



Development of Sustainable Tuna Fisheries in Pacific ACP Countries – Phase II (DevFish2/

**Project Steering Committee – First Meeting
SPC, Noumea, 28th February, 2011**

Summary Project Outline

1. DESCRIPTION

The project will focus on the sustainable development of highly migratory oceanic living resources, particularly tuna fisheries, including threats to the resource from IUU fishing. This focus is directly aligned with the Millennium Development Goals for poverty alleviation; Article 20 (1) (a) of the Cotonou Agreement (promoting rapid and sustained job creating, economic growth; and improving access to productive economic activities and resources) and the first pillar of the Pacific Plan – economic growth. Furthermore, it responds directly to calls of the P-ACP leaders, made at the 2007 Forum Vava'u Declaration “our fish, our future” for the region to focus on domestic tuna industry development, and strengthened monitoring control and surveillance. These calls were reiterated at the 2008 Niue Forum, and most recently at the 2009 Cairns Forum where leaders noted the need for “continuing to support action in the fisheries sector which would see commitment to implementing the direction offered by the Forum Leaders through the *Vava'u Declaration* and Forum Fisheries Committee, and in particular: progressing the development and implementation of fisheries management and development regimes; Monitoring, Control and Surveillance Strategies;... addressing ongoing barriers to international market access; ... and strengthening the sector's governance.”

The project displays similar consistency with EU initiatives, in particular the Fisheries Partnership Agreements with the P-ACP countries, which highlight the need to promote development “by encouraging the establishment of an environment favourable to the development of business and investment” and to cooperate in “the prevention of illegal, undeclared and unregulated fishing”. The project further foresees the cooperation in support of, among others, private sector development, including capacity building and measures aiming at facilitating the transfer of know-how and technologies; improvement of production conditions and handling practices in processing establishments and implementation of an effective system of monitoring, control and surveillance of fishing activities (MCS) at regional level, with extension to all Pacific Parties, in particular with a view to combating illegal, unreported and unregulated fishing activities (IUU) via the strengthening of detection and interception capacities.

The Project will be implemented by the Forum Fisheries Agency (FFA) as the lead agency, with support from the Secretariat of the Pacific Community (SPC). In line with the mandates of the two organisations, work undertaken by FFA will focus on economic and policy issues relating to industry development, as well as the coordination of Monitoring Control and Surveillance activities.

SPC will contribute technical expertise in fisheries development, particularly assistance targeting artisanal fishers and Small and Medium Enterprises; and analysis of tuna fishery databases to quantify IUU fishing levels, as well as assistance to countries in better using national data for this purpose. The two organisations have an extensive history of joint work in and their relationship is formalised through an MOU

Logical framework of the project may be updated or adapted in the Overall Work Plan, to which it will be annexed, without this necessarily requiring an amendment to the contribution agreement.

1.1. Objectives

The overall objective of the programme remains the same as the original DevFish project – *to increase the contribution from the sustainable use of highly migratory marine resources, particularly tuna, to the alleviation of poverty in P-ACP states, now also including Timor Leste*. The project purpose is *to reduce constraints to domestic tuna industry development*. These arise from economic and environmental vulnerabilities, including a lack of local capacity to manage and support the tuna industry including small scale operations and from IUU fishing activities which both divert economic benefits and threaten efforts to sustainably manage the resource. Economic benefits will be secured without increasing total catches.

The main beneficiaries of the project will be Pacific Islanders already involved (or who have the potential to become involved) in tuna fishing, marketing, processing and service industries. The expansion of tuna processing mainly creates employment opportunities for women. Key stakeholders comprise the tuna fishing, processing and servicing companies, as well as their national industry associations and associations supporting small scale fishers which have been developed and strengthened during the first phase of the project. Government fisheries administrations, and the departments responsible for other key activities such as export certification, will also be important partners in the project. The project has been developed following extensive consultations with stakeholders during the first phase and the concept was endorsed by a meeting of P-ACP Fisheries Ministers in May 2008. As in the first phase of the project, material of interest to the tuna industry of the OCTs will be translated and distributed through SPC. The WCPFC (the regional body responsible for the conservation and management of tuna stocks across their entire range) is not a direct stakeholder in the project, but efforts to reduce IUU fishing in EEZs will complement initiatives to control fishing on the high seas and strengthen fisheries management.

Crosscutting issues are addressed as follows:

Environmental Sustainability – The project's broad contribution to environmental sustainability will be through enhancing the conditions for sustainable management of the resource. This will be achieved through combating IUU fishing, and by increasing transparency in fisheries development plans and licensing, thereby making it more difficult to take environmentally damaging decisions for short-term gain. The project thus complements more direct assistance in developing sustainable tuna management arrangements that will be provided under the proposed EDF10 SciCOFish project. Assistance will also be provided in assessing and mitigating the environmental impact of developments such as tuna processing plants – this continues the emphasis of several initiatives under the first phase including environmental impact assessments of tuna processing plants, advice on cannery waste water treatment options, etc.

Gender Equality – Tuna processing for export is an industry in which women typically make up some 80% of the workforce, due to their reliability and manual dexterity. Its development offers the potential to reduce the high proportion of women in vulnerable employment which characterizes Oceania¹ by providing full time work. DevFish studies on gender issues in the Pacific Island tuna industry, while identifying generally low wage rates as an issue with some employers, found little evidence of discrimination against women in the sector.² Various activities identified in these studies to empower and improve the situation of women will also be pursued including action to mitigate negative social impacts of tuna industry development on women, e.g. HIV/AIDS.³

Good Governance and Human Rights - The project directly addresses encouragement of private enterprise and investment; enhanced institutional capacity for planning and

¹ Millennium Development Goals Report 2008 (United Nations, 2008)

² Report on Gender Issues in the Tuna Industry, DevFish (2008)

³ Report on Gender Issues in the Tuna Industry, DevFish (2008)

implementing resource use; greater transparency; and public participation in decisions on resource issues. These are all priority areas for transparent and accountable resource management as identified by the EU⁴.

1.2. Expected results

The Project is implemented as partnership between the FFA and the SPC, with the FFA being the lead agency. Activities will be implemented only in countries experiencing solid fisheries management best practices and could be suspended in case of non respect of any international and national conservation measures of which they are part. Any support activity related to possible expansion or promotion of local artisanal small-scale fishery shall not lead to an unsustainable pressure on fishery resources and cannot be increased without compensatory declines in the industrial fishing operations.

The FFA is in charge of for the implementation of the following activities:

- Activity 1.1 – Assist with Fishery Development Strategies;
- Part of activity 1.2 – Improve Transparency in Systems and Procedures;
- Activity 1.3 – Provide Technical Assistance to Competent Authorities;
- Part of activity 1.5 – Provide Technical Assistance and Training for Fishing Companies;
- Part of activity 1.6 – Conduct Pilot Projects Introducing New Technologies;
- Activity 2.1 – Develop a Regional Strategy to Combat IUU Fishing;
- Activity 2.2 – Identify and Remedy Technical, Legal and Capacity Shortfalls and
- Activity 2.4 – Integrated Enforcement Action.

For the implementation of remaining activities (1.4 Provide Training to Industry for Expansion of Exports, 1.7 Support Artisanal Tuna Fishing Operations, and 2.3 Integrated Assessment of Enforcement and Fisheries Databases) SPC shall be responsible. Both agencies will collaborate on activities as necessary.

For the activities 1.2, 1.5 and 1.6 ("shared activities") implementation will be further defined in the annual programmes and work estimates allocating budget to the FFA and the SPC, within the competences of each of the organizations. The FFA, through the Project Team Leader, will ensure consistency of the implementation of these activities with the Contribution Agreements, and design of the project.

Component 1: Tuna Industry Development

Activities under this component will build directly on the work of the first phase of the DevFish project in promoting institutional and technical capacity for tuna industry development. Note that this development does not require and cannot lead to an increase in catches – indeed a reduction of fishing effort on some species is envisaged – but on increasing the share of catches taken by local operations, and by increased landing and processing of these catches in P-ACP countries. Specific activities will include:

- 1-1. ***Assist with Fishery Development Strategies.*** This task will continue the work of DevFish focusing on implementation of 3 existing action plans, and the development of new plans with strong stakeholder input and a focus on environmental sustainability covering both fishing and processing.
- 1-2. ***Improve Transparency in Systems and Procedures.*** This task will involve strengthening industry associations and artisanal fishers' representation, and providing training and advice on fishing access agreements and licenses to national government staff.

⁴ Democratisation, the rule of law, respect for human rights and good governance: the challenges of the partnership between the European Union and the ACP States (European Commission, 1998)

- 1-3. **Provide Technical Assistance to Competent Authorities.** Support will be provided for meeting requirements associated with sanitary inspection (coordinated with the SFP project) and EU catch certification (anti-IUU fishing) requirements.
- 1-4. **Provide Training to Industry for Expansion of Exports,** provided that such activities do not lead to increases of total catches. In parallel with support to competent authorities, this task will train fishing companies to improve vessels and fish handling practices to achieve sanitary standards.
- 1-5. **Provide Technical Assistance and Training for Fishing Companies.** Focusing on small and medium enterprises, work will focus on management issues and skill shortages constraining growth and profitability.
- 1-6. **Conduct Pilot Projects Introducing New Technologies.** Projects may include trials of palm oil as boiler fuel in processing plants the trial of other clean technologies and replacement of 2-stroke with 4-stroke engines for artisanal fisheries.
- 1-7. **Support artisanal-tuna fishing operations.** These activities shall not lead to increases of total catches. Working with small-scale fishers associations established or supported under DevFish, provide training and services to artisanal tuna fishers and small scale processors supplying local markets.

Component 2: IUU Fishing Deterrence

This component will utilise the results of initial monitoring, control and surveillance (MCS) studies in building robust and cost-effective regional capabilities to combat IUU fishing. Specific activities will include:

- 2-1. **Develop a Regional Strategy to Combat IUU Fishing.** Analytical studies funded by Australia in the areas of risk assessment, compliance audit, information management, coordination and capability, to be completed in late 2008, as well as other initial studies completed under the SciFish project, will need to be integrated into a regional strategy. Plans to implement the strategy, such as creation of a regional MCS coordination centre, will also be developed and assessed. This strategy, combined with activities under the SCICOFISH project (to be funded under the 10th EDF) will also contribute to the implementation of the FAO Port State Agreement.
- 2-2. **Identify and Remedy Technical, Legal and Capacity Shortfalls.** Once the strategy is formulated and agreed, technical, legal and capacity shortfalls will be identified and addressed. This may take the form of training programmes, legislative reviews, feasibility studies trialling new technologies, and/or planning for the acquisition of new enforcement assets. The use of data provided by the Vessels Monitoring Systems already installed under other ongoing projects will continue to be developed.
- 2-3. **Integrated Assessment of Enforcement and Fisheries Databases.** This task will integrate fisheries data with the FFA's EOPS system for at-sea surveillance data. Analysis of integrated data will address IUU fishing issues, such as under-reporting, which otherwise often go undetected allowing for more accurate assessment of actual catches for stock assessment and feeding back to inform at-sea surveillance strategies.
- 2-4. **Integrated enforcement action.** Promotion of regional integration of MCS operations through real-time information exchange and joint operations with US Navy, Australian Defence Force, New Zealand Defence Force, and French Navy as well as MCS agencies operating in OCTs.

Sustainability of Results

Sustainability of the project will be ensured by:

- (i) the emphasis on strengthening national institutions;
- (ii) the strong involvement of the private sector in development-oriented activities;
- (iii) the development of a favourable policy environment for future progress; and

(iv) ongoing support available from the two implementing agencies as part of their core business after project activities are completed.

1.3. Activities and implementation timetable

The following activities are implemented as outlined in the section 1.2. above, either by the SPC or the FFA.

Activities under Component 1

Activities under Component 1 will build directly on the work of the first phase of the DevFish project in promoting the establishment of a more favourable policy environment for tuna industry development, including the small scale component. They will also provide direct assistance to small and medium enterprises in the sector as well as artisanal fishers that have faced difficult operating conditions over the past few years with rising fuel prices and stagnant demand, particularly for longline caught tuna. In contrast, many of the larger tuna processors target the EU market, but will need to adjust to the expected erosion of tariff preferences in the medium term. Specific activities will include:

1.3.1. Assist with Fishery Development Strategies

Broader participation in decision making on resource issues is identified as an important factor in improving governance. Three development action plans were prepared under DevFish1, with complementary FFA activities in three other countries. These involved wide consultation with industry, artisanal fishing groups and other stakeholders. The second phase will continue this work, as well as provide medium term (up to 6 months) technical assistance to address bottlenecks for industry development, and the review, in consultation with stakeholders, of plans that have been in place for some time. Environmental issues arising from the implementation of development strategies will be addressed under this activity.

1.3.2. Improve Transparency in Systems and Procedures

Assistance provided to tuna industry associations was evaluated positively in DevFish1, providing better representation on a range of economic and policy issues in countries with developed tuna industries as well as coordinating training and services for small scale fishers. This included strengthening the representation of artisanal fishers in decision-making processes, particularly in countries such as Samoa which have both artisanal and industrial tuna fisheries. The goal of this assistance is, in tandem with the fishery development strategy work described above, to lead to more transparent government systems and procedures. FFA already provides some training and advice in the area of access agreements and fisheries licensing. This will be expanded to provide more in-country support, and may include the development of publicly accessible licensing databases in selected countries.

1.3.3. Provide Technical Assistance to Competent Authorities

Inspections in 2007 reported shortcomings in the Competent Authorities of all three P-ACPs that were exporting tuna products to Europe and led to a focus on these issues in DevFish1. Recently the Strengthening Fisheries Products Health Conditions in ACP/OCT Countries project launched a new initiative for the region, so assistance at the national level may be covered, leaving DevFish2 to concentrate on activities that are best coordinated at a regional level – contaminants and parasite monitoring programmes, for example. In addition to sanitary requirements, new catch documentation requirements will be imposed as of January 2010. Technical assistance will be required to comply with requirements of EU importing countries seeking to control IUU fishing. The DevFish2 project will therefore assist the government authorities responsible for providing these assurances with assistance in handling the documentation and ensuring that EU requirements for verification are met.

1.3.4. Provide Training to Industry for Expansion of Exports

While demand for fresh and frozen tuna in Japan and the US has been static or declining, the EU market has grown rapidly. Meeting this demand benefits both P-ACP producers and European importers. Unfortunately strengthening the Competent Authorities of the exporting countries is only one part of the requirement to access this market – many fishing companies

in the region also need to improve their vessels and staff awareness of sanitary issues. The DevFish2 project will assist with these needs.

1.3.5. Provide Technical Assistance and Training for Fishing Companies

Many of the small and medium enterprises in the tuna sector face management problems and skill shortages which constrain growth of their businesses. Enterprise management is a key area, but assistance will also be needed in new fishing technology, the identification of better market opportunities, and diversification of processed products. Delivery of this assistance will take several forms depending on requirements, but will include short term TA (focused on practical training of key staff via attachments and mentoring, formal training courses and attachments to businesses both within and outside the region.

1.3.6. Conduct Pilot Projects Introducing New Technologies

DevFish1 assisted with trials of coconut oil biofuel in fishing boats and processing plant generators which reduced both fuel costs and greenhouse gas emissions, while increasing income for rural copra producers. There is scope to extend this activity, perhaps including the use of palm oil⁵ as boiler fuel in processing plants and the introduction of other clean technologies. For artisanal fishermen, the replacement of 2-stroke outboard motors with more efficient 4 –stroke models offers potential, but sales agents in the region need a stimulus to invest in the equipment and training required to maintain these models.

1.3.7. Support Artisanal-Tuna Fishing Operations.

Working with small-scale fishers associations established or supported under DevFish1, provide training and services to artisanal tuna fishers and small scale processors supplying local markets. The focus of this work has mainly been the small island countries with limited opportunities for industry development, but has also included feasibility studies on the use of small scale techniques to supply tuna for export. Activities may include training on safety at sea, deployment of coastal Fish Aggregation Devices for use by local fishers, training in outboard motor maintenance, and the introduction of more fuel efficient fishing techniques. SPC has considerable expertise in providing this type of support.

Activities under Component 2 – IUU Fishing Deterrence

Component 2 will focus initially on building a region-wide IUU deterrence strategy from the foundations provided by recent and ongoing studies. It will then contribute to the development of a cost-effective response that builds on the strengths of current national and regional MCS measures, and addresses the weaknesses. Activities will include:

1.3.8 Develop a Regional Strategy to Combat IUU Fishing

Studies funded by the Australian government and currently underway in the areas of risk assessment, compliance audits, information management, coordination and capability, as well as initial results from the SciFish project, will provide initial assessment of key issues in monitoring, control and surveillance. However, consultation on the products of these studies will need to be conducted and the agreed results integrated into a regional strategy. To the degree to which the strategy can be implemented through the coordination of existing resources, plans to this effect will be developed and assessed.

1.3.9 Identify and Remedy Technical, Legal and Capacity Shortfalls

Technical and capacity shortfalls identified by the strategy formulation exercise described above will be addressed through a number of planned trials of technology and programmes, including:

⁵ Palm oil has been produced for decades in both of the major tuna processing countries in the region and coconut oil in all of the others. The oil is exported from the same ports used for import of petroleum products and its substitution for the latter in the tuna industry would significantly reduce the industry's carbon footprint.

- *Development of new surveillance technologies such as satellite or GIS based display tools, following trials funded under the SciFish project.* A trial of integrating data from satellite based Synthetic Aperture Radar with VMS data is being carried out under the SciFish project. If successful, this may be developed further; if not, other innovative surveillance technologies will be evaluated, including alternative satellite based systems and/or a trial of electronic catch reporting.

- *Promotion of regional integration of MCS operations through real-time information exchange and joint operations.* Most countries in the region have now agreed to share information and surveillance assets with their neighbours under subsidiary arrangements to the Niue Treaty, but require technical assistance with implementation. FFA has provided technical support to numerous successful joint coordinated operations in recent years, and will further develop its capacity to assist. These have involved the island countries, the armed forces of Australia, France and New Zealand, and the US Coast Guard.

Training and capacity building in other areas of MCS at the national level. This will be driven by demand from the countries, but may include training of legal staff and enforcement officers in correct procedures at the dockside, at sea and in the courtroom as well as reviews to identify and close gaps in legislation. There is already a strong tradition of harmonisation of legislation on fisheries in the region, supported by the work of the regional agencies, and the project will continue to build on this.

1.3.10 Integrated Assessment of Enforcement and Fisheries Databases

In order to aid and strengthen development of a responsive monitoring, control and surveillance strategy, forensic investigations of illegal fishing will be conducted to identify patterns and better target enforcement assets such as aircraft and patrol boats. In addition, through integration of data on fishing activities collected from different sources (surveillance, observers, logsheets, reports, landings data and the Vessel Monitoring System (VMS) historical data) reporting discrepancies will be identified leading to a better understanding of unreported fishing. Both results will also provide the basis for planning and development of future compliance tools.

1.3.11 Integrated Enforcement Action

This will involve the development of systems to exchange in real time, the correlated regional surveillance picture, produced by the integration of fisheries data with the FFA EOPS system, between those military forces providing aerial and surface surveillance assets during joint operations. This will allow for more effective identification of IUU activity and more efficient use of MCS assets by targeting higher threats.