Taking Tuna Out of the Can:
Rescue Plan for the World's Favourite Fish

greenpeace.org

GREENPEACE

Defending Our Oceans

For more information contact:
enquiries@int.greenpeace.org

Printed on 100% recycled post-consumer waste with vegetable based inks.

JN 101

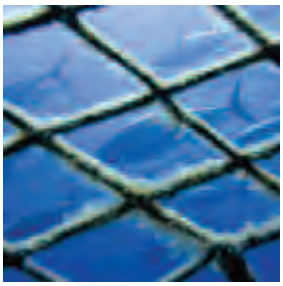
Published in December 2007
by Greenpeace International
Ottho Heldringstraat 5
1066 AZ Amsterdam
The Netherlands
Tel: +31 20 7182000
Fax: +31 20 5148151

greenpeace.org

Design by **neo:** creative

Cover Pic ©Greenpeace / G Newman

Contents


©Greenpeace / G Newman

1. Introduction

Tuna is one of the world's favourite fish. It provides a critical part of the diet for millions of poor people, as well as being at the core of the world's luxury sashimi markets. But global tuna stocks are under threat. Many tuna species are now listed as either endangered or critically endangered. In fact, global tuna stocks are disappearing.

Stocks of the most iconic and valuable of all the tuna species, the magnificent bluefin, are on the brink of collapse. Those of other species, such as bigeye and yellowfin, are fully or over-exploited in *all* oceans.

How did we get to this point?

It is not a complicated story. Over the last few decades the world's voracious appetite for tuna has spurred a surge in the number and capacity of tuna-fishing vessels. Industrial tuna fleets from Japan, the European Union (EU), Taiwan, Korea, the US and increasingly China and the Philippines, fishing far from their home ports, are squeezing the last remaining financial benefits out of the planet's tuna stocks. Even tuna fisheries that were considered healthy just a few short years ago, such as those of the Western Pacific Ocean, have joined the global depletion trend.

Tuna are highly migratory. Over their life cycles they travel vast distances, crossing the high seas and darting in and out of the waters of many coastal States on their migratory routes to breed and feed. To keep fishing year round, industrial tuna fishing fleets must pursue these stocks and follow them into the waters of coastal States. To do so legally they rely on what is known as *fisheries access agreements*, often negotiated on their behalf by their governments. Fisheries access agreements are highly controversial. In their worst manifestation they are a form of government extortion. Powerful fishing nations use their financial clout to pressure developing coastal States to exchange access to their fish resources for cash payments or even aid. More often than not these legal agreements lead to resource depletion for the coastal State. This report is a detailed look at these access arrangements as they relate to tuna. It examines how they are used by powerful fishing nations to sustain their distant water fleets. It also shows the impact this has on the economies and natural resource sustainability of the coastal countries which sell the access.


©Greenpeace / A Hofford

There is no end in sight to the global demand for tuna or to the pressure being brought to bear on developing coastal States to provide foreign fleets with access to their fisheries resources. While tuna access agreements are necessary and in some cases the only viable current option for some coastal States, it is unacceptable that these agreements lead to resource depletion, unfavourable terms and impoverishment for developing coastal States and a worsening situation for the poor in these countries. This report offers strategies for how coastal States faced with unsustainable agreements might turn their situation around. It shows how coastal States could increase their revenues from access agreements by reducing and controlling access to their tuna. It provides recommendations and principles for what could become fair tuna fisheries agreements. These proposals are an attempt to translate the rhetoric of sustainable development into concrete steps that will maximise the chances of reversing the global decline of tuna stocks, place the tuna fishery on a long-term sustainable footing, and deliver a more equitable outcome to coastal nations through the provision of local economic opportunities within their communities.

Our Planet's Rapidly Shrinking Tuna Stocks

There are five main commercially harvested tuna species: skipjack, yellowfin, big eye, albacore and bluefin. The most prolific in terms of catch volume is skipjack, a species destined primarily for canning and fished mostly by industrial seiners. In 2004, over two million metric tonnes of skipjack were landed, about 55% of the world's total combined landed volume of all tuna species.[1] The Western Central Pacific Ocean (WCPO) and the Indian Ocean supply most of the world's skipjack[2], the bulk (approximately 60% of the world supply) coming from the WCPO. In turn most of the WCPO's skipjack comes from the waters of small island states where it is fished primarily by distant water seine fleets under access agreements.[3]

The second most important tuna species in volume terms – 35% of world catch – is yellowfin, a much more commercially valuable species than skipjack. Although some yellowfin is canned, most is destined for the higher value sashimi trade. Albacore and big-eye, the latter a very valuable species for sashimi, make up most of the rest of the world's tuna catch.

Divided into Pacific, Atlantic and Southern stock groups the majestic bluefin only represents 1.5 % of the world's landed volume of tuna but its dollar value is astronomical. In 2001, a single bluefin weighing over 200kg set an all-time record when it sold for $ 173,600 (US) at Tokyo's main fish market.[4]

All Southern bluefin tuna, the Western Atlantic stock of Northern bluefin, South Atlantic stock of albacore, Pacific bigeye, and Eastern Atlantic bluefin are now listed as critically endangered or endangered on the World Conservation Union (IUCN) Redlist[5], meaning they are at high risk of extinction in the near future.[6] The United Nation's Food and Agriculture Organisation (FAO) now considers bigeye stocks as either fully or over-exploited in all the world's oceans and yellowfin as fully exploited in the Atlantic and Pacific Oceans, and moderately to fully exploited in the Indian Ocean. The areas with the highest proportions (46-60%) of over-exploited, depleted and recovering stocks of tuna and tuna-like species are the Southeast Atlantic, the Southeast Pacific, and the Northeast Atlantic, as well as the high seas, particularly those in the Atlantic and Indian Oceans.

1.1 Distant Water Fleets and the Legal Basis for Fisheries Access Agreements

Distant water fishing is not new. Basques were fishing off the Faeroe Islands as early as 875 AD and their fleets began crossing the North Atlantic to harvest cod off the coast of what is now Newfoundland at least a century before John Cabot arrived there.[7] Jacques Cartier, credited with mapping the mouth of the St Lawrence, noted the presence of 1,000 Basque fishing vessels when planting a cross on the Gaspé Peninsula.[8] In Cabot's wake European distant water fishing for cod became a fixture off North America and continued unabated for the next 400 years without any noticeable impact on fish populations. That changed after the Second World War when advances in fishing and refrigeration technology fundamentally changed the nature of distant water fishing. For the first time in history, onboard freezing capacity allowed industrial bottom trawling vessels to remain on prime fishing grounds for extended periods without having to land their catch. Transshipment of catch that had been frozen at sea and the resupply of fishing vessels on the fishing grounds meant industrial vessels could continue fishing for months on end. European nations, the Soviet Union and Japan were the first to exploit this opportunity. Concerns about their overfishing motivated several South American coastal nations to extend their fisheries jurisdiction to 200 nautical miles beginning in the late 1940s and 1950s. By the 1970s, many other coastal States had followed their lead, and the world community subsequently enshrined the 200 mile principle in international law with the Exclusive Economic Zone (EEZ) provisions of the UN Convention on the Law of the Sea (UNCLOS)[9] which was adopted in 1982.

By extending coastal State sovereignty over marine resources beyond narrow coastal zones UNCLOS severely pushed back the application of the freedom of the seas, a principle of international oceans law from Grotius in the 17th century, which asserted that the seas were not property and therefore were free for all nations to use.[10]

UNCLOS' 200-mile EEZ seriously threatened those States whose large distant water industrial fleets used the freedom of the seas to fish within a few miles of shore anywhere in the world. These countries and their fleets risked losing access to their prime fishing grounds as they came under exclusive coastal State control.

UNCLOS, however, addressed their interests through a special provision: the notion of a "fishable surplus" inside the EEZ. While coastal States got the exclusive right to fisheries within their 200-mile zone, this right was conditional on their obligations to conserve these resources, determine what portion their national fleets could harvest and make the *surplus*, if any, available to other nations.

1.2 The UNCLOS Fisheries Provisions

UNCLOS *Articles 61, 62 and 69* contain the critical provisions on the obligations of coastal States in relation to the management of their living resources and foreign access to fisheries resources within an EEZ.

Article 61 lays out the coastal State's obligations for conservation of living resources within the EEZ by requiring it to:

- determine the allowable catch within its exclusive economic zone (61.1)
- ensure, through proper conservation and management measures, that living resources are not endangered by over-exploitation (61.2)
- maintain or restore harvested species at levels which can produce maximum sustainable yield (61.3)

Article 62 then lays out how these resources should be utilised by requiring the coastal State to:

- Promote the *"optimum"* utilisation of the living resources in the EEZ (62.1)
- determine its capacity to harvest the living resources within the EEZ and where it does not have the capacity to harvest the entire allowable catch, to give other states -particularly land-locked developing states - access to the surplus through *"agreements or other arrangements"* (62.2)


©Greenpeace / R Grace

- In doing so, balance various factors including the national interests of the coastal State, the interests of nearby developing countries, and the need to minimise economic dislocation in States that have habitually fished in the EEZ or have made substantial efforts in research and identification of stocks (62.3).

If the coastal State determines that there is a surplus, then it must grant access to others, firstly to neighbouring, land-locked developing countries and then to States that had habitually fished in the zone or which have made substantial efforts in research and identification of stocks.

"Coastal States must take into account the need to minimise detrimental effects on fishing communities and economic dislocation in states whose nationals have habitually fished in the zone." (Art. 69.4).

The UNCLOS negotiators were clearly attempting to balance different interests – those of the coastal State, those of neighbouring land-locked countries and those of countries that had traditionally fished the waters of the soon-to-be legally sanctioned EEZs – in preparation for the curtailment of foreign fishing within the new 200 nautical mile zone.

The inherent logic of UNCLOS was that distant water fishing would diminish and eventually wither away as coastal States increased their harvesting capacity inside their own EEZs. This was assumed for instance in Article 69.3, which tried to accommodate developing land-locked countries in that situation. Indeed, this quickly happened in the advanced industrial economies of the North such as Canada, which extended its fisheries jurisdiction in 1977 and immediately assumed exclusive harvesting rights over its rich groundfish stocks. Since then, foreign fishing in Canadian waters has become a marginal activity for very limited quotas of species considered "under-utilised" by the Canadian fishing industry.

A similar process occurred in the United States. The last direct foreign fishing took place in 2001 although the US continues to allow foreign access to stock surpluses under its principle of reciprocity.[11] This principle also governs the fisheries access agreements between the EU and its northern fishing neighbours Norway, Iceland and the Faeroe Islands, where equitable fishing opportunities/quotas are exchanged between the parties respecting the longstanding traditional fishing patterns in the North Atlantic which were threatened by UNCLOS.

This northern, developed-country pattern of rapidly diminished foreign presence or reciprocal opportunity was not, however, repeated in the EEZs of developing countries in the aftermath of UNCLOS. Instead, foreign fleets have become entrenched in resource-rich developing country waters and, moreover, have expanded their activities to countries and waters they never fished prior to the adoption of UNCLOS. The industrial distant water fleets of Europe, Russia and Japan have been joined by other powerful and emerging distant water fishing nations such as China, Taiwan, Korea and the Philippines, leading to huge increases in fishing capacity and a situation where all now compete for resources on both the high seas and, under fisheries access agreements, in the waters of developing nations.

1.3 The United Nations Fish Stocks Agreement

The UNCLOS convention brought some 90%[12] of the world's commercial fish stocks under the control of coastal States through its EEZ provisions. But the EEZ's 200 nautical mile limit did not cover the full extent of continental shelf areas off some states and left some productive fishing areas outside coastal State control.[13] Nor did UNCLOS completely do away with the concept of the freedom of the seas. Article 87 declared the high seas *"open to all States, whether coastal or land-locked"* including *"freedom of fishing" (Article 87 (e)).*

UNCLOS did, however, oblige fishing States to co-operate to conserve stocks that either straddled the EEZ of two or more coastal States or overlapped the coastal State's EEZ into the adjacent high seas, the so-called straddling stocks, *(Article 63)* and highly migratory stocks, like tuna, which migrate across vast oceans expanses and in and out of *EEZs (Article 64)*. In the aftermath of UNCLOS, distant water fleets that were pushed out of coastal State EEZs refocused their efforts on these high seas stocks and highly migratory species, particularly tuna. Concerns that distant water fishing nations were not meeting their UNCLOS obligations to co-operate to manage these stocks increased the international pressure for a new treaty that would address these issues.

This led to a second UN oceans instrument, the UN Fish Stocks Agreement,[14] which implements the articles of UNCLOS relating to the conservation and management of straddling and highly migratory fish stocks. Adopted in 1995, it came into legally-binding force in December 2001 and contains several important provisions regarding the fishery conservation responsibilities of states, including obligations to cease overfishing, adopt a precautionary approach, protect biodiversity and ensure that States authorising vessels on the high seas do so in conjunction with regional management measures, UNCLOS and the Fish Stocks Agreement.

The Agreement also requires recognition of the special requirements of developing States, including their dependence on living marine resources, and the need to avoid adverse impacts on, and ensure access to fisheries by, subsistence, small-scale and artisanal fishers and fishworkers, as well as indigenous people in small island developing States *(Article 24.2)*.

1.4 The FAO Compliance Agreement

The FAO Compliance Agreement was designed to address problems caused by over-capitalisation and ever larger fishing boats, flags of convenience (FOC), and other deficiencies contributing to what is now known as illegal, unregulated and unreported (IUU) fishing.[15] The purpose of this Agreement is to establish clear flag State responsibility for the conduct of fishing vessels on the high seas and deter vessels from seeking registry in countries with lax enforcement capacity to avoid having to comply with international conservation and management measures.

The Agreement was adopted in 1993 and entered into force ten years later. As of November 2007, 35 signatories had agreed to be bound by it, including the EU.[16] Some notable exceptions are China and Taiwan - two important distant water fishing powers - and Panama, Honduras and St. Vincent's and the Grenadines, three flag-of-convenience nations with a large registry of industrial high-seas fishing vessels.[17]

1.5 The FAO Code of Conduct for Responsible Fisheries

Other instruments, including the FAO Code of Conduct, though voluntary, or 'soft' law, have important provisions relevant to coastal States. The Code calls for protection of the marine environment, including the protection of all critical fishery habitats, and recognises the contributions of subsistence, artisanal and small-scale fisheries and emphasises a participatory approach, including the participation of industry, fishworkers and environmental organisations in decision-making processes. Under the Code, four International Plans of Action (IPOA) have been developed on seabirds, sharks, managing fishing capacity, and IUU fishing.[18]


©Greenpeace / N Behring-Chisholm

2.1 Japan and its Fisheries Access Agreements

Japan is the world's largest importer and one of the largest consumers of fish and fish products, a reflection of the importance of fish in Japanese daily life and cultural identity. An estimated 602,000 tonnes of the fish consumed in Japan comes from its distant water fleets operating on the high seas and in the EEZs of foreign countries through access agreements.[19] Fisheries access agreements, therefore, play an important role in sourcing fish for the Japanese domestic market.

2.1.1 Gaikaku Dantai or Affiliated Organisations

The Government of Japan has resisted coastal State sovereign rights over migratory species. As a result, its official role in negotiating fisheries agreements is limited to "umbrella" agreements with coastal States that establish broad principles of co-operation between the two governments, usually framed in terms of mutual benefit.[20] The details of the actual terms and conditions of access are spelled out in subsidiary agreements between the coastal State and Japanese fishing industry associations. [21]

This dichotomy gives the impression that a clear separation exists between the Japanese Government and its fishing industry, with the State's interest in establishing the broad principles of access and the private sector negotiating the more difficult and detailed terms and conditions.

Nothing could be more misleading. In reality, the Government of Japan, its specialised fishing institutions and its fishing industry associations work closely together to negotiate and secure access to foreign coastal State fishery resources in a complex and sophisticated manner.

Specific government support for the fishing industry comes from the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF), and its direct fisheries arm, the Japanese Fisheries Agency (JFA). The MAFF and JFA in turn sponsor what has been described as "a thick layer" of organisations affiliated to government known as *gaikaku dantai* that are conduits for "the money and influence" that flows between the Japanese bureaucracy and the fishing industry. These industry organisations have all the trappings of autonomous organisations and in other countries would be considered typical civil society associations but in Japan they are created and sustained by the government.[22]

A key *gaikaku dantai* or affiliated organisation for fisheries access is the Overseas Fisheries Co-operation Foundation (OFCF), established by the Japanese Government and industry groups in 1973 to subsidise co-operation between Japan's fishing fleets and coastal States.[23] OFCF supports Japan's continued access to foreign fishing grounds through fisheries aid, which it provides in the form of both goods and technical services, as well as through the vetting of fisheries projects funded by the Japanese Ministry of Foreign Affairs (MOFA) and the Japan International Co-operation Agency (JICA).[24] Through its ability to influence and even direct Japanese fisheries and overseas development aid to coastal States, the Japanese fishing industry is able to play an important additional card in its negotiations for access.

Another critical *gaikaku dantai* industry association is the Federation of Japan Tuna Fisheries Co-operative Associations (also known as "Japan Tuna" or its Japanese name *Nikkatsuren*), the main organisation representing Japan's distant water tuna fleets. Japan Tuna works closely with the Japanese Fisheries Agency to develop and implement policy, a process greatly facilitated by another Japanese practice called *amukudari*: seconding senior bureaucrats to industry associations or having them take up leadership positions in the industry associations when they retire from the civil service.[25]

The Japanese Government's strategy of supporting its industry associations' fishery access negotiations with aid packages makes it difficult to determine exactly how much the Japanese Government pays for fisheries access since the bilateral aid is kept separate from the access agreement signed between the industry association and the coastal State. The value of the aid package therefore acts as a hidden subsidy to the industry associations that benefit from the access. It does appear, however, that this approach has been successful in keeping the access fees paid by the Japanese fleets below the rates paid by other foreign fleets.

Japanese linking of aid and access agreements has not been without controversy in recipient countries, notably those in the Western and Central Pacific. While the fisheries aid packages provided by the OFCF and JICA were meant to compensate for the lower access fees, Tarte found that the aid delivered was sometimes inappropriate.[26] Moreover, despite the claims that the fisheries aid was meant to assist the coastal State in developing its fisheries, Tarte found that Japan was reluctant to fund indigenous fishing capacity that would compete with its own fleets. Rather, the aid often coincided with Japan's own strategic fisheries interests.[27]

The practice of tying aid, directly or indirectly, has implications for good governance and transparency.[28] Access agreements tied to aid may hinder or deter coastal States from supporting necessary measures aimed at sustainability of fish stocks and the ecosystem, either due to concern for lost revenue or due to more direct pressure.

2.2 The EU and its Fisheries Access/ Partnership Agreements

The EU's[29] fisheries agreements[30] are based on clearly articulated commercial interests – maintaining access to fish resources for its distant water fleets to protect fishing jobs at sea and at home. EU fleets have had a long historical presence in the waters of Africa, Norway, Iceland, Faroe Islands and North America. According to the European Commission's Directorate General for Fisheries and Marine Affairs (DG Fish), these agreements annually supply 2.5 million tonnes of fish to the EU (about 40 % of the EU's catches), generate 40,000 EU jobs and allow 3,000 EU vessels to operate either solely or partially in the waters of third countries or on the high seas.[31] As of the end of April 2007 there were 14 bilateral fisheries agreements in force under the Common Fisheries Policy (CFP) between the EU and third countries. The EU separates its fisheries agreements into two broad categories: Northern Agreements and Southern Agreements.

2.2.1 Northern Agreements

These are agreements between the EU and its northern European neighbours: Iceland, Norway and the Faroe Islands. The distinguishing characteristic of these agreements is that they are reciprocal, and involve the EU obtaining fishing opportunities in neighbouring countries for quotas of certain species in exchange for providing these same countries with access to equivalent quotas in the waters of the EU Member States. According to the EU, this reciprocal arrangement is called for because these developed countries "have the means to exploit their own resources" fully.

2.2.2 Southern Agreements

All of the Community's access agreements for tuna fall under the category of Southern Agreements. Unlike the Northern Agreements, which are based on the reciprocal exchange of fishing opportunities between developed countries, the Southern Agreements, between the EU and (in most cases) developing countries, are based on the commercial principle of cash payment for the purchase of a good, in this case, the right to fish.[32] Under these arrangements the EU negotiates a framework agreement with a coastal State that sets the financial compensation, as well as other conditions, such as gear restrictions, for the EU distant water fleets in those waters.[33] The rationale for this type of arrangement is rooted in the UNCLOS notion of a fishable surplus.[34]
The cash payment is made up of two components: a financial contribution paid by the EU, and a licence fee paid by the vessel owners that benefit from the access arrangement.

2.2.3 The Shift to "Partnership" and "Coherence"

The EU's cash-for-access arrangements have been controversial and criticised for failing to meet sustainability criteria, not least because of the unequal power relationships between the EU and the poorer countries with which it has these agreements.[35]

With the reform of the EU's Common Fisheries Policy (CFP) in 2002, the EU set out to address these concerns by "transforming" its access agreements into "genuine partnerships for the development of sustainable and


©Greenpeace / R Grace

responsible fisheries".[36] The objective of this new generation of Fisheries Partnership Agreements (FPAs) is to move away from the purely commercial nature of the *pay to fish* arrangement, towards agreements that reflect the wider goals of the EU's fisheries, development, environment and trade policies.[37] In the words of the European Commission, these new partnership agreements aim "to help the developing countries put in place their own fisheries policies that can help them meet their aim of economic development while protecting fish resources."[38]

Unchanged, however, remains the fact that the EU insists on maintaining its vessels' presence in the waters of these third countries. Partnership agreements are seen as the best means of protecting the interests of the EU's distant water fishing fleets and the important domestic investor and employment interests linked to them.[39]

It is too early for substantive evaluations of the EU's new generation of FPAs, but ongoing negotiations with the Pacific Island Countries, appear to show that a substantial gap still exists between the EU's interests in the region's fisheries and what can be considered a "genuine partnerships for the development of sustainable and responsible fisheries".

2.2.4 Second Generation or Joint Venture Agreements

Joint venture arrangements, or *second generation* agreements, involved the setting up of joint ventures between the fleets of individual EU Member States and investor interests in the coastal State's EEZ, with the condition of obtaining access to fish quotas.[40] This policy was aggressively pursued by EU Member States throughout the 1990s under a programme that subsidised the transfer of surplus EU vessels to developing countries.[41] While the EU discontinued this programme in 2004, joint ventures may become more prominent again in the future. For example, the EU's most recent negotiations of reciprocal free-trade agreements with coastal States such as Chile and South Africa offer liberalised access to the EU market conditional upon the opening up of respective coastal State waters to the fishing fleets of EU Member States through investment.[42]

2.3 The US Multilateral Agreement with the Pacific Island Countries

The US is not known as a Distant Water Fishing Nation, with the exception of its tuna seine fleet in the Western and Central Pacific Ocean.[43] The US tuna seine fleet has been fishing in the WCPO since 1988 under a treaty that the US Government negotiated with 15 Pacific Island Countries.[44]

This is the only access agreement that is multilateral, which is extremely significant when dealing with a highly migratory resource like tuna that no one State can claim as its own. Coastal States that host and share the same stocks at different times during their migrations have an interest - and indeed an obligation under UNCLOS - in co-operating in the sustainable management of these stocks. Distant water fishing nations, however, have consistently resisted coastal State initiatives to negotiate access on a multilateral basis, preferring instead to play one coastal State off against another. To its credit, the US did not take this approach, and its vessels can now reap the benefits of long-term secure access to prime fishing grounds without having to negotiate a dozen or so separate agreements in the region. The US Treaty is also exceptional in terms of the monetary returns it provides to Pacific Island Countries.

The treaty between the US and the Pacific Island Countries[45] outlines the basic elements of the fishing agreement, including the US responsibility as flag State for the conduct of its vessels, the detailed conditions under which fishing and transhipment can take place, the national fishing laws with which US vessels must comply, provisions for a fleet-funded observer programme, the number of licences available and the costs of these to the US fleet.[46] Each time the US Agreement was extended, the fees payable increased significantly, and in the last extension, the number of licences decreased.[47] Other amendments in the 2003 extension included VMS coverage, changes to the observer programme and reporting, recognition of WCPFC, opening of part of the Solomon Island's EEZ and closure of Papua New Guinea's archipelagic waters.[48]

2.4 Other Distant Water Fishing Nations and their Fisheries Agreements[49]

The US, Japan and the EU are not the only distant water fishing nations, nor are they the only governments negotiating fisheries access. Korea, Taiwan, China and increasingly other countries such as the Philippines are extensively involved in distant water fishing for tuna. In fact, data from the FFA shows that Taiwan, Korea and the Philippines have the second, third and fourth largest tuna seine fleets fishing in the WCPO as well as an important stake in the tuna fisheries of the Indian Ocean.

2.4.1 Korea

The Korean distant water strategy is to supply fish both to its domestic market and to the highest international bidders, primarily Japan, the EU and the US. Korean tuna purse seine vessels are also major suppliers to key global canneries located in American Samoa, Thailand, Mauritius, Seychelles, Côte d'Ivoire, Senegal and Ghana. The Korean Government supports its distant water fleets with an extensive network of 21 overseas support bases.

There were an estimated 410 Korean distant water fishing vessels operating in the oceans of the world in 2005, targeting mostly tuna, squid and demersal species. Of these, 29 were tuna purse seiners, 177 were tuna long-liners and 146 were bottom trawlers. The majority of the vessels are based in the Pacific (242), followed by the Atlantic (139) and the Indian Ocean (29). Access agreements are normally negotiated by the Korea Deep Sea Fisheries Association on behalf of its members. Countries that Korean vessels have had or have fisheries access agreements with are: Kiribati, the Solomon Islands, the Cook Islands, Tuvalu, Mauritania and Papua New Guinea. Korean vessels are also operating under direct licensing arrangements or joint ventures in Surinam, Guinea, Gabon, Marshall Islands, Angola, Nauru, Federated States of Micronesia, Papua New Guinea, Seychelles, Kenya and Madagascar.

2.4.2 Taiwan

Taiwanese foreign fishing supplies its domestic market with squid, mackerel, shark and tuna but most of its catch is exported. The bulk (62%) goes to Japan, which imports almost all of Taiwan's high quality long-line yellowfin and bigeye tuna production. Other principal markets are the US, Thailand, Hong Kong and Singapore. Taiwanese seiners also supply canneries in Thailand, American Samoa and elsewhere. In 2003 Taiwan had access agreements with 28 different countries. Like Korea, it maintains a network of foreign bases to support its fishing operations, with 33 ports in the Atlantic including the EU port of Las Palmas in the Canary Islands, 26 in the Indian Ocean and 12 in the Pacific.

Taiwan provides fisheries aid to developing countries channelled through an organisation called the Overseas Fisheries Development Council (OFDC) and funded by both government and the private sector. A principal objective of the OFDC's aid is to reward countries willing to recognise Taiwan diplomatically. There are four Taiwanese industry organisations involved in access agreements. The principal one for tuna is the Taiwan Deep Sea Tuna Boat-Owners and Exporters Association with 569 members and 629 vessels including an agreement with Papua New Guinea for the 34 seine Taiwanese purse seine vessels fishing in the WCPO.

©Greenpeace / N Behring-Chisholm

2.4.3 China

China only began its distant water fishing operations in 1985 when the China National Fisheries Group first sent its bottom trawler fleet to West Africa where it still maintains a very strong presence. The distant water operations have expanded significantly since then and, with government encouragement, Chinese State-owned fishing corporations now have access and joint venture agreements with 38 countries. In 2002, an estimated 1700 Chinese vessels were fishing in foreign waters and on the high seas in the Pacific, Indian and Atlantic Oceans, employing an estimated 27,000 workers in harvesting and processing fish worth an estimated $ 5 billion (US). Chinese distant water fishing production is highly traded. A significant portion is returned to China but also exported to the EU, the US and Singapore. Lower quality and low value species are also supplied to Africa. Foreign fishing is a means of relieving pressure on China's own overfished domestic fisheries. Only 2% of 1999 distant water fishing production of 900,000 tonnes came from tuna, 20% from squid and 78% from bottom trawling on demersal species. China reported a tuna catch of over 73,000 tonnes in 2006, almost double the catch two years earlier.[50]

2.5 Comparing Fisheries Agreements across the Pacific

The Japanese Government does not negotiate access directly with coastal States but tailors government fisheries and development aid to support the access objectives and negotiations of its fleets. The US has a much more limited distant water fishing experience, focused on tuna in the WCPO. It has developed a long term partnership relationship with the countries of the region that is exemplary in terms of its financial importance, its commitment to multilateralism and responsible fishing.

With the paucity of detail available on the arrangements with other countries and fleets in the WCPO it is difficult to make direct comparisons between the US's multilateral arrangement and those of other nations. However, Japanese agreements with Pacific Island Countries, which were entered into during the same time period, are well below the standard set by the US both in terms of return to the coastal States and formal flag State commitment to the principles of responsible fishing. The US also set a standard that the EU, despite its claims of responsible fishing and commitment to development, regional integration and co-operation, has been loath to meet.

Although in no way comparable with the US Treaty, the EU is somewhat more generous than others in the rate of return it provides the WCPO coastal States through its access agreements. Under its three tuna agreements in the WCPO, EU seine vessel owners pay €35 per tonne in licence fees, which the EU fortifies with an additional €65 per tonne. This works out to approximately US $145 per tonne, considerably more, for example, than the US $45 to US $48 per tonne that Papua New Guinea charged to achieve a 6% rate of return on catch value under the private agreements it negotiated for the 2006-2007 access period with Japan.[51] However the EU has not yet been willing to match the US in terms of a multilateral regional approach[52] despite requests from Pacific Island Countries to do so as part of the ongoing EU-EPA negotiations.

A bigeye tuna lies on the deck of the legal Japanese long-liner 'Keisei Maru No53' at sea in Micronesian waters.

©Greenpeace / A Hofford

3. The Limited Options for Coastal States offering Fisheries Access under Tuna Agreements

All coastal States involved in fisheries access agreements seek, in one way or another, to maximise the benefits they receive from the access arrangements. Many explicitly include the maximisation of benefits as a formal policy objective.[53]

Our review of the different strategies pursued since the 1970s shows that the coastal States have pursued three different strategies: 1) they can become essentially Resource Renters by attempting to maximise the amount of income they receive from the sale of access rights; 2) they can become Conditional Resource Renters by attaching some conditions to this access or 3) they can pursue a Domestication option by "nationalising" the foreign fleet.

Unfortunately, all three of these options are sub-optimal for coastal States seeking to maximise the social and economic benefits of their fisheries resources with the exception of some special circumstance tuna fisheries which will be explained later in this report.

3.1 Resource Renter Strategy

The resource renter strategy is pursued by all coastal States involved in the sale of access rights. While it can provide a secure source of foreign exchange to cash-strapped governments, often augmented by substantial amounts of aid, it can result in coastal States becoming dependent on this income. This dependency can extend to their fisheries management institutions, creating a situation where their major foreign funder makes access demands on them that undermine their conservation and social objectives.

While foreign industrial fleets have become permanent fixtures in coastal State waters and dependent on access to tuna, as self-contained industrial units they provide little to no fishing employment benefits to the coastal States and no upstream or downstream benefits. As such, foreign fleets can enter into conflict and competition with domestic fleets (both artisanal and large-scale) over fishing grounds and markets, undermining the viability of the domestic industry. Foreign industrial overfishing can alter marine ecosystems and threaten the food security of coastal States. Coastal States are constrained in the level of fees they can extract from the foreign fleets; competition (rather than co-operation) for access agreements with neighbouring coastal States keeps fees low for foreign fleets,[54] and the low levels of resource rents generated by most fisheries make it difficult to extract higher fees from the fleets.


©Greenpeace / N Behring-Chisholm

Maximising Resource Rents – Key to More Equitable Returns to Coastal States

Resource rent is a concept widely used in resource economics. In fishing, it refers to the amount of money that is left over after all the costs of operations, including normal returns to both capital and labour, are deducted from revenues (DFID). This residual amount is what the resource owner, in theory, should seek to maximise. A coastal State that wants to maximise the amount of money it can earn from providing access to its fishery resources (assuming that maximising the resource rent is the preferable option for the coastal State[55]) must ensure initially that the fishery is profitable for all participants and that it generates revenues (rents) beyond normal returns that the state can then capture.

The problem that occurs in over-subscribed fisheries is that the resource rent gets completely eaten up or *dissipated* and fleets end up with returns to capital (what ship owners invest) and labour (crew incomes) that are below "normal". In fact, in many fisheries, fleets operate at a loss, which is the main reason states are heavily involved in subsidising their operations.[56] The problem that fleet over-capacity poses for countries wishing to maximise or even increase the amounts in fees (or rents) they receive from fisheries access is best illustrated by the situation in the WCPO.

Since the early 2000s, global over-production has kept tuna prices down while fleet costs have spiralled upwards, largely because of increased fuel prices. Under current conditions most analysts agree that the distant water tuna fleets in the WCPO (and throughout the world) are operating under very tight margins and that access fees in the range of 5% to 6% of catch value, which most Pacific Island Countries seek and are able to achieve, are near or at the maximum which the fleets will pay.[57] It is impossible to determine the accuracy of these rent estimates without reliable cost and earnings surveys.[58] These, however, do not exist,[59] as fleet operations in the WCPO (and elsewhere) are the tightly guarded secrets of their foreign corporate owners. Where most analysts agree, however, is that distant water tuna fleets are in an over-capacity situation that is both seriously reducing their profitability and the potential returns to coastal States.

Studies have shown that by reducing the number of vessels that are given access to the Pacific tuna fishery, the access fees earned by the Pacific Island Countries could increase by between 10% and 40% of gross revenues. At their highest level, they could possibly double the amount of aid provided to the region by, for example, Japan.[60] In a modelling exercise conducted in 2000, theoretical reduction of Pacific seine fleet effort to less than 50% of 1996 levels showed fleet revenues would fall by only 15% but that costs would fall by 30%. Most significantly, resource rent (i.e. access fees) would have more than doubled and returns to coastal States from tuna access fees would have risen by 39% under the existing fee structure.[61]

A more recent study by Kompass and Che (2007)[62] shows that a 36% effort reduction in the Pacific purse seine effort and 12%-19% reductions in the frozen and fresh long-line fisheries in the short term would increase the profitability of the fishery by 30% over a 50 year planning horizon. This economic research makes it clear that reducing the seiner effort in domestic waters is the key to generating higher rents from access fees because the seine fleets, which catch the most tuna and generate the bulk of fees, catch 65% of their tuna inside the EEZs of the Pacific Island Countries. Considering that the Pacific is the last frontier of the global tuna fleets the economics of the tuna industry are likely to be in even more dire state elsewhere in the oceans.

3. The Limited Options for Coastal States offering Fisheries Access under Tuna Agreements

3.2 Conditional Resource Renter Strategy

Applying conditions on foreign fleets to complement the payment of fees is one method coastal States can pursue to improve access agreements and increase the spin-off benefits flowing into their economies. In general, as conditions increase so do the benefits; onshore processing of catch is seen as an optimal generator of employment. Conditions on the ground in coastal States can, however, limit their ability to impose conditions despite their official policy objectives. For example, Kiribati, which has limited port infrastructure and cannot accommodate deep draught vessels, has specific constraints on its ability to demand local landings and processing as a requirement of access.

Providing supplies and services to distant water fishing vessels is an option some coastal States can pursue with a degree of success. For example, Mauritius, a strategically situated Indian Ocean Island State, generates over € 140 million a year in port revenue, roughly the same it generates in tuna processing export earnings.[63] Making Mauritius the hub for distant water tuna fleets in the Indian Ocean is one of the Government's main development strategies.[64]

The lure of access to fisheries has also allowed numerous African, Caribbean and Pacific group (ACP) coastal States to sign tuna access agreements with conditions that have brought significant employment benefits to their local economies. Many ACP countries (Côte d'Ivoire, Mauritius, the Seychelles, Papua New Guinea, the Solomon Islands) have been able to create, to varying extents, shore-based operations linked to tuna supply agreements. While it is generally difficult to generate significant employment spin-off from access agreements, tuna canning is an exception. However, the significant employment gains already achieved in this area through conditional access do not appear to be sustainable given the trends in globalisation and WTO rules. The case of the Seychelles helps illustrate both the successes of conditional tuna agreements and the fragility of these arrangements.[65]


©Greenpeace / M Care

Seychelles Case Study

The Seychelles is a small island state (population, 80,000) situated in the Indian Ocean. It is close to valuable tuna resources, has a deep-water port and, as an ACP country, enjoys preferential access to the EU market under the Cotonou Agreement.

The Government of the Seychelles has or has had tuna fisheries access agreements with the EU (since 1984), the Federation of Japan Tuna Fisheries Co-operative Associations and the National Federation of Fisheries Co-operative Associations of Japan (since 1988), the Taiwan Deep Sea Tuna Boat-Owners and Exporters Association, and the Government of Mauritius, as well as a series of "private" arrangements with individual purse seiners.

The Government of the Seychelles pursues a Conditional Resource Renter strategy by trying to maximise the benefits to the Seychelles' economy from access agreements, not just to maximise the income from access fees. It does so by linking fishing access to the use of its main port and supplying its tuna canning plant. The most recent access agreement with the EU, for example, stipulates that the seiners *"shall participate in supplying tuna to the Seychelles at the international market price"* and makes transshipment in Seychelles ports mandatory. Similar conditions also apply to the private agreements. Conditions such as these have made tuna processing the dominant feature of the Seychelles economy. The Seychelles fisheries sector in 2001 employed an estimated 4,600 people (14% of the total formal workforce).

The Seychelles cannery is the second largest in the world and probably the first in terms of turnover value.[66] In the early 2000s it processed 90,000 tonnes of tuna and produced 360 million cans. The Seychelles cannery is the country's single biggest private employer, the single biggest buyer of electricity, the biggest exporter and the biggest earner of foreign exchange. Canned tuna represented 91% of total fish exports and 87% of the country's total export earnings in 2000-2001.

However, while these figures are impressive they mask the reality of tuna canning being a low-margin activity with superficial contributions to an economy in terms of real value addition.

- 50% of the workforce is from the Philippines, Kenya and Madagascar, a reflection of the low status of fish plant work.
- Industrial fishing vessels spent an estimated US $46 million in the Seychelles in 2001, but 71% of this expenditure was for bunkering of imported fuel, an exercise that other studies suggest contributes at best 8% added value to the local economy.
- Canned tuna exports are the Seychelles' most important foreign exchange earner, but tuna export earnings are considerably offset by tuna import costs (the tuna caught by foreign-flagged vessels are considered imports despite coming from the Seychelles EEZ) and the costs of related imports for processing, such as cans, edible oils and machinery. Such costs place small island economies at a huge comparative disadvantage in the globalised canned tuna economy.

The Seychelles geographic and natural advantages are not sufficient to offset these increased production costs. Rather, its preferential EU market access under the Cotonou Agreement, avoiding the 24% duty applied to imports from other countries outside the ACP, is probably the most crucial factor helping in its attempt to carve out significant employment gains from tuna.

Challenges to the EU's preferential access for ACP canned tuna, lodged under the WTO by Thailand and the Philippines, are likely to result in this preferential access disappearing, with most analysts agreeing that the canning operations that ACP countries have established in West Africa, the Indian Ocean and the South Pacific will disappear as well.[67]

3. The Limited Options for Coastal States offering Fisheries Access under Tuna Agreements

3.3 Domestication Strategy

Domestication strategy usually involves either (a) re-flagging foreign vessels and placing them under the jurisdiction of the coastal State; or (b) joint venture arrangements under which they remain under foreign flags but operate as locally-based vessels. In many ways this is an extension of the Conditional Resource Renter option. Its intent is to maximise coastal State employment by linking the harvesting with shore based operations, especially value-added processing activities. The domestication strategy necessarily involves a loss of access fees for the coastal States and can also involve tax concessions to entice foreign investment.[68] In the Papua New Guinea case, for example, domestic class licences cost US $1,510 versus US $90,000 for those under access agreements.[69] However, this loss of access and fiscal revenue can be more than offset by the substantial job creation that flows from onshore investments in processing as the Philippines and Taiwan ventures in Papua New Guinea discussed above show.

A study by Campling and others[70] points out that the domestication approach, however, requires clearly articulated investment expectations by the coastal State to avoid “brass plate” partnerships i.e. situations where the domestication remains superficial in terms of real domestic benefits in economic growth, diversification and job creation.

RFMOs: Regularly Failing to Manage our Oceans

Greenpeace believes the present system of high seas oceans management is fundamentally flawed. Instead of working to ensure conservation of marine biodiversity, the current high seas governance regime allows the fishing industry to operate with very few restrictions and to put its short-term interests before the long term conservation of functional marine ecosystems.[71]

Regional Fisheries Management Organisations (RFMOs) are the international bodies charged with the management of fishing activities targeting fish stocks on the high seas, as well as fish stocks which migrate through the waters of more than one state.

The United Nations Fish Stocks Agreement (UNFSA) mandated RFMOs as the primary mechanism for managing and conserving high seas straddling and highly migratory fish stocks, such as tuna. UNFSA Articles 5 and 6 are the legal cornerstones for applying the ecosystem approach and the precautionary principle to fisheries management. Despite this legal obligation, RFMOs have all too rarely taken decisions consistent with a precautionary approach.[72]

This was recognised recently when the UN Fish Stocks Agreement Review Conference, held in New York in May 2006, agreed that '*most RFMOs are not performing impressively in their core duty, which is to achieve the long-term sustainability of fish stocks*'.[73]

Twelve years after the adoption of the UNFSA, RFMOs still lack the will to say “enough is enough” and impose strict controls on the fisheries they manage. Tuna RFMOs also have a track record of toothless consensus decision making, allowing countries with the biggest interest in the fisheries to prevent implementation of the measures required to not only maintain sustainable fish stocks and profitable fisheries, but also to protect and preserve the rich marine biodiversity of our oceans.[74]


©Greenpeace / G Newman

On the opposite side of precaution: The northern bluefin tuna 'non-recovery' plan.

Even when relying on models that are excessively optimistic about the status of tuna stocks, RFMOs and the governments that are party to them sometimes fail to take the advice of their own scientific committees. In few cases has this been clearer than at the 15th Annual Meeting of the International Commission for the Conservation of Atlantic Tunas (ICCAT) that took place in Dubrovnik (Croatia) in November 2006.

In 2006 the ICCAT *Scientific Committee on Research and Statistics* (SCRS) carried out an assessment of the bluefin tuna population, and its result left no doubt about the risks being faced by the eastern stock of bluefin tuna. According to the ICCAT SCRS, current catches were more than three times the sustainable level, a rapid decline in the spawning biomass was occurring and the population was facing a high risk of collapse. As a result, scientists recommended a maximum total catch of around 15,000 tonnes, a minimum size limit of 30 kg, and a closure of the fishery that should include June, when most of the spawning occurs.

In November 2006 a new '*recovery plan*' for bluefin tuna was approved by ICCAT contracting parties. This management plan, which is currently in force, established a total quota of 29,500 tonnes for 2007, almost double the scientifically recommended level; established a seasonal closure that excluded the peak of the spawning season in June; and set a 30 kg catch limit that was subject to numerous exceptions.

4. Recommendations for Coastal States - Pursuing an Alternative Model for Tuna Fisheries Development

There is overwhelming evidence that fisheries access agreements, as they have been implemented over the last 30 years, are by and large unsustainable.[75] The results of independent evaluations of tuna agreements, while less damning than the mixed-species agreements, also show that they are negotiated and executed with a complete disregard for responsible fishing practices.[76] Access agreements respond primarily to industrial fishing country interests and needs, leaving coastal States to assume all of the long-term risks associated with resource depletion, and undermining regional fisheries agreements aimed at achieving sustainability.

There is no shortage of principles and legal obligations to guide the conduct of distant water fishing nations under fisheries access agreements. Both the "hard" and "soft" instruments of international law, from UNCLOS to the FAO's Code of Conduct for Responsible Fisheries, provide more than enough guidance. However, powerful fishing nations have shown a blithe disregard for their obligations under international law in their pursuit of tuna resources. Sadly, coastal States with weak management capacity are most often unable to enforce them.

4.1 Recommendation #1: Shifting to Domestic, Small-Scale Harvesting to Build a Fisheries Economy

Building a domestic fisheries economy is required to maximise the employment benefits of the fishery. Greenpeace believes that the best means of doing so for job-starved coastal States is to develop labour-intensive, domestically built and financed, small-scale fishing fleets[77] based exclusively on passive and highly selective fishing gear, preferably hook and line[78], pots and fish traps.

Providing foreign industrial purse-seine and long-line fleets with access to coastal tuna resources is the worst possible fisheries development and conservation option for coastal States. Industrial tuna fleets damage a coastal State's ability to generate employment from the fishery. Distant water industrial tuna fleets make only marginal job contributions to coastal States, usually in the form of limited service and supply purchases and only in those few countries where they make port calls. Industrial tuna seiners and long-liners are self-contained production units with economic umbilical cords that attach firmly to their home ports and markets.[79]

For some coastal States—for example, small atoll countries in the South Pacific with very small populations, limited infrastructure, vast EEZs and considerable tuna resources—maximising access fees may be the only viable option for maximising the economic potential of the fishery. However, for other countries, especially those with significant tuna resources in their coastal waters and an existing fishery, there is very little evidence to suggest that pursuing resource rent maximisation through foreign access is a sustainable or optimal objective. A number of coastal States have pursued strategies to maximise the returns from tuna beyond simply selling access. Several countries have policies to restrict long-lining to nationals, making it accessible to local investors. In Fiji, the small-scale long-line model has also created a successful export-oriented industry and the pole and line fleet in the Solomon Islands, which lands a superior skipjack product, has also created a substantial bait fishery in that country's coastal waters.[80]

Some studies suggest that the employment gains from the switch to this strategy could be significant, as small-scale fisheries can be up to 100 times more labour-intensive than the industrial option.[81] From an upstream employment generation perspective, what matters most is the opportunity for the local economy to produce the vessels needed to manage and use the country's fisheries resources, relying on local financing, skills and materials, and according to local design specifications and preferences. While it is unlikely that developing country coastal States will ever be able to produce industrial inputs like engines and navigation equipment that even the smallest of vessels now require, there is nothing stopping the development of vibrant boat building industries in most coastal States.


©Greenpeace / R Grace

4.2 Recommendation #2: Shifting to Increased Domestic Handling and Processing

The combination of ecologically compatible passive, selective gear and short fishing trips allows a small scale fishery to land a high quality product that can fetch a premium price compared to its industrial rivals, as well as opportunities for coastal State enterprises to engage in export activities that until now have been assumed by the foreign fleets. Tuna fisheries could be an important generator of employment and induce both *upstream* and *downstream* employment opportunities in many countries.

Upstream jobs flow from the array of connected industries needed to build, supply and maintain fishing vessels; while downstream jobs come from the activities needed to get fish products to the final consumers once they are landed (e.g. handling, processing and marketing).

As well as maximising upstream and direct harvesting employment in coastal States, moving to a domestically financed, built, serviced and supplied small-scale fleet would also create the opportunity to maximise downstream employment through the handling, processing and marketing of catch. Because small-scale production offers the best option for optimising value from lower output, selective production of the landed value of fishery products would also likely increase over time without increasing production volume.

If a small-scale fish harvesting strategy is accompanied by other fisheries management measures, such as precautionary catch levels and the adoption of the ecosystem approach, it should be possible to place tuna harvesting on a more sustainable footing. A distinguishing feature of the small scale fishery is its attachment to local ports and the length of fishing voyages: either day-trips or trips limited to a few days by the carrying capacity and lack of refrigeration.

While opportunities for upstream development are clear, development of the downstream sector poses many more obstacles. To start with, the small fishing villages that host artisanal and small-scale fleets are some of the poorest and most isolated places on earth. They often lack the most minimal of conditions (good road and other communication links, electrification, potable water) needed for integration into the national economy. These conditions also make it extremely challenging to maintain the cold chain for artisanal/small scale fishery products from the moment of capture, a critical factor in maximising catch value, and particularly for penetrating the international markets. This will require innovative solutions at a national and regional level, such as the use of renewable energy technologies. For example, any temporary generation surpluses from variable sources such as wind and solar could be used to make ice.[82]

4. Recommendations for Coastal States - Pursuing an Alternative Model for Tuna Fisheries Development

The Ecosystem Approach – Protecting Marine Life in All its Forms

Most fisheries management measures focus on single species and do not consider the role of the species in the wider ecosystem. In contrast, the ecosystem approach to the management of activities in the marine environment requires consideration of whole ecosystems at a scale that ensures that ecosystem integrity is maintained. It recognises the complex interactions between species that make up marine ecosystems, and so is underpinned by principles of community biology and ecology.

Given the scientific uncertainty and unpredictability of marine ecosystems, it is vital that the ecosystem approach is applied in conjunction with a precautionary approach. What this means in practice is that a lack of knowledge does not excuse decision makers from taking action, but rather that they err on the side of caution.

In November 2006, an international group of ecologists and economists, led by Professor Boris Worm of Dalhousie University, published a study in Science that brought the extent of the degradation of our marine ecosystems into stark relief. Looking at marine biodiversity on a global scale, the study shows that loss of marine biodiversity is drastically reducing the ocean's ability to produce seafood, resist diseases, filter pollutants and rebound from stresses such as overfishing and climate change. The team's projection that all commercial and seafood species are on the brink of collapse was shocking enough to make news headlines across the world. However, the study was not all doom and gloom, for it also showed that closing areas to fishing by establishing marine reserves increases the abundance, productivity and diversity of species found in the reserves. This applies to fish at least as much as it applies to other species, which means that marine reserves boost fish stocks and ultimately the catch per unit effort in waters adjacent to the reserves. This should be a wake-up call to us all. If we take action now, the oceans possess the potential to rebound; if we do nothing, we will witness further fisheries collapses until there is nothing left to fish.

In order to ensure sufficient protection across the whole range of marine ecosystems it will be necessary to establish a representative network of fully protected marine reserves. To be effective, such networks must therefore span large geographic distances and be of sufficient scale to protect against catastrophes and ensure the long-term health and stability of marine ecosystems. **In order to reverse the current decline in the health of our oceans, Greenpeace is calling for 40% of the oceans to be protected by marine reserves.**

For exclusively marine migratory species such as tuna, the creation of marine reserves to protect known spawning grounds, nursery areas and migration bottlenecks are all likely to confer highly protective benefits on the population overall as well as the ecosystems of which they are part. Designation of an area as a marine reserve does not preclude a need to define adequate management strategies applied to areas falling outside designated marine reserves. The goal is to also achieve sustainable use of marine resources outside the marine reserves network. This implies that these activities must conform to principles of sustainability, causing no degradation of ecosystem structure and function, and also meet the needs of both current and future generations. Marine reserves are a complement to such measures as reduction in fishing effort and capacity, prevention of IUU fishing and development of non-destructive fishing methods. Marine reserves are also essential in increasing the resilience of marine ecosystems to other human-induced changes such as the effects of global warming and associated changes in water temperature patterns.


©Greenpeace / N Behring-Chisholm

4.3 Recommendation #3: Replacing Access Agreements with Joint Venture Supply Agreements

The continued strong international demand for fish products from the three main developed country markets (EU, Japan and the US) and China, coupled with weak to non-existent coastal State fisheries management capacity, is fuelling overfishing and depletion of wild fish stocks in both developed and developing countries[83] Trade in fish and fish products must take place under sustainable harvesting conditions and with effective protection for the resource, the ecosystem, and for the food security interests of the developing States.

To maximise export benefits from their products, the developing country private sector would benefit from joint venture agreements with responsible developed country fish importing firms that would provide them with access to the developed country fish marketing and distribution networks. Agreements between coastal States and fish importing countries could provide an enabling framework for such joint ventures. However, concerns about the food security interests of consumers in developing countries, the livelihoods of traditional fish processors in developing countries, and the sustainability of the resource cannot be over-emphasised.

The experience of export-oriented fish processing initiatives over the last decade shows that these can be enclave operations focused exclusively on providing high quality and safe fishery products for consumers in developed countries without any regard or concern for the interests of consumers in the exporting country.[84] Coastal States must ensure that the export strategies they permit do not undermine the food security and livelihoods of their most vulnerable citizens, and developed nations must safeguard the sustainability of the resources and the interests of the developing countries.

Consequently, any investments in fish export activities must therefore be accompanied by full conservation, food security and livelihood impact studies. Coastal States and recipient countries must negotiate framework agreements in the areas of fish processing and marketing. These must include investments to improve the quality, supply and availability of affordable fish products for the poorest fish consumers in the coastal States, as well as to improve the livelihood security, access to resources, and working conditions of traditional fish processors and marketers.

4.4 Recommendation #4: Decoupling Fisheries Aid from Fisheries Access and Increasing Development Assistance Targeted for Fisheries Management and Isolated Coastal Communities

Decoupling the provision of aid that is earmarked for the improvement of the governance of fisheries from the overriding concern about access will allow donor nations to fund more innovative initiatives towards the application of the ecosystem approach in management options for coastal States, including the mapping and protection of critical habitats such as spawning and nursery areas and the creation of a coastal network of marine reserves. Greenpeace strongly urges developed countries to focus their fisheries aid on advancing long-term conservation initiatives such as these to assist coastal States in implementing the ecosystem approach to fisheries management.

Increased development assistance for coastal communities for basic infrastructure, aimed at improving communications links, electrification and potable water, will not only provide overall improvements in community living standards but will also deliver improved services to businesses such as fish plants. Donor countries should also allocate significant resources for the strengthening of civil society actors associated with the fishery, with a priority placed on strategies to create and/or strengthen sustainable artisanal and small-scale harvester organisations, organisations of traditional/informal women fish processors/marketers, consumer advocacy organisations, and environmental NGOs. Ultimately, it is the strengthening of civil society in these areas that will best guarantee that the interests of the poor are brought forward and defended as coastal States develop public policy for their fisheries.

4. Recommendations for Coastal States - Pursuing an Alternative Model for Tuna Fisheries Development

4.5 Recommendation #5: Reduce Fishing Effort by 50% or More

States involved in global tuna fisheries as resource renters / fishing nations should begin immediate discussions to reduce fishing effort on all tuna stocks by a minimum of 50% (or higher as per specific scientific advice) in order to protect vulnerable stocks, ensure sustainability of the fisheries over the long term and to begin to increase the returns coastal States receive from access agreements for tuna.

If global liberalisation is allowed to run its course, the likely end point for coastal States involved in selling tuna access is that most of them will become resource renters of skipjack. The high capital costs to enter the seiner fishery put it out of reach of most coastal State domestic investors and changes to market access rules in the EU are threatening the employment gains of those ACP coastal States that have established significant tuna canning operations. In all likelihood, tuna seining/canning will become the exclusive domain of very low-cost Asian-crewed vessels delivering to South East Asian canneries. Under this scenario, options for coastal States to maximise returns from tuna, particularly from skipjack, become narrower and narrower, unless coastal States co-operate to develop their own sustainable industry.

The impact of skipjack seining on bigeye and yellowfin stocks provides strong ecological and economic motivations for all coastal States to begin reductions in that fishery. There also appears to be a strong consensus that the over-capacity of distant water tuna fleets is seriously reducing their profitability and significantly reducing the potential returns to coastal States from fees. Most economists agree that significantly reducing fishing effort for tuna would significantly increase the resource rents generated by these fisheries and increase the ability of all coastal States to increase their income from access fees. To do so, however, requires that coastal States begin working together to develop a common front before Distant Water Fishing Nations and in regional fisheries management bodies to significantly reduce tuna fishing effort.

The benefits to coastal States of working together have been demonstrated in the WCPO. Since the creation of the Forum Fisheries Agency (FFA) in 1979, which was established to enhance regional coastal State co-operation in fisheries,[85] Pacific Island Countries have established a range of different regional arrangements around common minimum standards for foreign access. The FFA is a model that coastal States in the Indian Ocean and West Africa, for instance, should seriously examine to increase their co-operation around foreign access to their tuna and other stocks. The ability to overcome differences and work together around common tuna access policies is fully within the grasp of coastal States. However, it will require leadership and willingness to overcome or ignore differences that might have divided them in the past.

Fish Aggregation Devices – the Final Desperation of the Hungry Fleets

Skipjack tuna is caught almost exclusively by industrial purse seiners, which have increased their efficiency enormously in the last decade through a variety of technological innovations. One of the most effective means of locating and catching skipjack is through the use of Fish Aggregation Devices (FADs), used extensively in the Pacific. FADs are floating platforms, to which tuna are instinctively drawn, that seine fleets place on the ocean surface. In targeting skipjack that gather under FADs, seiners also catch large amounts of immature bigeye and yellowfin, which school together with skipjack. They may also scoop up other associated marine life such as sharks and unwanted fish species. The volume of this bycatch is significant given the smaller size and greater vulnerability of the bigeye and yellowfin stocks. The overcapacity and increased efficiency of the seine fleet is putting the long-term sustainability of the entire fishery in jeopardy. Based on these concerns and the urgent need to reduce the global tuna catches, Greenpeace is of the opinion that the use of FADs for industrial tuna fisheries should be universally and urgently banned.

5. Principles for Fair Tuna Fishing Agreements


©Greenpeace / G Newman

For those coastal States with little capacity to develop their own fishery-based industries, engaging in the resource renter strategy may remain the only option. It is therefore essential that access agreements are negotiated according to principles and standards that safeguard sustainability, ensure the maximum benefits to the coastal State (the custodian of the resource for its people), and ensure that the risks arising from overfishing, financial losses and socio-economic pitfalls are minimised.

5.1 Coastal States Negotiating Access Agreements as a Multilateral Block

As well as working together towards significant reductions in fishing effort, coastal States would benefit from negotiating access agreements as a multilateral block. When flag States cannot play one coastal State against the others, it becomes much easier to ensure a fair return for all countries involved in the management, conservation and harvesting of the resource.

Multilateral agreements can help the region to co-operate in building an industrial base and enhancing sustainability. They can also improve monitoring, control and enforcement, and reinforce rather than undermine regional fishery agreements such as RFMOs. Multilateral agreements are better able to address regional fisheries measures and their implications for financial compensation and other provisions.

5.2 Long-term Sustainability at the Core of the Agreements

There is a real and obvious incentive to resist measures that will directly or indirectly bring about reductions in financial contributions. Reductions in effort or allocation could in fact result in increased financial contributions, in particular where they are accompanied by price increases in fish caught. This must be allowed for in any agreement. Other less direct measures, such as those aimed at the reduction of bycatch or the protection of the ecosystem, should also be factored into the agreement, so they are automatically implemented and so that any reduction in effort or catch does not immediately result in lower financial contributions.

A multilateral agreement must recognise that a reduction in effort due to the state of the stock may not necessarily result in a proportionate reduction in the financial contribution payable. It should also recognise that necessary management measures should be taken on scientific, legal and policy grounds alone and not be held hostage to rigid financial penalties. Close attention must be paid to linkages between regional fisheries management agreements and access agreements, to ensure that access agreements do not hamper fisheries management.

Such an agreement must also restrict access in coastal zones up to 30 miles in order to preserve artisanal and subsistence fisheries and to preserve the fragile coastal ecosystem from potential pollution and ecosystem disturbance by large vessels and correctly address the enforcement issues. An agreement should include a provision not to fish in closed/protected areas.

A multilateral agreement should clearly recognise the inherent threat to the sustainability of fisheries and ecosystems posed by open access agreements, the need to maximise value from fisheries - such as through the development of fishing industries and value added to fish - and the critical need for effective fisheries management regimes which are not undermined by the access agreements.

5.3 Financial Compensation of Access Agreements

The access fee should be negotiated on a multilateral basis; should ensure that there is no incentive for overfishing; and should contain a variable element predicated on the market price of tuna: for example, an escalation clause should the price of tuna increase significantly. A decrease in fishing effort could lead to a substantial increase in resource rent states. If even bigger and more precautionary effort reductions in the global fleet are taken - for example, in the region of 50% as recommended in this report - it is a very real possibility that access fees paid to the coastal States could increase to the region of 0% -50%[86] of the value of the catch.

In addition, an agreement should insist on the compulsory landing of fish, where practical and desirable, to facilitate the development of a fishing industry, and should stipulate specific requirements at the regional level for a minimum number of local fisherman engaged on foreign fleets. An agreement should also include provisions to ensure that local populations (particularly women) benefit from new job opportunities offered in the fisheries sector both offshore and onshore and in related activities.

5.4 Monitoring Control and Surveillance Requirements

Flag States must also provide, as part of their multilateral agreements with coastal States, the means to ensure effective enforcement of fisheries rules and regulations to ensure that under-reporting, over-exploitation, and damage to marine life does not occur. Training of fisheries officers, independent observer coverage of *all* their vessels fishing in coastal State waters, electronic catch diaries, and tamper proof VMS systems should all be requirements as a part of doing business. There should be close linkages to fisheries management agreements.

Only vessels, companies, and nationals of flag States that are in the regional lists of vessels in good standing (whitelist) and have no ties to IUU (blacklist) should be permitted to join coastal State fishery zones

5.5 Shifting the Economic and Ecological Risks of Overfishing from the Coastal State to the Flag State

While maximising the economic returns from tuna access by significantly reducing effort and fishing capacity will reduce pressure on vulnerable stocks, it will not alone guarantee that tuna fishing will be sustainable. Under current tuna access agreements, coastal States assume all the risks associated with resource depletion as the fees they receive are based on a percentage of the present-day cash-value of the estimated catch taken by foreign fleets. Even when the fees paid by foreign fleets are supplemented by additional government transfers, as is the case with EU and US agreements, the total amounts received by coastal States are not commensurate with the impacts and risks of resource depletion.

As demonstrated time and again elsewhere in the world, the social and economic costs of stock collapses as a result of overfishing are catastrophic for coastal States, in terms of their impacts on the local economy as well as political and social stability and food security. This is especially so in many ACP countries where the overwhelming majority of the coastal population relies on subsistence fishing as a dominant source of food. In most cases the importance of subsistence fishing is not fully appreciated because its informal nature leads to underestimates in the calculation of national accounts. However, the reality is that the contribution of subsistence and artisanal fishing to the economies of countries such as Papua New Guinea, the Solomon Islands, the Cook Islands and Fiji is estimated to be very large, and would require millions of dollars to replace should the fish resources disappear.[87]

Greenpeace believes that fisheries access agreements present huge food security and other socio-economic risks for coastal States and that these risks need to be significantly reduced. Access agreements need to safeguard sustainability and mutually reinforce, rather than undermine, multilateral fisheries agreements and arrangements. Therefore, flag States should be the only formal parties to access agreements and other arrangements that are currently negotiated by their fleets. No private access agreements should be permitted.


©Greenpeace M Care

The "polluter pays" principle[88] and the principle of State responsibility mean that liability for damage done to fish stocks and to the marine environment will need to be shifted to those States which are responsible. Since the *Trail Smelter* case in 1937,[89] international law is continuing to evolve to hold States and operators responsible for such environmental damage,[90] and States and operators should not assume that they will escape liability for destruction of fish stocks and the marine environment. As was stated in the Stockholm and Rio Declarations,[91] and as stated as a binding obligation in the Convention on Biological Diversity (CBD), States have the responsibility to ensure that activities within their jurisdiction or control do not cause damage to the environment of areas beyond the limits of national jurisdiction.[92] As is stated in the International Law Commission's Draft Articles on State Responsibility,[93] every internationally wrongful act of a State entails the international responsibility of that State, and it is clear that Article 192 of UNCLOS provides for the obligation to protect and preserve the marine environment.

5.6 Capacity Building and Development:

The ultimate objective of the coastal States being able to fully benefit from their marine resources in the future should be an integral part of any fair fisheries agreement. Using either a portion of the access fees, or working capacity building and development objectives into fisheries agreements requires that additional access fees arrangements must be incorporated for at least the following:[94]

- national/regional approaches to Sanitary and Phytosanitary (SPS) measures and food safety issues.
- national/regional approaches to labelling and certification.
- development of infrastructure: e.g. harbour facilities for fishing vessels, air freight facilities, and cold chain.
- Development of onshore processing activities and other processing activities with higher added value (e.g. smoked and peppered fish, etc).
- Training and technical capacity (harbour management, MCS obligations, combating IUU, domestic industry, SPS measures and developments, observer programs, certification, good governance, etc).
- Monitoring, control and surveillance infrastructure to eradicate IUU fishing.
- Upgrading of local vessels to allow them to conduct more selective and sustainable fisheries, especially by reducing bycatch of juvenile fish, already overfished species and other endangered species such as sharks, turtles, and sea birds.

Annex 1: Summaries of Historic Japanese Tuna Access Agreements

Memorandum of Understanding (MoU) between Government of Tuvalu and Federation of Japan Tuna Fisheries Co-operative Associations

This two-page document signed by the parties in May/June of 1987 is an update of a 1986 MoU. It states simply that the Federation shall make a single advance payment of 4,441,000 yen (US $38,000) for registration and licences for ten pole and line vessels and three long-line vessels. However, the agreement says the sum may be used to purchase registrations/licences for either category of vessels without restriction on the number of the specific types, meaning many more than three long-liners could be operating in the area. The agreement is for a one year period with no other conditions attached

Memorandum of Agreement between the Palau Maritime Authority and the Fisheries Associations of Japan concerning fishing

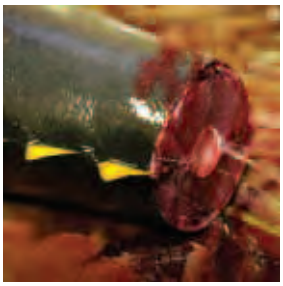
This two-page agreement signed in 1987 is an interim agreement. In the absence of a fisheries agreement called for in the original MoU the parties agree to a single lump-sum payment of 70,000,000 yen or US $611,000[95] for the purchase of 290 'permits' for one year.[96] They also agree to allow payment for permits for vessels in excess of the 290 vessels according to a schedule of fees to be agreed to by the parties. The agreement is signed by the Chairman of the Palau Maritime Authority and Yamato Ueda, President of the Federation of Japan Tuna Fisheries Co-operative Associations along with the Presidents of three other Japanese industry associations.

Agreement between the Palau Maritime Authority and the Fisheries Associations of Japan concerning the supply of goods and services.

This agreement is a companion agreement to the fishing agreement described above and signed on the same days by the same parties. It states that "co-operation in the development of fisheries of Palau will promote friendly relations and fisheries co-operation between Palau and Japan" and commits the Japanese associations to supply, with the co-operation of the Overseas Fishery Co-operative Foundation (OFCF), goods and services valued at 10,000,000 yen or US $87,000.[97]

Agreement between the Republic of Gambia and Japan Tuna Fisheries Co-operative Associations and the Japan Far Seas Purse Seine Fishing Association

This agreement, entered into by the parties on 28 July 1992, allows for *an unlimited* number of Japanese purse-seiners and long-liners to fish inside the Gambian 200 mile EEZ up to 12 miles of the coast pursuant to the payments of fees of US $1,000 per vessel for long-liners for three-month licences (with the possibility of one or two-month extensions for US $350 per month) and US $5,000 per purse seine vessel for five-month licences. The only obligation is that of maintaining daily catch records and of making "every effort" to ensure that the daily catch reports for licensed vessels is sent to the government of Gambia by mail within 30 days from arriving in the first port of call after leaving Gambian waters.


©Greenpeace / A Hofford

Agreement Between Japan Far Seas Purse Seine Fishing Association and Papua New Guinea

An agreement between the Japan Far Seas Purse Seine Fishing Association and Papua New Guinea - a relatively strong coastal State when it comes to negotiating access agreements - in March 2007 demonstrates the striking contrasts between these different generations of agreements and coastal States of different size and strength. The Association's 2007 agreement with Papua New Guinea is significant for several reasons. First, it marks the return of the Japanese fleet to Papua New Guinea waters after a 19-year exclusion.[98] The new agreement, which provides access for 30 seine vessels for one year, contrasts with the sketchy two-page agreements from the 1980s described in Annex 1 in terms of its length (42 pages including annexes and attachments), its details regarding the obligations of the Japanese party and the fees paid.

In contrast with the earlier agreements, the latest Papua New Guinea agreement contains several important provisions to protect the interests of the coastal State. One of the most significant is that it explicitly prohibits transshipment at sea, instead designating specific ports where this can happen.[99] If properly enforced, it will allow Papua New Guinea to accurately determine how much fish the Japanese actually catch under the agreement, enabling Papua New Guinea to estimate the true value of the resource it has sold. This is important information in the negotiations of subsequent agreements and, provides critical input for scientific stock assessment, when combined with other data.

The agreement makes payment of a $4,500 US observer fee per vessel mandatory, outlines the observer programme and places tight regulations and conditions on carrier and support vessels entering and leaving the Papua New Guinea EEZ. It obliges the Association to ensure that its vessel operators maintain detailed, daily catch logs and file preliminary catch reports within 14 days of completing a fishing trip. Japanese fishing is also prohibited within 12 nautical miles from shore and other specifically designated areas and Papua New Guinea reserves the right to add additional exclusions to protect existing fisheries and avoid conflict with locally-based fishing operations. A further significant clause, in terms of combating illegal, unreported and unregulated (IUU) fishing and supporting regional management initiatives, is that only those vessels registered and in good standing with the Pacific Islands Forum Fisheries Agency[100] (FFA) are eligible to be licensed under the agreement. In addition to individual licence fees, the Association pays an access fee of US $101,250 per vessel based on a formula of US $45 per tonne and an average catch per vessel of 2,250 metric tonnes. The total access fee is payable regardless of the number of vessels that actually fish under the agreement. Based on the estimated tonnage and catch value, the rate of return for this agreement is 5.6% -slightly under the targeted 6% Papua New Guinea aims to achieve with its access agreements. However, the 0.4% balance could be said to be made up through a technical co-operation agreement that Papua New Guinea subsequently signed with the Japan's Overseas Fisheries Co-operation Foundation.[101]

Annex 2.1: Comparing the EU's Northern and Southern Agreements

Assessments of the old generation EU fisheries access agreements indicate significant differences between the Northern and Southern Agreements in monetary and job creation terms. Developing countries involved in the Southern "pay-to-fish" Agreements clearly do not benefit as much as those developed countries engaged in reciprocal agreements with the EU (IFREMER).

During the 5-year period from 1994 to 1997 the reciprocal (Northern Agreements) arrangements led to a more equitable distribution of benefits with the EU than the Southern Agreements.

- In terms of the combined direct and indirect value added, the EU derived €176.15 million in benefits while the northern third parties derived €156.47 million or a ratio of 1 to 0.9 in favour of the EU. In other words, for every €1 in added value generated in the EU by the access to its northern neighbours' fish stocks, the northern neighbours earned 90 Euro cents from their access to community waters.
- This more even distribution of benefits is also reflected in the employment generated by the Northern Agreements. They generated a total of 6,365 direct and indirect jobs for the EU and 7,404 for the northern parties or a ratio of 1.2 northern jobs created for every EU job.

A much more skewed distribution of benefits emerges from the Southern *pay-to-fish* Agreements.

- The EU derived a total of €767.7 million in direct and indirect added value benefits from the old-generation Southern Agreements while the southern parties[102] derived only €117.36 or a ratio of 6.5 to 1 in favour of the EU.
- The employment ratios are similarly skewed in favour of the EU. The Southern Agreements provided 14,182 direct jobs (mostly seamen) for EU citizens but only 2,951 direct jobs for citizens of the developing countries or a ratio of almost five EU jobs for every job created in the country that provides the access to its fishery. The job ratio falls to 3.8 to 1, however, when calculating the distribution of total jobs (indirect and direct) as the developing countries were able to improve their situation by increasing their employment share of downstream jobs in the fish canning industry particularly from tuna.


©Greenpeace / A Hofford

Annual Direct and Indirect Value-Added and Job Comparison Northern and Southern Fisheries Agreements (1993-97)

	DVA*	IVA*	Total*	Direct jobs	Indirect jobs	Total jobs
Northern Agreements						
EU	62.03	114.14	176.15	2061	4304	6,365
Northern countries	54.73	101.74	156.47	2530	4874	7,404
Southern Agreements						
EU	232.00	535.80	767.70	14,182	20,100	34,282
Southern countries[103]	63.69	53.67	117.36	2,951	6,070	9,021

*Millions of Euros

Source: IFREMER

Annex 2.2: Measuring Coherence: EU Fisheries Agreements and Development

In 2001, the EU adopted a policy direction that called on it to strengthen global fisheries governance and to develop a partnership approach to fisheries agreements with developing countries. Following this, the Board of EuropeAid, the EU's overseas development assistance arm, commissioned a study to evaluate the overall coherence between its development objectives and the EU's fisheries agreements at the time (old-generation).[104]

The study came to some damning conclusions:

- Under existing conditions (the old-generation) Fisheries Agreements (FAs) and their related activities were not sustainable nor did they provide reliable foundations on which local economic activities could be based.
- In most of the coastal States, conditions for the sustainable management of the stocks under the FAO's Code of Conduct for Responsible Fisheries were not being met, due to a weak commitment to ensuring sustainable fishing practices by all the parties to the agreements.
- EU Member States were more interested in the short-term profitability of their fleets than the long-term interests of coastal States,
- Coastal States were mainly interested in maximising the immediate foreign exchange receipts generated by Fisheries Agreements, even at the risk of diminishing their long-term prospects for growth and development. Coastal States were found to lack the "financial, technical, human and organisational capacities" to effectively control fishing practices.
- The report found no significant evidence that Fisheries Agreements directly contributed to food security and, despite numerous references to developing local fishing capacity, limited financial contributions to coastal State fisheries development.
- There was no evidence that the UNCLOS provisions regarding the determination of surplus fish resources were being used to determine access, or indeed even that coastal States were providing that information to assist with sustainable resource management.
- An important weakness of the agreements was the assumption that the coastal State was largely responsible for sustainable management of the resources within the EEZ despite the FAO Code of Conduct, which places explicit responsibility on flag States for the conduct of their vessels. The report could find no evidence of direct EU Member State application of responsible fishing rules or sanctioning of its fleets for violations of the Code of Conduct but instead did find evidence of Member State interventions to defend their fleets against coastal States' attempts to sanction them.
- The report noted an increase from 11% to 41% in the percentage of EU compensation paid to coastal States that was tied to certain "targeted" activities aimed at strengthening the coastal States' fisheries management capacity.[105] This both ran counter to EuropeAid's objective of moving away from tied aid to providing money for developing countries to use according to their own priorities for poverty reduction, and was also at odds with the principle that the compensation should in fact be payment for the provision of a good i.e. access to a country's surplus fish stocks.
- The report also concluded that fisheries agreements with non-EU countries reduced the pressure on the EU to address its own fisheries management issues in its domestic waters, an adverse outcome in light of EU stocks being below safe biological limits.


©Greenpeace / A Hofford

Annex 3: Details of the US Financial Contribution

The different generations of the Treaty authorised between 35 and 50 licences for US seine vessels to fish in Pacific Island Countries' waters with vessel owners making lump sum payments for licence fees. These payments increased from an original US $1.75 million for 35 licences in 1988 to US $4 million for 50 licences in 1993 and were reduced to US $3 million for 40 licences in 2003. However, from the 2000-2001 fishing season onward, financial pressures on the US fleet from reduced tuna prices, increased insurance costs after 9/11, soaring fuel costs and competition from lower-cost Asian competitors reduced actual vessel take-up of the fishing opportunities year after year so that by the 2006-2007 season only 12 US vessels were registered to fish in the WCPO. This increased the financial burden for the lump-sum licence fee payment on the remaining vessels in the fleet, leading them to re-negotiate the terms of payment under a side agreement with the Pacific Island Countries (and the actual amounts paid will likely be reduced considerably).

However, the annual US Government payments under its side agreement with the FFA have continued to increase from US $10 million under the original agreement to US $18 million under the current agreement that extends to 2013. This is an enormously disproportionate contribution when one considers that, all-told, between US $60 and US $70 million per year is generated in access fees for WCPO coastal States. When the industry licence fees of US $3 million are included, the US Treaty represents over 30% of all access fee contributions.[106] This is all the more remarkable considering the US seine fleet has shrunk to only 12 seine vessels or just 6% of the 192 registered in the WCPO by the FFA.[107] The US therefore is contributing close to one-third of the total revenue derived from access fees while contributing to only a fraction of the fishing effort.[108]

In addition to its multilateral aspect another interesting feature of the US agreement is the way in which the US payments are distributed among the Pacific Island Countries. First of all, both the US Government contributions and the fleet licence fees are paid to the FFA, in effect the coastal States' regional fisheries body. After it deducts a US $500,000 administration fee the FFA distributes the remaining funds in the following way: US $2.5 million plus 15% of the remaining funds is allocated equally to all Pacific Island Countries. The remaining 85% is allocated to individual members based on fishing effort in their respective waters. This formula ensures that all states benefit from the Treaty, creating an incentive to co-operate amongst parties that do not have the same fishing interests or potential. The Treaty is advantageous for the Pacific Island Countries as it provides them with the highest return by far of any access agreement under a secure, multi-year agreement. It also had significant spin-off effects for employment in the region as most of the US catch goes to supply two US-owned canneries in American Samoa providing employment for thousands of workers from nearby Western Samoa.

Footnotes

[1] All the data from this section is taken from Maguire, J. J., Sissenwine, M., Csirke, J., and Grainger, R. *The state of the world highly migratory, straddling and other high seas fish stocks and associated species:* FAO, Issue Paper 495, Rome 2006, unless otherwise indicated.

[2] 83% of all skipjack landings came from the WCPO and Indian Ocean in 2004.

[3] Barclay, K. and Cartwright, I., 2005. *Capturing Wealth from Tuna. Key Issues for Pacific Island Countries*, Discussion draft, December 2005, and see Barclay, K. and Cartwright, I., "Governance of tuna industries: The key to economic viability and sustainability in the Western and Central Pacific Ocean," 31:3 Marine Policy, May 2007, Pages 348-358, 350.

[4] Ellis, R. 2003. *End of the Line, Eating Tuna Out of Existence.* The Ecologist, October 2003.

[5] The IUCN assessments are now over 10 years old and thus out of date but in general the state of these stocks is not know to have improved since the last assessment was done.

[6] Ecosystems and Biodiversity in Deep Waters and High Seas: UNEP Regional Seas Report and Studies No 178: Almost 60% of tuna stocks are in need of population rebuilding and/or reduction of fishing pressure.

[7] Kurlansky, Mark. 2000. *The Basque History of the World.* Vintage, London.

[8] Kurlansky, Mark. 1999. "Cod: A Biography of the Fish that Changed the World" London: Vintage, pages 17-29.

[9] United Nations Convention on the Law of the Sea. Signed at Montego Bay, Jamaica, 10 December 1982, entered into force 16 November 1994 ("Law of the Sea Convention"). At http://www.un.org/Depts/los/convention_agreements/texts/unclos/closindx.htm. All web references are as at December 11, 2007 unless noted otherwise.

[10] Churchill, R.R. and Lowe, A.V. 1999. The Law of the Sea (3rd ed.), 4.

[11] This occurred under the framework of a Governing International Fishery Agreement (GIFA) provided for in the Magnuson-Stevens Act. A key tenet of the GIFA, however, is reciprocity. The US does not allow foreign countries to access US stocks unless the foreign country offers US fleets the same privileges. See the Magnuson-Stevens Fisheries Conservation Act, 16 USC §1821(f).

[12] FAO (1993) Some high seas fisheries aspects relating to straddling fish stocks and highly migratory fish stocks, A/CONF.164/INF.4, page 378.

[13] For example, productive groundfish areas in the North West Atlantic (Flemish Cap and Nose and Tail of the Grand Banks) were just outside of Canada's control.

[14] Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks. The agreement was ratified by the requisite 30 countries and came into force on 11 December 2001, 1542 A/CONF.164/37, 34 *International Legal Materials* 1542 See text and list of ratifications at http://www.un.org/Depts/los/convention_agreements/convention_overview_fish_stocks.htm.

[15] A detailed and internationally agreed definition for IUU fishing can be found in the International Plan of Action – IUU Fishing at http://www.fao.org/DOCREP/005/Y3536E/y3536e04.htm#bm04.1.

[16] FAO Legal Office, at http://www.fao.org/Legal/treaties/012s-e.htm.

[17] High Seas Task Force, 2006. *Closing the Net. Stopping Illegal Fishing on the High Seas.* High Seas Task Force, London.

[18] See http://www.fao.org/fi/ipa/ipae.asp. International Plan of Action for Reducing Incidental Catch of Seabirds in Long-line Fisheries – 1999, International Plan of Action for the Conservation and Management of Sharks - 1999 and International Plan of Action for the Management of Fishing Capacity - 1999. All three of these texts can be found at: http://www.fao.org/docrep/006/x3170e/X3170E00.HTM.

[19] FAO, 2005. Fishery Country Profile at http://www.fao.org/fi/fcp/en/JPN/profile.htm.

[20] A good example of a Japanese "umbrella agreement" is available on the FAO website at http://faolex.fao.org/docs/texts/bi-34260.doc. This simple 2-page agreement between the Kingdom of Morocco and the government of Japan speaks of the desires of both parties to *"develop mutually beneficial co-operation in the field of marine fisheries (…) to strengthen the friendly relations existing between"* the two countries; the main expression of which being the Kingdom of Morocco's agreement to *"permit fishing vessels of Japan to fish within the Moroccan waters in accordance with the relevant laws and regulations of the Kingdom of Morocco."*

[21] Tarte, Sandra. 2003. *Japan and the Pacific Islands: The Politics of Fisheries Access, Aid and Regionalism.* Life and Peace Institute and Tarte, Sandra. 1998. *Japan's Aid Diplomacy and the Pacific Islands*, pages 91-92.

[22] Barclay, K. and Sun-Hui Koh, 2005. *Neoliberalism in Japan's Tuna Fisheries? Government Intervention and Reform in the Distant Water Long-line Industry.* Asia Pacific School of Economics and Government, Australian National University.

[23] Tarte, *Japan's Aid Diplomacy and the Pacific Islands*, 57.

[24] Tarte, *Japan's Aid Diplomacy and the Pacific Islands*, 57-60.

[25] Barclay, K. and Sun-Hui Koh, page 4.

[26] Tarte S (2006). *'Managing Tuna Fisheries in the Pacific: A Regional Success Story?'* in Bryant-Tokelau, J. and Frazer, I. (eds). 2006. *Redefining the Pacific? Regionalism: Past, Present and Future,* pages.89-99. One example is an insistence that aid be centred on large-scale infrastructure projects, incorporating Japanese plant and equipment, which may create untenable cost burdens and which may end up as 'white elephants'. Tarte, *Japan's Aid Diplomacy and the Pacific Islands*, pages 15, 22.

[27] Tarte cites an example where a Japanese funded fishermen training centre in Kiribati was a means of providing lower cost labour for the Japanese skipjack fleets who were having difficulty both attracting young Japanese to these difficult jobs, and were at a cost disadvantage with their Asian competitors (Taiwan and Korea) because of higher Japanese wages. Tarte, *Japan's Aid Diplomacy and the Pacific Islands*, page 126.

[28] See the 1982 South Pacific Forum Communiqué, which publicly "deplored the increasing tendency of distant-water fishing nations to link the grant of aid with the receipt of fisheries access." Communiqué, 13th South Pacific Forum, Rotorua, New Zealand, 9-10 August 1982. Japan was at the time the one distant water fishing nation that used aid in this way. See Tarte, *op. cit.*, 97. Japan has also linked aid with supporting its whaling policy in the International Whaling Commission (IWC), with allegations of vote buying, principally involving official development assistance (ODA), having been made at the IWC since 1993. See Duncan Currie, "Whales, Sustainability and Environmental Governance," 13 Review of European Community and International Environmental Law (RECIEL), (April 2007), 54 and Alexander Gillespie, "Vote-Buying in International Fora", (2001), page 54, at http://www.oceancare.org/de/downloads/OceanCare_Reports/Vote_Buying

_in_international_Fora_e.pdf.

[29] This report uses the term European Union (EU) to refer to the collective organisation of the 27 European Union member states. However, please note that it is formally the European Community (EC) that enters into agreements with third countries, adopts legislation and is party to international conventions.

[30] The EU is required to be transparent about activities funded with public monies due to public disclosure requirements unlike many other distant water fishing powers. As a result, all the EU's fisheries access/partnership agreements are posted on the European Commission's Directorate General for Fisheries and Marine Affairs (DG Fish) website (see http://ec.europa.eu/fisheries/legislation/other/bilateral_agreements_en.htm)

[31] European Commission, 2007. *About the Common Fisheries Policy*. At http://ec.europa.eu/fisheries/cfp/external_relations/bilateral_agreements_en.htm.

[32] This arrangement is often referred to as *"pay, fish and go"*, however Greenpeace believes this characterisation is inaccurate since, in most cases, the European fleets have become entrenched in coastal State waters, *paying and fishing* but never *going*.

[33] The EU also includes Greenland in this category.

[34] In the words of the European Commission, there are fisheries resources that the developing countries "do not fully exploit" (European Commission, 2007)

[35] Greenpeace, *"Trading Away Our Oceans,"*(2007), at http://oceans.greenpeace.org/raw/content/en/documents-reports/tradingaway.pdf,

[36] European Commission, 2007. *About the Common Fisheries Policy*.

[37] DG Fish, 2006. *The EC Fisheries Agreements and How the Coherence Principles are Applied*. Power Point presentation by Fabrizio Donatella to Workshop on Policy coherence for development in fisheries, Paris, 24-25 April, 2006.

[38] European Commission, 2007. *About the Common Fisheries Policy.* At http://ec.europa.eu/fisheries/cfp/external_relations/bilateral_agreements_en.htm on 24 April, 2007.

[39] One of the clearest expressions of this policy commitment came from the EU's Council of Fisheries Ministers in July 2004 when it reaffirmed its willingness *"to maintain fisheries agreements as a means of protecting this activity* (distant water fishing) *and the employment linked to the fleets operating within these agreements because of their special nature and their connection to regions which are highly dependent on fisheries"* (Council, 2004). While the Council indicated that its policy of promoting distant water fishing must be consistent and coherent with the EU's various external commitments for sustainable resource use, it asserted that fisheries access agreements provide *"the best means of ensuring the sustainable exploitation of surpluses"* found in the waters of third country Coastal States (Council, 2004).

[40] IFREMER, 1999. *Evaluation of the Fisheries Agreements Concluded by the European Community.* Summary Report. August, 1999.

[41] For detailed analysis of the impact of this arrangement in Argentina see: UNEP, 2002. *Integrated Assessment of Trade Liberalisation and Trade-Related Policies: A Country Study on the Argentina Fisheries Sector,* New York and Geneva.

[42] CFFA, 2006. ACP-EU *Fisheries Relations: Who will pay? Who will benefit?* Coalition for Fair Fisheries Arrangements, Béatriz Gorez, July 2006.

[43] Campling, L., Havice, E., Ram-Bidesi, V. 2007. *Pacific Island Countries, the Global Tuna Industry and the International Trade Regime – A Guidebook.* Pacific Islands Forum Fisheries Agency.

[44] The parties to the Treaty along with the US are Australia, Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Papua New Guinea, Samoa, the Solomon Islands, Tonga, Tuvalu and Vanuatu.

[45] The official title is *Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States of America.*

[46] *Treaty on Fisheries Between the Governments of Certain Pacific Islands States and the Government of the United States of America,* Port Moresby, 2 April 1987, entered into force 15 June 1988 for a five-year period, to 14 June 1993, revised to 2003 and 2013. Latest revision at http://www.daffa.gov.au/fisheries/international/multilateral/ustreaty/treaty. A second side agreement between the US Government and the Forum Fisheries Agency (FFA), the *Agreement between the Government of the United States of America and the South Pacific Forum Fisheries Agency,* describes the terms and conditions of the US Government's financial contributions to the FFA in conjunction with the treaty. The third agreement, the *Agreement among Pacific Island States concerning the Implementation and Administration of the Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States of America,* is between the FFA and the PICs and outlines how the financial contributions of both the US and its fleets will be distributed amongst the Pacific parties.

[47] The agreement has been reviewed several times and was extended for ten years to 14 June 2003 and then again to 2013. Each extension brought an increase in fees: from US$12 million paid per year, to US$18 million to US$21 million per year. The number of licences was reduced to 45 in the most recent extension.

[48] See Australian Department of Agriculture, Fisheries and Forestry (DAFF), http://www.daffa.gov.au/fisheries/international/multilateral/ustreaty.

[49] Unless otherwise mentioned this section is referenced to: Mfodwo, Kwame 2006. *Negotiating Equitable Fisheries Access Agreements. A Capacity-Building and Reference Manual for Developing Coastal State Negotiators.* Monash Law School Melbourne Australia.

[50] China annual fishery report to WCPFC Scientific Committee SC3, (2007), at http://www.wcpfc.int/sc3/pdf/Annual%20Report%20WP-04%20China.pdf

[51] Based on catch price for seine caught skipjack of $750 to $800 US per tonne for the 2006/07access period.

[52] A financial compensation comparison is not possible because the US contribution is not based on catch tonnage.

[53] See Campling *et al* Part 5 for examples

[54] Hunt, Colin 2001. *The Capture of National and Local Sustainable Benefits from Pacific Marine Resources.* National Research Institute, Papua New Guinea..

[55] In cases where a coastal State faces very high unemployment it could chose instead to distribute resource rents in the form of access to new entrants to the fishery rather than capturing the rents for itself to spend on government programmes. For a discussion of how small-scale fleets pursue this option in Canada see Allain, *Private Rights Tragedy* in *SAMUDRA*, #46, March 2007.

[56] Greenpeace (2006). *Deadly Subsidies.*

Footnotes

[57] Barclay, Cartwright, *Capturing Wealth from Tuna.*

[58] Independent cost and earnings surveys are the best means of determining the rates of return generated by fleet operations and if rents are being generated or not in a given fishery. Normally they are carried out by governments on their domestic fleets under careful confidentiality protocols that guarantee a fairly high level of confidence. Given that the fleets operating in the WCPO are foreign it is difficult for PICs to carry out these kinds of studies.

[59] At least Greenpeace was unable to find any or find any cited in the pertinent literature.

[60] Petersen, Elizabeth. *The Catch in Trading Fishing Access for Foreign Aid.* Working Paper No. 35. Resource Management in Asia-Pacific.

[61] Bertignac, M., Campbell, H.F., Hampton, J. and Hand, A.J. *Maximising Resource Rent from the Western and Central Pacific Tuna Fisheries,* Marine Resource Economics, Vol 15, No. 3, 2000.

[62] T. Kompass and T. N. Che (2007). *Economic Profit and Optimal Effort in the Western and Central Pacific Tuna Fisheries.* Pacific Economic Bulletin. May 2007

[63] Presentation by David Ardill, Regional Coordinator MCS project Indian Ocean Commission at Commonwealth Secretariat meeting of Eastern and Southern African States May 2-4, 2007, Port Louis, Mauritius.

[64] Barclay and Cartwright point out, however, that there can be hidden social costs to attracting industrial fishing vessels and their crews to national ports. After weeks, even months at sea, foreign crews often seek bars and brothels to spend their earnings and relieve the tensions of living in close quarters for long periods of time. They suggest coastal States have to consider the social costs of these activities and provide alternative shore-based social activities for those crew not interested in alcohol consumption or prostitution (Barclay and Cartwright).

[65] Michaud, P. 2003. *Experience from the Bilateral Fisheries Access Agreement, limpact on the Economy and Implications for Seychelles of the Outcome of the WTO Mediation on the Case of Tuna between the EUand Thailand and the Philippines.*

[66] Michaud, P. 2003.

[67] Greenpeace, "*Trading Away Our Oceans*,"(2007).

[68] Hunt, Colin 2001. *The Capture of National and Local Sustainable Benefits from Pacific Marine Resources.* National Research Institute, Papua New Guinea.

[69] Campling et al, *Guidebook*

[70] Campling et al, *Guidebook*

[71] See Greenpeace International. *Freedom for the Seas, for Now & for the Future. Greenpeace Proposals to Revolutionise Oceans Governance.* May 2005.

[72] Ironically, the precautionary approach is in opposite from the current practices of ICCAT contracting parties; in 2006, the management plan for bluefin tuna set up a quota at a level which was double the one advised by scientists and yet is called a '*recovery plan*'.

[73] A summary of the UN Fish Stocks Agreement Review Conference is available online at http://www.iisd.ca/vol07/enb0761e.html.

[74] See '*Opening the Can: How Tuna Fishery Management Organisations Regularly Fail to Manage our Oceans*', Greenpeace briefing to the Joint Tuna RFMO Meeting in Kobe, Japan, 22-26 January 2007.

[73] For example, a UNEP case study of Argentina found that a fisheries agreement led to "very negative" impacts on the sustainability of hake, in particular, leading to near biological collapse, and other negative fisheries and ecosystem impacts. The report contrasted the benefits to private fishing companies and fish workers with low net benefits to the Argentine fiscal revenues and an "enormous social loss" of the resource for future generations valued at US $ 3.5 billion. In the case of Argentina, UNEP found that open access regimes, without control of the quantity of resources fished and where the fish captured is not adequately paid for, leads to over-exploitation where, in the long term, gains are outweighed by losses. UNEP, "Integrated Assessment of Trade Liberalisation and Trade-Related Policies: A Country Study on the Argentina Fisheries Sector", UNEP/ETB/2002/8, (2002), at http://www.unep.ch/etu/publications/CSII_Argentina.pdf.

[76] Mfodwo, Kwame 2006. *Negotiating Equitable Fisheries Access Agreements. A Capacity-Building and Reference Manual for Developing Coastal State Negotiators.* Monash Law School Melbourne Australia.

[77] Whenever small-scale fisheries are mentioned, discussion all too often turns into debate about vessel length and size. While vessel size and length are important, from a conservation perspective, the selectivity and ecological impact of the gear are much more so. Definitions of what constitutes small-scale and/or artisanal is best determined by the traditions and standards of local fisheries and the need to provide safe and seaworthy vessels for fish harvesters given the different sea conditions and distances they must confront to successfully harvest the species they target. It is abundantly clear that, thanks to advances in boat building and navigation technology over the last 30 years, there are few fishery resources available within the EEZ of coastal States that are not fully exploitable by domestic, small scale fleets however they are defined. The endless and well documented conflicts over fishing grounds and resources between domestic small-scale and artisanal fleets and their industrial national and foreign rivals throughout the developing world is ample proof of this.

[76] In order to fish for the full range of tuna species, coastal small-scale fleets may engage in some long-lining. Any such operations must use state-of-the-art bycatch mitigation methods and be closely monitored to ensure that their impacts on seabirds and other marine species are minimised with clear cut-off limits once a certain number of such species have been hooked.

[79] While the many foreign fleets fishing in West Africa are thousands of kilometres from their home ports the proximity of the Spanish Canary Islands and its main port Las Palmas to fishing grounds make it both a gateway into the EU and the main port of call for most DWF fleets operating in the region.

[80] Hunt, Colin 2001. *The Capture of National and Local Sustainable Benefits from Pacific Marine Resources.* National Research Institute, Papua New Guinea.

[81] Johnstone, Nick 1996. *The Economics of Fisheries Access Agreements: Perspectives on the EU-Senegal Case.*

[82] See, for example, http://www.areed.org/training/technology/solar_ice/ice_4.pdf.

[83] Greenpeace International *Trading Away our Oceans (2007).*

[84] Abila, Richard O. *Fish Trade and Food Security: Are They Reconcilable in Lake Victoria?* Kenya Marine and Fisheries Research Institute.

[85] For a detailed list of these achievements see Gert van Santer and Philipp Muller, March 2000, *Working Apart or Together.,*

[86] From the current norm of 5-6%, with the exception of the US and EU agreements as discussed elsewhere in the report.

[87] Hunt, Colin 2001. *The Capture of National and Local Sustainable Benefits from Pacific Marine Resources.* National Research Institute, Papua New Guinea.

[88] See Principle 16 of the Rio Declaration on the Environment and Development Report of the UN Conference on Environment and Development, Rio de Janeiro 3-14 June 1992, UN Doc. A/CONF.151/26/Rev.1, at http://www.unep.org/Documents.multilingual/Default.asp?DocumentID=78&ArticleID=1163. ('Rio Declaration')

[89] Trail Smelter Arbitration, (1938/1941) 3 R.I.A.A. 1905.

[90] See, for example, The International Law Commission's Draft principles on the allocation of loss in the case of transboundary harm arising out of hazardous activities, in ILC's 2006 Report, Report on the work of its 58th session (1 May to 9 June and 3 July to 11 August 2006), Supplement No. 10 (A/61/10), Chapter V, *Liability for Injurious Consequences Arising Out of Acts Not Prohibited by International Law (International Liability in Case of Loss from Transboundary Harm Arising out of Hazardous Activities),* at http://untreaty.un.org/ilc/reports/2006/2006report.htm

[91] Principle 21 of the Stockholm Declaration on the Human Environment of the United Nations Conference on the Human Environment, 16 June 1972, 11 I.L.M. 1416 (1972), ("Stockholm Declaration"), at http://www.unep.org/Documents.multilingual/Default.asp?DocumentID=97&ArticleID=15031972 UN Declaration on the Human Environment and Principle 2 of the 1992 Rio Declaration.

[92] Convention on Biological Diversity , 5 June 1992, entered into force 29 December 1993, 31 ILM 818, http://www.biodiv.org/convention/default.shtml, Article 3.

[93] Draft Articles on Responsibility of States for internationally wrongful acts, adopted by the International Law Commission at its fifty-third session (2001), Article 1, at http://untreaty.un.org/ilc/texts/instruments/english/draft%20articles/9_6_2001.pdf.

[94] Needs to be refined in full and transparent consultations with the coastal State, its domestic fishing sector and other stakeholders including the civil society.

[95] Based on the prevailing rate on 4 November 2007 of 1 USD =114.624 JPY.

[96] The high number of permits is likely due to the Japanese preference for short-term (monthly) access arrangements giving vessels the flexibility to follow fish migrations in and out of coastal EEZs.

[97] The OFCF is funded by the Japanese Fisheries Agency, and was established to subsidise co-operation between Japanese distant water fishing fleets or trading companies and coastal States. It has been used to bypass bureaucratic red tape and facilitate projects, and it has specifically been linked in the media to funding trips of Pacific and Caribbean officials as part of Japanese lobbying efforts in the IWC.. See Sandra Tarte, *Japan's Aid Diplomacy and the Pacific Islands* (1998), 119 and Japan's "Vote Consolidation Operation" at the International Whaling Commission: Winning a Majority in St Kitts and Nevis," June 2006", 16 and Yomiuri Shimbun, 13 April 1993.

[98] Until 1986, Papua New Guinea provided Japan with one of its most important tuna fishing grounds in the Pacific. However, the signing of a multilateral fishing treaty by Pacific Island Countries (PICs) with the US in 1987 (see below) provided PICs with a 10 % rate of return on their tuna; a sharp contrast with the 2-3 % rate they had been getting from Japan. Buttressed by the US Treaty, PICs' expectations of increasing their rate of return from the Japanese and other agreements rose significantly. Papua New Guinea, with a much more diversified economy and not dependent on access fees for government income, was able to press the Japanese much harder than other PICs to increase rates. Japanese unwillingness to meet Papua New Guinea's demands for higher fees effectively ended their relationship (Tarte) and Papua New Guinea's National Fishing Authority placed an effective "ban" or "embargo" on Japanese fishing vessels that lasted 19 years. (Pacnews)

[99] The question of where transshipments can occur is not clear. Schedule 10 of the agreement lists the designated ports, all of which are in Papua New Guinea, yet the agreement does not specify that transshipment must be in a Papua New Guinea port and clause 23.2 says the Association "will encourage its vessels to transship in Papua New Guinea ports as appropriate…."

[100] The FFA is an organisation set up to provide expert fisheries management and development advice and services to 16 country members and one territory member from the Western and Central Pacific region. FFA was formed 26 years ago under an international convention and is based in Honiara, the Solomon Islands (www.ffa.int).

[101] On 18 May 2007, two weeks after the new access agreement came into force, the Papua New Guinea National Fisheries Authority announced that it had signed a technical co-operation agreement with Japan's Overseas Fisheries Co-operation Foundation. The amount of the aid package was estimated at $154,000(US).

[102] Includes Argentina.

[103] Includes Argentina.

[104] DG Dev /AIDCO, 2002. *Fisheries in the Pacific. Coherence between Development and Commercial Objectives.* DG Dev/Aidco Fisheries Task Force, Brussels, 18 February 2002.

[105] On average, a rise from 11% to 41% between the first and most recent Fisheries agreements in the countries sampled.

[106] As discussed above, however, the licence fee contribution has in recent years been below the US $3 million mark and will likely remain so (see footnote 31. Campling et al for details of arrangement).

[107] Includes vessels registered to PICs.

[108] All the more so when one considers that the US fleet is made up solely of seine vessels. There are an additional 737 long-line vessels and 29 pole and line vessels registered in the WCPO and the foreign flagged components of these fleets are also contributing fishing effort thereby increasing the relative importance of the US contribution given it fishing effort.

GREENPEACE

Greenpeace is an independent global campaigning organisation that acts to change attitudes and behaviour, to protect and conserve the environment and to promote peace.

Greenpeace International
Ottho Heldringstraat 5
1066 AZ Amsterdam
The Netherlands
Tel: +31 20 7182000
Fax: +31 20 5148151

greenpeace.org