

Summary report
of discussion
on the formation of a

Regional Tuna Industry Association

as agreed at the

**Workshop on the Implications of the WCP Fisheries
Convention to the Private Sector**

held at the

**Forum Secretariat, Suva, Fiji Islands
14-16 September 2004**

1. The workshop considered the issues affecting the operation and development of domestic tuna industries in the Pacific Islands Region, as presented by private sector representatives.
2. It was found that there are substantial commonalities between countries concerning these issues. They include:
 - i. the impacts of corruption and lack of good governance and transparency, which have severely constrained the operations of the domestic industry sector and flow of benefits to national economies;
 - ii. increasing levels of fishing effort coming into the region which have decreased local profitability dramatically, to a point where many domestic operators in Forum Island Countries are facing increasing levels of debt, and have either gone out of business or have laid up vessels;
 - iii. the rapid build-up of foreign fleets, in particular the Chinese longline fleet in the southern Pacific Islands Region, some of which do not necessarily operate on a 'level playing field' with domestically-based vessels;
 - iv. the ability of some foreign vessels, including domestically-based foreign vessels, to use subsidies to continue fishing at catch rates that are uneconomic for vessels that comply fully with national regulations, pay taxes and duties and make genuine economic contributions to domestic economies;
 - v. the need for a comparison of the full economic benefit arising from domestic operators whose businesses and owners are based in Forum Island Countries, and the benefits arising from locally based foreign vessels that frequently do not pay the taxes, duties and fees applicable to domestic operators;
 - vi. the need to take full and sustainable economic advantage of the entry into force of the Commission by establishing a viable domestic fishing industry sector that delivers measurable benefits to the peoples of the Forum Island Countries;
 - vii. the absence of clear, long-term policy directions and actions by some governments on the issue of domestic industry development, which has created an uncertain investment climate and constrained development in the sector;
 - viii. the contradiction between the portrayal of relatively healthy fisheries (in a biological sense) and the actuality that many domestic industry operators are facing increasingly difficult economic circumstances;
 - ix. there is a strong need to consider management measures that recognise the importance of economic circumstances, while at the same time ensuring biological sustainability. For many tuna fisheries, the economic return from the fishery will be maximised at stock sizes considerably higher than maximum biological targets. Levels of fishing effort that optimise economic returns may be less than levels of fishing effort that achieve the Maximum Sustainable Yield;
 - x. the lack of information flow to the tuna fishing sector on major developments such as the WCPF Convention and Commission issues, the status of tuna stocks and the EU Economic and Fisheries Partnership Agreements;
 - xi. the need to become fully engaged with the Commission and other forums, such that industry has input into the formulation of national policy positions so that the benefits of the Convention are realised, and negative cost and other implications are minimised;
 - xii. identification of possible cost and operational constraints which may be imposed by the WCPF Commission through the implementation of the Convention;
 - xiii. the need to place greater emphasis on the implementation of national tuna fisheries management plans in some countries, a number of whose plans have not been implemented or are being ignored by those governments;
 - xiv. the need to combat IUU fishing in the region by all vessels;

- xv. the need for greater integration of national management plans across Forum Island Countries, especially countries which are neighbours to each other, and the biological and economic targets specified in those plans; and
- xvi. the need to consider the regional tuna fishery in the context of the global tuna industry.

A regional tuna industry association

3. Noting the recent Forum Communiqué with respect to the declaration of the domestic fisheries industry development as an important means of increasing returns to Pacific Island Countries, the workshop agreed that there is a clear need and commitment to establish a Regional Tuna Industry Association.

Establishment

4. Acting as Incorporators, the workshop agreed to establish a Regional Tuna Industry Association and, given the pressing issues facing industry such as economic sustainability and the establishment of the Commission, it was further agreed that establishment of such an association should be pursued as a matter of priority.
5. It was noted that, while it was desirable to agree on certain issues and guiding principles, the precise form and function of the Association was likely to be an evolutionary process.
6. In order to progress the establishment of the Association, it was agreed to set up a Steering Committee comprising three interested and independent individuals directly involved in the fishing industry. The workshop identified the following individuals to form the Steering Committee: James Movick (FSM National Offshore Fisheries Association), Maurice Brownjohn (Chairman, PNG Fishing Industry Association (PNG) Inc.) and Robert Stone (member, Fiji commercial tuna fisheries sector). It was agreed that James Movick would act as Chair of the Steering Committee. The workshop further agreed that the Committee could co-opt to it additional individuals as necessary.
7. The workshop agreed that, to promote the early establishment of the Association, the Steering Committee would:
 - i. register the Association;
 - ii. pursue interim and long term sustainable funding arrangements including options for the application of a levy;
 - iii. establish a draft work programme and budget for consideration by the Association;
 - iv. begin the process of gaining recognition of the Association by various regional bodies and other organisations, including FFC;
 - v. suggest a location for the Association; and
 - vi. draft a terms-of-reference for the Executive Officer.Other activities will be undertaken by the Committee as necessary, including the development of administrative arrangements (such as a constitution, and the venue and frequency of meetings).
8. For the regional Association to be effective, it was agreed that there is a need for each country's domestic tuna industry to form, where necessary, a national industry association to address tuna fishing issues.
9. The workshop agreed that this record would act as the drafting instructions/guidelines for the Articles of Incorporation for the Regional Tuna Industry Association. Before finalising them, these draft articles will be circulated to industry representatives and the Private Sector Adviser at the Forum Secretariat for comment.

Objectives

10. The following objectives for the Association were agreed:

- i. To provide a united voice for the Forum Island Countries' domestic tuna fishing and associated industries.
- ii. To facilitate and encourage the promotion of the economically and biologically sustainable use of tuna and tuna-related resources by Forum Island Countries' domestic tuna fishing and associated industries in the region.
- iii. To undertake, co-ordinate and promote liaison and negotiations with national, regional and international bodies and other entities having an interest in or an effect on the fishing or associated industries of the Forum Island Countries.

Membership

11. The workshop agreed that:

- i. members would comprise one representative of national tuna industry associations, where applicable, or where no such association exists, a representative of the commercial tuna industry¹;
- ii. while acknowledging the presence of more than one active tuna industry association in some countries, other industry representatives could attend as observers, but the observers would not have voting rights. Efforts at reaching consensus on key issues within countries is encouraged;
- iii. the issue of admitting members beyond those from Forum Island Countries, including the French and U.S. Territories, would be left open for subsequent consideration by the Association; and
- iv. the Association may invite other observers to attend meetings and provide input into Association business as appropriate.

Functions

12. With respect to the fishing and related industries in Forum Island Countries, it was agreed that the Association would have the following functions:

- i. represent the common viewpoints of members and to bring forward and promote those viewpoints in appropriate national (through national tuna industry associations), regional and multilateral forums;
- ii. promote transparency and good governance in the fishing industry;
- iii. adopt an advocacy role on behalf of members on agreed issues of concern;
- iv. promote economic cooperation between domestic tuna industries;
- v. act as a conduit for obtaining financial and other resources;
- vi. coordinate the provision of technical and capacity building services;
- vii. facilitate cooperation between willing members to achieve preferential access for longline vessels, giving consideration to existing access models (e.g. the FSM Agreement);
- viii. provide assistance to national fisheries organisations, and where none exist in a country, to assist with their establishment;
- ix. disseminate information to members on matters of interest, via various means, including a website;

¹ Possible Alternative: Associate Membership status would be given in the case where there is not an active fisheries association.

- x. undertake industry promotion, e.g. through assisting in the marketing and branding of tuna and tuna-related products and the establishment of industry standards and protocols where appropriate;
- xi. promote the excellence of Pacific Island tuna products;
- xii. seek to have members' interests and views on regional and Commission standards and guidelines incorporated in existing and new legislation and regulations;
- xiii. increase the political profile of domestic tuna fisheries, such as demonstrating their economic value to national economies;
- xiv. promote the positive aspects of tuna fishing, including efforts to reduce impacts on sustainability and the environment, and to work with NGOs on issues such as environmental certification;
- xv. promote effective compliance regimes and the reduction of IUUs; and
- xvi. undertake other activities as appropriate.

Registration

13. The workshop agreed that the Association will be registered in FSM initially pending a decision on its final location.

Staffing

14. The workshop urged that Association human resources be restricted to those absolutely necessary to undertake the above functions. The resources would initially comprise:
 - a full time executive officer; and
 - an assistant.

Funding

15. It was noted that interim donor funding was highly likely to be available to support the establishment and operation of the Association, although the precise timing and nature of that availability was uncertain. The Steering Committee would actively pursue sustainable sources of funding.
16. There is in-principle agreement that national tuna industry associations would provide direct financial support to the Association through an annual subscription or equivalent. The level of that funding would be agreed by members.
17. In deciding a location for the Association, the following options were considered:
 - **Solomon Islands**, where it would be possible to work closely with FFA;
 - **FSM**, where the Association will be registered and the WCPF Commission is located;
 - **Fiji**, where facilities are available at USP and industry partnership is an emerging priority of the University;
 - **Samoa**, which provided an offer of hosting; and
 - **Papua New Guinea**, which provided an offer of hosting.
18. After lengthy discussion it was agreed that since the Association will be registered in Pohnpei, in the interests of expediting its establishment, the office for the Association will be based in FSM.
19. In principle the Association will be a very small organisation, with a limited budget, working primarily through electronic media including the Internet and e-mail. These circumstances should be promoted.
20. The meeting strongly urged all members to work together to provide active support for the Association, and guidance to the Steering Committee.