

EUROPEAN UNION CONTRIBUTION AGREEMENT WITH AN INTERNATIONAL ORGANISATION

FED/2010/252-965

The European Union, represented by the Commission of the European Union, ("the Contracting Authority")

of the one part,

and the Secretariat of the Pacific Community, the SPC with its Head office at Noumea, New Caledonia ("the Organisation")

of the other part,

have agreed as follows:

Special Conditions

Article 1 - Purpose

- 1(1) The purpose of this Agreement is a contribution by the Contracting Authority for the implementation of the action entitled: Development of Sustainable Tuna Fisheries in Pacific ACP Countries – Phase II (DevFish2/SPC-Component) ("the Action") as described in Annex I.
- 1(2) The Organisation will be awarded the contribution on the terms and conditions set out in this Agreement, including special conditions ("Special Conditions") and their annexes.
- 1(3) The Organisation accepts the contribution and undertakes to do everything in its power to implement the Action under its own responsibility.
- 1(4) The Action is a Joint Management Action for all purposes of this Agreement.
- 1(5) The Action is not a Multi-donor Action for all purposes of this Agreement.

Article 2 – Entry into force and Implementation Period

- 2(1) This Agreement shall enter into force on the date when the last of the two Parties signs.
- 2(2) The implementation of this Agreement will begin on the day following that on which the last of the two parties signs.
- 2(3) The implementation period of this Agreement, as laid down in Annex I, is from the date of commencement as specified in 2(2) until 2nd of September 2014.

Article 3 - Financing the Action

- 3(1) The total cost of the Action eligible for financing by the Contracting Authority is estimated at EUR 2,730,854, as set out in Annex III.
- 3(2) The Contracting Authority undertakes to finance a maximum of EUR 2,730,854, equivalent to 100 % of the estimated total eligible cost specified in paragraph 1; the final amount will be established in accordance with Articles 14 and 17 of Annex II.

- 3(3) Pursuant to Article 14(4) of Annex II, 7 % of the final amount of direct eligible costs of the Action to be reimbursed by the Contracting Authority to the Organisation in accordance with Articles 14 and 17 of Annex II, may be claimed by the Organisation as indirect costs.

Article 4 - Narrative and financial reporting and payment arrangements

- 4(1) Narrative and financial reports shall be produced in support of payment requests, in compliance with Articles 2 and 15(1) of Annex II. A copy of the reports will be provided to DG MARE.

- 4(2) Payment will be made in accordance with Article 15 of Annex II; of the options referred to in Article 15(1), the following will apply:

First pre-financing	EUR 160,532
Forecast further instalments of pre-financing (subject to the provisions of Annex II)	EUR 2,518,812
Forecast final payment (subject to the provisions of Annex II)	EUR 51,510

Article 5 - Contact addresses

Any communication relating to this Agreement shall be in writing, shall state the number and title of the Action, and shall use the following addresses

For the Contracting Authority:

Payment requests and attached reports, including requests for changes to bank account arrangements shall be sent to:

The Delegation of the European Union for Solomon Islands

City Centre Building, Point Cruz, P.O. Box 844, Honiara.

For the Organisation:

The Secretariat of the Pacific Community

B.P. D5 – 98848 Noumea Cedex

New Caledonia

For the attention of the Director, Fisheries Aquaculture and Marine Ecosystems Division

Article 6 - Annexes

- 6(1) The following documents are annexed to these Special Conditions and form an integral part of the Agreement:

Annex I: Description of the Action

Annex II: General Conditions applicable to European Union contribution agreements with international organisations

Annex III: Budget for the Action

Annex IV: Financial identification form

Annex V: Standard request for payment

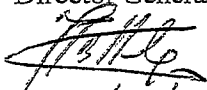
6(2) In the event of a conflict between the provisions of the Annexes and those of the Special Conditions, the provisions of the Special Conditions shall take precedence. In the event of a conflict between the provisions of Annex II and those of the other annexes, the provisions of Annex II shall take precedence.

Done in three originals in the English language, two for the Contracting Authority and one for the Organisation.

For the Organisation

Name: Jimmie Rodgers

Position: Director General

Signature: 

Date: 15/11/10


For the Contracting Authority

Name

Position

Signature

Date

Head of Delegation
Robert CECUFI
Chargé d'Affaires a.i.

19/10/2010

Annex I: Description of the Action

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 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 SPC is in charge of for the implementation of the following activities:

- Part of activity 1.2 – strengthening industry associations and artisanal fishers' representation;

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)

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)

- Activity 1.4 – industry training for expansion of exports;
- Part of activity 1.5 – dealing with formal training courses for enterprise managers;
- Part of activity 1.6 – dealing with upgrades of artisanal fishing;
- Activity 1.7 – support for artisanal tuna fishing operations; and
- Activity 2.3 – integrated assessment of enforcement and fisheries databases.

For the implementation of remaining activities [1.1, part of 1.2 (access negotiations), 1.3; part of 1.5 (technical assistance and mentoring) 1.6; 2.1; 2.2; and 2.4] the FFA shall be responsible. Both agencies will collaborate on activities as necessary.

For the activities 1.2, 1.5 and 1.6 ("shared activities") their implementation will be further defined in annual programmes and work estimates allocating budget to the SPC and the FFA, 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.
- 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 DevFish 1, 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 DevFish 1, 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 DevFish 1. 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 DevFish 2 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.

DevFish 1 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.

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.

2.3.7 Support Artisanal-Tuna Fishing Operations.

Working with small-scale fishers associations established or supported under DevFish 1, 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:

1.3.7. 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.

1.3.8. 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:

- *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.

1.3.9. 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.

2.3.10 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.

2. LOCATION

2.1. Location

The Project will be based in the FFA headquarters in Honiara, Solomon Islands, with two long-term TA positions based at SPC headquarters in Noumea. Project activities will cover all P-ACP countries, including Timor Leste where practicable. Regional studies and activities will include at least three countries. Recognising the diversity of needs and opportunities, there will be no fixed share of resources for national projects allocated per country.

2.2. Organisational set-up and responsibilities

The project will be implemented by the SPC and FFA.

The Director of the Division responsible for fisheries resources at SPC will project supervisor of activities within this Contribution Agreement. Day to day management will be the responsibility the relevant programme managers at SPC, and also of the team leader/fisheries policy specialist and the project coordinator/accountant based at FFA, that will work under supervision of the Deputy Director of the FFA. The project coordinator will have responsibility for much of the project reporting (including financial reporting) this leaving technical staff free to work in their areas of expertise. An MCS specialist will also be based at FFA; and a development officer and an IUU liaison officer will be based at SPC. Regular coordination meetings will be held between project staff of the two organisations.

A joint steering committee shall be set up to oversee and validate the overall direction and policy of the project (or other responsibilities to be specified). The project steering committee shall meet once a year. It shall be made up of:

- representatives of the 14 P-ACP countries that attend the Forum Fisheries Committee annual meeting (normally the most senior fisheries official in each country), and a representative of Timor Leste;
- a representative of the Pacific Islands Tuna Industry Association – representing both industrial and artisanal fishing associations at the national level;
- a representative of the Regional Authorising Officer;
- the project supervisors;
- the project administrators;
- a representatives of the Delegation of the European Union to Solomon Islands and a representative of DG MARE with observer status; and
- other FFA and SPC members (Australia, New Zealand and Tokelau) and regional organisations with an interest in fisheries, who may also attend as observers.

2.3. Reporting

The reporting will be carried out pursuant to the rules and procedures set out in the special and general conditions of the Contribution Agreement. The SPC and the FFA will be preparing joint narrative reports on a bi-annual basis for the Project, in accordance with Projects results and logical framework. The report shall be indicating the project activity and the organization responsible and implementing them. The contracting authority reserves the right to request the Beneficiary and/or the implementing agency to submit specific

reports at any time. The Beneficiary shall provide financial report to the Contracting Authority on annual basis. The beneficiary shall send a copy of all financial and narrative reports to DG MARE⁶.

2.4. Project Budget

The project will have a budget of EUR 2,730,854. The Project activities covered by this Contribution Agreement will be implemented by the Beneficiary. The budget is provided in Annex III.

2.5 Mobilisation of the Project/Programme Budget

All contracts and payments are made by the Beneficiary.

3. MONITORING, EVALUATION AND AUDITS

3.1 Monitoring

Day-to-day technical and financial monitoring will be a continuous process as part of the Implementing Organisation's responsibilities. To this aim, the Beneficiary shall establish a permanent internal, technical and financial, monitoring system to the project, which will be used to elaborate the progress reports. In doing so, the Beneficiary shall fully co-operate with the FFA in particular in regard to shared activities.

Independent consultants recruited directly by the Contracting Authority on specifically established terms of reference will carry out external monitoring ROM system, which in principle will start from the sixth month of project activities, and will be finalised at the latest 6 months before the end of the operational implementation phase.

3.2 Evaluation and audit.

All evaluations shall be performed jointly for both FFA and SPC components of the Project. The beneficiary sends a copy of all evaluation and audit reports to the contracting authority and DG MARE.

Independent consultants on specifically established terms of reference will carry out external evaluations, as follows:

- a mid-term evaluation mission;
- a final evaluation, at the beginning of the closing phase;

The Beneficiary and the Contracting Authority shall analyse the conclusions and recommendations of the mid-term evaluation and jointly decide on the follow-up action to be taken and any adjustments necessary, including, if indicated, the reorientation of the project. The reports of other evaluation and monitoring missions will be given to the Beneficiary, in order to take into account any recommendations that may result from such missions.

The Contracting Authority shall inform the Beneficiary at least 14 days in advance of the dates foreseen for the external missions. The Beneficiary shall collaborate efficiently and effectively with the monitoring and/or evaluation experts, and *inter alia* provide them with all necessary information and documentation, as well as access to the project premises and activities.

Key Performance Indicators for evaluation are as follows, noting that some further development of these indicators and baselines is foreseen during the inception phase of the project:

⁶ e-mail: mare-bl@ec.europa.eu.

<i>Indicator</i>	<i>Baseline (2009)</i>	<i>Target 2014</i>	<i>without Project</i>
Proportion of the sustainable catch of tuna from P-ACP EEZs which is caught by local vessels	Currently around 20% - catches have increased but so have the catches of distant water fleets	30% - provided initiatives to constrain total fishing effort achieve success	P-ACP will maintain or decrease their share of the catch.
Increased employment in offshore fishing and/or tuna processing	ADB (2008) estimates for P-ACPs excluding E. Timor at: 1,170 persons employed in commercial fishing with 11,120 jobs in processing.	Increase of 15% (region-wide or country-by-country average)	Employment benefits from fisheries resources will stagnate or possibly decline
Policy and economic conditions in P-ACPs	To be compiled at the beginning of the project through surveys of fishing industry associations	Statistically significant improvement based on fishing industry association surveys	No change from baseline
Number of fishery development plans approved	Three fishery development plans prepared during DevFish phase 1 approved	Ten fishery development plans approved	No change from baseline
Number of countries on List 1 ⁷ for export to the EU	Papua New Guinea and Solomon Islands	Three additional P-ACP countries added to List 1	No change from baseline
Level of IUU tuna catches accurately estimated and systems in place to monitor its reduction	No baseline available – this will need to be developed through project activities.	Significant reduction targetted	Level of IUU fishing catches remains unquantified and reduction unlikely
Number of IUU fishing incident detections which lead to arrest or sanctions	Number of actual prosecutions in 2008 to be finalised. In 2008, two vessels were listed on the WCPFC IUU Vessel List; three other vessels were not listed due to application of appropriate sanctions ⁸ .	A 50% increase in the number of detections that lead to arrest or sanctions	The number of incidents which escape arrest or sanctions may increase

The Corporate Services Division of SPC will ensure internal control of management operations.

A final audit is to be performed. Financing provisions are made under the Financing Agreement for these purposes. These amounts will not be included in the Contribution agreements. Any costs incurred by the international organisations for their own evaluations and audits will be considered as indirect costs under the Contribution Agreement.

4. INFORMATION AND VISIBILITY

To achieve its desired impact of improving the policy environment, multi-channel input and output communication is required. A communications strategy developed during DevFish involving a dedicated outreach consultant and a variety of new online and print materials, will be fully implemented during DevFish2.

EU financial support will be highlighted in all activities, reports and media releases. EU promotional material will also be produced and distributed during the project, utilising €82,000 that has been reserved in the budget for this purpose.

The European Union visibility guidelines shall be respected and implemented by the Beneficiary.

⁷ "List 1 countries" are third countries meeting EU Sanitary and Phytosanitary (SPS) requirements, a condition to export fishery products to the EU.

⁸ IUU listing is applied in cases where the vessel has escaped arrest and owners have been unwilling to submit to national jurisdiction of the coastal state. In other cases penalties were settled and the IUU listing was not necessary.

5. LOGICAL FRAMEWORK

A logical framework for the project is a planning tool to be revised and updated by project managers during the project (without constituting the amendment of the Contribution Agreement), bearing in mind that neither the overall objective nor the project purpose can be altered.

Contribution Agreement Development of Sustainable Tuna Fisheries in Pacific ACP Countries – Phase II (DevFish2/SPC-Component)

<i>Narrative Summary</i>		<i>Performance/Success Indicators</i>		<i>Means of Verification</i>	<i>Assumptions</i>
Project Objective To increase the contribution from the sustainable use of marine resources to the alleviation of poverty in Pacific-ACP states.		<ul style="list-style-type: none"> Increased proportion of the sustainable tuna catch which is taken by local vessels. Increased employment in fishing and/or processing (15%). 		Annual Reports to the WCPFC Scientific Committee. National accounts and employment surveys such as ADB (2008).	The benefits of increased GDP and employment will lead to meaningful changes in poverty levels.
Project Purpose To reduce constraints to domestic tuna industry development		<ul style="list-style-type: none"> Policy and economic conditions improved in 8 P-ACPs (potentially including Timor Leste). The effects of IUU fishing on the resource are reduced. 		Survey of fishing industry associations and project reports. Project estimates of IUU catches	Global economic conditions and regional fish stock conditions do not deteriorate further.
Project Results					
1. Improved institutional and technical capacity at the national level to promote domestic industry development;		<ul style="list-style-type: none"> Number of development plans approved (10). 		Project reports.	1. Governments adopt and implement appropriate policies and plans.
		<ul style="list-style-type: none"> Number of countries on List 1 for export to EU (3). Export volumes and value increase (15% by value). 		DG SANCO website; Trade statistics; Project reports.	2. Private sector responds to opportunities; management capacity training uptake is adequate.
2. Improved capacity at the national and regional level to monitor and combat IUU fishing.		<ul style="list-style-type: none"> Increase in the number of successful detections of illegal fishing. IUU tuna catches quantified and reduced 		WCPFC IUU listing process record. Project reports.	3. Successful uptake of training material and adequate MCS resources devoted by national governments.
Project Activities					
1.1-Assist with Fishery Development Strategies 1.2-Improve Transparency in Systems and Procedures 1.3-Provide Technical Assistance to Competent Authorities 1.4-Provide Training to Industry for Expansion of Exports 1.5-Provide Technical Assistance and Training for Fishing Companies 1.6-Conduct Pilot Projects Introducing New Technologies 2.1-Develop a Regional Strategy to Combat IUU Fishing 2.2-Identify and Remedy Technical and Capacity Shortfalls 2.3-Integrated Assessment of Enforcement and Fisheries Databases					Associations able to focus on areas of common interest; Development strategies gain support and are implemented; Capacity building is not undermined by frequent staff changes. Competent Authorities adopt advice; Pilot projects are successful; Cost of upgrades of vessels and plants can be met by project and private sector; Data on IUU fishing is sufficient to support policy/targeting; New MCS technology proves cost-effective.

6. TERMS OF REFERENCE FOR TECHNICAL ASSISTANCE POSITIONS

FISHERIES DEVELOPMENT OFFICER

Location: Secretariat of the Pacific Community Headquarters, Noumea – with frequent travel to other P-ACP countries.

Status: Grade I in the CROP harmonised salary scale.

Term: 48 months – a 3-year contract plus 1-year extension.

GENERAL DUTIES AND RESPONSIBILITIES

The Officer will be responsible to the Fisheries Development and Training Adviser, SPC, and will work closely with the Policy Specialist/Team Leader, who will be based at FFA in Honiara. He/she will have responsibility for support to fishing and fishing industry associations, and through them, the delivery of direct assistance to small and medium enterprises in the tuna sector.

Accountabilities

The Officer will work closely with fishing industry associations, as well as associations for small-scale fishers where appropriate, to develop their capabilities and functions. Working closely with other SPC Fisheries Development staff, he/she will arrange the delivery of training, technical assistance and other support to tuna fishing and processing enterprises. Specific duties will include:

- advise and assist Pacific-ACP countries with the strengthening and development of industry associations and other representative bodies for tuna fishing interests;
- facilitate the formation of consultative committees or other groups to bring stakeholders together to provide technical input to development strategies;
- develop and keep under review appropriate methods, in consultation with stakeholders and the Team Leader, for the screening and approval of applications for assistance from the private sector;
- oversee the implementation of pilot projects, training and technical assistance to improve the competitiveness of tuna fishing and processing enterprises in the P-ACP countries;
- supervise the delivery of assistance to small and medium tuna enterprises to enable them to meet the requirements of export markets;
- provide input to other project areas as identified to ensure all technical aspects are adequately covered.

SKILLS

The position requires a sound understanding of the managerial and technical constraints to tuna industry development, as well as a good network of contacts. It is expected that the Officer will have experience of work in the industry, as well as in development projects. An ability to communicate effectively with a range of stakeholders will be essential.

QUALIFICATIONS

Essential

- Tertiary qualification in fisheries development, fisheries training, or a related discipline.
- At least five years experience in the tuna industry as a manager, and/or in implementing tuna-related development projects.

Desirable

- Prior experience working in the Pacific and/or a developing country situation.
- Prior experience in a similar size organisation.

IUU LIAISON OFFICER

Location: Secretariat of the Pacific Community Headquarters, Noumea – with frequent travel to other P-ACP countries.

Status: Grade I in the CROP harmonised salary scale.

Term: 48 months – a 3-year contract plus 1-year extension.

GENERAL DUTIES AND RESPONSIBILITIES

- Analysing fisheries data to identify possible inconsistencies in data from different sources (catch logsheets, observer reports, transshipment/landing records and the Vessel Monitoring System) as a means of identifying possible IUU activities.
- Undertake analyses of fisheries data and trade data to provide an overall estimate of under-reporting of catches in the region.
- Developing systems to enhance the identification of data inconsistencies described above.
- Developing modules for national tuna fishery databases (using the standard TUFMAN regional system) to identify and generate reports on inconsistencies in data and reporting.
- Developing modules for integrating the results and outcomes of MCS activities (vessel sightings, boardings) into national databases.
- Training national MCS staff in the analysis of fisheries data as a means of identifying possible IUU activities.

SKILLS

- Data analysis, data auditing, software development and implementation, advice and training on tuna fisheries data matters, and maintenance of existing data and software resources.
- Demonstrated knowledge, experience or interest in fisheries
- Appreciation with the concepts of statistical analysis of fisheries data;
- Good communication skills.
- Ability to work and travel in a multicultural and multilingual environment

QUALIFICATIONS AND EXPERIENCE

Essential

- Tertiary education in information technology (Computer science).
- At least 3 years experience developing and maintaining relational database systems, ideally fisheries related.
- At least 2 years experience using Microsoft Access, Microsoft SQL Server or demonstrated experience in similar relational database applications.
- Fluency in English is essential.

Desirable

- Additional qualifications in fisheries science/statistics would be highly regarded.
- A good working knowledge of French and/or Portuguese would be useful.

Appendices

Appendix 1: Institutional Assessment Report (2007) "*Short-comings and recommendations*"

Appendix 2: 2010 Work Plan and Cost Estimate

Appendix 1: Institutional Assessment Report (2007) "Short-comings and recommendations"

INSTITUTIONAL ASSESSMENT REPORT OF SPC (2007) KPMG
Paragraph 5: Shortcomings and recommendations

We provide the following list of areas which need to be reviewed and resolved by the organization:

- We note that the audited financial statements of the organization do not provide a comparative analysis of budgeted and actual income and expenditure. We believe that such an analysis would be useful for the users of the financial statements for improved reporting and data analysis purposes;
- At present the organization does not have a documented risk management framework in place. The current risk management process is that, during their monthly meetings, the Executive Management discusses any matters which are of threat to the organization and its activities. A documented risk management programme and framework for the organization should be considered addressing the organisation's risk and threats and how these will be managed.
- The organization does not have an internal audit function and an audit committee. The organization should consider the setting up of an internal audit function or have the internal audit function outsourced. The need for an internal audit function has become more relevant to SPC particularly in light of its rapid growth in recent years. Our discussions with the DG highlighted that an internal audit function will be set up as part of the organisation's corporate strategic engagement facility.
- The present FAPPM is considered to be very brief in respect of procurement procedures and does not extend into specific details with respect to the tendering procedures which are practiced by the SPC. We recommend that the organization update its FAPPM to document in detail its current procurement and tendering practices. The organization should also consider adopting different procurement procedures for procurements of different types and values. We have been advised by the DG that the current FAPPM will be updated for the procurement procedures and a time-frame has been set for the completion of this exercise.

Appendix 2 2010 Work plan and Cost Estimate

**DEVELOPMENT OF SUSTAINABLE TUNA FISHERIES IN PACIFIC
ACP COUNTRIES PHASE II
(DEVFISH2 PROJECT)**

10.ACP.RPA.03

Decision Number: 021-392

Contract Number: FED/2010/252-964 (FFA)

Contract Number: FED/2010/252-965 (SPC)

**2010 WORK PLAN AND COST ESTIMATE
To be implemented in partnership by FFA and SPC**

FINANCE: 10TH EDF EUROPEAN DEVELOPMENT FUND

List of ACRONYMS

ACP	African, Caribbean and Pacific
EC	European Commission
EU	European Union
DEVFISH2	Development of Sustainable Tuna Fisheries in Pacific ACP Countries II
FA	Financing Agreement
FFA	Forum Fisheries Agency
CA	Contributions Agreement
PSC	Project Steering Committee
RAO	Regional Authorizing Officer
RIP EDF 10	Regional Indicative Programme 10 th European Development Fund
SPC	Secretariat of the Pacific Community

INTRODUCTION

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; The Regional Monitoring, Control and Surveillance Strategy;... 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 favorable 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 and their relationship is formalised through an MOU.

OVERALL OBJECTIVES

The overall objective of the DevFish 2 project 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.

PROJECT PURPOSE

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. This includes small scale operations and IUU fishing activities which divert economic benefits and threaten efforts to sustainably manage the resource.

PROJECT RESULTS

The Project is designed to support contemporary regional thinking and national action. 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.

Component 1 – Tuna Industry Development, will build directly on the work of the first phase of the DevFish project in promoting institutional and technical capacity for tuna fisheries development. This will not be achieved through an increase in catches and a reduction of fishing effort is anticipated in some species, however, increased catch share by domestic operations and increased landing and processing of catches in P-ACP countries will be achieved.

Result targets in relation to component one activities are:

- 1.1 Assist with Fishery Development Strategies:
- 1.2 Improve Transparency in Systems and Procedures:
- 1.3 Provide Technical Assistance to Competent Authorities:
- 1.4 Provide Training to Industry for Expansion of Exports (provided that such activities do not lead to increases of total catches)
- 1.5 Provide Technical Assistance and Training for Fishing Companies
- 1.6 Conduct Pilot Projects Introducing New Technologies
- 1.7 Support Artisanal Tuna Fishing Operations (These activities shall not lead to increases of total catches.)

Component 2 – IUU Fishing Deterrence, reflects the directives of the P-ACP leaders in Forum communiqués from the 2007 Vava'u Declaration “our fish, our future”, and from subsequent Forums in the 2008 Niue meeting and the 2009 Cairns meeting. This component will implement relevant strategic objectives in the Regional MCS Strategy endorsed at FFC 74 and build on the results of initial monitoring, control and surveillance (MCS) studies to build robust, cost effective and sustainable regional capabilities to combat IUU fishing.

The overall result target for component two is a measurable increase in the identification of IUU fishing activity and a resultant reduction in IUU operations in the region.

Result targets in relation to component 2 activities are:

- 2.1 Develop a Regional Strategy to Combat IUU Fishing
- 2.2 Identify and Remedy Technical, Legal and Capacity Shortfalls
- 2.3 Integrated Assessment of Enforcement and Fisheries Databases
- 2.4 Integrated Enforcement Action

Sustainability of Project Results 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 Favorable Policy Environment for Future Progress, and
- (iv) Sustained support from the two Implementing Agencies as part of their Core Business after Project Activities are Completed

PROJECT IMPLEMENTATION

Organisational Structure

The project will be implemented through joint management and a financing agreement has been signed between the Commission and the Regional Authorising Officer (RAO). FFA and SPC will be the implementing agencies, with the former taking the lead role. Separate Contribution Agreements have been signed between the Contracting Authority and SPC; and the Contracting Authority and FFA.

The FFA Deputy Director will be Project Supervisor. The Project Fisheries Policy Specialist will be Team Leader and will work in close consultation with the Directors of Fisheries Management, Development and Operations at FFA and the Director of Marine Resources at SPC. A Project Steering Committee (PSC) will be established and will meet annually.

The Project Steering Committee will comprise:

- representatives of the 14 P-ACP countries that attend the Forum Fisheries Committee annual meeting (normally the most senior fisheries official in each country), and a representative of Timor Leste;
- a representative of the Pacific Islands Tuna Industry Association – representing both industrial and artisanal fishing associations at the national level;
- a representative of the Regional Authorising Officer;
- the project supervisors;
- the project administrators;
- a representative of the Delegation of the European Union to Solomon Island with observer status,
- a representative of DG MARE with observer status, and
- other FFA and SPC members (Australia, New Zealand and Tokelau) and regional organisations with an interest in fisheries, who may also attend as observers.

There will be regular meetings between both implementing agencies to coordinate implementation and monitor project activities. Within each organization project staff will also meet regularly to discuss work plan activities.

FINANCING AGREEMENT (NO. REG/FED/2009/021-392) COST ESTIMATE (TOTAL PROJECT, in EURO)

	FFA	SPC
A. Technical Assistance	1,220,000	780,000
B. Travel	710,000	290,000
C. Equipment and Services	236,000	164,000
D. Consumables and Supplies	26,800	73,200
E. Subcontracts and Consultancies	2,280,000	1,120,000
F. Results and Communication	175,000	125,000
Total Direct Costs	4,647,800	2,522,200
Eligible Indirect Costs (7%)	325,346	178,654
Project Running Costs	4,973,146	2,730,854

REPORTING

FFA and SPC will compile 6 monthly reports, incorporated in to a single report which will detail activities against project milestones and indicators as described in the Logical Framework.

These reports will be sent to the Contracting Authority within 60 days of completion of each 6 month period. Copies will be provided to DG MARE and the RAO. A consolidated annual report will be presented at the PSC.

The reporting will be carried out pursuant to the rules and procedures set out in the Special and General Conditions of the Standard Contribution Agreement.

2010 COST ESTIMATE (in Euro)

The cost estimate for 2010, assuming project activities commence in July is 546,770 Euros broken down as follows:

FFA

A.	Long Term TA	135,000
B.	Meetings and Travel	147,500
C.	Equipment and Services	45,000
D.	Consumables and Supplier	1,800
E.	Sub Contracts and Consultancies	0
F.	Communication and Visibility	15,000
	Total Direct Costs	344,300
	Eligible Indirect Costs	24,101
	FFA Total Costs	368,401

SPC

A.	Long Term TA	90,000
B.	Meetings and Travel	42,500
C.	Equipment and Services	30,000
D.	Consumables and Supplier	1,200
E.	Sub Contracts and Consultancies	0
F.	Communication and Visibility	3,000
	Total Direct Costs	166,700
	Eligible Indirect Costs	11,669
	SPC Total Costs	178,369

1. Funding for workshops will cover the costs of participants, venue hire and other logistical costs where necessary and may also include the cost of a resource person to facilitate the workshop.
2. In-country activities will be determined at the national level and could include items such as workshops, studies, training and equipment.

INCEPTION WORK PLAN

ACTIVITIES

The main activities scheduled for the first six months of the project relate to project inception and initial stakeholder consultation to identify relevant project activities. Principal activities are proposed as follows:

1. Recruitment

Both FFA and SPC will embark on early recruitment exercises using established recruitment procedures for each organization. The agencies will endeavor to ensure that suitably qualified and experienced personnel are recruited and available to commence duties so as to coincide with project commencement.

2. Establishment

Both FFA and SPC will ensure that suitable office work areas are designated and equipped with necessary IT and office equipment so as to ensure that a suitable work space and associated resources for project operations are in place as early as possible after project commencement.

3. Regional Stakeholder Consultative Program

A separate stakeholder consultative process will be undertaken for each component of the projects as soon as possible following recruitment of key project positions. For Component 1, the Fisheries Policy Specialist as Team Leader and other appropriate FFA or SPC staff will undertake a series of Country visits in relation to the development of a detailed work plan for each activity area under this component. These visits will also re-establish links with national and regional industry and artisanal fishers' associations.

In view of the status of East Timor as a 'new' stakeholder in the Pacific ACP regional projects, senior staff of FFA and SPC will visit the country to discuss needs and priorities.

This consultative process will focus on assessment of Country priorities and needs in relation to each of the main project activity areas. The process will also identify areas of commonality which might be addressed in sub-Regional or Regional Strategies under Component 1 activities. The consultative program will include the joint agency visit to Timor Leste.

For Component 2, initial activities will focus on a situational analysis in relation to established Regional and National IUU strategies and activities through a Country level consultative process. This will enable a needs identification and prioritization in relation to each of the component activities. The situational analysis will be coordinated by the MCS Specialist. The analysis will incorporate a review of IUU data sources and preliminary consideration as to how these might be used in a coordinated manner for detection purposes. This will include a reconciliation of WCPFC, FFA, SPC and national vessel databases, and a review of data confidentiality issues.

It is envisaged that the project consultative processes will be completed within four months of project inception and the resultant activity prioritization and draft work plan program will be developed in the following two month period.

The draft work plan will then be related to stakeholders in the first project consultative workshop which will be scheduled in the latter part of the project inception period.

4. Consultative Workshop/Project Steering Committee

Once the draft project work plan has been developed, the project will host a consultative workshop to communicate and formalize the work plan. The workshop program will include the inception meeting of the Project Steering Committee.

The outcomes of the workshop and the endorsed first full-year work plan will then be communicated in the first of the project six-monthly reports.

5. Project Communications and Visibility

In line with the communications strategy developed during the first phase of DevFish, work will be undertaken on a web-page design and a communications specialist will be engaged on a part-time basis to develop other appropriate materials.

ADMINISTRATION OF THE PROJECT FUND AND AUDIT REQUIREMENTS

Mobilisation of the Project Fund

- a) The funds necessary to cover the expenditure approved in the Work Plan and Cost Estimate are committed on the basis of supporting documents such as requisitions, order forms, invoices etc. in the normal FFA and SPC systems of raising expenditure requests. A record of these

commitments, together with original supporting documents, is to be kept up to date by the Finance Section of each organization for the purpose of keeping an account of commitments.

- b) Expenditure is cleared (verification of invoices, statements) and authorized by the Head of Division and the Project Team Leader at FFA or by the Head of Section at SPC.
- c) The payment order accompanied by the supporting documents is forwarded to the Finance Manager in each organization as the person responsible for executing payment.
- d) Mobilization of funds will be in accordance with the procedures of FFA and SPC as international organisations and the Contribution Agreements with each organisation.
- e) Financial accounts for each agency will be audited annually by an independent auditor selected through a tender process. Separate audits will be done for FFA and SPC with the Contracting Authority receiving the audit report from each agency.

APPROVAL OF THE WORK PROGRAMME AND COST ESTIMATE

The Work Plan and Cost Estimate is signed by the Beneficiary.

Signed by:



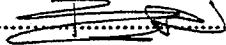
.....
Dr Jimmie Rodgers
Director -General
Secretariat of the Pacific Community

15/11/10

.....
Date

Endorsed by:

Roberto CECUTTI
Chargé d' Affaires a.i.



10/10/2010

.....
Date

Delegation of the European Union to
Papua New Guinea, Solomon Islands and Vanuatu

Project Logical Framework.

Narrative Summary		Performance/Success Indicators		Means of Verification	Assumptions
Project Objective					
To increase the contribution from the sustainable use of marine resources to the alleviation of poverty in Pacific-ACP states.		<ul style="list-style-type: none"> Increased proportion of the sustainable tuna catch which is taken by local vessels. Increased employment in fishing and/or processing (15%). 		Annual Reports to the WCPFC Scientific Committee. National accounts and employment surveys such as ADB (2008).	The benefits of increased GDP and employment will lead to meaningful changes in poverty levels.
Project Purpose					
To reduce constraints to domestic tuna industry development		<ul style="list-style-type: none"> Policy and economic conditions improved in 8 P-ACPs (potentially including Timor Leste). The effects of IUU fishing on the resource are reduced. 		Survey of fishing industry associations and project reports. Project estimates of IUU catches	Global economic conditions and regional fish stock conditions do not deteriorate further.
Project Results					
1. Improved institutional and technical capacity at the national level to promote domestic industry development;		<ul style="list-style-type: none"> Number of development plans approved (10). Number of countries on List 1 for export to EU (3). Export volumes and value increase (15% by value). Increase in the number of successful detections of illegal fishing. IUU tuna catches quantified and reduced 		Project reports. DG SANCO website; Trade statistics; Project reports. WCPFC IUU listing process record. Project reports.	1. Governments adopt and implement appropriate policies and plans. 2. Private sector responds to opportunities; management capacity training uptake is adequate. 3. Successful uptake of training material and adequate MCS resources devoted by national governments.
2. Improved capacity at the national and regional level to monitor and combat IUU fishing.					
Project Activities					
1.1-Assist with Fishery Development Strategies 1.2-Improve Transparency in Systems and Procedures 1.3-Provide Technical Assistance to Competent Authorities 1.4-Provide Training to Industry for Expansion of Exports 1.5-Provide Technical Assistance and Training for Fishing Companies 1.6-Conduct Pilot Projects Introducing New Technologies 2.1-Develop a Regional Strategy to Combat IUU Fishing 2.2-Identify and Remedy Technical and Capacity Shortfalls 2.3-Integrated Assessment of Enforcement and Fisheries Databases					Associations able to focus on areas of common interest; Development strategies gain support and are implemented; Capacity building is not undermined by frequent staff changes; Competent Authorities adopt advice; Pilot projects are successful; Cost of upgrades of vessels and plants can be met by project and private sector; Data on IUU fishing is sufficient to support policy/targeting; New MCS technology proves cost-effective.

Annex II: General Conditions applicable to European Union contribution agreements with international organisations

Annex III Budget for the Action (in Euro)**1. Total Budget for the Action in Euro**

	Budget Item	Amount in €
A	Technical Assistance	780,000
	Fisheries Development Officer	410,000
	IUU Monitoring Officer	370,000
B	Travel and Meetings	290,000
	Staff travel to PACP countries	250,000
	Staff travel to PSC meetings	40,000
C	Equipment and Services	164,000
	Computers and IT equipment	32,000
	IT support and office expense	112,000
	Audit of AWP accounts	20,000
D	Consumables and supplies	73,200
	Office materials and stationery	3,200
	MCS consumables	70,000
E	Subcontracts and consultancies	1,120,000
	Regional short term TA	120,000
	Regional MCS activities	100,000
	In country short TA	200,000
	National pilot projects and upgrades	350,000
	National MCS support	350,000
F	Results and communications	125,000
	Report Publication and circulation	43,000
	EU Visibility	82,000
	Total Direct Costs	2,552,200
	Eligible Indirect Costs (7%)	178,654
	Project Running Costs	2,730,854

2. Indicative Cost Breakdown for Every Year of Action in Euro

Budget Item	2010	2011	2012	2013	2014	TOTAL
A Long term TA	90,000	180,000	190,000	200,000	120,000	780,000
B Travel	42,500	72,500	72,500	72,500	30,000	290,000
C Equipment & services	30,000	37,000	37,000	37,000	23,000	164,000
D Consumables and supplies	1,200	10,800	20,400	20,400	20,400	73,200
E Subcontracts and consultancies	0	165,000	325,000	375,000	255,000	1,120,000
F Communications & visibility	3,000	25,000	30,000	34,000	33,000	125,000
Total Direct Costs	166,700	490,300	674,900	738,900	481,400	2,552,200
Eligible Indirect Costs	11,669	34,321	47,243	51,723	33,698	178,654
SPC Total Costs	178,369	524,621	722,143	790,623	515,098	2,730,854

ANNEX V

Request for payment for contribution agreement with an international organisation

Date of the request for payment <.....>

For the attention of

<Address of the Contracting Authority>

<Financial unit indicated in the Agreement>¹

Reference number of the Agreement: ...

Title of the Agreement: ...

Name and address of the Organisation:

Request for payment number: ...

Period covered by the request for payment: ...

Dear Sir/Madam,

I hereby request payment of the first prefinancing/further instalment of prefinancing/balance² under the Agreement mentioned above.

The amount requested is [as indicated in Article 4.2 of the Special Conditions of the Agreement/the following: ...]³

Please find attached the following supporting documents:

- signed Agreement (for the payment of the first prefinancing)
- narrative and financial progress report (for further instalments of pre-financing)
- final implementation report (for payment of the balance)⁴

The payment should be made to the following bank account: ...⁵

I hereby certify on honour that the information contained in this request for payment is full, reliable and true, that the costs incurred can be considered eligible in accordance with the Agreement and that this request for payment is substantiated by adequate supporting documents that can be checked.

Yours faithfully,

<signature>

¹ Please do not forget to address a copy of this letter to the Commission delegation mentioned in Article 5.1 of the Special Conditions of the Agreement.

² Delete the two options which do not apply.

³ Delete the option which does not apply.

⁴ Delete the items which do not apply.

⁵ Indicate the account number shown on the identification form annexed to the Agreement. In the event of change of bank account, please complete and attach a new identification form as per model.

N.B.: Further instalments of prefinancing and final payments are subject to the approval of the corresponding report (see Article 15(1) of the General Conditions of Agreement)