FAO/FFA REGIONAL WORKSHOP TO PROMOTE THE FULL AND EFFECTIVE IMPLEMENTATION OF PORT STATE MEASURES TO COMBAT IUU FISHING

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WCPFC REGIONAL OPERATIONAL ISSUES

WCPFC Secretariat

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1. WCPFC

1.1 Background

The Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (Convention) entered into force in June 2004 creating one of the first regional fisheries management organizations to be established since the 1995 adoption of the United Nations Fish Stocks Agreement (Agreement).

The objective of the Convention is to ensure, through effective management, the long-term conservation and sustainable use of highly migratory fish stocks in the western and central Pacific Ocean in accordance with the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and the Agreement. For this purpose, the Convention establishes a Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (WCPFC). A small Commission Secretariat is based at Kolonia, Pohnpei State, Federated States of Micronesia.

The Convention applies to all species of highly migratory fish stocks (defined as all fish stocks of the species listed in Annex I of UNCLOS occurring in the Convention Area and such other species of fish as the Commission may determine) within the Convention Area, except sauries. Conservation and management measures under the Convention are to be applied throughout the range of the stocks, or to specific areas within the Convention Area, as determined by the Commission. The Commission currently has twenty-five Members and two Cooperating Non-Members. The three Pacific Overseas Territories of France, and Tokelau are Participating Territories within the Commission.

2.2 Objectives of Technical and Compliance Committee regarding port State measures

TCC1 noted the importance of port State measures and port inspections in meeting the objectives of the Convention, increasing cooperation and coordination, addressing illegal, unreported and unregulated (IUU) fishing activity and ensuring compliance with conservation and management measures adopted by the Commission. TCC1 recommended that the 2005 FAO Model Scheme on Port State Measures to Combat Illegal, Unreported and Unregulated Fishing serve as the basis for developing a Commission Port State Scheme.

TCC1 also recommended that Commission Members and Cooperating Non-Members provide a report to the Commission that describes their existing port State and/or port inspection schemes, and how these schemes correspond with the FAO Model Scheme. The Commission Secretariat plans to present to TCC2 a paper that is a compilation of reports, containing a comparison of the information received with the FAO Model Scheme and an indication of any gaps between them.

2. GENERAL OUTLINE OF PROFILES OF WCPFC NON-FFA MEMBERS AND COOPERATING NON-MEMBERS

2.1 Fleets

<u>China</u>

Chinese fishing enterprises, relatively new entrants to the WCPO tuna fishery, have experienced mixed success with their commercial operations in the region. A new, and perhaps unfamiliar, business environment, and limited experience in oceanic tuna fisheries that initially concentrated on longlining, perhaps contributed to this situation. However, as their experience has grown so has the Chinese presence in tuna fishing in the region. Chinese fishing enterprises now support a fleet of nine (9) industrial-scale tuna purse seiners and 97 longliners in the WCPO with suggestions that Chinese-associated companies are considering large investments in tuna-related onshore facilities stretching from Indonesia to Marshall Islands.

Chinese-Taipei

There are mainly three types of Taiwanese tuna vessels operating in the WCPO:

- large tuna longline (137 vessels in 2004);
- distant water purse seine (34 vessels); and
- small tuna longline (1,060 vessels).

All of these fleets have been reduced in size from their 2003 levels. There are also numerous Taiwanese-owned purse seiners and longliners operating in the region under the flags of various coastal States.

Japan

Japan has longline, pole-and-line and purse seine fishing vessels active in the WCPO tuna fishery. For vessels over 200GRT the numbers are longline (165), pole-and-line (34) and purse seine (36).

Korea

The size of the Korean fishing fleet has shown a decreasing trend over recent years due to economic streamlining brought on by increasing costs and reduced revenues. Korea currently has 28 purse seiners and 131 longliners operating in the WCPO.

United States of America

The five U.S. fisheries for highly migratory species are the purse seine fishery that targets skipjack and yellowfin tuna, the longline fishery fishing for bigeye tuna and swordfish, the distant-water troll fishery targeting albacore tuna, the troll and handline fishery targeting a variety of tunas, marlines and other pelagic species, and the pole-and-line fishery for skipjack tuna. The U.S. purse seine fleet has decreased from 33 vessels in 2001 to 14 vessels in 2006. There were 165 U.S. longline vessels fishing in the WCPO in 2004.

Numbers of vessels in the distant-water troll fishery for albacore in the South Pacific dropped from 14 in the 2002-2003 season to 11 in the 2003-2004 season. The Hawaii-based pole-and-line fishery declined to only two (2) vessels in 2004.

Indonesia

There are currently seven (7) Indonesian-flag longliners operating in the WCPO. These vessels were previously operating under the Taiwanese flag.

European Union

The European purse seine fleet comprising five large tuna purse seine vessels has mostly operated in the Eastern Pacific Ocean though it has taken sporadic catches in the WCPO since 1999. The Spanish surface longline fleet comprising eight vessels commenced experimental fishing activities for swordfish in the WCPO during 2004. Under a new agreement recently signed between the EU and Kiribati, twelve longliners and four purse seiners, all Spanish flagged, will fish for tuna within the Kiribati EEZ from 16 September 2006.

Canada

The Canadian jig fishery for albacore tuna is comprised of two fleets with a total of 200+ vessels:

- Coastal Fleet – Vessels mostly 10 – 20m long that operate within and near the Canadian and U.S. fishing zones; and

- High Seas Fleet – Vessels mostly >20m long that operate west of the dateline to the Canadian zone in the North Pacific.

In recent years a few Canadian flag vessels have fished Southern albacore stocks below the equator, landing their catch at ports in American Samoa, Fiji, French Polynesia and Canada.

Philippines

The Philippines is a major tuna producer in the WCPO with oceanic and coastal fleets comprising handline bancas, ringnet vessels, small and large purse seiners, domestic longliners, distant water longliners and a range of small artisanal vessels. Philippine purse seiners and longliners fish in the Indonesian EEZ under an access arrangement. In Papua New Guinea, Philippine purse seiners fish under bilateral access arrangements and with PNG-based vessels. Philippine-flag vessels currently operating in the WCPO are purse seiners (22) and longliners (1).

French Polynesia

Tuna fisheries in French Polynesia are divided into:

- Small-scale coastal fishery (approximately 300 boats: 6-8m and 10-12m); and
- Offshore longline fishery (75 boats).

The 6-8m class fleet has stable numbers while the 10-12m class fleet has steadily decreased in numbers and it is likely that this trend will continue in the future. Although the size of the longline fleet increased from 2003, a drop in the availability of albacore tuna has led to a decline in longline catches.

New Caledonia

In 2004, 29 domestic tuna longliners of 20m length were licensed to fish in the New Caledonia EEZ. This fleet has developed from early 2000 and is now well established and stabilised, targeting yellowfin, marlin and shark when the water temperature is above 20°C and moonfish when the temperature is below 20°C. Though it is unlikely that the number of vessels in this fleet will increase sharply in the near future, more vessels may target albacore tuna because of the availability of loining facilities in New Caledonia.

2.2 IUU fishing

The WCPFC is actively supporting initiatives designed to prevent, deter and eliminate IUU fishing. The Commission has included discussion of IUU fishing on the agenda of the second regular session of the Technical and Compliance Committee (TCC2) to be held at Brisbane, Australia from 28 September to 03 October 2006. It is also considering joining a proposed network of organisations and institutions that are interested in monitoring IUU fishing.

2.3 Use of ports

The prominence of certain ports as ‘hot-spots’ for transhipment activity rises and falls depending on factors such as proximity to productive fishing areas, access to relatively inexpensive fuel, access to tuna processing facilities and relatively benign fisheries regulatory regimes. The current ‘hot-spots’ are Pohnpei (Federated States of Micronesia), Majuro (Marshall Islands), and Madang and Wewak (Papua New Guinea). However, other ports that may become active transhipment sites include Honiara (Solomon Islands) and Rabaul (Papua New Guinea).

2.4 Transhipment

TCC1 agreed that transhipment is a global issue that necessitates a comprehensive system of regulation that is consistently applied across all regional fisheries management organizations and oceans, to prevent IUU fishing activity. It recommended that the Commission take early action to regulate transhipment in the Convention Area by developing procedures and other measures to give effect to Article 29 and Article 4 of Annex III of the Convention, giving due consideration to transhipment regulation schemes adopted by other RFMOs, e.g. ICCAT.

TCC2 also recommended that the development of procedures to regulate transhipment be closely coordinated with the implementation of Article 27 on port State measures in order to promote a comprehensive compliance regime and to suppress IUU fishing activities. The Commission Secretariat is preparing draft procedures to regulate transhipment that will be considered by TCC2 in late September 2006.

2.5 Trade patterns

General[1]

The challenges in the global tuna industry are numerous and getting stronger whether it is fishing, processing or marketing. The regional industries in the Asia/Pacific continue to shoulder the major share of these challenges as it remains the leading tuna harvesting and producing region in the world. In the international and regional markets, there have been noticeable changes in consumer preferences and market demand for tuna products as well, which are being gradually accommodated by the industry.

For non-canned tuna products, Japan still remains the leading outlet; but the world's largest *sashimi* market imports more non-traditional types of products. Imports of *sashimi* tuna and tuna loins for non-canned usages are also growing in the USA; Asia is the largest trading partner in this market segment.

Better utilization of local tuna landings is gaining importance in many Asian countries. Value addition continues to keep consumer preference in mind. The non-Japanese Asian markets keep on expanding for *sashimi* tuna and canned tuna products. However, markets with huge potential such as China and India, remain virtually untapped, awaiting generic marketing campaigns, particularly for canned tuna.

Specific

Major markets for purse seine caught skipjack and yellowfin tuna from the WCPO are the canneries in Bangkok, Thailand and Pago Pago, American Samoa, although Japanese purse seine caught skipjack is primarily used in the production of arabushi and tataki, while yellowfin is used to supply Japanese canneries. Aside form the two large canneries in American Samoa, canneries and loining plants are operating in Papua New Guinea, Fiji, Indonesia, the Philippines and Solomon Islands.

The major markets for longline caught bigeye and yellowfin are the sashimi markets of Japan and the United States. Longline caught albacore is primarily used for canning in Thailand and American Samoa, but an albacore tuna sashimi market in Japan is emerging.

[1] Synopsis of a presentation at Tuna '06, Bangkok – 'Review and Highlights of the Asia/Pacific Tuna Markets' - by Fatima Ferdouse, Chief, Trade Promotion Division, INFOFISH, 1st Floor, Wisma PKNS, Jalan Raja Laut, 50350, Kuala Lumpur, Malaysia.

3. WCPFC REGIONAL SYSTEMS

3.1 Vessel Monitoring System (VMS)

The Convention establishing the Commission states that the Commission shall operate a vessel monitoring system for all vessels that fish for highly migratory fish stocks on the high seas in the Convention Area. At its second regular session (Comm2) in December 2005, the Commission adopted a recommendation by the first regular session of the Technical and Compliance Committee (TCC1) that the Commission Secretariat undertake further work during 2006 in respect of the Commission's VMS, including a cost assessment and feasibility study of two options identified as offering the best potential to meet the Commission's needs.

TCC1 expressed the desire that the system options be considered in 2006 and, if approved, the system be made operational in 2007. Further information about the Commission VMS is appended at **Attachment 1**.

3.2 Observer Program

One of the Commission's priority tasks is to develop a Regional Observer Program that supports both scientific and compliance functions, and be coordinated, to the extent possible, with existing national, regional or sub-regional observer programs to avoid duplication. The Commission will also need to develop standards and procedures, including training and certification procedures, so that existing observer programs can contribute to the Regional Observer Program to the maximum extent possible.

The Commission's most urgent task in relation to the development of a Regional Observer Program is the drafting of a program document that describes:

- the immediate objectives of the Regional Observer Program;
- institutional arrangements for its implementation;
- science, technical and compliance-related elements of the program, including collaboration between the Scientific Committee, and the Technical and Compliance Committee; and
- a timetable and plan for implementation of the Regional Observer Program across all fleets operating in the western and central Pacific Ocean (WCPO).

A contractor has been employed to draft this program document that will be considered at the second regular session of the Scientific Committee to be held at Manila, Philippines from 07 to 18 August 2006, and at TCC2 to be held at Brisbane, Australia from 28 September to 03 October 2006.

The Commission Secretariat is in the process of recruiting an Observer Program Coordinator to implement the Regional Observer Program. It is expected that an appointment will be made to this position in late-2006.

3.3 Databases

Prior to the development of databases at the Commission Secretariat a Corporate Data Management System (CDMS) will be established that will serve as a foundation for the design and deployment of an Information and Communication Technologies (ICT) system. Two detailed design documents will be prepared by the end of August 2006 that will be the primary references for future ICT developments at the Commission Secretariat.
Several functions have been identified within the Commission Secretariat that would benefit from the application of a systematic approach to data management. These functions range from specific tasks, e.g. maintenance of the Commission Vessel Record, through to organisation-wide processes that impact on all aspects of the business, e.g. shared contact management system.

3.4 Interface of regional systems with FFA

It is unclear at present how the regional systems being developed at the Commission Secretariat will interface with those in existence at the FFA Secretariat. However, it is very likely that they will closely aligned, considering that:

- both options for the Commission VMS involve the FFA VMS;
- the Regional Observer Program is required to coordinated, to the extent possible, with existing regional or sub-regional observer programs, two of which are operated by the FFA Secretariat; and
- the databases being developed at the Commission Secretariat will have as a foundation a Corporate Data Management System, very similar to the Corporate Data Model that has operated at the FFA Secretariat for several years.

Attachment 1

Commission VMS

Functions of the Commission's VMS program

Comm2 agreed that the functions of the Commission's VMS program are as follows:

a. track the position and speed of all fishing vessels that fish for highly migratory fish stocks covered by the Convention on the high seas in the Convention Area and any waters under national jurisdiction as requested by Members as per Article 24(8) of the Convention;

b. support of the fisheries monitoring, control and surveillance (MCS) functions of the Commission (e.g. transshipment monitoring, observers); and

c. facilitation of the monitoring and enforcement of conservation/management measures (e.g. closed areas).

Standards for Automatic Location Communicators (ALC)

TCC1 received a draft specification for the use of ALCs by vessels operating under the Commission VMS (appended at **Attachment A**), based on the FFA VMS[2] Specification for ALCs. It was agreed that Members would review this draft specification for further discussion at the TCC's second regular session (TCC2) in September 2006.

Comm2 agreed that approval of ALC standards that do not include a polling capability be contingent on the following conditions:

a. that the reporting rate be set at a frequency sufficient to ensure that the effectiveness of the program as a monitoring and enforcement tool was not compromised; and

b. that vessels equipped with such units have on board, and operational at all times, an alternative method of two-way communication between the vessel and the VMS system operators.

TCC1 noted that coastal States and participating territories would retain the right to operate systems in accordance with existing national, bilateral and regional agreements.

Options for the Commission VMS

Comm2 accepted TCC1's recommendation that the Commission consider the following options as potential solutions for VMS implementation:

a. two VMS with the FFA VMS forwarding relevant high seas data to the Commission VMS; and

b. two separate VMS (Commission VMS for the high seas and the FFA VMS for FFA member EEZs).

Diagrammatic representations of these two options are appended at **Attachment 2** and **Attachment 3** respectively.

Other VMS matters considered by the Commission

Comm2 noted that because of the desirability of consistent fisheries management through the area of both EEZs and high seas, VMS monitoring is desirable over both of these areas. The Commission considered the possibility that the FFA Secretariat could provide the interim service of the Commission VMS, covering both EEZ and high seas in the Pacific Islands region until a decision is made regarding the structure and operation of the Commission VMS.

[2] The secretariat of a Regional Fisheries Body, the Pacific Islands Forum Fisheries Agency (FFA) manages and administers the FFA VMS on behalf of its 17 members covering their respective EEZs in the WCPO region.

Link between the Commission VMS and the Commission Record of Vessels

In order for the Commission VMS to operate, it will need to be linked to the Commission Record of Vessels comprising those vessels authorized by Members to fish beyond areas of national jurisdiction in the Convention Area. The Commission Record of Vessels currently contains records of over 5,000 vessels.

Feasibility of the two options for the Commission VMS

Two VMS with the FFA VMS forwarding relevant high seas data to the Commission VMS

The FFA VMS receives position data from vessels operating in the high seas in the Convention Area if those vessels are carrying and operating an FFA VMS type-approved ALC. FFA VMS type-approval includes the requirement for an ALC to be 'polled' on demand, to determine its current location. The FFA VMS does not collect catch information from vessels.

High seas vessel position data is not routinely monitored by the FFA Secretariat but is stored in the FFA VMS database. It could be automatically forwarded to the Commission VMS via the Internet.

To cater for vessels carrying ALCs that cannot be 'polled', a parallel FFA VMS hub-site computer would need to be installed at the FFA Secretariat, capable of receiving high seas vessel positions from ALCs of both types. This parallel FFA VMS hub-site computer would also need to collect catch data from vessels for forwarding to the Commission VMS.

A Commission VMS computer would need to be installed at the Commission Secretariat, Pohnpei to receive high seas vessel position and catch data from the FFA VMS. The Commission VMS would include some VMS functions like those employed by the FFA VMS, such as display of vessel positions. The capability of remotely setting vessel position reporting rates of ALCs installed on fishing vessels operating in the WCPO region would come as part as part of that functionality for use by the Commission Secretariat as required.

Two separate VMS (Commission VMS for the high seas and the FFA VMS for FFA member EEZs).

The Commission would establish an entirely independent VMS that could be based at the Commission Secretariat, Pohnpei. It would use a 'gateway' or 'data collector' to receive high seas vessel position and catch data from a variety of ALCs or from another source that is not a flag State Fishing Monitoring Centre.

The Commission VMS would therefore be capable of 'passively' and 'actively' receiving information from these fishing vessels. These data sources will need to meet certain standards set by the Commission in terms of the format and timeliness of the data provided, but these standards will be broad and inclusive.

Since there would be no forwarding of data between the Commission VMS and the FFA VMS, this system would require the drafting of reciprocal agreements to alert VMS in adjacent areas of jurisdiction on the movement of vessels from one system's area of coverage to another. This would allow the operators to ensure that vessels have the correct reporting setup.

This process can be automated by the inclusion of a provision for automatic area-based reporting in the ALC type-approval process. Some types of ALCs can have zone charts installed on chips within the ALC that can automatically trigger the unit to start or stop reporting to one or more destinations.

Cost assessment of the two options for the Commission VMS

Two VMS with the FFA VMS forwarding relevant high seas data to the Commission VMS

<u>Estabishment Costs</u>

a. Parallel computer at FFA VMS hub-site.

b. Commission VMS computer.

c. Software licences for Commission VMS computer

d. Software licences for the FFA VMS parallel computer.

Operating Costs

a. Technical staff costs at the FFA VMS hub-site
b. Technical staff costs at the Commission Secretariat.
c. Communications costs.
d. Hardware and software replacement costs.
e. Service Level Agreement with Service Provider.

Two separate VMS (Commission VMS for the high seas and the FFA VMS for FFA member EEZs).

Estabishment Costs

a. Commission VMS computer.
b. Software licences for Commission VMS computer

Operating Costs

a. Professional and technical staff costs at the Commission Secretariat.
b. Communications costs.
c. Hardware and software replacement costs.
d. Service Level Agreement with Service Provider.

OR

Payments to an independent organization that would operate the Commission VMS under contract, either at the Commission Secretariat or elsewhere.

Whatever option is adopted for the operation of the Commission VMS, a scheme will need to be developed to recover operational costs from the users of the system, the vessel operators.

Process for establishing the Commission VMS

Comm2 accepted TCC1's recommendation that the Commission VMS be established via the following process:

a. December 2005 – Commission agrees on VMS functions. Circulates draft specifications and data security for inter-sessional work.
b. March 2006 – Secretariat receives comments on draft specifications and data security by e-mail.
c. May 2006 – Secretariat prepares revised specifications and data security for adoption by the third meeting of the Commission.
d. July 2006 – Secretariat prepares information paper on implementation and operational costs of the short-listed options. The information paper will discuss cost-recovery options.
e. August 2006 – Secretariat prepares draft Terms Of Reference based on the revised specifications and security with short-listed implementation options.
f. September 2006 – TCC2 considers and advises the Commission of preferred implementation options, cost-recovery mechanism, final ALC specifications and data security. TCC2 revises the Terms Of Reference.
g. December 2006 – The Commission agrees on the above VMS issues and tasks the Secretariat to proceed to tender, based on the agreed Terms Of Reference.

The Convention calls for the Commission to '..operate a VMS..' for the high seas in the Convention Area and provides some guidelines as to its set-up and operations. TCC1's interpretation of this wording has provided the Commission Secretariat with an understanding of the functionality of the Commission VMS and narrowed the available options for operating the system.

While a great deal of work remains to be done to establish a viable Commission VMS, TCC1 has provided the Commission Secretariat with a work plan designed to address the Commission's needs in this respect, mindful of the issue of compatibility with existing national VMS operating in the WCPO region. An analysis of the relative feasibility and cost of the selected options for establishing and operating the Commission VMS will be an important factor in this process.