interest'* is a general regional consensus; and
- This may set the stage for later inclusion in agreed regional relationships, move slowly towards the two-tier agreement below.

6.1.2. A two tier agreement

This form of regional consensus would introduce a longline framework that places no new obligations on signatories, but forms an umbrella under which all bilateral/trilateral

agreements or other company-country agreements, etc. could be reached between neighbouring countries in ways that meet their own individual 'contracting requirements', but which, if mutually agreeable, is managed through a central Administrator, e.g. FFA.

Effectively this option offers a transparent approach, and it effectively can be used to delegate the overall responsibilities to FFA to manage bilateral access agreements on behalf of one of the signatories. Note that the draft LLF already contains articles that open the possibility for each signatory to request Administration nomination and to allow for individual withdrawal of administration delegation by individual members.

6.1.3. A comprehensive LLF Agreement

The original concept prepared in a general LLF entitled ***The Framework Agreement Concerning Cooperation in the Management of Longline Fisheries of Common Interest*** (Attachment D) will require significant further consideration and, given current stakeholder attitudes, may require a lot of compromise.

Directly concerning the issue of Reciprocal Licensing this has not been supported by the countries or the industries polled so far. Nevertheless, there may be some aspects beyond the licensing issue in which countries may see regional coordination advantages, in particular many of the 15 priority items presented in section 5.1.

6.2. MCS considerations

Whatever licensing option is decided upon, there are clear advantages for the establishment of a regional longline arrangement that includes cooperation and coordination in MCS. Significantly, a formal arrangement will force parties to focus on fulfilling agreed requirements to properly manage the fishery on a regional basis.

This will entail dedicated coordination at FFA and will require the full development and integration of existing MCS related mechanisms including TUFMAN, VMS and the Niue Treaty.

In addition, as a group, the longline arrangement parties will be better able to direct FFA to develop and coordinate new initiatives such as a regional longline observer program based at major ports in Vanuatu and Fiji with links to American Samoa. The exploration and joint use of new monitoring technologies and operational systems at lower costs could also be initiated.

6.3. Fisheries Management Cooperation

Given the establishment of the West and Central Pacific Fisheries Commission and its mandate to formalise commission management measures that are compulsory to all member states, it is necessary for the some FFA members to cooperate when they have specific shared responsibilities across the range of particular fisheries. The albacore fishery of the southern group is one of these fisheries and is the principal species mandate of the SC-SPTBF, although bigeye, yellowfin and other species, including a range of non-targeted by-catch species are included.

This cooperation has been partially institutionalised within the FFA through the conduct of Management Options Workshops (MOW) prior to collective agreements on responses to advance notices of submissions on proposed management resolutions that will be discussed and agreed at the annual Commission meetings. In addition to responses to any non-FFA submissions, there is a need to cooperate for the preparation of SC-SPTBF submissions to the Commission.

Notwithstanding the ocean-wide scale of the commission and its membership by DWFNs with continued interests in the fisheries of the island states, the range of the fishery of the southern group is also interspersed with territories that are non-FFA members.

It is appropriate, then, that the LLF also institutionalises approaches to collective fisheries management cooperation that would include the following:

- Rational and agreed submissions on appropriate fishery management measures to the decision-making processes of the West and Central Pacific Fisheries Commission;
- Coordination of decision-making on limits on and opportunities for fishing licensing arrangements that facilitate the amendment and continuity of national fisheries management and development plans;
- Agreement between the Parties on the form, structure and expected outcomes that may be derived from subsidiary fisheries management arrangements that will directly facilitate transitions from foreign access to domestic fishing industry developments that meet national and regional aspirations.

The results of such fisheries management cooperation will also enable a simplified and well-founded dialogue with other southern territories to ensure collective decision-making that satisfies the aspirations of all the southern South Pacific states involved in the albacore fishery.

6.4. Summary of current fisheries management in the Caribbean

The fisheries management arrangements of the Caribbean are beginning to mature far behind the South Pacific for many reasons, the most important of which are its small size, its complex international political relationships, and its poor fish stocks. Nevertheless, it is part of the whole ACP EU relationship and has very close institutional, governance and geographic linkages with Europe. This means that the Caribbean's future is closely tied to the further development of the Economic Partnership Agreements just like is happening in the South Pacific.

The current situation in the Caribbean is outlined in Annex F. In summary, there are no current lessons to be learned from the institutional or agreement developments in the Caribbean. This may change over time, but it is emphasized now that comparative attempts in other regions are not useful in the establishment of a Longline Framework.

As can be seen in Annex F, their actual future objective is the establishment of a Caribbean Single Market Economy. Through that a simple Common Fisheries Policy (CFP) will be a part, and that would copy the European Union's Common Fisheries Policy which directly offers Union members shared access. Arranging simple shared access, like happens in the small scale of European and Caribbean Seas, and across the enormous geographic scale and economic and cultural diversity in the Pacific is neither feasible nor within the mandate of the WCPFC.

The concept of the New Regionalism in the South Pacific may mean that a new approach to a Common Fisheries Policy and Regime may wish to adopt examples of such issues in another ACP region, but there are no similar places or Regional Fisheries Management Organisations (RFMOs) that can offer an advantageous model.

7. CONCLUSIONS AND RECOMMENDATIONS

7.1. Conclusions

This report concludes that there is little prospect that the introduction of a longline multi-zone access agreement would have a material beneficial impact on the regional domestic longline fishery. On the contrary, such an agreement would favour foreign-owned boats, very likely at the expense of locally-owned operations.

The reasons for this conclusion are largely drawn from responses of the industry stakeholders and the conservative attitudes of their fisheries administrations, which have worked with the licensing systems in place and have been directly involved one way or another during the periods when fishing company failures occurred.

These attitudes and conclusions imply a complete dissatisfaction with any change that might be implied by a formal LLF for multi-zone access.

Reflecting these general understandings, the general findings and conclusions based on wide Stakeholder Consultations are:

- Few of the domestic, locally-owned vessels currently in service would have the operational capacity to make significant use of such a multi-zone access agreement unless they become more mobile and have the capability and crew certification to reach other ports.
- In any case, those locally-based vessels that could benefit, predominantly foreign-owned freezer vessels, can use current access arrangements which already allow for EEZ access outside the host-country EEZ.
- It is argued that industry failures are more appropriately attributed to management shortcomings than technical difficulties, and therefore changes directed at technical aspects, such as the current proposal, are likely to be ineffective.
- The weight of industry stakeholder opinion, whose views are generally supported by government stakeholders, is against the proposal, and they favour the status quo.

Notwithstanding these general conclusions, there are many elements of the general Longline Framework Agreement that reflect the SC-SPTBF member expectations about improved regional coordination and institutional responsiveness that support the general notion of ***‘fisheries of common interest’***.

These elements include, among many other things, activities in support of the following three aspects of the TOR against which are posed some elements to initiate changes.

Scope of changes - TOR	Elements to initiate changes
<i>“(i) to access productive fishing grounds;</i>	<p>Policy changes to provide for EEZ licensing:</p> <ul style="list-style-type: none"> • Some foreign exclusions from home EEZ to enable reciprocal licences to be eligibly offered when allowable licences become available. • Some inclusions of vessels (within appropriate licence limits) that meet the same reciprocal eligibility criteria.
<i>(ii) to use efficient ports with good infrastructure and communications; and</i>	<ul style="list-style-type: none"> • Training to ensure foreign port access certification by home party fishing masters. • Port State Standards & Requirements are fully implemented. • Port infrastructure is developed and port use practice well enabled to encourage many vessel operations, including bunkering, offloading, crew change, etc.
<i>(iii) to recruit crew from countries (preferably within the region) which can provide skilled seamen at competitive wage rates.”</i>	<ul style="list-style-type: none"> • Regional Seaman's Standards and logbooks are established along with • Regional Fishermen's Recruitment Agent standards.

7.2. Recommendations

It is recommended that no further action beyond what is reported here should be undertaken at this time. SC-SPTBF member stakeholders are asked to make a further progress decision. That decision will focus on instructing the consultants on further progress with the content and format of the draft in Annex F.

Concurrently with that work the consultants will address all administrative issues associated with it, and proceed to complete the TOR as described. Effectively that means the Implementation Arrangements on which the analysis and findings will be included in chapter 8 overleaf.

8. IMPLEMENTATION ARRANGEMENTS

8.1. Implementation

Preparations on Phase Two will only be undertaken if advice is received by the consultants from FFA that the decision has been taken to proceed with the activities required.

There will be many separate sections required under the Implementation Arrangements, the scope of which shall be agreed with FFA in advance of their detailed preparation.

8.2. Future Directions

There is a clear conservation need with respect to the tuna and billfish that are caught in the sub-region under consideration. Fisheries management responses to these population concerns were established as Conservation & Management Measures (CMMs) with implementation and expiry dates.

The nature of the fishery, and the stock (hence fishery) distribution circumstances of oceanographic change and localised exploitation, requires close attention to management mechanisms that support the CMMs now and in the future. In addition to the general stock conservation approaches there is also a need to combine sovereign use and full domestic development elements within the shape of the CMM. The CMMs need to be agreed at the next WCPFC and constructed in a way that ensures 1) sustainability by catch limits on all sides while at the same time contains 2) member PIC industry development priorities in a rational manner.

Alternative CMMs should be developed along with the institutional arrangements required to facilitate them according to the above criteria. It may be that when such management arrangements are agreed by all members attention may be drawn as appropriate to an initial introduction of the Longline Framework Agreement. Direct reference to this fisheries management issue in a general way was made in the draft LLF Agreement (Annex D) articles:

- Article VI - Fisheries Management Cooperation
- Article VII – Catch and Licence Allocations

Annex A: Terms of Reference

DEVFISH SHORT-TERM CONSULTANCY - TERMS OF REFERENCE

A sub-regional management framework for south Pacific longline fisheries

Introduction

At the Tuna Industry Workshop held in Apia, Samoa, in April 2006, participants from several countries requested FFA to look again at the opportunities for developing a sub-regional access arrangement for Pacific Island longline vessels. A major impetus for this has been the prolonged period of low catch rates in the South and East of the region due to oceanographic conditions, suggesting that the longline fleet needs to be more mobile. Foreign fleets have this mobility, with access to a number of fishing areas covered under access agreements that have been negotiated, and often subsidized, by their Governments.

It has also become clear that locally based vessels are struggling, not only because they lack access to productive fishing areas, but also because they face operational difficulties and higher costs as a result of being based in small and remote islands. As in other areas of international trade, the fragmented Pacific Island economies have difficulty in competing on the world stage. Greater regional integration in the fishing industry will help to overcome these difficulties, giving Pacific Island vessels the ability:

- (i) to access productive fishing grounds;
- (ii) to use efficient ports with good infrastructure and communications; and
- (iii) to recruit crew from countries (preferably within the region) which can provide skilled seamen at competitive wage rates.

Improved regional access arrangements will secure the first of these three requirements. The main challenge is to ensure that any regional arrangements meet the national aspirations of participating countries. A proposed study of such a sub-regional management framework was discussed by Government officials at the last meeting of the South Pacific Tuna and Billfish Fisheries Sub-Committee. These terms of reference were considered, and approved after making some additions.

Background

The possibility of allowing some form of reciprocal access arrangement for longline vessels of Pacific Islands was raised in the Forum Fisheries Committee several years ago. The idea has never made much progress, perhaps because the countries with the most developed fisheries would have benefited from access to neighbouring and less heavily exploited EEZs, but these neighbouring countries seemed likely to get little in return. This situation is changing as most countries now have some form of locally based longline fishery, but nearly all face constraints imposed by the fisheries resources, facilities, and economic environment to which they have access as national fleets. Since the original proposals, fishing effort from Fiji based longliners has extended into the Vanuatu, Solomon Islands and Tuvalu EEZs, under licensing arrangements; while the Samoan and Tongan fleets are actively seeking access to new fishing areas. At the same time, it has become increasingly clear that some of the smaller island countries – although often rich in fisheries resources - face great difficulty in providing a base for any sort of commercial tuna longlining operation. Some countries have also closed their zones to foreign longliners, to try to promote domestic development, thus restricting the possibility of access arrangements.

Advantages of Multilateral Access

Guaranteed access to resources

Although not originally envisaged, the two regional purse-seine arrangements have effectively provided guaranteed access to the resource. As fishing effort under bilateral agreements comes under increasing controls through the Vessel Day Scheme, the US and FSM arrangement vessels are given priority. It is likely that a regional arrangement for longline vessels would also give access to EEZs from which foreign access vessels will increasingly find themselves excluded. Security and exclusivity of access has proved to be a powerful incentive for investment and development of fisheries worldwide.

Convenience for vessel operators

A major advantage in terms of developing domestic fisheries is the convenience for vessel owners and operators. Most locally based longline fishing companies are small, and cannot afford an extensive round of negotiations with several countries which involves travel and accommodation costs for company staff and/or officials of the country concerned – particularly if the outcome of such negotiations is uncertain. As most countries operate a system of annual access agreements, this process may need to be repeated each year. Multilateral arrangements typically run for a much longer period.

Efficient administration

Both the US Treaty and FSM Arrangement are administered by the FFA, in a transparent and efficient manner. Vessel owners can be confident that their requirements will be dealt with promptly and impartially. Countries can be sure that revenues will be invested safely and distributed according to the agreed formula. FFA also has the resources to check

catch reports, monitor the vessels through the regional VMS system, and investigate irregularities. Since FFA already administers two such agreements, the necessary staff and procedures are already in place.

Fair fee arrangements

Typically fee levels are fixed, and the revenue is distributed according to where the fish is caught. Vessel operators know how much they will have to pay, while countries are paid for the fish taken from their waters.

Improved Monitoring, Control and Surveillance (MCS)

In general the observer programmes and other MCS measures are more effective when applied to a regional agreement than under national/bilateral arrangements.

Disadvantages of Multilateral Access

A slow negotiation process

Negotiations involving a number of Pacific Island countries typically proceed slowly. Meetings need to be convened at times and in places convenient to all participants, who may need to consult with their Governments before making any commitments. Even when agreement is reached, ratification can be very slow due to the national procedures involved.

Variable national revenue

Variations in fishing activity from year to year have led to large fluctuations in revenue for some countries participating in multilateral agreements. While the longline fishery is probably more stable than purse-seining (where there is a clear shift of fishing effort in El Nino years) it may still be difficult to predict revenue for participating countries.

Low fees

Expectations of fee levels have been raised by regional purse seine access arrangements, notably the US Treaty, which is mainly funded by the US Government. Without this kind of support the fees paid by FSM arrangement vessels are much lower. Longliner fees will need to be much lower again, in line with the lower catches, so that the total revenue collected may seem disappointing, particularly if the number of vessels involved is small.

Criteria for participation

If the arrangement involves some degree of preference for vessels from Pacific Island countries, there will always be a concern that foreign vessels will use this as a back door into fisheries from which they would otherwise be excluded. With a range of options for developing locally-based longline fisheries, countries have taken different positions on what qualifies as a local vessel. The simplest measure – vessel flag – does not work well in a region where at least two countries operate an international shipping register.

Different development objectives and opportunities

Perhaps the greatest challenge lies in designing an arrangement which accommodates the very different development opportunities and objectives of the different Pacific Island Countries. Some countries with developed domestic longline fisheries are mainly interested in securing access to neighbouring zones. Other countries with limited development prospects are mainly interested in access fee revenues, but may wish to use access to the resource as an incentive for foreign investment. Finally some countries are mainly interested in developing shore-based facilities and generating benefits from servicing a longline fleet.

Aspirations for on-shore development and local basing

Several countries in the region aim to collect economic benefits from the development of local bases, although their economic circumstances do not favour locally-owned and crewed vessels. Examples are Niue, Cook Islands, Palau, FSM and Marshall Islands. It is likely in at least some of these countries that access to the fishery would be conditional on catches being landed locally. This would present vessel owners with a complex calculation of the benefits of access to the zone, depending on fish prices paid, the cost of fuel and other supplies, etc.

Alternatives to multilateral access

The main alternative to a multilateral access arrangement would be for countries to introduce simpler and more transparent bilateral arrangements. For example, if fishing companies in Fiji could obtain licences to fish in Tuvalu by simply completing a form and paying a reasonable fixed fee, this would both improve fishing opportunities for the Fiji fleet, and increase access fee revenues for Tuvalu. FFA could play a role by assisting countries with the mechanics of issuing licences, and monitoring the arrangement. Such arrangements would be immediately practical for a few countries (Tuvalu, Tokelau) that want foreign access arrangements but have not introduced such a licensing scheme. Countries which are interested in attracting locally based foreign vessels (Niue, Cook Islands) as a means of securing supplies for onshore processing plants, would probably wish to attach a condition that any licensed vessel lands fish to a domestic port. Finally, countries that have already closed their zones to foreign fishing would be less likely to participate, unless they were willing to make an exception for vessels from other Pacific Island countries. Another suggestion, which would tackle the problem of where to fish when all licences have been taken up for an EEZ and/or the catch rates are low, would be for vessels to target other fisheries on the high seas. Options include longlining for Swordfish in Southern waters, or trolling for Albacore in the STCZ, and might require some re-training of skippers by experts with experience in these fisheries. Both of these options have merit, but neither precludes the possibility of proceeding with a sub-regional arrangement in the longer term.

Issues to be addressed

1) Define in broad terms the area and fishery which could be covered by the agreement. At this stage it would seem that the FFA Pacific Island countries south of the equator form the basis of one longline fishery, mainly targeting albacore.

Possible participants in this Southern arrangement are Vanuatu, Fiji, Tuvalu, Tokelau, Samoa, Tonga, Niue, Cook Islands, Solomon Islands and Papua New Guinea.

2) Determine which of these countries would be interested in participating in such an arrangement. Would countries that have closed their fisheries to foreign access be willing to relax this for vessels from neighbouring countries? How would countries that have reached the limit of licence allocation for their domestic fleets be involved? This would require consultation with government and other stakeholders in the countries concerned.

3) Identify the demand for, and availability of, longline fishing opportunities in the region. How many vessels in the different countries are actually interested in fishing in other EEZs, and which ones?

4) Identify appropriate management arrangements for the fishery. What is the status of each country with regard to existing longline fishing effort when compared to potential effort identified in management plans? How can regionally licensed vessels be accommodated within national frameworks? Will there be a need to move towards some sort of regional quota, and if so how will it be allocated?

5) Analyze the implications for fishing ports in the region. A mobile regional fleet that can move between zones will result in different patterns of port usage than groups of national, locally based vessels tied to a single home port. Vessels will tend to use the nearest port that can provide the necessary facilities and services at a reasonable cost, but there may be opportunities to encourage visiting vessels to offload at a port in the country where they are fishing.

6) Identify a suitable system of charging access fees. It will be necessary to reward countries that do not derive other benefits from allowing regional access, at rates comparable with those paid by other longline vessels fishing in their waters. Within the region there is a lot variation in the size and efficiency of longliners, and this would need to be taken into account. It may also be appropriate to provide access fee rebates for vessels that employ nationals of a country where they are operating, or which provide other economic benefits through port calls etc.

7) Develop clear and fair criteria to define which vessels are eligible to participate in the scheme, based on a measure of the genuine economic benefit to the region. This is likely to be challenging, based on experience with the FSM arrangement.

8) Identify any legal changes that would need to be made in participating countries.

9) Make recommendations on an MCS strategy for the arrangement, taking into account the fisheries science and reporting obligations at national and regional levels.

10) Outline and cost the administrative arrangements that would need to be put in place, having regard to the human capacity and management skills required, and determine whether the scale of the arrangement would be likely to allow cost recovery. The report will consider these issues, and make clear proposals on the best way forward.

Methodology

The study will involve a review of data on the tuna longline fisheries, making use of reports held by FFA and elsewhere. Experience in the Caribbean, where a similar scheme has been proposed, will be reviewed briefly. The main activity will involve soliciting the views of stakeholders, particularly from the fishing industry, in the ten countries involved. It is not expected that the consultant will visit all the countries, although country visits to several countries will be necessary. Elsewhere telephone interviews with government officials, industry and fishing industry association contacts will be used. The consultant may choose to engage national consultants in some countries to follow up on requests for information. The study will be implemented by an international consultant with expertise in fisheries management and development. Preference will be given to applicants who are familiar with the tuna longline industry, and who can demonstrate a network of contacts in this industry. Familiarity with tuna fisheries management and development issues in the region is important. An ability to analyze and present complex policy issues is essential. The study will nominally involve 40 days work by the consultant, of which about 20 days will be spent in travel to some of the ten countries identified above. Innovative solutions which will improve value for money will be considered favourably.

Outputs:

Before the start of fieldwork:

An agreed work plan and methodology, based on the bid document but amended as necessary following an exchange of emails with the Project Team Leader.

After completing field work:

An interim report presenting the main findings for discussion at FFA's Management Options Workshop.

After receiving this feedback:

A draft final report in electronic for comments by the DevFish team leader.

Within two weeks of receiving these comments:

A final report in electronic format, (with three hard copies sent by mail). Note that reports should be kept brief and to the point. They should concentrate on solutions rather than elaborating the problems.

Annex B: Persons contacted

(IT indicates person consulted by phone / email only)

COOK ISLANDS

Government

- Ian Bertram, Secretary for Marine Resources, Ministry of Marine Resources
- Josh Mitchell, Director, Offshore Fisheries (IT)
- Jason Marurai, MCS Officer
- Pam Maru, Offshore Fisheries Data Base Analyst

Industry

- Jack Cooper, Blue Pacific Foods
- Tapi Taio, President, Cook Islands Tuna Industry Association
- Bill Doherty, Landholdings Ltd.
- Francis Garnier, Matira Sea Fisheries

FIJI

Government

- Sanaila Naqali, Director of Fisheries
- Anare Raiwalu, Principal Fisheries Officer
- George Madden, Licensing Officer
- Timoci Tavusa, Observer Coordinator
- Jone Amoe, Tuna Data Analyst

Industry

- Russell Dunham, Group Business Director, The Fiji Fish Marketing Group Ltd.
- Soko Loga, Director – Operations, Cakauni-Ika: Mannah (Fiji) Ltd.
- David Lucas, Director, Solander Pacific Ltd.
- X. J. Du, Golden Ocean Fish Ltd.

Others

- Bernard Blazkiewicz / Malcolm Ponton, Country Attaches, Natural Resources and Environment, EU Delegation, Suva.
- Andrea Salviati Rotondo – EU EPA and RoO
- Thomas Gloerfelt-Tarp, Head, Project Administration Unit, ADB South Pacific Subregional Office
- Robert Gillett, Fisheries Consultant
- Feleti Teo, Deputy Director-General Development, & Teriba Tabe Forum Secretariat

NIUE

Government

- Brendon Pasili, Director/Head of Fisheries (IT)

Industry

- Kieron Gilpin, Niue Fish Processors - Reef Shipping (Auckland Office)

PAPUA NEW GUINEA

Government

- Sylvester Pokajam, Managing Director, National Fishing Authority
- Ludwig Kumoro, Fisheries Manager - Tuna

Industry

- Maurice Brownjohn, Latitude 8 Ltd. and Chairman, Fishing Industry Association (IT)
- Francis Houji, Fair Well Investment Ltd
- Blaise Paru, Managing Director, Equatorial Pacific Resources / Sanko Bussan
- Augustus Natividad, Frabelle Fishing

SAMOA

Government

- Pauvave Fainuulelei, Actg A/CEO Fisheries
- Savili Time, Principal Fisheries Officer (Off Shore Fisheries)
- Ueta Faasili Junior, Senior Fisheries Officer (Off Shore Fisheries)
- Iulia Kelekolio, Fisheries Officer (Off Shore Fisheries)
- Nella Tavita-Levy, Principal Trade Officer, Ministry of Foreign Affairs and Trade
- Benjamin Pereira, A/CEO Economic Policy & Planning, Ministry of Finance
- Pulotu Chu Ling, A/CEO Industry Development, Min. of Commerce, Industry, Labour
- Roger Toleafoa, Industry Development Officer, Min. of Commerce, Industry & Labour
- Papalii Lolenese Neru, Commissioner of Police
- Ielome Mulumulu, Captain, Patrol Boat
- Tepatasi Risale, Port Master, Apia, Samoa Port Authority

Industry

- Beverly Levi, Owner, Tradewinds Fishing Co
- Roy Lee, President, Samoa Fish Exporters Association
- John Boyle, Pacific Corporate Services Ltd
- Junior Eteuati, President, Tautai Samoa Association (Alia owners)

TOKELAU

Government

- Mose Pelasio, Assistant Director (Fisheries) (IT)
- Feleti Tulafono, VMS / Licensing Officer
- Jovilisi Suveinakama, General Manager, Office for Tokelau Affairs, Apia

TONGA

Government

- Penisimani Veia, Director of Agriculture and Food, Forests and Fisheries, MAFFF
- Dr. Sione Veilala Matoto, Secretary for Fisheries
- Ulunga Fa'anunu, D/ Secretary, Technical Services

- 'Aholotu Palu, Economist, Ministry of Finance
- Siaosi Fifita, Trade Officer, Ministry of Labour & Commerce (Tonga Trade)

Industry

- Bill Holden, President, Tonga Export Fisheries Association, Director, 'Alatini Fisheries
- Naitilima Tupou, Executive Officer, Tonga Export Fisheries Association
- Chin Choe, Managing Director, South Pacific Resources
- Wilfred Kwok, Managing Director, Pacific Blue Seafood Export
- Siotame Taunaholo, Managing Director, Global Fishing
- Halaevalu Palu (Mrs), Owner, Quality Fishing

SOLOMON ISLANDS***Government***

- Eddie Oriehaka, A/Director of Fisheries (IT)
- Sylvester Diake, Under Secretary of Fisheries (IT)
- Simon Tiller, Team Leader, Solomon Islands Marine Resources Institutional Strengthening Project

VANUATU***Government***

TUVALU***Government***

- Samisoni Finikaso, Director of Fisheries (IT)

REGIONAL***Pacific Island Tuna Industry Association***

- James Movick, Chair
- Maurice Brownjohn, Director (IT)
- Charles Hufflett, Director (IT)

Annex C: References

General

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- Cartwright, I. 2002. The Role of Rights-Based Management in the Tuna Fishery of the Western and Central Pacific, A Discussion Paper prepared for presentation to the FFA Rights-based Fisheries Management Workshop, Mocambo Hotel, Nadi, Fiji, 24 – 26 June 2002.
- Geen, G. and A. Bergin 1995, Review of tuna management arrangements in the central western Pacific, Report to FFA
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Tuna management plans

- Cook Islands, Niue and Tokelau– not available
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- Papua New Guinea National Tuna Fishery Management Plan. Ministry for Fisheries and Marine Resources, Port Moresby, 1999.
- Samoa Tuna Management and Development Plan: 2005 – 2009. Fisheries Division, Ministry of Agriculture and Fisheries, Samoa, 2005.
- Solomon Islands National Tuna Management & Development Plan. Ministry for Fisheries and Agriculture, Honiara, 1999.
- Tonga National Tuna Management and Development Plan (undated). Fisheries Division, Ministry of Agriculture and Food, Forests and Fisheries, Tonga.
- Tuvalu National Tuna Development & Management Plan (2002 – 2006). Fisheries Department, Ministry Of Natural Resources, Energy And Environment, Tuvalu, Undated.
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WCPFC Scientific Committee

- Cook Islands: Annual Report – Information on Fisheries, Research, and Statistics (WP-5). 3rd Regular Session, Honolulu, August, 2007.
- Fiji Islands: Amoe, J. Annual Report – Information on Fisheries, Research, and Statistics (WP-8). 3rd Regular Session, Honolulu, August, 2007.
- Papua New Guinea: Kumoru, L. and L. Koren. Annual Report – Information on Fisheries, Research, and Statistics (WP-23). 3rd Regular Session, Honolulu, August, 2007.
- Samoa: Annual Report – Information on Fisheries, Research, and Statistics (WP-25). 3rd Regular Session, Honolulu, August, 2007.
- Tokelau: Annual Report – Information on Fisheries, Research, and Statistics (WP-28). 3rd Regular Session, Honolulu, August, 2007
- Tonga: Tuna Fishery Annual Report - Information on Fisheries, Research, and Statistics (WP-29). 3rd Regular Session, Honolulu, August, 2007
- Vanuatu: Annual Report – Information on Fisheries, Research, and Statistics (WP-32). 3rd Regular Session, Honolulu, August, 2007

Annex D: DRAFT LONGLINE FRAMEWORK AGREEMENT

<p style="text-align: center;">THE FRAMEWORK AGREEMENT</p> <p style="text-align: center;">CONCERNING COOPERATION IN THE MANAGEMENT OF</p> <p style="text-align: center;">LONGLINE FISHERIES OF COMMON INTEREST</p>

Tokelau, Tuvalu, Tonga, Samoa, Solomon Islands, Papua New Guinea, Niue, Fiji and Cook Islands are each hereinafter referred to as “Party” to this agreement, and are collectively “the Parties” to this agreement.

The Parties have taken into account the following international, regional and national recognitions:

- Each Party has individual sovereign rights to responsibly and sustainably exploit the fisheries resources of their EEZs, including archipelagic and territorial waters, (hereinafter referred to as their “Fisheries Zones”);
- Each Party recognises its responsibilities and the required actions that stem from their ratifications of the United Nations Convention on the Law of the Sea (UNCLOS).
- Each Party also recognises the international instruments and understandings that are derived from UNCLOS: including, the Code of Conduct for Responsible Fisheries (CCRF); the United Nations Fish Stocks Agreement (UNFSA); the FAO Compliance Agreement (FAOCA); the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific (24th November 1989); and other subsequent international and national strategies and plans of action to which the Parties agree to adhere;
- The primary objectives of the South Pacific Forum Fisheries Agency Convention are, in particular, for the promotion of regional cooperation and coordination of fisheries policies, and the need for the implementation of these objectives through regional, sub-regional, bilateral and multilateral arrangements;
- There are changes in fish stock populations and distributions, and when subjected to changing oceanic environmental dynamics, these stock characteristics are both naturally linked. In addition, fishery interventions cause changes to population and distribution dynamics. Such changes are difficult to predict although they must be continually assessed and then taken into account in management decision-making with appropriate attention to the precautionary principles.

Mindful of the direct dependence of some of the Parties, as developing island States, upon:

- the rational development and optimum utilization of the living resources occurring within their Fisheries Zones and, in particular, the common regional stocks of the fish therein;
- the recognition that, only by cooperation in the management of the Fisheries Zones, may their people be assured of receiving the maximum benefits from such resources.

And, desirous of establishing, without prejudice to the sovereign rights of each Party, arrangements by which natural resource sustainability and domestic economic development may be achieved to maximum optimal levels of benefit.

Pursuant to the above, the Parties have agreed as follows:

Article I – Definition of the Framework Agreement

The Parties shall establish a common regional framework (hereinafter referred to as the “Longline Framework”) for the planned exploitation and management of highly migratory fish stocks, using the longline fishing method, to the extent that this supports their tuna industries,

including any arrangements they have for the ownership, charter, or joint venture, with such fishing vessels.

Article II – Purposes

The Longline Framework establishes general principles only and does not govern the form, structure or conduct of bilateral or subregional longline access agreements between the Parties.

The Longline Framework shall seek to establish a coordinated approach to the fishing of the common stocks in the Fisheries Zones by licensed longline fishing vessels. This will include:

- Standard arrangements for the granting of eligibility to applications by fishing vessels of the Parties to fish within the Fisheries Zones; and
- Uniform Minimum Terms and Conditions of licensing (MTCs).

Variations to these eligibility standards due to individual Party circumstances will be agreed between the Parties to enable the general principles and purposes of this agreement to continue.

Article III – Forms of subsidiary arrangements between the Parties

Parties shall submit any existing agreements, or intentions to negotiate further agreements, to the Secretariat for inclusion under and as attachments to this Agreement, noting that they will also agree to ensure that all arrangements meet the general standards of this framework agreement, but may be of three different types, as follows:

- Bilateral Licensing Arrangements
- Trilateral/Sub-regional Licensing Arrangements
- Reciprocal Licensing Arrangements

In addition to these licensing arrangements any other fisheries management arrangement as described in Article VI shall form a subsidiary attachment to this agreement.

(Note: Each of the above to be developed to enhance regional longline industry development using arrangements models that may have similarities to other established regional arrangements.)

Article IV - Status of the Parties in Licensing Arrangements

When the above subsidiary arrangements are entered into between Parties their status and conduct shall be reported to all Parties annually at a date to be determined by the Parties.

In addition, the form and conduct of any foreign fishing access agreements shall also be reported by the Party to the Secretariat which shall report on these annually to the Parties.

Article V – Criteria for Reciprocal Eligibility

The Criteria for Reciprocal Eligibility shall be established between Parties where such Reciprocal Licensing Arrangements are undertaken. The basis for such criteria shall include the following subjects:

- Vessel flag and ownership;
- Fishing company structure and ownership;
- Contribution of vessel and company to national and regional fisheries development and management;
- Vessel crewing at all technical levels and the terms of their employment; and
- Other criteria as agreed by the Parties.

Article VI - Fisheries Management Cooperation

The Parties shall cooperate at times and according to immediate or future fisheries management needs that will be required to meet the planned exploitation and management of their highly migratory fish stocks. The general objectives of this cooperation shall include:

- Rational and agreed submissions on appropriate fishery management measures to the decision-making processes of the West and Central Pacific Fisheries Commission;
- Coordination of decision-making on limits on and opportunities for fishing licensing arrangements that facilitate the amendment and continuity of national fisheries management and development plans;
- Agreement between the Parties on the form, structure and expected outcomes that may be derived from subsidiary fisheries management arrangements that will directly facilitate transitions from foreign access to domestic fishing industry developments that meet national and regional aspirations.

Article VII – Catch and Licence Allocations

For the purposes of fish stock management regionally agreed annual limits to Total Allowable Catch (TAC) and/or Total Allowable Effort (TAE) and/or Total Allowable Licences may be established by mechanisms beyond this Longline Framework. For the purposes of each national Fishery Zone's fisheries management, it remains the right of each Party to allocate proportions of any agreed national allowable catches each year to domestic, regional reciprocal or foreign licensed vessels.

For the purposes of this Agreement it is agreed that if the basis for an annual divisible national TAC or TAE is agreed at some time, the Longline Framework shall recognise these three levels of allocations, as follows:

- **Priority 1:** the proportions to be reserved for domestic fishing rights holders;
- **Priority 2:** the proportions to be reserved for other Parties under their existing reciprocal arrangements or agreements; and
- **Priority 3:** the proportions remaining that may be offered under existing foreign fishing licensing arrangements or agreements.

Article VIII - Reciprocal Licensing Terms and Conditions

The standard Terms and Conditions of Licensing that has become the regional minimum shall remain the standards under this Framework.

Article IX - Regional Licensing, Reporting and Administration Responsibilities

For the purposes of regional coordination to ensure sustainable fisheries management and development, the Parties agree to report licensing arrangements under the three priorities in Article VII to the Forum Fisheries Agency in its role as Secretariat defined under Article X.

Each Party may also request the Secretariat to undertake Administration of the reciprocal licensing arrangements, including all Secretariat activities to ensure fishing vessel compliance with their Terms and Conditions and Reporting Requirements. Such requests for FFA to act as the Administrator may be delivered to or cancelled from the Secretariat on an annual basis. The tasks of the Secretariat shall be defined in the annual request made by each Party.

Article X – Secretariat and Administration Services

The Parties shall seek the assistance of the South Pacific Forum Fisheries Agency as Secretariat to the Sub Committee on South Pacific Tuna and Billfish Fisheries (SC-SPTBF) to further provide secretariat services for implementing and coordinating the provisions of this Longline Framework.

At the annual meeting of the Parties to this Longline Framework Agreement, which should always be convened preceding or following the regular session of the Forum Fisheries Committee, the Longline Framework Agreement implementation shall be reported on by the Secretariat.

Additional meetings may be convened at the request of three or more Parties. Such requests shall be communicated to the Director of the Forum Fisheries Agency who will inform the other Parties.

Article XI – Compliance Control

The Parties shall seek to develop cooperative and coordinated procedures to facilitate the enforcement of their fisheries laws and shall in particular examine the various means by which a regime of reciprocal enforcement may be established.

The Parties to this agreement shall collectively consider further improvements and specific additional actions with respect to the Monitoring, Control and Surveillance initiatives that have been established, including:

- National observer programmes, port sampling and inspection;
- VMS and the Niue Treaty; and
- Data gathering and management;
- Data sharing, including all information requirements for fisheries management and scientific purposes, and information related to MTCs from national Vessel Monitoring Systems.

Article XII – Private Sector Participation

The Parties to the Longline Framework agree to encourage their national Fishing Industry Associations (FIA) to participate in all processes of this agreement, including the Sub-Committee. This participation may include:

- Facilitation of FIA Observer status at all relevant regional meetings that have consequences for compliance control and quota allocations for their domestic fleets;
- Facilitation of arrangements between FIA members that are believed to be advantageous to national, bilateral, sub-regional and regional tuna industry development, including international trade relations and marketing;
- Reporting on processes that are under way to enable reciprocal licensing that meet the objectives of the Longline Framework; and
- Requests for Parties to facilitate completion of any licensing arrangements, or to monitor compliance with the terms and conditions of reciprocal licensing.

Article XIII - Derogation

Nothing contained in this Agreement shall be construed as a derogation of any of the rights and obligations undertaken by any of the Parties under the South Pacific Forum Fisheries Agency Convention or any other international agreement in effect on the date on which this Agreement enters into force.

Article XIV – Deposition

The Parties shall conclude arrangements where necessary to facilitate the implementation of the terms and conditions, and to attain the objectives, of this Longline Framework Agreement. The Parties concluding such arrangements, and any related subsidiary arrangements, shall lodge copies with the depositary of this Agreement.

Article XV – Membership and Accession

This Agreement shall be open for signature by the States named in the preamble hereto.

Following entry into force, this Agreement shall be open for accession by other South Pacific Forum Member States and other South Pacific Territories with the concurrence of all of the Parties to this Agreement. The method of submission for further accession by such States and Territories shall be considered through any Rules of Procedure that are adopted by the Parties, noting that reservations to this Agreement shall not be permitted.

Article XVI - Amendment

Any amendments to this Agreement proposed by a Party shall only be adopted by unanimous decision of the Parties.

In witness whereof the undersigned, duly authorised by their respective Governments, have signed the Agreement.

Done at, thisday of, Two Thousand and Eight.

Hon. _____ for the Government of
Date.....

Signature: _____

Hon. _____ for the Government of
Date.....

Signature: _____ etc etc etc.

Annex E: National longline fisheries

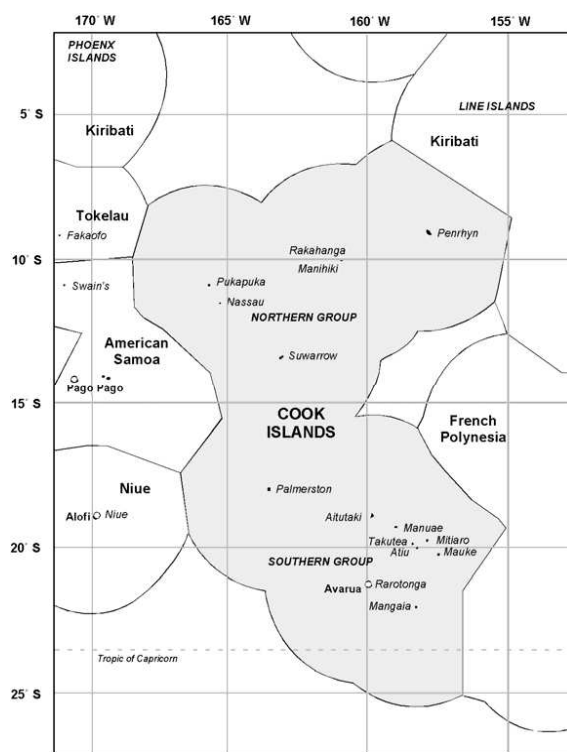
This Annex provides a brief summary of each of the 10 relevant members of the SC-SPTBF in terms of their geographic and current longline fishery development positions. More detailed information (data, statistics, analyses, etc) is not included here because, as always, it is available from other sources, particularly FFA and SPC (from whom the EEZ diagrams in this report are reproduced by their courtesy).

What follows is basic information plus general fishery information with regard to the successes, failures and expectations of the senior island government stake-holders.

- 1. COOK ISLANDS**
- 2. FIJI ISLANDS**
- 3. NIUE**
- 4. PAPUA NEW GUINEA**
- 5. SAMOA**
- 6. SOLOMON ISLANDS**
- 7. TOKELAU**
- 8. TONGA**
- 9. TUVALU**
- 10. VANUATU**

1. COOK ISLANDS

(a) **EEZ:** Area 1.83 million km². Five contiguous zones – Kiribati, French Polynesia, Niue, American Samoa, and Tokelau. Most recent available domestic longline catch: 3,000 t., 74% albacore (2006).



(b) Longline fishery development:

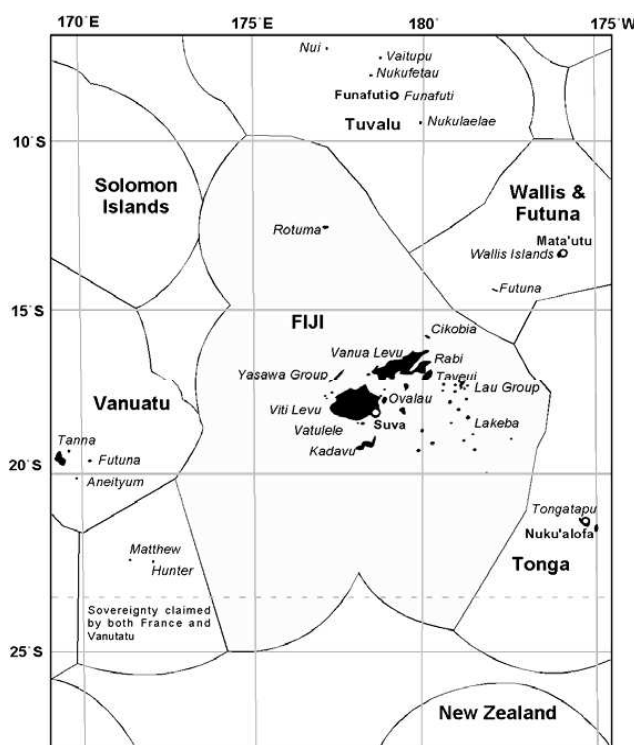
Domestic longline development in the Cook islands can be traced back to an unsuccessful single vessel sashimi venture in 1986 based in Penrhyn in the Northern Cooks. Following this, in 1994, the substantial New Zealand fishing company, Sealord Products of Nelson, formed a joint venture with local interests and located two New Zealand longliners in Rarotonga, landing to a newly constructed shore processing plant. Two more vessels were added in 1996, but this venture also proved unsuccessful and all vessels had departed by the end of 1996.

2001 saw the beginning of a remarkable upsurge in longline activity in the Cook Islands, seen, at the time, as a notable example of the establishment of a domestic longline fishery. Vessels numbers rose from 3 in 2001 to a peak of 45 in 2003 – 2004. Many of these vessels were from the New Zealand fishery and comprised vessels and crews who had achieved poor results in their home waters and were seeking new opportunities. When catch rates fell and operating costs rose, these same vessels were equally quick to leave, and by 2007 only 2 or 3 longline vessels are operating from Rarotonga, and all but two of the processing plants have been taken out of service, including the large ex-Sealord plant, which had been operating on a one day a week basis in 2006.

In contrast, the longline fishery in the northern Cooks, which operates chartered freezer vessels targeting albacore for the Pago Pago canneries, has continued to thrive (21 vessels in 2006). While these vessels are all chartered to Cook Islands-based companies as an access requirement, none visit Rarotonga for discharge or servicing, or employ Cook Islands crew. Recent initiatives by the Cook Islands Ministry of Marine Resources have introduced a two-tier access fee arrangement for these vessels as an inducement to land a part of their catch to Rarotonga.

2. FIJI ISLANDS

(a) **EEZ:** Area 1.29 million km², five contiguous zones – Solomon Islands, Tuvalu, Wallis and Futuna, Kiribati, and Tonga. Most recent domestic longline catch: 20,700t, 57% albacore (2006).



(b) Longline fishery development:

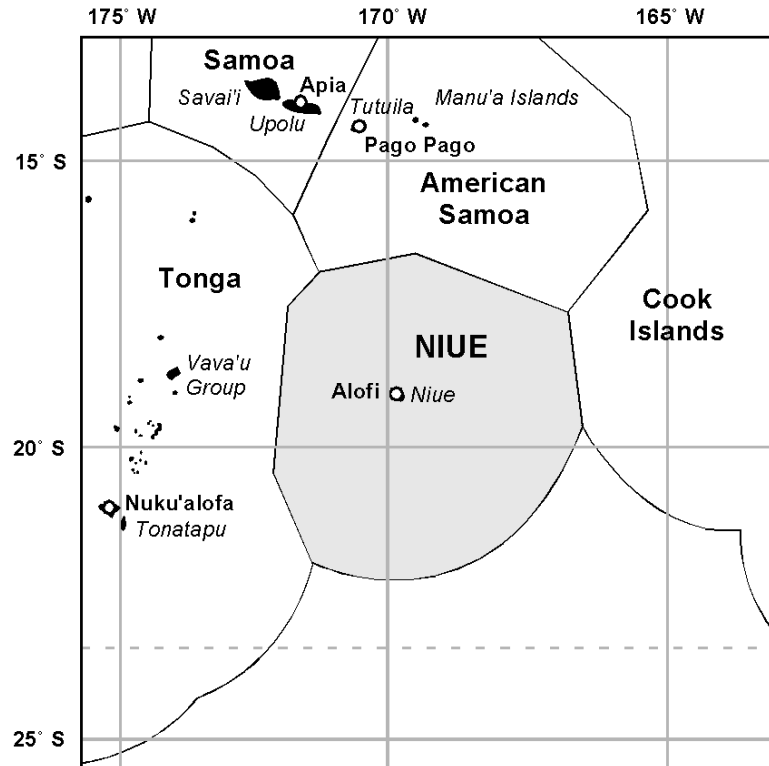
Domestic longline development in Fiji can be said to have commenced in 1987 with the first air shipment by a local company, Fiji Fish. Today, with a domestic catch of over 20,000 t., upwards of 60 domestic vessels, and another 70 or so vessels based in Fiji ports but fishing in adjoining zones or high seas areas, Fiji offers perhaps the most successful example of a domestic longline fishery in the sub-region.

Many of the contributing causes of this tuna industry growth were external, such as the introduction around this time of mono-filament gear, the existence of substantial outwards air freight capacity (arising from the local tourist industry), industrial infrastructure (port facilities, etc), a skilled fisheries labour pool (from the failed pole and line fishery), and an available local market for lower grade fish (again due to the local tourist industry). These key Fiji industry-related elements can be compared and contrasted with countries where domestic longline development has been markedly less successful, despite superior fisheries resources. A notable recent development in the Fiji longline sector has been the growth of shore-based processing. This follows two main lines of development; the first is a reaction to the poor returns now received for lower grade sashimi species and sees up to 50% of longline catch being processed to value-added products. The second is processing plants set up to convert whole, frozen fish to loins and other products as a central activity, rather than a reaction to profitability problems. As demonstrated in a recent FFA report, both of these development approaches contribute significantly to increased returns from the fishery.

Another Fiji experience that should be noted is the attempt, via the Seed Capital Revolving Fund (SCARF), to introduce local ownership to the catching sub-sector. This was a scheme, ultimately unsuccessful, that was designed to allow commercial vessel ownership by otherwise qualified local vessel operators in the absence of their equity capital. However, while addressing the capital issue, the scheme failed to take account of other areas where support was necessary for success.

3. NIUE

(a) EEZ: Area 470,000 km², three contiguous zones – Tonga, American Samoa, and the Cook Islands.



(b) Longline fishery development:

Up until the recent establishment of Niue Fish Processors, a joint-venture between Reef Fishing of New Zealand and the Government of Niue, described below, there have been no commercial-scale domestic tuna fisheries based on Niue.

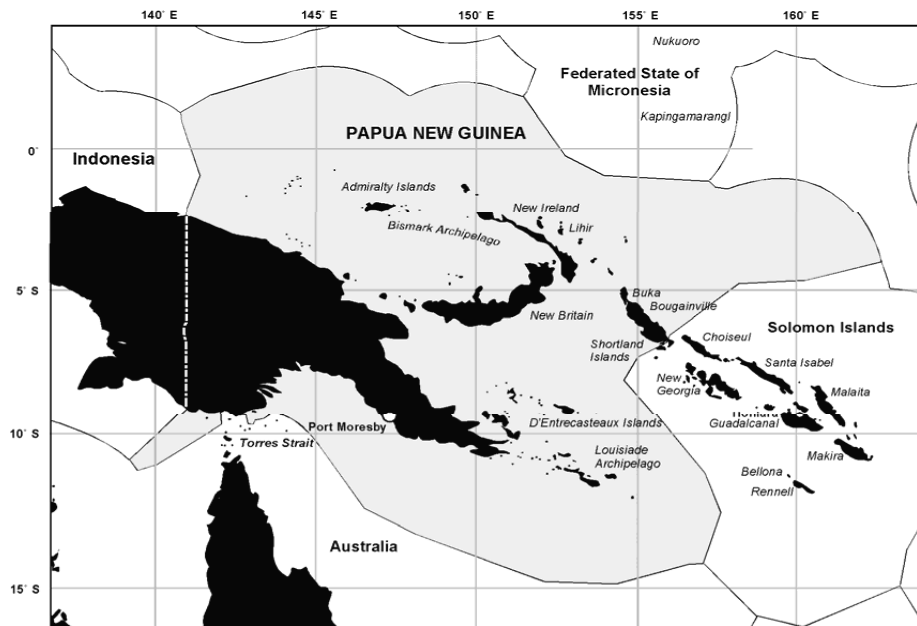
In 2005, operations of Niue Fish Processors began and so a new fisheries development era was started. A purpose-built fish processing plant at Alofi (4,000 t. per annum capacity), incorporating power generation, de-salination, and modern refrigeration plant, was designed and constructed to process the longline catch from the Niue EEZ. One of the terms of the joint-venture is that all licensed tuna vessels fishing in the Niue EEZ must land all their catch to the joint-venture.

Initially, there have been difficulties with supply of catch to the plant, including an abortive arrangement for 10 French Polynesian longliners to fish into the plant. Most recently, Reef have purchased six large freezer vessels that are flagged in the Cook Islands and operate in Niue and in the northern Cooks on a seasonal basis.

Difficulties with outwards air freight capacity have been addressed by the arrangement of a charter service operating from Niue to Honolulu. Significant challenges remain, however, particularly with infrastructure (wharf) and the local availability of technical and managerial personnel. Nevertheless, to ensure continued financial viability of Niue Fish Processors, the 4000 mt albacore requirement needs to be satisfied from some vessels, perhaps through regional reciprocity.

4. PAPUA NEW GUINEA

(a) **EEZ:** Area 3,120,000 km², four contiguous zones – Indonesia, Federated States of Micronesia, Solomon Islands, and Australia. Most recent available domestic longline catch: 3,400 t., 41% albacore (2006).



(b) Longline fishery development:

Longline fishing has been carried out in the PNG EEZ, initially by Japanese vessels, since the 1950s, with the country being one of the more productive areas of operation for the Japanese distant water longline fleet. Longline catches peaked in 1978, when 20,000t of tuna (80% yellowfin) were taken by all fleets from what had just become the PNG EEZ, and the highest catch rates records were experienced. The highest Japanese effort levels were recorded in 1981 (30 million hooks), but with lower catch rates. By 1987, most Japanese vessels were setting close to 3,000 hooks per set, up from less than 2,000 in 1980. Access arrangements with Japan were terminated in March 1987 and not renewed, although under commercial agreements, a small number of offshore Japanese longliners based in Guam fished in the EZZ, 1990 until 1995.

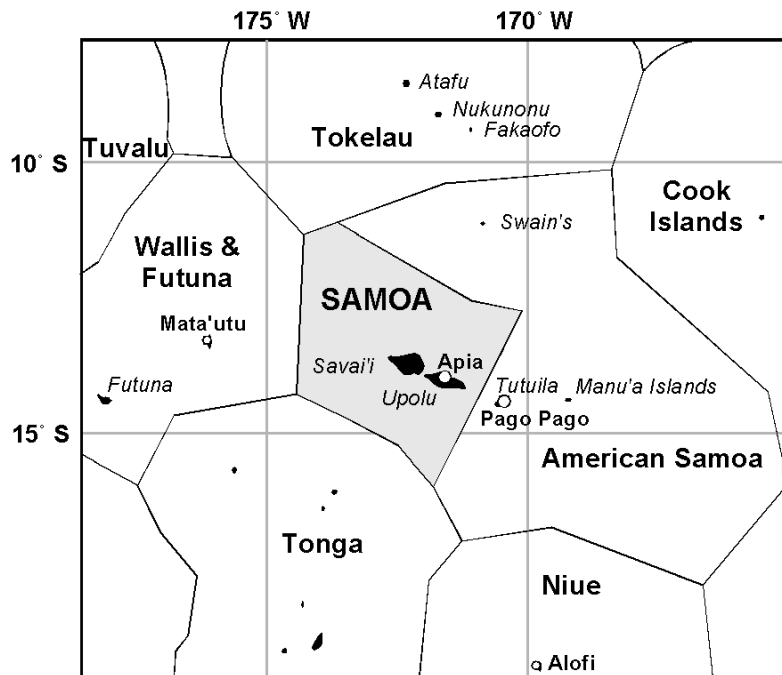
Taiwanese longliners appear to have fished in the PNG EEZ since at least 1967, although targeting more on albacore in the southern parts of the zone. Catches appear to have peaked in 1973, when possibly 4,000 t. of tuna were taken (50% albacore), and were always much less than the Japanese catch. Successful small scale long lining trials in East New Britain in 1993 saw increased interest in the development of a domestic chilled longline fishery, which commenced substantively in late 1994. By 1996, 9 vessels were in operation, mostly based in Port Moresby.

In August 1995 the Government, through a Gazettal Notice, formally ceased the issuing of licences to foreign longline vessels and tuna longliners operating storage facilities with the capacity to hold catch at less than 4°C. This was done with the intention of stimulating investment in the fishery by local entrepreneurs by removing competition for the resource with foreign operators. Following this measure, there was substantial growth in the industry, with up to ten different operations peaking at around 40 domestic vessels (well below the licence cap of 100) over a number of years up until the recent extended period of poor catch rates, high fuel costs, air freight difficulties and falling market returns which has seen a steady erosion of the gains made by the domestic fishery. Most of the operators have left the fishery, leaving only a small number of enterprises remaining, and operating less than 20 vessels.

The significant shortfall between the ability of the local domestic operators to build their fleets to the potential harvest capacity, and the recent fall in the numbers that has been built up has led the government to consider allowing access by foreign-owned, locally-based longline vessels.

5. SAMOA

(a) **EEZ:** Area 120,000 km², four contiguous zones – Tokelau, American Samoa, Tonga, and Wallis and Futuna. Most recent available domestic longline catch: 2,714 t., 78% albacore (2006).



(b) Longline fishery development:

The Samoan albacore tuna longline fishery, based principally at Apia, but also to a lesser degree on Savai'i, has been one of the major success stories in the regional domestic fishery. Firstly, commercial longline fishing in Samoa began from 1975 onwards with the local construction of a large fleet of several hundred small *alias*, which are small plywood, later aluminium, catamarans. From about 1995 a significant number of local operators began to successfully make the difficult transition from these *artisanal* craft to owning and operating fully commercial, large tuna longliners acquired, in the main, from existing fisheries in Australia, New Zealand, and the United States.

Catches were consistently in the region of 5,000 tonnes p.a. during the period 1997 – 2002, with almost all the albacore catch going to the canneries in American Samoa, upon which primary market the fishery is fully reliant.

These commercial-scale operations were successful:

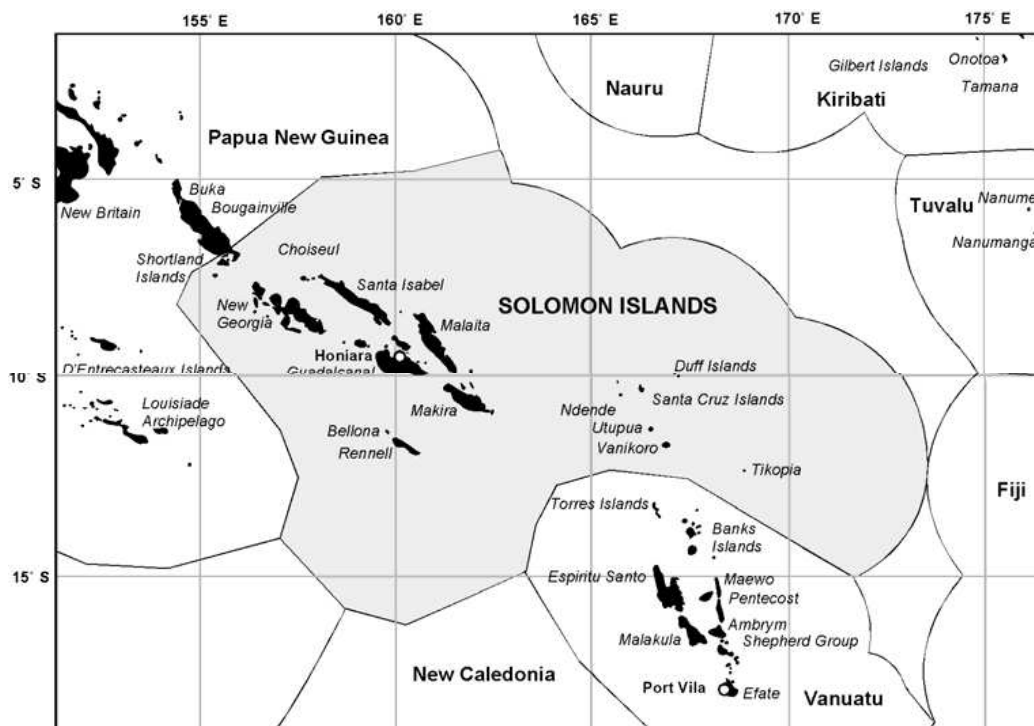
- in operational terms in achieving consistent catches in excess of initial projections;
- in financial terms in that they returned significant surpluses to their owners; and
- from the standpoint of lenders, many of whom made quite highly geared loans for the vessel acquisitions, there was an excellent debt service record, with many borrowers exceeding their debt repayment schedules.

However, beginning in 2003, catch rates, which formerly had been extremely high, fell to much lower levels, causing many operators to drop out of the fishery. This was particularly true of operators who had had their inefficient operations sustained by these high catch rates, and those who had not applied the surpluses to consolidating their operations.

By 2006 – 2007 there has been some return of the higher catch levels, but many of the former industry participants have removed permanently from the industry, including nearly all the *alia* fishermen. At the present time, there are perhaps 25 *alias* working in Upolu and five on Savai'i, up from a low of only two in 2004, but well down on earlier peaks of over 200. There has also been a significant consolidation of shore processing facilities in Apia.

6. SOLOMON ISLANDS

(a) **EEZ:** Area: 1,340,000 km². There are five contiguous zones, Papua New Guinea, Fiji, Vanuatu, New Caledonia, and Australia. About one third of the Solomon Island EEZ borders international waters. Most recent available domestic longline catch: nil.



(b) Longline fishery development:

The Solomon Islands acquired two Ultra Low Temperature (ULT) longliners under Japanese aid in 1981, the "Kariqa" and "Atu", which were operated by National Fisheries Development Ltd. (NFD), then owned 75% by the Solomon Islands government and 25% by Solomon Taiyo. These vessels fished successfully in the Solomons EEZ, and travelled to Japan annually for re-fit and catch discharge. However the operations were unsuccessful from a financial standpoint, and NFD sold the vessels in around 1988.

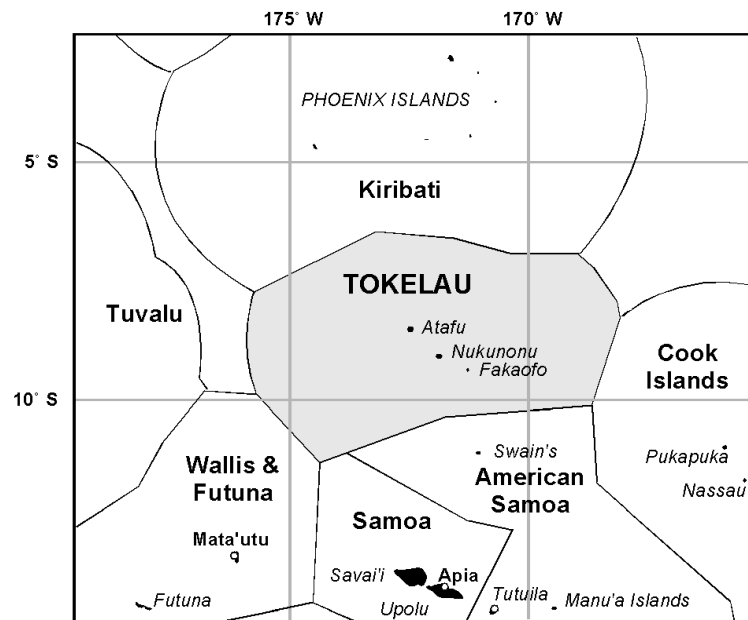
There were no domestic longline activities in the country from that date until Solgreen was established in 1995 and operated ten longliners from a base on the outskirts of Honiara. Initially sashimi grade fish was exported by air using the locally-based air freight service, Pacific Air Express, for transfer to Brisbane for onwards shipment, but towards the end of the company's operations catch was landed directly to Australia. This company later became Solco and reduced the vessels to eight.

In 2006 an ongoing dispute between the company and the Solomon Islands government, apparently over unpaid government dues, resulted in the sudden departure of company personnel and the abandonment of company assets, including the longline vessels. During a storm in the same year the vessels were beached and it is unlikely they could be returned to service.

As a consequence, there are currently no domestically-based longline operations in the country.

7. TOKELAU

(a) **EEZ:** Area 290,000 km², five contiguous zones: Kiribati, the Cook Islands, American Samoa, Samoa, and Wallis and Futuna. Most recent available domestic longline catch: nil.

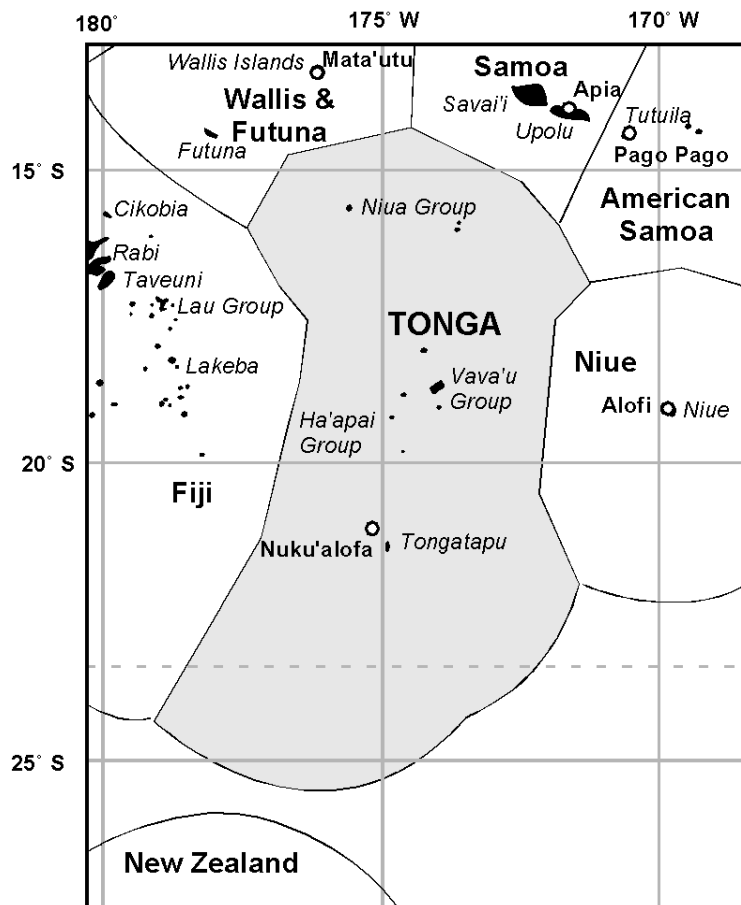


(b) Longline fishery development:

There is currently no domestic longline fishery in Tokelau. A number of longline vessels are licensed to fish in the Tokelau zone, including several from Samoa.

8. TONGA

(a) **EEZ:** Area 700,000 km², five contiguous zones – Wallis and Futuna, Samoa, American Samoa, Niue, and Fiji. Most recent available domestic longline catch: 950 t., 40% albacore (2006).



(b) Longline fishery development:

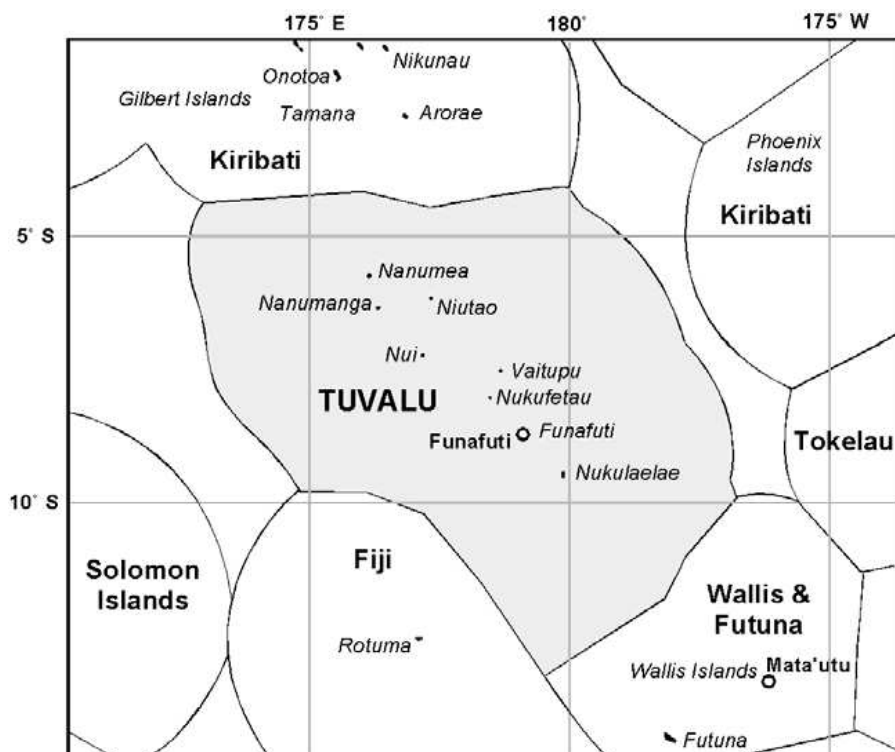
Tonga was one of the first regional countries to begin experiments with tuna longlining with the acquisition of the "Lofa" from Japan in 1982. This vessel was operated successfully on a semi-commercial basis by the Tongan Department of Fisheries, targeting albacore for the Levuka cannery in Fiji.

This situation continued until 1991, when the government corporatized the commercial tuna activities, setting up Sea Star Fishing, and transferring the Lofa to that new company. At the same time, Sea Star was granted a monopoly over commercial tuna development in Tongan waters. During the 1990s Sea Star continued to acquire shore assets and additional longline vessels, partly with Asian Development Bank funding, but operational and financial results were disappointing, and Sea Star is currently not operating. When the tuna monopoly granted to Sea Star was removed a relatively large number of domestic start-ups began longline operations in Tonga. With the exception of 'Alatini Fisheries, none of these start-ups are still operating, although one of the pioneers, Capricorn Fisheries, has had its assets acquired first by Friendly Island Fisheries, and more recently following the latter's receivership, by South Pacific Resources.

Recent developments in the domestic fishery have relied on off-shore funding, channelled through partnerships with Tongan nationals, mostly involving Chinese nationals. These arrangements are necessary as there is a moratorium on granting licences to locally-based foreign-owned longline vessels. Fishing vessels, under Tongan regulations, can qualify as local vessels if owned by a Tongan Company, which is defined as one with a minimum of 51% Tongan shareholding.

9. TUVALU

(a) **EEZ:** Area 900,000 km², three contiguous zones – Fiji, Kiribati, and Wallis and Futuna. Most recent available domestic longline catch: nil.

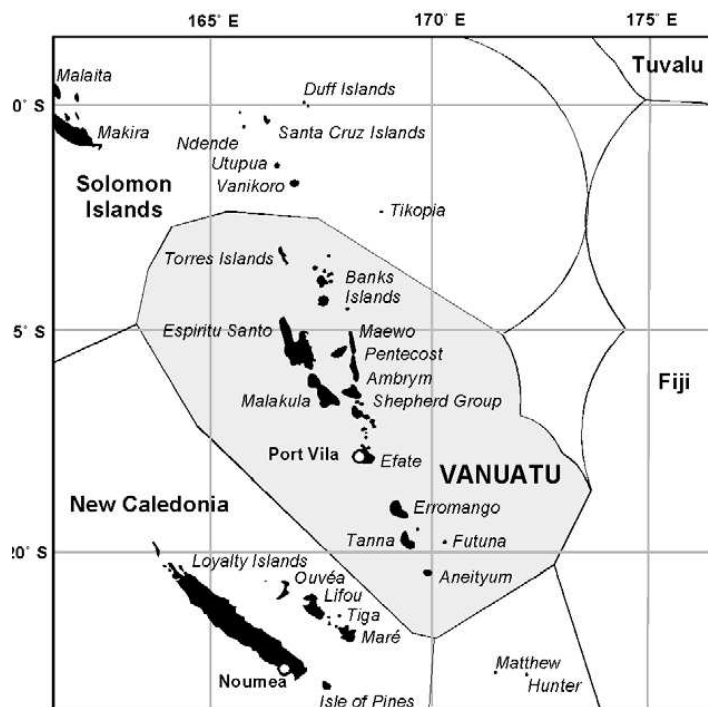


(b) Longline fishery development:

There has been no domestic longline activities in Tuvalu to date. Some vessels operated from Fiji.

10. VANUATU

(a) **EEZ:** Area 680,000 km², three contiguous zones – New Caledonia, Fiji, and the Solomon Islands. Most recent available domestic longline catch: nil.



(b) Longline fishery development:

The tuna transshipment at Palikula in northern Vanuatu, established in 1957, is almost certainly the first example of locally-based foreign-owned longline activity in the region. The Palikula-based longline fleet – initially Japanese and later South Korean, then Taiwanese – reached a peak of 67 vessels in 1974 (peak volume transhipped: 16,000 t.). The operation targeted albacore (70%) that was offloaded and stored at the shore base awaiting shipment to a tuna cannery in Hawaii until 1984 when the cannery closed. This closure marked the end of a long decline in longline transshipment volumes at Palikula and the facility closed in 1986.

From that date there has only been very limited domestic longline activity in Vanuatu, although a number of Vanuatu-flagged longline vessels (55 in 2006, 11 of which were licensed to fish in the Vanuatu EEZ) fish throughout the region. Conversely, a number of foreign flagged vessels are licensed to fish in the Vanuatu EEZ (127 in 2005), most notably Fiji-flagged predominately foreign-owned vessels, of which there were 28 licensed to fish in the Vanuatu zone in 2005. A further 57 Chinese flagged vessels were licensed to fish in the Vanuatu zone, many of which, if not all, would have been based in Fiji or Pago Pago.

Currently, Chinese interests are constructing a new longline transshipment base on a site some 4 km. from Port Vila. The base will accommodate the catch from up to 40 Chinese longliners which will unload at the commercial wharf in Port Vila harbour, with the catch transferred by road. The plant will be funded under Chinese grant aid, and will be leased back to the China National Fisheries Corporation (CNFC), the same Chinese company currently operating in Suva, amongst many other locations.

Throughput of the CNFC plant is planned to be 800 t. per month, and will cater for fresh air-freight fish, and -25° and -55° blast freezing and cold storage. About 90 ni-Vanuatu will be offered work in the plant, with additional places available on the vessels.

Annex F: Current fisheries management in the Caribbean

The complexity of the Caribbean region has limited the formation of reliable fisheries institutions and mechanisms to enable preferred access by that region's member states. Firstly, the South Pacific Forum equivalent is the Caribbean Community (CARICOM), which likewise addresses all common issues of its members. In addition to CARICOM there is the Organisation of Eastern Caribbean States (OECS); perhaps equivalent to the PNA as they face the open Atlantic. Also within the overall ocean area there are regional states that are not CARICOM members: in the Caribbean Sea (e.g. Cuba, Costa Rica, etc), on the north and south American mainlands (e.g. Panama, Venezuela, USA, Mexico, etc), plus some territorial powers with dependencies (e.g. UK and USA)

In 2002, and within CARICOM's establishing *Treaty of Chaguaramas*, some members set up the **Agreement Establishing the Caribbean Regional Fisheries Mechanism** with the following country members: Antigua and Barbuda, The Bahamas, Barbados, Belize, British Virgin Islands, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Turks and Caicos Islands. (Some of these are UK Dependent Territories, in similar vein to Pitcairn Islands.)

The above list of new members that contribute to the Secretariat of the Caribbean Regional Fisheries Mechanism (CRFM) does not include some key states, although it is open for signature by non-CARICOM countries and other regional countries that are dependent territories or metropolitan powers. At these early stages, the 2002 CRFM is similar to the 1979 establishment and membership of FFA, although in the long run it is focussing on the establishment of itself as an RFMO, i.e. to eventually arrive at something similar to the WCPFC with a complementary approach to DWFNs and regional fishing powers.

The following was obtained from the CARICOM agreements matrix, which entered into force nearly 6 years ago with a mandate similar to FFA.

Agreement Establishing the Caribbean Regional Fisheries Mechanism (CRFM) , Belize, February 4, 2002.	This Agreement establishes the Caribbean Regional Fisheries Mechanism which provides for the efficient management and sustainable development of marine and other aquatic resources within the jurisdictions of Member States; the promotion and establishment of co-operative arrangements among interested States for the efficient management of shared, straddling or highly migratory marine and other aquatic resources; and the provision of technical advisory and consultative services to fisheries divisions of Member States in the development, management and conservation of their marine and other aquatic resources.	D.O.S. – Antigua and Barbuda (July 4, 2003); Barbados (February 4, 2002); Belize (February 4, 2002); Grenada (February 4, 2002); Guyana (February 4, 2002); Jamaica (February 4, 2002); Montserrat (July 4, 2003); St. Kitts and Nevis (July 4, 2003); St. Vincent and the Grenadines; (February 4, 2002); Suriname (February 4, 2002); Trinidad and Tobago (February 4, 2002).	Entered into force on February 4, 2002. AGREEMENT REGISTERED WITH UN ON FEBRUARY 3, 2004. Certificate of Registration No. 50547/39916. According to Article 35 of the Agreement, it came into force upon the signature of seven [7] Member States and Associate Members of CARICOM.
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In some respects the nature and extent of the Caribbean's individual government arrangements and inter-relationships are similar to the South Pacific: free independent countries, bordering large industrialised nations, and interspersed with countries with specific and individual metropolitan relationships (e.g. in the South Pacific countries linked with Australia, USA, France, NZ and UK).

The aim of the CFRM was to establish the following:

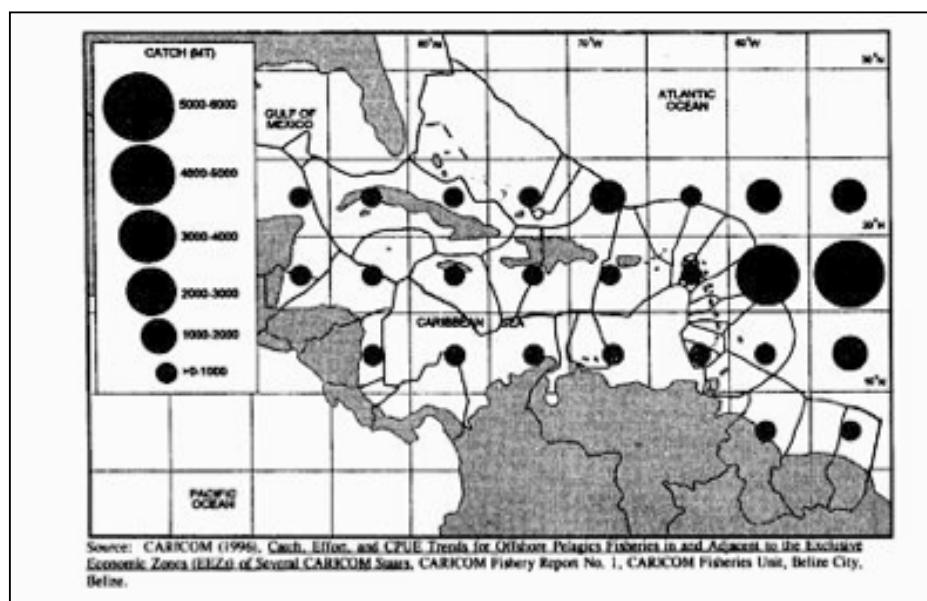
1. Common Fisheries Policy and Regime (CFP);
2. Fishery Zone demarcations; and
3. Regional Organisation for fisheries management.

The Caribbean CFP is aimed to emulate the EU system to provide:

1. preferred access to all member states (some of which may not be Caribbean Islands); and
2. a secondary access relationship with DWFNs when there is a surplus that should be made available above the yields that have been extracted by preferred participants.

Both these issues are the subject of this study, i.e. preferential access to members but enabling surpluses to be managed through other arrangements such as chartering or simple access.

The issue of Fishery Zone demarcations in the Caribbean is much more complex than in the South Pacific where largely these have been completed, such as between contiguous zone borders with countries of varying political arrangements, e.g. Samoa and American Samoa. There are many other similarities in the circumstances of the Caribbean and the South Pacific, although there has been a long period for that region to approach the current status of the South Pacific. Note the sizes and complexities of the memberships of the small Caribbean Sea in the diagram below.



Catch by Tuna Longliners, 1985 – 1990 within and outside EEZ boundaries in the Caribbean.

from 'A Common Fisheries Regime for the Caribbean Sea', prepared by Carl Dundas and Carlyle Mitchell for the CARICOM Secretariat under the Caribbean Regional Fisheries Mechanism Secretariat, July 2004.

Finally, during this study the Caribbean institutions were contacted concerning fishery access relationships and there appear to be none extant. Notwithstanding this on October 12, 2006 in the Caribbean there was a circulated '*Draft Agreement Establishing the Common Fisheries Policy and Regime*' which has many elements of the EU Common Fisheries Policy. It is the European model to which the Caribbean Community (and its subsidiary, the CRFM) is committed in its vision to actually establish a CARICOM Single Market Economy (CSME), so fisheries is only a small part of that vision. This is an issue that goes far beyond the scope of fisheries management.

For comparative purposes only, it is clear from recent investigations of fisheries issues in the Caribbean that the small size, low productivity, complex international relationships, institutional limitations and overall common market objectives do not hold relative examples that might be considered in the context of this study.

Annex F: Values of Catches

The availability of fisheries statistical data in the South Pacific is now extended to all member countries of the WCPFC.

When catch statistics are applied to price data it is possible to establish rankings of economic benefits widely across FFA members also in the context of DWFNs that operate in the region, plus the context in relation to other developing country WCPFC members.

When reviewed in this way the use of such comparative tables establishes what the clear economic advantages are to which country and which participant just on the basis of whole fish prices and known catches.

The tables that follow are divided into two sets;

1. *Values of Catch in 2006 by national waters by gear by species for All Gears, Longline (total fresh & frozen) and Purse Seine.*

These three tables were extracted from the FFA publication in October 2007 of the data and values.

Each of the first set of 3 tables has had the value of FFA member EEZ catches highlighted to show clearly their rankings in total, longline and purse seine catch values (not caught only by their own fleets) from all fleets that operate within their zones.

2. *Values of Catch in 2005 for catches by national waters, national fleets and national fleets in FFA waters.*

These three tables were extracted from the FFA publication in March 2007 of the data and values available at the time of first research in this study.

Each of the second set of 3 tables has been ranked simply to show the differentials that can be used now and in the future in describing comparative development as time and progress in the 'domestication' of PIC fishing fleets to extract catch and economic benefits proceed.

Value of catch in 2006 by national waters by gear by species

All values in US\$

All species, all countries and international waters

10.1 All gears

PNG	463,751,700
Indonesia	391,192,726
Philippines	335,226,096
Japan	290,573,892
FSM	229,861,282
Kiribati	169,570,581
Solomon Islands	157,820,404
Marshall Islands	60,874,919
Nauru	59,354,419
Vanuatu	50,860,215
Taiwan	37,819,560
Palau	36,994,742
US + territories (ex Am Sam)	27,258,477
Fiji	21,929,588
Australia	19,468,989
French Polynesia	16,369,409
Tuvalu	13,872,963
New Zealand	12,671,051
Samoa	8,060,325
Cook Islands	8,053,979
New Caledonia	6,500,353
Tonga	3,322,315
Tokelau	1,134,712
Niue	404,418
American Samoa	351,405
Mathew and Hunter	22,337
Pitcairn	0
Wallis and Futuna	0
Sub-Total-FFA	1,318,006,602
Sub-Total- Others	1,105,314,254
International waters	840,282,341
GRAND TOTAL	3,263,603,196

10.2 Longline (total fresh & frozen)

Indonesia	129,195,068
Japan	123,247,662
Vanuatu	50,860,215
Marshall Islands	43,740,204
Solomon Islands	41,731,162
Taiwan	36,375,952
FSM	32,899,111
Palau	32,057,735
Philippines	31,926,245
PNG	22,288,314
Fiji	21,302,382
Australia	19,323,840
US + territories (ex Am Sam)	18,615,279
French Polynesia	14,186,720
Kiribati	9,758,480
Samoa	8,045,284
Cook Islands	8,038,938
New Caledonia	6,500,353
Tonga	3,322,315
New Zealand	2,809,411
Tuvalu	568,384
Niue	404,418
American Samoa	326,274
Mathew and Hunter	22,337
Nauru	0
Tokelau	0
Pitcairn	0
Wallis and Futuna	0
Sub-Total-FFA	297,150,194
Sub-Total- Others	360,395,889
International waters	453,983,838
GRAND TOTAL	1,111,529,921

10.5 Purse seine

PNG	441,463,386
FSM	195,720,511
Indonesia	172,276,539
Philippines	164,625,608
Kiribati	157,409,233
Solomon Islands	109,652,168
Nauru	59,354,419
Marshall Islands	17,134,715
Japan	15,852,198
Tuvalu	13,304,579
US + territories (ex Am Sam)	7,291,337
Palau	4,937,007
New Zealand	4,407,549
Tokelau	1,134,712
Fiji	64,978
Cook Islands	15,041
Samoa	15,041
American Samoa	15,041
Australia	0
Niue	0
Tonga	0
Vanuatu	0
French Polynesia	0
Mathew and Hunter	0
New Caledonia	0
Pitcairn	0
Taiwan	0
Wallis and Futuna	0
Sub-Total-FFA	1,004,613,340
Sub-Total- Others	360,060,723
International waters	218,387,401
GRAND TOTAL	1,583,061,464

Source: Forum Fisheries Agency. Based on available catch and price data. Published October 2007.

Summary tables for value of catch (all species all gears) of the WCPFC area in 2005

1. Value of catch by national waters

Country	US\$ million	Ranking
Indonesia	364.56	1
Philippines	314.71	2
PNG	308.74	3
Japan	261.51	4
Kiribati	229.28	5
FSM	197.10	6
Solomon Islands	136.86	7
Marshall Islands	58.30	8
Nauru	46.35	9
Vanuatu	30.85	10
Palau	25.44	11
Taiwan	22.13	12
US + territories (ex Am Sam)	21.95	13
Tuvalu	21.06	14
New Zealand	17.77	15
Fiji	17.58	16
Australia	16.03	17
French Polynesia	14.85	18
American Samoa	12.78	19
Cook Islands	9.51	20
New Caledonia	7.33	21
Samoa	4.47	22
Tokelau	3.65	23
Tonga	2.99	24
Niue	0.43	25
Wallis and Futuna	0.29	26
Mathew and Hunter	0.04	27

2. Value of catch by national fleet

Country	US\$ million	Ranking
Japan	804.94	1
Taiwan	409.04	2
Indonesia	359.35	3
Korea	345.43	4
Philippines	337.44	5
PNG	223.38	6
China	120.68	7
US	113.39	8
Vanuatu	109.06	9
Marshall Islands	51.57	10
Fiji	38.46	11
Solomon Islands	30.13	12
FSM	27.52	13
New Zealand	24.55	14
Australia	17.79	15
French Polynesia	17.06	16
American Samoa	12.76	17
Cook Islands	9.95	18
Kiribati	9.16	19
New Caledonia	7.37	20
Samoa	4.88	21
Spain	3.27	22
Tonga	3.08	23
Niue	0.44	24
Canada	0.20	25
Tokelau	0.00	28
Tuvalu	0.00	29

3. Value of catch by national fleet in FFA national waters

Country	US\$ million	Ranking
Taiwan	241.24	1
PNG	194.79	2
Korea	179.23	3
China	90.58	4
Japan	89.84	5
Vanuatu	64.70	6
US	51.68	7
Marshall Islands	35.13	8
Fiji	31.32	9
Solomon Islands	29.91	10
Philippines	28.07	11
New Zealand	23.60	12
FSM	22.57	13
Australia	16.02	14
Cook Islands	9.82	15
Kiribati	7.74	16
Samoa	4.48	17
Tonga	2.99	18
French Polynesia	1.02	19
Spain	0.96	20
Niue	0.43	21
American Samoa	0.26	22
New Caledonia	0.02	23

Annex G. Fiji -Summary of current industry findings and views

(Source: R. Denham, Fiji Fish Marketing Group Ltd, Pacific Tuna Forum, 2007)

1. Vessel Operations and Licensing:

In 2006 the vessel operations were as follows, including the numbers known to the domestic industry of the three classes of vessel – national, charter & based and foreign.

Industry Vessel Operations	Licensed for Fiji's EEZ	Licensed with other PIC and based/unloading in Fiji	Distant Water Vessels
Number of Vessels	66	130	
Approximate number of unloadings for 2006	1680	1096	165

Over the past 6 years the total number of all classes were as follows:

Year	Licensed Longline Vessels for Fiji's EEZ
2002	103
2003	101
2004	84
2005	72
2006	66
2007	56

2. Costs and Incomes:

The domestic commercial viabilities can be based on operating costs and likely incomes at different catch rates. The table below on commercial Break-Even Vessel Analysis is presented based on 2006 figures.

The primary commercial viability benchmark is as follows: For each 20 meter Longline Fishing Vessel (the standard size in the Fiji domestic industry), the current *Annual Operating Costs* is around \$US 665,000.

The incomes by species at current prices for three basic catch rates per year are as follows:

		Gross Value of Fish		Tons of Fish per Year		
Catch Composition	%	(\$US/mt)		175	200	250
Big Eye	6%	\$7,850		\$82,425	\$94,200	\$117,750
Yellowfin	17%	\$7,350		\$218,663	\$249,900	\$312,375
Albacore	52%	\$2,400		\$218,400	\$249,600	\$312,000
Others	25%	\$1,350		\$59,063	\$67,500	\$84,375
TOTAL GROSS SALES				\$578,725	\$661,400	\$826,750

3. Conclusions:

- Commercial viability requires a per vessel catch rate of more than 200 mt per year. And based on an annual TAC of 15,000 mt. of all species the maximum number of possible vessels for EEZ is 60, each catching 250 m/t per year. More vessels reduce catch rates and incomes close to the breakeven point, thus lowering profitability and company abilities to invest more in onshore processing. Therefore, there are limited resource opportunity in Fiji's EEZ.
- Fiji's Foreign Investment Act states foreign investors in this sector must have a minimum of 30% equity held by Fiji citizen. There are some uncertainties about the effect of this licensing 'loophole'. Limits and controls are essential to maintain stable catching sector and enable a move continual access to the EU.

Annex H: Primary Stakeholders Meeting

Regional Longline Framework Meeting

Date: Thursday 13th September 2007

Venue: Crown Plaza Time: 12:45pm - 13:45pm

Basis of multilateral PIC agreements

The subject of Regional Agreements in the South Pacific is not one that needs further detailed reference in this document. This report is required to focus on regional needs and arrangements to enable a collective PIC approach to further 'domestication' of the longline fishery taking into account the natural attributes of ocean fishing and small island state ownership. Therefore, this document is a first step in the last phase towards the main objective to establish a Sub-Regional Management Framework for South Pacific Longline Fisheries. The definition of the necessary Management Arrangements are largely in place in all PICs. What needs to be decided is largely something else.

Previous phases since UNCLOS have been undertaken in many ways - some successful and some failing - during the past 25 years. Much has been rationally and sustainably achieved at national, regional and international levels during that relatively brief historical period of international change. The list of South Pacific agreements is enormous, given their individual and collective complexities. From early on with the Nauru Agreement, decision-making then went on to Harmonisation Agreements, Bilateral Agreements, the US Treaty, Niue Agreement, FSM Arrangement, Palau Agreement, WCPFC, etc. Now is the time to use the highly positive international fisheries management inventions that the PIC have generated, and take their successes further.

The following are well recognised:

- The sustainable fisheries yields can be used as both income-generating and economy-developing resources, provided the activities are commercially viable;
- Establishing a collective framework for the domestic longline fishery must be developed to enable the economic returns from that fishery to be appropriate, valid and supportive of all national needs, but within multilateral trusts that are complex.
- The PICs vary greatly from their land and sea geography and environment; exhibiting diverse human and natural resource cultures; and exhibiting highly diverse political and development circumstances. Each PIC is thus unique, although given their direct incomparability as described in the foregoing they are usually unanimous in arriving at an agreement. Given that each country is different from the next, during their relations they also need to abide with equitable agreements on their modes of behaviour while evoking reciprocity in appropriate ways.
- More people means more employment needs. More land and water enables more development growth. More ocean enables the use of more fishery resources, etc.

In the above 'more' means either more in total quantity (e.g. GDP contribution in \$) or more per capita. In each country, the extent, type and importance of natural renewable resources differs very widely. No further explanatory text is required for this paper. What is now required is a brief explanation of the number of elements in the development of this paper and the next steps in achieving a further PIC Agreement; the Regional Agreement on Longline Fishing in FFA member states.

There will be three foci of attention with the highest emphasis on the third below:

1. Distant Water Fishing Nation Longline = foreign licensing
2. Domestic national zone longline = national licensing
3. Regional Reciprocal Access = sub-regional licensing

The first and second above are largely achieved from a fisheries management perspective, but the third is in the process of further establishment. Some bilaterals have been agreed (e.g. Fiji and Tuvalu see below) but the PICs and their industries recognise that a formal agreed framework will enable an equitable agreement.

Attendees:

Bill Holden	Tonga Export Fisheries Association
Blaise Paru	Equatorial Marine Resources Ltd
Francis Houji	Fair Well Fishing (PNG) Ltd
Godfrey Manebosa	Soltai Fishing & Processing Ltd
James Movick	FSM National Fisheries Association
John Boyle	Samoa Fish Exporters Association
Les Clark	Forum Fisheries Agency
Mike Batty	DevFish, Forum Fisheries Agency
Moses Kouni Mose	Pacific Islands Forum Secretariat
Nautilima Tupou	Tonga Export Fisheries Association
Pete Celso	RD Tuna Cannery
Phil Roberts	Tri Marine International Pty Ltd
Ronald Kuk	PNG National Fisheries Authority
Russel Dunham	Fiji Fish Marketing Group Ltd
Sylvester Pokajam	PNG National Fisheries Authority
Tapi Taio	Cook Islands Tuna Industry Association
Johnathan Manieva	DevFish, SPC
Augusto Natividad	Frabelle (PNG) Ltd
David Evans	Associate Consultant
Norman Barnabas	Associate Consultant
Presley Kokwaiye	Associate Consultant

Presentation Texts:

Highlights from the 2 industry meetings in Samoa and Majuro

SAMOA

- Data analysis and assessment of the longline tuna resources in national waters;
- Support for fisheries associations to improve their capacity and representation in decision making forums;
- Assistance with modernizing of fishing operations through satellite fish finding technology; and
- Advice on tuna industry development strategies.

MAJURO

- Industry participants expressed concern at the high level of fees charged by FFA for VMS and vessel registration and requested that these be reviewed;
- it is also important that FFA respond quickly to applications as fishing companies in the sub-region are penalized for late licence applications.

GOVERNMENT POLICIES

- There is a need for appropriate policies, especially with regard to foreign investment in the fishery.
- There is a need for strategies to make Pacific Island fisheries more viable, and to make local bases more attractive to foreign vessels.
- The economic benefits of local basing justify tax remissions and special treatment, at least in the short term.

MANAGEMENT OF THE RESOURCE

- There is a need to ensure that such management measures recognize the development aspirations of small island developing states.
- There is a need to quantify the economic benefits of different tuna industry operations so that these can be maximized.

CONSULTATION WITH INDUSTRY

- Fisheries Associations have a very important role as a representative mechanism for stakeholders.
- There is a need for Governments to address issues of information sharing and transparency.
- The effectiveness of consultation between Government and Industry depends on the approach. Dialogue needs to be well structured and there is a role for professional facilitators.
- It is important to balance the representation of stakeholders, particularly where there are likely to be winners and losers, and the competitive nature of fishing operations can make it difficult to reach agreement on joint solutions.

REGIONAL ISSUES

- The meeting noted the key role for FFA in helping member countries to meet obligations under the WCPFC, and stressed the need for industry participation in meetings and discussions of national positions.
- It was noted that, although WCPFC decisions allow for the development of Pacific Island fisheries, issues of allocation of the resource were yet to be resolved. Countries need to be prepared to defend the interests of local and locally based fisheries.
- The need for clearly identified national representative to participate in the regional Pacific Island Tuna Industry Association was stressed.
- Industry stressed the need for greater consultation on the proposed Fisheries Partnership Agreement with the EU.

DETAILED TERMS OF REFERENCE:

- What area (PICs) and target species for the Regional Longline Agreement?
- What member countries might offer preferential regional access?
- What PIC domestic vessels would like a regional access regime?
- What management mechanisms (procedures, decision-making, compliance control, etc) need to be established?
- What arrangements can be made to ensure economic benefits accrue to countries that offer regional preferential longline licences?

MANAGEMENT DEFINITIONS:

- What fee calculations model might be required, taking into account any national rewards expected; diverse regional domestic fleet characteristics (size, number and efficiency); regional fleet operation advantages and opportunities (crew, infrastructure use, etc)?
- What criteria for access should be defined and then applied to regional access licence preferment; what are the various components of the criteria evaluation model?

MANAGEMENT ARRANGEMENTS:

- Are there any national legal changes needed to categorise licensed vessels alongside Domestic Licence and Foreign Licence fishing vessels with a Regional Licence category that carries a different set of responsibilities and operational terms and conditions?
- Are there any MCS changes required to cope with a Regional Licence; are there additional procedures beyond those that already apply to Domestic Licence or Foreign Licence categories?
- What institutional framework is required; what financial resources are needed; how would it all be undertaken with a clear mechanism for management cost recovery?