

# Evaluation of options for a consultative forum on the live reef food fish trade (LRFFT) in the Coral Triangle (CT) region and adjacent areas

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Cover image: Live reef fish trade in Kudat © Jürgen Freund / WWF-Canon

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#### **EXECUTIVE SUMMARY**

The development and expansion of the live reef food fish trade (LRFFT) during the 1980s and 1990s have been well documented as have most aspects of the trade which is economically significant for three of the CT 6 countries, worth in excess of \$800 million (WWF, 2009). The regional trade is believed to have peaked in volume terms, in 1997 at around 50,000 tonnes, but since then is believed to have declined to around 30,000 tonnes annually (Sadovy et al). Recorded imports into Hong Kong are estimated at 15-20,000 tonnes annually, and until recently, with as much as 60% of this being re-exported to southern mainland China from where it is distributed to major cities throughout China. There is a high likelihood of demand exceeding supply and this possibility of scarcity may drive a new wave of expansion.

There have been numerous efforts, principally led by non-government agencies, to coordinate the gathering and sharing of LRFFT information, and the promotion of collaboration through regional consultative forums and coordinated whole-of-supply chain interventions. Several decades of intervention in the LRFFT have not assured sustainability nor contained threats to LRFTT.

The CTI Regional Plan of Action in 2009 listed, as a regional action, "establishing a CTI Forum on management of, and international trade in, coral-reef based organisms". This regional action has shifted more specifically to the live reef food fish trade (LRFFT).

#### **Background to regional forum**

Starting with a workshop in 2009, and in 2011, the former coordinated by the WWF Coral Triangle Global Initiative (CTGI) and the latter by Indonesia's Ministry of Marine Affairs and Fisheries (MMAF) and WWF, and three CTI Regional Exchanges from 2010 to 2012, there has been coordinated progress towards the formation of a CTI-CFF LRFFT multistakeholder forum. Following the establishment of the EAFM Technical Working Group (TWG) in September 2011, a draft Terms of Reference, with a statement of the underlying principles for such a forum, was refined by a small CT6 working group and approved in October 2011. As a next step, a consultancy was commissioned by WWF and the Coral Triangle Support Program (CTSP) to identify a suitable forum model to bring together stakeholders in the LRFFT, propose a multi-lateral legal framework to support such a forum and develop an implementation plan for its establishment (Fanli Marine, 2012).

The report proposal, with a three level forum structure patterned after the chamber of commerce and industry model to encourage involvement of all stakeholders, including Government and industry, a roadmap for implementation, and a recommendation that Infofish be the host institution, was unveiled at the 3<sup>rd</sup> CTI EAFM Regional Exchange in May 2012. Despite considerable discussion, no decision was taken at that time to endorse the proposed forum model. At the subsequent 2<sup>nd</sup> EAFM TWG meeting, a proposal to convene an inaugural CT LRFFT Forum was noted by the six Coral Triangle member countries, although with no immediate commitment to convene a forum as proposed.

The process to establish the multi-stakeholder forum appeared to achieve some clarity and direction with adoption of a Resolution at the CTI-CFF LRFT Inter-Governmental Forum (IGF) convened in Bangkok in January-February 2013, signed by the six Coral Triangle countries, which, *inter alia*, resolved to

Promote collaboration amongst participating countries through a regional forum modelled after the Regional Fisheries Management Organization (RFMO) and encourage each country to develop and establish appropriate local and national fora to promote information exchange, collaboration and continuous dialogue among all stakeholders".

The IGF Forum Resolution, with its five articles, yielded a strong supply—side Government-mediated emphasis and also designated SEAFDEC as the Interim (Forum) Secretariat, with support from the CTI-CFF Interim Regional Secretariat (IRS) and the USCTI Support Program. The IGF also agreed on potential agenda items for the forum's consideration, the nature of support to be provided by the CT-CFF IRS, SEAFDEC and USAID, immediate next steps to be taken, and for SEAFDEC to take the lead in giving shape to the forum. Although some progress has since been made — SEAFDEC being authorized by its Council "to be the Interim Secretariat for the LRFFT Regional Forum"<sup>1</sup>, and a multi-agency visit to Hong Kong/China to interact with demand-side government agencies — the process has essentially stalled with the MoU between SEAFDC and CTI-CFF IRS (soon to become a permanent Secretariat), yet to be agreed. The inaugural Forum meeting, provisionally scheduled by the IGF to convene before September 2013, did not take place.

The 4<sup>th</sup> EAFM TWG meeting, held in November 2013 prior to the 9<sup>th</sup> Senior Officials Meeting (SOM), noted some reservations about the continuity of support that SEAFDEC might expect to receive as Interim Secretariat, from the IRS and the USCTI-SP (shortly to terminate). In anticipation of this, a Resolution was tabled by the EAFM TWG directing there be

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<sup>&</sup>lt;sup>1</sup> Report of the 45th Meeting of the SEAFDEC Council, Cebu City, April 2013; para 76

consideration given to adopting an RFMO-type model for the Forum when established. This has led to this present study to evaluate possible options for the Forum structure and function. This, to some extent, duplicates the directive already given to SEAFDEC by the IGF to "take the lead in drafting the roadmap, developing the terms of reference (ToR) and identifying the organizational and administrative requirements of the Forum".

#### Regional forum model

The present study has examined options for the regional forum model, and based on experience with the two most recently established RFMOs; the Western and Central Pacific Fisheries Commission (WCPFC) and the South Pacific Regional Fisheries Management Forum (SPRFMO), both of which have links to the CT region, via common membership, has concluded that establishment of an LRFFT RFMO at this stage would not be practicable. This relates to the time, cost and commitment from all members required to develop and adopt an enabling Convention<sup>2</sup> for an RFMO and the many questions concerning membership, form and function in the complex functional environment of the LRFFT. This option may be revisited later once experience with the preferred regional forum model, the regional advisory fishery body (RFB) with Secretariat, can inform that process. A possible time frame for the implementation of the RFB is suggested below.

#### **National fora**

An important aspect of the IGF Resolution is "to encourage each country to develop and establish appropriate local and national fora to promote information exchange, collaboration and continuous dialogue among all stakeholders". This is a key component of a workable and effective regional consultative forum, yet there has been little progress in implementing this essential initiative, other than in the case of Indonesia. The study proposes an approach to the development of these national fora as a high priority initial activity, in the main producing and exporting countries of Indonesia, Philippines and Malaysia. Sub-national fora below the national fora could be established as appropriate.

The establishment of the LRFFT regional consultative forum has been stalled since February 2013 at which time clear directions for the establishment Forum were issued, and needs to be re-energized. With the entry of SEAFDEC, the nominated Secretariat for the Forum, into a partnership status with the CTI-CFF which will be facilitated by a MoU between the two parties, hopefully at the 10<sup>th</sup> SOM in May of this year, the process can finally advance, preferably with SEAFDEC taking a lead role in its establishment, as agreed in the IGF.

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<sup>&</sup>lt;sup>2</sup> The legal basis for an RFMO or RFA

#### In summary the study **recommends** as follows:

- 1. that the RFMO model is not an appropriate model for the consultative regional forum at this time for a variety of reasons relating to time, commitment and resources required to develop and enter into force the necessary legal Convention as its foundation, the complexity of the LRFFT itself and the number of functional issues to be resolved before an RFMO could be considered. Reassurance would also need to be provided concerning the extent of high level commitment and political will necessary to support the RFMO model going forward;
- 2. that the momentum generated to convene an inaugural forum in the "regional advisory body with Secretariat" format needs to be maintained, with SEAFDEC proceeding to be proactive in "drafting the roadmap, developing the terms of reference (ToR), and identifying the organizational requirements of the Forum", assuming that an MoU between CTI-CFF Secretariat and SEAFDEC will be approved and appropriate instruments of cooperation signed at the 10<sup>th</sup> SOM held in May 2014;
- 3. that the national fora envisioned as key components of the consultative forum process should be scoped and developed as soon as possible, preferably initiated in the first half of 2014, and possibly involving Indonesia, Philippines and Malaysia in the first instance. These fora may have local groupings as required; and
- 4. that the first regional forum be convened before the end of 2014, following all necessary approvals for partnership agreements, TOR, structure and functions, with national fora also having been convened and providing initial input to the first regional forum.

#### 1. INTRODUCTION

This brief study was commissioned by WWF following direction from the 4<sup>th</sup> EAFM TWG in November 2013, and represents the latest chapter in efforts to support the development of a consultative forum of stakeholders in the live reef food fish trade (LRFFT) of the Coral Triangle (CT) region. The study was undertaken as a short term desk study in February-March 2014, with the support of WWF and other parties. The terms of reference and deliverables are provided in **Annex 1**. It is intended that the recommendations of the study will be presented to the CTI 10<sup>th</sup> Senior Officials Meeting (SOM) in May 2014, if appropriate.

#### 2. BACKGROUND

The LRFF fishery and trade, mostly involving groupers and wrasses, is economically significant for some CT6 countries, notably Indonesia, Philippines and Malaysia (the producers), SE Asian countries or areas (Hong Kong SA, mainland China, Singapore, Taiwan (the primary markets and consumers, as well as producers), and others beyond the CT region eg Australia, Thailand.

The value of the trade in he Asia Pacific region was estimated at over USD 810 million in 2002 (Sadovy et al., 2003) and may currently be as high as USD one billion. The fishery is complex, involving capture and transport of live adult or sub-adult fish by ship or air, cage grow-out of juveniles, and mariculture of a few species, mostly groupers, but generally not the highest value species such as humphead wrasse and leopard coral grouper.

The fishery and trade have long been beset with a range of sustainability and IUU issues, including capture by cyanide, local overfishing/serial depletion, significant mortality during capture, grow-out and transportation and a general lack of data at most points along the supply chain. There are emerging issues also with the aquaculture of selected species, including extensive cage grow-out of juveniles.

The fishery expanded outwards from areas close to main markets during the 1980s and 1990s (Sadovy et al., 2003), driven by localized depletion and increased demand. The fishery may have peaked in 1997, with the regional volume of trade estimated at around 50,000 tonnes, but since then the regional volume of the LRFFT is believed to have declined to around 30,000 tonnes (Tsamenyi and Palma, 2012). Recorded imports into Hong Kong are estimated at 15-20,000 tonnes annually, and until recently, with as much as 60% of this

being re-exported to southern mainland China from where it is distributed to major cities throughout China. Demand has remained strong, and is likely increasing, particularly in mainland China<sup>3</sup> as markets evolve, and prices are demonstrably increasing, possibly related to scarcity/decreasing supply.

Many species are near-threatened, vulnerable or endangered (IUCN) and not especially resilient to exploitation given their life history characteristics. Illegal activity in the fishery and unregulated/unmonitored trans-boundary trade are both widespread. Regional initiatives to address IUU generally do not filter down to the LRFFT (Tsamenyi and Palma, 2012)

In previous decades remedial efforts to address issues in the trade have tended towards site specific and single-point interventions, graduating through best-practice standards and aquaculture supply-chain engagements to supply or value chain partnerships (Muldoon, 2013). More recently assorted priority actions have been identified in various regional fora which have focussed on promoting collaboration through a regional consultative forum. The Coral Triangle Initiative (CTI) Regional Plan of Action (RPOA) under Goal 2, listed two Regional Actions regarding the LRFFT (2009)<sup>4</sup>, as below. The second of these committed to the establishment of a consultative forum and provided impetus to this process

- developing a collaborative work program to manage international trade in coral-reef based fish and ornamentals, including jointly supported research, information sharing and addressing the supply and demand sides of trade
- establishing a CTI Forum on Management of, and International Trade in, coral reefbased organisms.

Planning and efforts to bring this forum into being continued through 2010-2012, through CTI Regional Exchanges and the CTI Ecosystem Approach to Fisheries Management (EAFM) Technical Working Group (convened in September 2011) – see following section.

The CTI-CFF program, with SEAFDEC and the US CT Support Program, hosted a Live Reef Food Fish Trade (LRFFT) Intergovernmental Forum, held in Bangkok on 31<sup>st</sup> January/1<sup>st</sup> February 2013. This forum identified a series of priority actions and resolved *to "promote collaboration among participating countries5" through a regional forum modelled after the Regional Fisheries Management Organization (RFMO) and encourage each country to* 

<sup>&</sup>lt;sup>3</sup> The central government of China introduced a policy of banning consumption of "luxury" food products at government functions at the end of 2012 that may have the effect of reducing consumption of high value reef fish.

<sup>&</sup>lt;sup>4</sup> Including reef-based ornamentals (aquarium fish) which are not included here

<sup>&</sup>lt;sup>5</sup> Indonesia, Malaysia, Philippines, Solomon Islands, Timor Leste and Vietnam . PNG was not present.

develop and establish appropriate local and national fora to promote information exchange, collaboration and continuous dialogue amongst all stakeholders".

The parties agreed to designate SEAFDEC as the Interim Secretariat with support from the CTI-CFF Interim Regional Secretariat and the US CTI Support Program.

Since that time, little progress has been made in formalizing the cooperative mechanism, predominantly because of the uncertainty created by i) the interim status of the key support body, the CTI-CFF Interim Secretariat, ii) the impending termination of Coral Triangle Support Program (CTSP), and iii) the lack of a formal partnership agreement between the CTI Interim Regional Secretariat and SEAFDEC.

As a consequence, a proposal<sup>6</sup> was tabled at the 4<sup>th</sup> CTI EAFM Regional Technical Working Group Meeting (24<sup>th</sup>-25<sup>th</sup> November 2013, Manila) that a concept paper should be developed and presented to the 10<sup>th</sup> SOM (CTI-CFF Senior Officials' Meeting) in May 2014 on the options for a regional consultative forum comparing an RFMO-type model against the forum approach. The comment<sup>7</sup> was also made that "Should there be difficulty in formalizing the forum; an informal information sharing can be initiated among the CT6 countries while anticipating a permanent or formal structure for the forum". The view was canvassed and it was agreed that WWF would be the organization best placed to develop that concept paper, which has finally lead to the current options study being commissioned in February 2014.

<sup>&</sup>lt;sup>6</sup> Paragraph 57 under Agenda item 6 - Regional priorities in the meeting minutes

<sup>&</sup>lt;sup>7</sup> Paragraph 57

# 3. HISTORY OF EFFORTS TO DEVELOP LRFFT CONSULTATIVE FORUM

Since the expansion and growth of the LRFFT during the 1980s, there have been numerous efforts to coordinate the gathering and sharing of LRFFT information, and collaboration to develop codes of conduct, certification mechanisms, and fair trade practices. These are summarized in **Annex 9**, a chronology of events in the development of a CTI consultative forum from the mid-1990s over a twenty year period until the present.

The first Regional Exchange on an Ecosystem Approach to Sustainable Live Reef Food Fish Trade in the Coral Triangle in October 2010, recommended that "the SOM approve continued work towards the formation of an inclusive CTI multi-stakeholder initiative that seeks to ensure the sustainability of the LRFFT".

The APEC-endorsed Workshop on Market-based Improvements in Live Reef Fish Food Trade (LRFFT) held in March 2011 and hosted jointly by WWF and MMAF (Indonesia) recommended creating a public-private Roundtable for a Sustainable Live Reef Food Fish Trade in which market demand economies have agreed in-principle to participate in and that formation of an inclusive CTI multi-stakeholder initiative would aid in ensuring sustainability of the LRFT. It was also recommended that a Technical Working Group be established to formulate and endorse ToRs to establish a sub-committee / advisory group and to consider an appropriate model composition involving markets, Government and the private sector.

At the CTI Regional Exchange and Policy Workshop on Ecosystem Approach to Fisheries Management in September 2011, the Regional Ecosystem Approach to Fisheries Management (EAFM) Technical Working Group (TWG) was constituted and met for the first time. A draft Terms of Reference (ToR) for the development of a CTI-CFF LRFFT Multistakeholder Forum was refined in a small working group, led by PNG, and approved and finalized by the CT6 countries in October 2011 (Annex 2). A statement of the *underlying principles behind the ToR* is as below (Box 1). These principles acknowledge the probable key role of CT6 Governments but also the need to involve the markets and the private sector. Improving the sustainability of the LRFFT in the region is paramount, and the notion was that such a forum would provide a collective voice for enhancing interactions between CT6 producer countries and market countries and the non-CT private sector.

#### Box 1: Underlying principles of a CTI multi-stakeholder forum

- could be instigated by governments of the CT6 but should involve the markets and the private sector
- will have as its overarching goal improving the sustainability of the Live Reef Food Fish Trade in this region.
- will provide a venue for agreement on issues and impacts of the Live Reef
   Food Fish Trade and for developing collaborative solutions
- will provide a collective voice for interactions between CT6 producer countries and market countries and the non-CT private sector

A study was then commissioned by by WWF with support from the CTSP, drawing on the ToR above, and taking into account developments and inputs that had been brought to the table since the document was first drafted. The specific terms of reference for this study, slightly modified from an earlier ToR, were as below (Box 2):

## Box 2 : ToR for the study to identify a suitable multi-stakeholder forum for the LRFFT

- 1. identify a suitable forum to bring together stakeholders engaged in the regional live reef food fish trade (LRFFT).
- 2. propose a multilateral legal framework to support the establishment of an appropriate institutional set-up
- 3. develop an implementation plan for its establishment.

The three-month study was finalized in May 2012 (Fanli, 2012) and provided a thoughtful analysis of the issues. The report recommended a three level forum structure (regional, national and local), proposed a host institution for the regional forum (Infofish), drew up terms of reference for the forum as a whole, and outlined a roadmap for its implementation, with the chamber of commerce and industry model identified as the most suitable vehicle in the current functional environment.

At the 3<sup>rd</sup> CTI Regional Exchange on the Implementation of EAFM Activities in the Coral Triangle Countries in May 2012, the proposal from the study was presented and thoroughly discussed. A forum patterned after the chamber of commerce and industry model, as per the report's recommendations, met with general agreement. A ToR for the proposed CTI Multi-

stakeholder Forum was presented but not acted upon. It was recognized that Government must have a role in the forum and it should not be left entirely to stakeholders. No definitive follow-up action was proposed and it was felt more information was needed to make a considered decision on the forum model.

The 2<sup>nd</sup> EAFM TWG meeting held immediately after the 3<sup>rd</sup> REX considered a proposal to convene an Inaugural CT Live Reef Food Fish Trade Forum (**Annex 3**). The TWG agreed to "coordinate, through their relevant agencies and industry players for agreement on country participation in the Forum through appropriate arrangements" and "to participate in an inaugural forum at a date to be set". It was understood that further communication about the proposed forum would occur but no decisions appears to have been taken.

Figure 1 in page 8 summarizes the progress made towards regional forum development.

As the next and possibly final step in the evolution of the consultative forum, the CTI-CFF program, with SEAFDEC and the US CTI Support Program, then hosted a Live Reef Food Fish Trade (LRFFT) Intergovernmental Forum, held in Bangkok on 31st January/1st February 2013. This forum considered the results of the consultancy study and other previous initiatives, but opted to pursue an alternative approach to the Forum, as captured by the Resolution signed by six countries (five CT countries8 plus Vietnam). This Resolution, attached in full as Annex 4, proposed five priority activities for action, including as the fifth activity and relating to the forum, the following:

"Promote collaboration amongst participating countries through a regional forum modelled after the Regional Fisheries Management Organization (RFMO) and encourage each country to develop and establish appropriate local and national fora to promote information exchange, collaboration and continuous dialogue among all stakeholders".

"The Parties likewise agreed to designate SEAFDEC as the Interim Secretariat with support from CTI-CFF Regional Secretariat and the US CTI Support Program".

SEAFDEC committed to provide operational support for the LRFFT Regional Forum and was requested by the CTI-CFF Interim Regional Secretariat and participating countries to "take the lead in drafting the roadmap, developing the Terms of Reference (ToR) and identifying the organizational and administrative requirements of the Forum" (Anon. 2013). The need to develop an MoU formalizing the SEAFDEC-CTI-CFF collaboration was likewise identified.

<sup>&</sup>lt;sup>8</sup> A Papua New Guinea representative was not present at this Intergovernmental Forum

Other prospective points were identified as potential agenda items for the forum to consider, including hybridization of grouper, MPA boundaries and responsibility centre, membership of the Forum, aquaculture/mariculture and ecosystem impacts of LRFFT.

In terms of immediate next steps, the following were discussed and specifically agreed by the six signatory countries in the Inter-Governmental Forum:

- report results of the Forum to the SEAFDEC Council, RPOA-IUU and eventually ASEAN (assume achieved)
- forward to SEAFDEC Council Meeting to endorse SEAFDEC as LRFFT Regional Forum Interim Secretariat (achieved)
- hold an LRFFT Regional Forum Meeting before September 2013 (Indonesia offered to host the meeting in Manado) (not achieved)
- meet with the demand side of the trade, with USCTI support (achieved August 2013, as noted)

The US CTSP and the USCTI program agreed to support a study visit to Hong Kong to meet with the Hong Kong Agriculture Fishery and Conservation Department (AFCD) in attempt to further advance discussions with demand side agencies with responsibility for the LRFFT.<sup>9</sup>

It is therefore clear that the arrangements for a consultative forum proposed in the Resolution of the Intergovernmental Forum meeting of February 2013 remain the choice going forward and the present study takes them as guidance in considering options for any such forum (i.e. priority activities as defined in the Resolution). These include having SEAFDEC as Interim Secretariat with support from the CTI-CFF Interim (soon to be permanent) Regional Secretariat and relying on continuing support from the US CTI Support Program, and lastly ensuring sustainability issues remain paramount. The underlying principles for the ToR as identified by the CT6 in October 2011 do need to be considered where possible; they are not fully captured in the current Resolution and it is was noted that other potential issues were raised at the IGF (see above).

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<sup>&</sup>lt;sup>9</sup> This trip occurred during July and August of 2013

Figure 1 : Flow diagram of the progress towards regional forum development (modified from Muldoon, 2013)

#### CT6 coordination via CTSP

 $NPOAs = national\ LRFT\ actions$   $Trader\ engagement$   $EAFM\ applied$ 



#### **WWF Regional W'shop Nov 2009**

Outcomes
Sustainable LRFT Roadmap
Status & trends (biology, industry)
Sustainability vs functionality
Priority actions to improve LRFT



#### Reg. Exchange W'shop Oct 2010

Outcomes

EAFM in context of LRFT

Science needs

Roundtables and fora



#### APEC LRFT W'shop Mar 2011

Outcomes
Footprint country collaboration
Supply chain focus on EAFM
Platforms to strengthen standards
Market-based policy initiative



#### 2<sup>nd</sup> Reg Exchange W'shop Sep 2011

Outcomes

EAFM in context of LRFT

Science needs

Roundtables and fora



#### **Inter-Governmental Forum Feb 2013**

Priority actions
Establish MPAs
Accreditation systems
Data collection systems
Address IUU
Collaboration via regional forum
(RFMO model)



#### 3<sup>rd</sup> CTI Regional Exchange on Implementation EAFM May 2012

**Outcomes** 

Framework & guidelines for EAFM Proposal for CTI LRFF m/s forum



#### **Activities in priority geographies**

Supply chain links

Best practice

National trader groups

Regional forum established

National fora developed

Local fora developed as needed

#### 4. OPTIONS FOR A CONSULTATIVE FORUM

The IGF Resolution primarily sought to develop a regional forum but very importantly did also "encourage each country to develop and establish appropriate local and national fora to promote information exchange, collaboration and continuous dialogue among all stakeholders", effectively transferring the responsibility for developing fora at national level to the individual CT6 countries.

This analysis will therefore focus mainly on the options for a regional forum but will give some consideration to the development of consultative for at national and local/subnational level which will be pivotal to the effectiveness of the Forum

#### 4.1 Regional forum

With the focus on a primarily conservation and management body, it is instructive to start with regional fisheries bodies *sensu* FAO, as FAO is the original promoter of this approach to regional cooperation and collaboration. FAO defines a regional fisheries body (RFB) as "a mechanism through which States or organizations that are parties to an international fishery agreement or arrangement<sup>10</sup> work together towards the conservation, management and/or development of fisheries". (http://www.fao.org/fishery/rfb/en)

Several types of RFBs with differing mandates are generally recognized by FAO:

- a. RFB with advisory mandate, providing advice, decisions or coordinating mechanisms that are not binding on their members
- RFB with *management mandate*, adopting fisheries conservation and management measures that are binding on their members. (RFMOs – regional fisheries management organizations)

The distinction is generally also made between a

- regional fishery body (RFB) which has an established Secretariat, and
- a regional fishery arrangement (RFA) which does not have a Secretariat.

At the regional level, noting the IGF preference for the exploring the option for an RFMO model and the appointment of an Interim Secretariat, the RFMO (management mandate) and RFB (advisory mandate with Secretariat) models are herewith considered. The RFA has not been considered since an Interim Secretariat has already been adopted for the

 $<sup>^{\</sup>rm 10}$  Agreement is fundamental/formal and different from an arrangement

consultative forum. RFBs may include inter-governmental organizations (IGOs) if they have a wholly or partially fisheries focus.

#### 4.1.1 Legal basis<sup>11</sup>

The RFMO concept derives from obligations under the Law of the Sea Convention for inter-Sate cooperation to manage certain species of fish. The legal basis for RFMOs or Regional Fisheries Management Arrangements/Bodies turns on whether the fishery concerned is subject to international cooperation pursuant to the LOSC. Fisheries subject to international cooperation — those which move across national jurisdictions — have been placed in five categories under the LOSC

- **a.** transboundary or shared stocks: stock or stocks of associated species that occur within the EEZ of two or more costal states (*LOSC Art 63(1*)
- **b.** straddling stocks: stock or stocks of associated species that occur both within the EEZ and the adjacent high seas (LOSC Art 63(2)
- c. highly migratory species: species listed under Annex 1 of the LOSC and include certain species of tuna, marlin, swordfish and oceanic sharks (LOSC Art 64)
- **d.** anadromous stocks: stocks that spend most of their biological in the high seas but return to freshwater to spawn e.g. salmon *(LOSC Art 66)*
- e. catadromous stocks: stocks which spawn in the oceans and migrate towards freshwater for adult life, returning to open oceans to spawn (LOSC Art 67)

Although little is known about population structure of reef-associated LRFF stocks, connectivity between adjacent areas, larval dispersal and the extent of mixing across boundaries, it is clear that given the contiguous nature of LRFF fisheries and uninterrupted habitat across national boundaries that LRFF would best be regarded as **transboundary or shared stocks** and subject to international cooperation.

The basic legal requirement for all fisheries subject to international cooperation is the need to develop appropriate conservation and management measures to ensure that the stocks and species in the EEZ (and on the high seas, as applicable) are not endangered by over-exploitation. This duty to cooperate can be demonstrated by:

 $<sup>^{11}</sup>$  This section based on discussions with Professor Martin Tsamenyi, recognized LOS expert and well versed in LRFFT issues

- Entering into regional fisheries agreements or arrangements
- By developing conservation and management measures though such organizations and arrangements, and
- Implementing the measures through national legislative and management actions

The possible regional fisheries agreements or arrangements are considered in the light of these legal requirements.

#### 4.1.2 RFMO model

There are currently around forty regional fisheries bodies worldwide, of which around 30 are advisory (RFBs or RFAs) and 18 are RFMOs with legally binding mandates. **Annex 5** lists these RFMOs, five of which are tuna (t) RFMOs; two of these tRFMOs, the Indian Ocean Tuna Commission (IOTC) and the Western and Central Pacific Fisheries Commission (WCPFC), have CT6 members, and are the only RFMOs active in the CT region. Several advisory RFBs (or IGOs) are active in the CT region e.g. Asia-Pacific Fishery Commission (APFIC), South East Asian Fisheries Development Centre (SEAFDEC), Bay of Bengal Programme Inter-Governmental Organization (BOBP IGO), Secretariat of the Pacific Community (SPC), and the Pacific Islands Forum Fisheries Agency (FFA).

As RFMOs adopt fisheries conservation and management measures that are binding on their members, it is a requirement that they are established by an international Convention covering off on i) having defined objectives, ii) species or fisheries to which it would apply, iii) geographical area of application, iv) functions, v) procedures to establish the RFMO, vi) obligations of members, vii) Secretariat, viii) financial arrangements, ix) subsidiary bodies and other relevant elements.

The enabling Convention would generally draw on existing international treaties for its legitimacy; in the case of tuna RFMOs, these articles are the 1982 Convention on the Law of the Sea (UNCLOS), and subsequently, the 1995 Agreement for the Implementation of the Provisions of the UNCLOS of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks (UNFSA). The tRFMO Conventions also take into account the Code of Conduct for Responsible Fisheries adopted by the Conference of the Food and Agriculture Organisation of the United Nations at its twenty eighth session on 31 October 1995, and other relevant international legal instruments as required and relevant.

One of most recently established RFMOs is the **Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (WCPFC)** which currently has four of the CT6 countries amongst its 27 members

(Philippines, PNG, Solomon Islands, Indonesia), other countries directly adjacent to the CT region as members (e.g. Australia, China, Chinese Taipei, Palau) and other CT-adjacent countries as cooperating non-members (e.g. Vietnam, Thailand).

It is instructive to review the process in establishing that RFMO and its mode of operation. Anticipating the ratification of the UNFSA in 1995, a series of multilateral high level conferences (MHLCs) was held by interested parties in the WCPO to develop the text of the Convention, starting in December 1994. After seven MHLCs, the Convention was adopted on 5th September 2000, and was open for signature for 12 months from that time by states that participated in the MHLC process. By March 31st 2004, 19 states had signed the Convention and 13 of these had ratified. The Convention also contained special provisions for the participation of fishing entities (e.g. Chinese Taipei) and territories within the Convention Area.

With the adoption of the Convention, participants in the MHLC process adopted a resolution establishing a Preparatory Conference for the establishment of the Commission, to lay the groundwork for its establishment and to ensure that no vacuum existed between the adoption of the Convention and its entry into force. Seven of these Preparatory Conferences were held between April 2001 and December 2004, with three working groups meeting to consider respectively, issues relating to the organizational structure of the Commission, its budget and financial contributions (WG I), the scientific structure of the Commission and the provision of interim scientific advice (WG II) and the needs of the Commission with respect to monitoring, control and surveillance (WG III).

The Convention entered into force in June 2004, six months after the deposit of the 13<sup>th</sup> instrument of ratification. The Commission then held its first Regular Session in December 2004, immediately after the final Preparatory Conference.

The Convention's objective is "to ensure, through effective management, the long-term conservation and sustainable use of highly migratory fish stocks in the western and central Pacific Ocean, in accordance with the 1982 Convention and the Agreement".

The area of application (the Convention Area) is all waters of Pacific Ocean, between  $55^{\circ}$ N and  $55^{\circ}$ S, from  $141^{\circ}$ E to generally  $150^{\circ}$ W. The western boundary is undefined but is assumed to be the coasts of Asia, as per the general definition of the Pacific Ocean.

The Commission operates as a Secretariat<sup>12</sup> based in Pohnpei, Federated States of Micronesia, and subsidiary bodies which meet annually, report and provide advice to the

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<sup>&</sup>lt;sup>12</sup> Currently nine persons

Regular Session (December); these bodies work inter-sessionally prior to that time and include the:

- Scientific Committee (SC)
- Technical and Compliance Committee (TCC)
- Northern Committee (for stocks occurring mostly north of 20°N) (NC)
- Finance and Administration Committee (FAC)

The Commission has currently adopted 39 legally binding conservation and management measures (CMMs) relating to species or species groups taken in the fishery (tunas, billfish, sharks ,turtles, seabirds etc.), fishing practices or mitigating the impact of fishing, compliance issues (RFV, VMS, ROP, IUU vessel list etc.) and issues relating to Cooperating Non-Members (CNMs). Compliance with these CMMs is monitored in the TCC each year. The Commission has adopted a Compliance Monitoring Scheme in 2011, and is subject to review for future operation.

Apart from supporting the activities of the subsidiary bodies, and monitoring the implementation of CMMs, the Commission Secretariat also operates its own compliance activities, involving the Register of Fishing Vessels (RFV), a regional Monitoring, Control and Surveillance (MCS) programme with Regional Observer Programme (ROP) and Vessel Monitoring System (VMS) components, supervision of boarding and inspection of fishing vessels on the high seas, and maintenance of an IUU list.

The annual budget for the Commission's' work programme is currently around USD \$7 million, which is mostly met by assessed contribution from members, based on a formula of 10% uniform share by all members, 20% by a national wealth component, and 70% according to the catch contribution. Offsets for Small Island Developing States (SIDS) are provided as well as discounts in the calculation of the catch contribution (e.g. for archipelagic waters). The key issue is that there are threshold costs associated with being at the table as an RFMO and these costs are comparatively high. That said, the WCPFC performance as an RFMO in the nine years since its establishment is generally reckoned to be effective.

#### **Summary**

Although probably larger and more complex than any RFMO structure that might be envisaged for a possible LRFFT RFMO, the development and operation of the WCPFC provides some indication of the effort and commitment required to bring an effective RFMO into operation. Some of the key points to note are as follows:

- **a.** The Convention as the legal foundation for the RFMO and the establishment of the Commission was adopted after nearly 6 years of negotiation
- b. The Convention entered into force after multiple Preparatory Conferences and another four years of international negotiation; the Commission held its first Regular Session almost ten years to the day after the process commenced.
- c. The total cost of this process is not known but certainly ran into many millions of dollars (certainly more than USD 20 million) and despite strong support for the process by donors, much of the cost was incurred by participants in the process.
- **d.** Recurrent costs for the Commission and its members are also considerable, including assessed contributions, attendance at multiple meetings, and meeting their own obligations in compliance with CMMs and other Commission requirements.
- **e.** Ongoing commitment of large amount of resources (manpower, financial) to service the large numbers of meetings, technical consultations and compliance activity.

To see how representative the WCPFC establishment experience was, it is additionally instructive to look at the most recent RFMO to come into operation, **the South Pacific Regional Fisheries Organization (SPRFMO)**, also adjacent to the CT region and with some LRFFT countries/players as members. The features of this RFMO are summarized in **Annex 6**; essentially the process commenced in November 2006, with international meetings, then the preparatory conferences following the adoption of the Convention. The Convention entered into force in August 2012 and the first Commission meeting was held in January 2013, more than 6 years after the process was initiated.

The Convention covers a large area (areas beyond national jurisdiction for most of the South Pacific) but has only one major fishery (the Peruvian jack mackerel fishery), over one million tonnes; it operates a small Secretariat (4 staff initially), has an operational budget of around USD 900,000, but also has a limited work programme at this stage. Nine CMMs have already been adopted during the two Commission meetings held to date.

It is hard not to be struck by the similarity of process in establishing both RFMOs, one a tuna RFMO and one for essentially demersal resources - the complex issues underlying the framing of the Convention, the long time frame required to complete the process and structure and operational modalities of the two RFMOs. The **implications for developing an LRFFT RFMO** based on the experience with either of these two models can possibly be summarized in the following checklist of actions needed to establish such an RFMO (Table 1 below)

Table 1 : Checklist for establishment of possible LRFFT RFMO

| Requirement                     | Possible approach   | Comment   |
|---------------------------------|---|---|
| Convention<br>establishing RFMO | To be developed over several years, requiring multiple international meetings   | Legal instruments as foundation to<br>be identified; LRFF possibly<br>straddling stocks in some cases   |
| Objective                       | Long term conservation and<br>sustainable use of the LRFF resource<br>of the ASEAN region   | Objective needs to capture commercial and trade issues, not only resource sustainability  |
| Scope/species of concern        | Live reef food fish (groupers, wrasses) and others as defined   | Species list to be agreed and should be flexible; issue of hybrids  |
| Convention area                 | To be defined – CT region plus<br>Pacific Islands, Australia, China,<br>Singapore, Chinese Taipei?  | ASEAN provides some good links via<br>members (10), stakeholders (eg<br>SEAFDEC) and external relations<br>(APT)  |
| Membership                      | CT6 as core plus Vietnam, Singapore,<br>Thailand, Chinese Taipei, China,<br>Australia; others eg some Pacific<br>Islands, Indian Ocean as cooperating<br>non-members/observers            | Important that supply-side and demand-side countries all involved; may require core initial membership (CT6), but soon after to be expanded   |
| Key documents                   | Convention, Rules of Procedure,<br>Financial Regulations  | Lengthy process to development but precedents/recent examples as guidance   |
| Secretariat                     | Commission to be developed; (SEAFDEC as interim Secretariat)  | Size and structure of Secretariat will<br>depend on RFMO work programme<br>and designated role  |
| Budget<br>(Commission)          | To be developed — expect to be at least USD one million pa initially, even with minimal work programme  | Dependent on Commission structure<br>and work programme as it evolves,<br>and role of Secretariat   |
| Assessed contributions          | Formula to be determined; based on overall value of the LRFFT including trade   | Initially contributions from donors/development assistance may be necessary   |
| Subsidiary bodies               | Likely minimum subsidiary bodies:<br>Science/Data<br>Technical and Compliance<br>Finance and Administration<br>CT6 Committee?<br>Aquaculture?   | Many issues with science and data at<br>all levels of supply chain<br>Technical/compliance body could<br>deal with trade/commercial issues<br>If any CT-specific issues?<br>Aquaculture issues evolving |
| National participation          | As members and participation in all meeting and committees; anticipate most activity will take place at national level with coordination and adoption of legally binding measures in RFMO | Issues of compatible management if straddling stocks/connectivity, and overarching CMMs   |

Whilst this checklist of items to be addressed is not complete, it nonetheless does present a daunting schedule of tasks to be accomplished, and issues to be resolved, requiring a large degree of political commitment, resolve and funding to underpin the process, over a multi-year time frame. Jurisdictional issues may also be complex, with trade and sustainability issues combined in the same organization and possible overlap between live reef food fish for high value markets and the same species harvested (dead) and sold for food.

It is provisionally concluded that there is currently insufficient commitment to, and support for such a process in the current climate. It should be noted that both of the recent RFMOs considered as examples have existing international legal instruments to underpin their Conventions and the process is to large extent driven by large industrial-scale fisheries rather than the small scale artisanal fisheries which characterize the LRFFT. The scale and value of the international trade is however an important driver for the LRFFT.

The situation regarding establishment of an LRFFT RFMO could be revisited as an interim advisory body is developed (see following section) and its performance can be assessed. In other words, start with an advisory body and consider the development of a Live Reef Food Fishery (and Trade) Management Organization further down the track as issues become more clearly identified, experience is gained and political will strengthens.

#### 4.1.3 The RFB Advisory Model

The adoption of a Regional Fishery Body (or Inter-Governmental Body) as a model, with a Secretariat and an advisory mandate, providing advice, decisions or coordinating mechanisms that are not binding on their members, is considered in the light of the IGF Resolution (**Annex 4**) which envisages a central role for a regional forum but also encourages each country to "develop and establish appropriate local and national fora to promote information exchange, collaboration and continuous dialogue among all stakeholders".

The advisory forum model could be based on the following considerations regarding the Secretariat and its structure and functions, and how a coordinating and consultative role might be promoted.

#### Forum Secretariat

SEAFDEC has already been appointed as the Interim Secretariat, under the Resolution and approved by its Council. It is an existing RFB, is affiliated with CTI-CFF and is an ASEAN stakeholder. **Annex 7** provides summary information on SEAFDEC and also Infofish which had been recommended by the earlier FANLI consultancy report (2012) as the most suitable host institution for the forum.

The appointment of SEAFDEC to this role was made on an interim basis albeit with apparent uncertainty about the continuity of administrative and funding support from CTI-CFF Interim Secretariat and the US CTI Support Programme. Since that time, various developments have strengthened the position of SEADEC. These include that:

- The 45th SEAFDEC Council Meeting endorsed the Resolution and authorized SEAFDEC to continue to serve as Interim Secretariat for the LRFFT regional forum.
- Efforts to establish the permanent CTI-CFF Regional Secretariat by May 2014 are
  proceeding well with 2 CT countries having now ratified the permanent secretariat.
  Ratification by a minimum of 4 countries is needed to enable the establishment of the
  permanent CTI-CFF Regional Secretariat.
- The US Government meanwhile has extended until September 2014 its US CTI Support Program (USCTI) who can continue supporting the establishment of the Secretariat.<sup>13</sup>

It would therefore seem that establishment of SEAFDEC as Interim Secretariat and associated activities are well poised to proceed.

#### Structure and Functions of Forum

There is a need to develop an agreed charter or ToR for the Forum, particularly as SEAFDEC has no mandate for LRFFT at present and has no partnership agreement with CTI-CFF. The Resolution and the existing ToRs (2011 and 2012) provide the basis for such a charter, which should be developed at the earliest opportunity. Table 2 below outlines some preliminary indication of the functions that might be undertaken by the Forum at regional level and by other fora at national levels. These might be seen as initial steps, with the necessity for expanding later to include, in particular, trade-related issues and aquaculture. The core sustainability issues as defined in the 2011 ToR (see Table 3 below) will also need to be considered

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 $<sup>^{13}\,</sup>http://coral triangle initiative.org/news/push-stepped-permanent-cti-cff-regional-secretariat$ 

Table 2 : Priority actions from the IGF Resolution and level at which they might be addressed

| Resolution actions/articles     | National-level<br>action  | Regional-level<br>action   |
|---------------------------------|---|--|
| Establish MPAs and fish refugia | Identification of spawning aggregation areas; document existing MPA network   | Regional coordination of MPAs eg<br>CTMPAS   |
| Develop accreditation system    | Encourage suppliers/traders to follow sustainable /fair trade practices  Establish testing labs Monitor/check/ exports Designate export hubs Develop and apply accreditation conditions | Regional standards developed,<br>applied and monitored<br>Regional database maintained<br>Accreditation recorded                                       |
| Develop reporting system        | Promote consistency and broad coverage in data collection, reporting and traceability   | Forum to develop standards,<br>support development of national<br>databases and maintain regional<br>databases   |
| Address IUU issues              | National actions to promote<br>sustainability, management plans<br>and document supply chains;<br>MCS activity at LRFF sites  | Regional coordination to<br>prevent/reduce trans-boundary<br>IUU fishing and illegal trading<br>practices (RPOA IUU currently does<br>not cover LRFFT) |

Tsamenyi and Palma (2012) also identify a wide range of measures that would need to be undertaken to establish an effective and comprehensive management framework to address threats to the LRFFT in CTI countries. These, grouped under four areas of concern, are listed in **Annex 8**.

They also note that, "in undertaking the above measures, it is crucial for CTI countries to **encourage cooperation in the following areas".** These would also be central to the work of the Forum and need to be considered when developing the charter.

- Implementing CTI target objectives and programmes relating to the LRFFT, including developing specific goals and tasks for CTI members to undertake;
- Strengthening cooperation and collaboration between the source (CTI countries) and destination countries (exchange of information, for example);
- Developing a best practice code for CTI countries' LRFFT industries;
- Developing model fisheries provisions (or regulations) to apply to LRFF fisheries;

- Increasing cooperation with international government and non-governmental organizations involved in the study of LRFFT, such as WWF, the Nature Conservancy, TRAFFIC, the World Resources Institute, the Network of Aquaculture Centres in Asia-Pacific, the International Union for Conservation of Nature and the Secretariat of the Pacific Community;
- Collective participation in CITES meetings to promote the listing of threatened reef species(some grouper species, for example) and to strengthen the implementation of regulations for existing CITES listed species (humphead or Napoleon wrasse, for example);
- Study the harmonized application of CITES and other relevant international instruments on LRFFT management in the CTI region and exporting countries;
- Active involvement in international discussions promoting the development of international standards on LRFFT.

Table 3 : Core sustainability issues for the establishment of the LRFFT multistakeholder initiative

| Core sustainability issues drawn from the ToR for establishment of the LRFFT multi-<br>stakeholder initiative (assume within EAFM)   |   |  |
|--|---|--|
| Issue  | National and regional (RFB) actions to address  |  |
| Acknowledging the imbalance between demand and supply for wild LRFF, including juveniles for grow-out and proposing solutions to ameliorate this   | Research, monitoring and management at national level, sharing experiences and coordinating where necessary at regional level   |  |
| Advocate for the strengthening of current regulations on size at capture (i.e. size at maturity) for LRFF species and retention and grow-out of undersize fish;                                  | National regulation and enforcement   |  |
| Work with scientific/academic institutions to improve collection of statistical data on biology and socio-economic indicators and to improve management of data-poor fisheries such as the LRFFT | National data collection, development and application of local-scale management Sharing experiences and coordinating where necessary at regional level  |  |
| Work with stakeholders towards reducing direct<br>shipments of LRFF by sea from producing to<br>importing countries that infringe IUU fishing<br>regulations                                     | Monitoring/checking/licensing exports by sea at national level National fisheries regulations and enforcement Regional coordination amongst producers and importers of efforts to regulate trans-boundary IUU trade |  |

| Propose initiatives in support of reducing or proscribing shipments of CITES listed species through IUU channels   | Regionally coordinated action by producers and importers of efforts to regulate trans-boundary IUU trade in CITES-listed species |
|--|--|
| Support improved traceability of LRFF along the chain-of-custody   | National value chain and chain of custody studies to support traceability requirements   |
| Promote research into the "equitable" distribution of value or price along the chain of custody; reducing current high mortality of LRFF during consolidation and transport to markets | National research, with experience shared and regional standards for handling and transport developed                            |
| Facilitate and support activities that raise awareness on LRFFT sustainability issues amongst stakeholders   | National and regional awareness raising activities   |

#### 4.1.4 Roadmap for implementation of the regional forum

If accepted that the advisory RFB is the way to proceed, at least initially, then an implementation plan is needed for the regional forum, given that it is now a year since the Resolution was adopted. The following sequence of events is proposed. Some of these items were proposed at the IGF Forum in February 2013, and indeed SEAFDEC was charged with developing this roadmap (see earlier) but not all items have been actioned.

**Table 4 : Implementation Roadmap for CTI Live Reef Food Fish Trade Regional Forum** 

| Action/Task                  | Description/ Outcome   |
|------------------------------|--|
| Develop forum<br>charter/ToR | Develop by end of 3 <sup>rd</sup> quarter 2014, <sup>14</sup> in a meeting convened by SEAFDEC and supported by CTI-CFF Secretariat; Clear definition of Forum role, organizational and administrative requirements, and ToR developed by SEAFDEC prior to the meeting; links to national and local consultative fora, and processes clearly defined |
| Forum charter                | Approval by SOM early 4th quarter ?; convening first Regional Forum meeting before the end of 2014, possibly in association with EAFM TWG meeting  |
| Forum structure              | Included in charter but with SEADEC as Secretariat; size and work programme to be determined at first meeting  |
| Funding structure            | To be determined; may require donor support initially but in longer term by assessed member contributions  |
| Membership                   | Initially the six signatories of the Resolution plus PNG; involvement of other countries will be crucial as forum becomes operational — key issue to resolve   |

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 $<sup>^{14}</sup>$  This meeting was originally proposed for "before September 2013" but did not eventuate, for  $\,$  reasons unknown.

| Area of application        | Informal - as determined by membership and work programme, but likely to be CT region as core and expanded to adjacent areas as appropriate |
|----------------------------|---|
| Links with national bodies | This will be crucial but not formalized, and involving coordination and compatibility of measures   |
| Regional standards         | Promulgating and encouraging the voluntary adoption of regional standards and processes will be a key role for the Forum                    |
| Subsidiary bodies          | To be constituted as the Forum develops and as need develop   |

#### 4.2 National Fora

As noted, the Resolution proposes establishment of national for a, that is to "encourage each country to develop and establish local and national fora to promote information exchange, collaboration and continuous dialogue among all stakeholders". And as we have seen above, most priority actions under a regional forum will have a national focus. Muldoon (2013) synthesizes these actions already underway in each of the CT6 countries.

As far as is known, there has been limited progress in establishing these fora in the CT6. since the IGF directives in early February 2013. The exception is **Indonesia** which moved quickly to convene a meeting on February 25<sup>th</sup> 2013 to establish a national forum for the management of, and trade in live reef food fish in Indonesia. A draft concept proposal (Anon 2013) prepared several days after the meeting for circulation, outlines the vision and mission of the National Forum, its structure (Chairman from the private sector, Secretary (from the Government sector), Program Coordinator (from the private sector or NGO), regional (i.e. sub-national) level Program Coordinators (3 for western, central and eastern regions respectively) and mode of operation.

The primary role of the National Forum was agreed to be coordination of activities undertaken at regional level, promote broad membership from all sectors, finalize decisions by consensus, convene annual meetings, develop annual work plans and identify funding needs and sources. Unfortunately the convenor (and driving force behind the meeting) was administratively relocated soon after and there seems to have been no further action on the development of the concept proposal.

There is no template in the CT region for establishment of such national LRFFT fora. The earlier institutional consultancy (Fanli, 2012) recommended the use of the chamber of commerce and industry model for national fora, in recognition of the importance of involving both the supply and demand side of the trade. This concept was followed to some extent in the Indonesian national forum concept and may be a good model to continue pursuing.

Although most CT countries have a long involvement in various aspects of the LRFFT (see Muldoon (2013) for a summary), there is no national unifying body or forum in most national jurisdictions that could bring together all components and moving parts of the LRFFT in each country. An LRFF NPOA would provide a useful framework for such a forum, but these seem not to have been developed at national or even regional level even though there are LRFFT components within the RPOA.

The following options might be useful in the development of national fora, as encouraged by the February 2013 Resolution:

- Convene a meeting in each country to scope and develop a national LRFFT forum, possibly along the lines of the Indonesian concept, with broad participation and in the third quarter of 2014 if possible; involve as wide a range of stakeholders as possible.
- Concurrently undertake a review of not only the legislation (national, provincial) as it applies to all aspects of the LRFFT, but the extent and effectiveness of applicable laws at a national level. Tsamenyi and Palma (2012) have provided a very useful summary of legislation at national and international levels as it applies to the LRFFT, and the Philippines have done considerable work in this area.
- After reviewing all available information in the planning meeting, devise a suitable structure for the national forum, its membership, preliminary work plan and identify possible funding sources.
- The structure may involve regional (i.e. sub-national/provincial in this context) committees, as in the case of Indonesia (and see 4.3)

The LRFFT in each country has its own unique characteristics, history and experiences and amount of information available, which will influence the structure and working of the national forum. Establishment of these national fora, possibly in Indonesia, Philippines and Malaysia in the first instance will be vital to the success of the regional forum, as they will provide the experience, initiatives and information to be coordinated and shared by that forum. Their establishment therefore seems high priority if the regional forum is to gain any traction and efficacy.

#### 4.3 Local (sub-national/provincial/regional) fora

As noted, Indonesia proposed three regions in its concept proposal for the LRFFT national forum these being Eastern (Maluku, Papua, Nusa Tenggara), Central (Sulawesi, Java) and Western (Sumatra), across the very large area of the Indonesian archipelago where LRFF are harvested and traded. In other countries, the need for regional groupings within the national forum would depend on whether different production areas might offer different perspectives and features. In the case of the Philippines, Palawan/Calamianes/Balabac and the Sulu Archipelago (Tawi Tawi/ARMM) would seem two logical regions, with Samar and adjacent areas a third possibility. In Malaysia, with LRFFT production restricted to Sabah, there might be sufficient distinctive features, especially in the origins of trans-boundary LRFF Philippines trade, to separate Kudat/Sandakan from Semporna/Tawau.

Individual countries will make their own decisions as to how the national forum might best be structured, and if there is a need to have structure below the national level (i.e. local fora). It would seem best to leave it to individual countries to take the initiative on this, and hopefully in the third quarter of 2014, as suggested for the national fora.

#### 5. DISCUSSION

Establishing a CTI Forum on management of and international trade in coral reef-based organisms, as a regional action under the 2009 CTI Regional Plan of Action, has generally followed a logical and well thought-out path since 2010. This culminated with the CTI-CFF LRFFT Inter-Governmental Forum in early 2013, where a formal Resolution from that meeting called for collaboration through a regional Forum modelled after the RFMO and encouraged each CT country to develop and establish appropriate national and local fora, This was the most important outcome of that IGF and has cemented the basics for the establishment of the Forum. There was also agreement on how the forum should be established, with the support of CTI-CFF Regional Interim Secretariat, SEFADEC (designated as the Interim Secretariat) and USAID, and agreement on immediate next steps to bring the Forum into operation.

The current study has reviewed this process; examined progress made so far, and evaluated options for the consultative forum approach. It has also briefly considered the equally important issue of the need to establish national and local fora, to provide the basic inputs to the regional forum.

Despite the preference of the Inter-Governmental Forum for an RFMO-type model for the regional forum, this is not recommended as a realistic option by this present analysis. The process for the establishment an effective, functioning RFMO would be lengthy (up to 5 years to establish a "Convention" and an associated Commission or Permanent Secretariat) and costly. Just as pertinent is the complexity of the LRFF supply chain involving not only the supply and demand sides of the trade but the nature of business relationships between various supply chain actors, which raises many questions about the scope and structure of a possible LRFFT RFMO within this complex environment. There is also no clear international legal foundation for an LRFFT RFMO, as has been the case for other RFMOs recently developed. There may be a role for ASEAN in the process but that needs to be further explored. Finally, it would require a great deal of concerted political will at a high level along with a belief in the added value of such an organization in order to bring an LRFFT RFMO to fruition.

Based on the lack of progress on the current commitment to developing informal consultative regional and national fora thus far since 2009, the level of commitment required to foment an RFMO approach cannot be reasonably assumed. It is therefore recommended that the Regional Fishery Advisory body (RFB) model (Secretariat with non-binding outcomes) be

adopted initially. The concept of an RFMO-type body could be revisited later with the benefit of experience gained from the RFB and with expectations more realistically grounded.

Some of the decisions taken by the IGF to pave the way for the establishment of the Forum have already been actioned and good momentum appeared to have been achieved (e.g. the SEAFDEC Council endorsed the Resolution and authorized SEAFDEC to serve as Interim Secretariat for the regional forum), where it is assumed that SEAFDEC as a technical arm of ASEAN has reported to the ASEAN and ASEAN Plus Three (APT) mechanisms. Moreover, the USCTI Support Program provided for a study visit to Hong Kong/China focussed on opening a dialogue with the Hong Kong AFCD and other government agencies there to advance the LRFFT forum concept on the demand side.

The purpose of the meeting was to provide relevant officials of the Hong Kong Government with initial information regarding the LRFFT Intergovernmental Forum among and to learn about Hong Kong government's programs and priorities vis-à-vis LRFFT and explore entry points to discuss opportunities and expand this dialogue.

The AFCD provided an clear response to their role as an implementing agency for the Environment Bureau and Food Safety and Health Bureau's as well as limitations on their engaging in international collaborations on behalf of the governments of Hong Kong and/or Mainland China. Recommendations were proffered by the AFCD as to facilitating their involvement in this LRFFT initiative by deemphasizing the intergovernmental nature of the IGF and they types of cooperation and collaboration (i.e. Study tour) that would enable their closer involvement. A full account of meeting discussion and recommendations are summarized in **Annex 10.** 

On the other hand, it is unclear whether SEAFDEC has taken the lead on "drafting the roadmap, developing the terms of reference (ToR) and identifying the operational and administrative requirements of the Forum". By way of demonstration of that uncertainty, an initial LRFFT Regional Forum proposed to be held "before September 2013" as an immediate next step did not proceed. Also, an MoU formalizing cooperation between the CTI-CFF Regional Secretariat and SEAFDEC has not yet been concluded, presumably in view of the interim nature of the CTI-CFF Secretariat.

The 9<sup>th</sup> SOM in November 2013, in considering cooperation with SEAFDEC and its admission as a possible CTI partner, decided as follows to:

- Task the IRS to define, by 30 April 2014, a detailed Mechanism for Cooperation on fisheries and other shared interests between CTI-CFF and other international intergovernmental bodies ("Mechanism") like SEAFDEC and FAO;
- Task the IRS in consultation with the EAFM WG to finalize, in accordance with said Mechanism, the draft MOU between CTI-CFF and SEAFDEC for presentation at SOM10.
- Authorize the appropriate CTI-CFF organ to sign appropriate instrument of cooperation as defined in the Mechanism.

This was not anticipated by the 4<sup>th</sup> EAFM TWG, which had expected that the admission of SEAFDEC to the CTI partner group would be achieved at SOM 9.

As a result, the process of establishing the consultative LRFFT forum has stalled pending the formal approval of SEAFDEC (and FAO) as CTI partners, slated for SOM 10 in May 2014, after submission of a detailed mechanism of cooperation on fisheries and other shared interests and a draft MoU between SEAFDEC and CTI-CFF, the latter of which should have achieved Permanent Secretariat status by that time.

There is a need to re-energize this process, as it is now over 12 months since the completion of the IGF, with its clear guidance on the establishment of the Forum, and little progress has been made because of understandable bureaucratic and procedural issues. Despite these uncertainties, it is suggested that SEAFDEC should be moving ahead with the development of the ToR etc. for the forum, as originally envisaged, while of course the development of national and local fora can proceed independently at the discretion of national government with support from industry and NGO's. The Implementation time frame recommended earlier for the regional and national fora may still be able to stand and should continue to be encouraged and facilitated.

#### 6. RECOMMENDATIONS

In summary, this study recommends as follows:

- 1. That the RFMO model for the consultative regional forum is not appropriate at this time for a variety of reasons relating to time (and cost) required to develop and enter into force the necessary legal Convention as its foundation, the complexity of the LRFFT itself and the number of issues to be resolved before an RFMO could be considered. Reassurance would also need to be provided concerning the level of high level commitment and political will necessary to support the RFMO model going forward.
- 2. That the progress made to convene an inaugural forum in the "regional advisory body with Secretariat" format should be maintained, with SEAFDEC proceeding to be proactive in "drafting the roadmap, developing the terms of reference (TOR), and identifying the organizational requirements of the Forum", assuming that an MoU between CTI-CFF Secretariat and SEAFDEC will be approved and appropriate instruments of cooperation signed.
- **3.** That the national fora envisioned as key parts of the consultative forum process should be scoped and developed as soon as possible, preferably in the first half of 2014, and possibly involving Indonesia, Philippines and Malaysia in the first instance. These fora may have local sub-divisions as required.
- **4.** That the first regional forum be convened before the end of 2014, following all necessary approvals for partnership agreements, TOR, structure and functions, with national fora also having been convened and providing initial input to the first regional forum.

#### **USEFUL REFERENCES CONSULTED DURING THE STUDY**

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# **ANNEXES**

# Annex 1: Consultancy to evaluate options for a consultative forum on the LRFFT in the CT Region and adjacent areas

## **Scope of Work**

The work would be undertaken as desk study, reviewing review all information pertaining the need for a consultative forum incorporating all aspects of the LRFF fishery and the LRFT, and a summary of all previous initiatives and attempts to develop a forum.

The suitability and legal status of existing of existing regional organizations eg SEAFDEC, InfoFish as interim secretariat would be reviewed, along with relevant features of RFMOs, their origins, working and structure, and relevance to the LRFFT situation. Guidance would also be sought as to the appropriate legal basis or foundation for any LRFFT RFMO that might be proposed.

The primary geographic focus would be the CT6 (Indonesia, Malaysia, Philippines, Papua New Guinea, Solomon Is., Timor Leste) but also markets (Hong Kong,/PRC, Singapore etc) and consider implications for other non-CTI members currently with minor LRFF fisheries and signatories to the Resolution (Vietnam).

### **Deliverables**

The primary deliverables will be:

- 1. A short report (30 pages maximum) that
- 2. Outlines the relative merits of the two approaches (informal Consultative Forum, RFMO) or any other options as identified; and
- **3.** Provides preliminary recommendations on steps as to how a decision might be made and work might proceed in developing the forum in the recommended form.

# **Period of Consultancy:**

This Contract and Terms of Reference will be valid from Saturday, February 1<sup>st</sup>, for a period of seven (7) days of desk study. The report should be submitted and available for review by Friday February 28<sup>th</sup>.

(The submission date was amended in the final contract to  $7^{th}$  March, to enable legal consultation on aspects of the study, with further flexibility if required).

Annex 2: Excerpts from "Terms of Reference for the Establishment of a Live Reef Food fish Trade Multi-stakeholder Initiative for consideration by the CTI EAFM Thematic Working Group.

October 2011

# **Principles**

### A CTI multi-stakeholder forum:

- could be instigated by governments of the CT6 but should involve the markets and the private sector
- will have as its overarching goal improving the sustainability of the Live Reef Food Fish Trade in this region.
- will provide a venue for agreement on issues and impacts of the Live Reef Food Fish Trade and for developing collaborative solutions
- will provide a collective voice for interactions between CT6 producer countries and market countries and the non-CT private sector

### **General Terms of Reference for the Forum**

These Terms of Reference will require a consultative process in order to complete the following tasks:

- 1. An overview and confirmation of a common set of core sustainability issues (Annex 1) that could be addressed through multi-country, multi-stakeholder forums
- 2. A review of potential models for establishing multi-country, multi-stakeholder forums or roundtables that may be appropriate and or feasible to the Coral Triangle countries and that would promote the sustainability of the LRFFT. This would include:
  - a) Identifying a possible host institution(s) for the forum including;
    - Exploration of whether the host institution could be a government department or organisation affiliated to government or other existing body;
    - ii. The role of the host institutions role including but not restricted to provision of secretariat services such as forum coordination and administration,
  - **b)** Defining the membership structure and scope of the forum including:
    - i. Member requirements (i.e. association with LRFFT)
    - ii. Responsibilities for non CT6 governments and private sector entities for becoming a members of this multi-stakeholder group
  - c) Define the scope of activities of the group including but not limited to:

- i. Regularity of meetings or workshops in accordance with CTI policy;
- ii. Commissioning technical reviews and/or report;
- iii. Management of voluntary Standards of Best-Practice
- **3.** Work with CT6 countries to develop a process or mechanism by which technical outputs or recommendations can be shared with Regional Secretariat and National Coordination Committee (NCC)
- **4.** Undertake consultation with CT6 EAFM Focal points to develop a draft position paper on the content LRFT regional framework for review by the EAFM TWG
- **5.** Describe options for financially supporting the ongoing functioning of this forum (e.g. membership fees, government, agencies)

# **Annex 3: Proposal on the inaugural CT LRFFT forum**

# Proposal for Consideration by the EAFM TWG to Convene an Inaugural CT Live Reef Food Fish Trade Forum

(Accepted in part1 at the 2nd Formal CTI EAFM TWG Meeting, 25 May 2012, Putrajaya, Malaysia)

- 1. Acknowledging that Regional Action 2 under Target 4 of Goal 2 within the CTI Regional Plan of Action for the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security (CTI-CFF) calls for —establishment of a multi stakeholder forum (the —Forum!) to serve as an informal dialogue and partnership mechanism to share information and to advance a collaborative work programme on Live Reef Fish!;
- **2.** A **Terms of Reference** was developed for prosecution on behalf of the EAFM TWG to:
  - **2.1.** Identify a suitable Forum to bring together stakeholders in the regional live reef food fish trade (LRFFT);
  - **2.2.** Propose a multilateral legal framework to support the establishment of an appropriate institutional set-up; and
  - **2.3.** Develop an implementation plan for its establishment
- **3. Recognizing that** the overarching goal of the Forum is to improve sustainability of the live reef food fish trade regionally through dialogue, networking and technology and information transfer between its members and to create a venue for agreement and consensus; and that the;
- **4. Proposed forum model** needs to consider the economic environment in which the live reef food fish trade operates, the structure of the industry, the diverse ethnic and national backgrounds of its operatives and recognizing there is no immediate or compelling reason for them to come together
- **5. Accepting** the report tabled at this REX 3 has reviewed potential multi-stakeholder forum models and has proposed to the six (6) member countries for consideration an institutional structure that has national and regional groupings, a hosting institution that can offer regional coverage and has a fisheries business and marketing orientation and a roadmap for implementation; and
- **6.** *Pursuant* with Objective 1, Activity 2 of the EAFM Regional Framework that calls for the integration of EAFM into relevant sectoral plans and policies;
- 7. **It is recommended** that the EAFM TWG members agree to
  - **7.1.** Broader inputs being sought from industry and implementing agencies to finalize institutional structure, hosting arrangements and financial support and shared with the TWG members.

- **7.2.** Coordinate through their relevant agencies, country endorsement of the Forum and agreement on country participation in the Forum through a Memorandum of Understanding between ?? by the 3rd Quarter of 2013
- **7.3.** Participate on an inaugural forum to be convened at a future date to be set
- **7.4.** Utilize the Forum to achieve integration of EAFM into relevant sectoral plans and policies through activities such as
  - Formalizing the trans-boundary trade of LRFFT between CT6 countries
  - Engaging with buyers in Hong Kong and China
  - Improved data collection to support science-based decision making
  - Develop industry guidelines and standards

### **Annex 4: Resolution from the Inter-Governmental Forum**

# RESOLUTION

# on Sustainable Live Reef Food Fish Trade for the Southeast Asian and CTI-CFF Member Countries

We, country delegates from the fisheries ministries of the member states of the Coral Triangle Initiative on Coral Reef, Fisheries and Food Security (CTI-CFF) and the Southeast Asian Fisheries Development Center (SEAFDEC) who participated in the Live Reef Food Fish Trade (LRFFT) Inter-Governmental Forum held in Bangkok, Thailand on 31 January and 1 February 2013

**Guided** by the CT-CFF Regional Plan of Action:

**Acknowledging** the importance of LRFFT as a significant economic activity with huge impacts on the region's valuable reef ecosystems and the food security of people who depend on fisheries for livelihood;

**Recognizing** that most major LRFFT species have been categorized as by the International Union for the Conservation of Nature as near-threatened, vulnerable or endangered;

**Noting** that the LRFFT continues to spread across the region, largely in response to declining supply, and that supply cannot keep up with demand:

**Conceding** that supply and demand problems cannot be solved simply by mariculture and aquaculture because mariculture/aquaculture and capture fisheries are highly interrelated and interlinked:

**Understanding** the complexity of the trade and its trans-boundary nature;

**In response to** the challenges to sustaining the trade and its resource base and the opportunities for achieving sustainability in the long term:

**DO HEREBY RESOLVE,** without prejudice to the sovereign rights, obligations and responsibilities of the countries under relevant international laws and agreements, to:

- 1. Establish Marine Protected Areas (MPAs) that may involve the following actions in support of LRFF:
  - Identification of spawning aggregations and other trans-boundary ecosystems that may be included in the Coral Triangle Marine Protected Area System (CTMPAS)
  - Establishment of fish refugia to protect LRFF species both inside and outside MPAs

- 2. Develop Accreditation System that includes incentives/disincentives designed to encourage LRFF suppliers/traders to follow sustainable and fair trade practices. To complement the system, each country may:
  - Establish a network of cyanide testing laboratories to detect violations and promote compliance
  - Identify and collaborate with independent bodies to monitor and check LRFF exports and to complement the Government's regulatory system
  - Designate export hubs for shipment of LRFF to simplify trade and streamline regulation
  - Consider, among others, the following conditions for accreditation: a) Proof that export commodity comes from sustainable sources; b) Proof of sustainable management of reef ecosystem; c) Certificate of compliance issued by an independent body designated to monitor and check LRFF; d) Permit from designated shipment hubs
- 3. Consider developing and establishing necessary and appropriate reporting system to promote consistency in data collection, reporting processes and traceability. The basic information may include species, date caught, size, fishing area, and others as may be required.
- **4.** Address IUU issues related to LRFFT15 in respective countries and extend cooperation to prevent trans-boundary IUU fishing and illegal trading practices.
- 5. Promote collaboration amongst participating countries through a regional forum modelled after the Regional Fisheries Management Organization (RFMO) and encourage each country to develop and establish appropriate local and national fora to promote information exchange, collaboration and continuous dialogue among all stakeholders..

The Parties likewise agreed to designate SEAFDEC as the Interim Secretariat with support from CTI-CFF Regional Secretariat and the US CTI Support Program

Done thus 1st Day of February 2013 at Centrepoint Hotel, Bangkok, Thailand

(Signatures on behalf of Indonesia, Malaysia, Philippines, Solomon Islands, Timor Leste and Vietnam, with two witnesses)

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 $<sup>^{\</sup>rm 15}$  Consistent with parties' obligations under RPOA-IUU

**Annex 5:** List of current regional fisheries management organizations

| Tuna RFMOS (5) |                       |                                      |   |
|----------------|-----------------------|--------------------------------------|---|
| RFMO           | Area of Competence    | Focus                                | Enabling legal basis, date established                            |
| IATTC          | Eastern Pacific Ocean | Tuna and assoc<br>species            | IATTC Convention (1949), replaced by<br>Antigua Convention (2010  |
| ICCAT          | Atlantic Ocean        | Tuna and tuna-like spp               | Convention 1966   |
| IOTC           | Indian                |                                      | IOTC Agreement 1993, UN Agreements                                |
| CCSBT          | Southern Ocean        | Southern Blue-fin<br>tuna            | Convention for the Conservation of Southern<br>Bluefin Tuna, 1993 |
| WCPFC          | WCPO                  | Highly migratory species & assoc spp | Convention, consistent with UNCLOS and UNFSA (2004)               |

| Other (13) |                           |                                       |   |
|------------|---------------------------|---------------------------------------|---|
| RFMO       | <b>Area of Competence</b> | Focus                                 | Enabling legal basis, date established              |
| SPRFMO     | South Pacific             | High seas fishery resources           | Convention adopted 2009, entry into force 2012      |
| IWC        | Antarctic                 | Whales                                | International Convention 1946                       |
| CCAMLR     | Antarctic                 | Krill (keystone species) & other spp. | Antarctic Treaty 1962                               |
| CCBSP      | Central Bering Sea        | Alaska Pollock                        | 1996  |
| IPHC       | North-east Pacific        | Pacific halibut                       | 1923  |
| PSC        | North Pacific             | North Pacific salmon                  | 1985  |
| NPAFC      | North Pacific             | Anadromous fish                       | 1993  |
| GFCM       | Mediterranean             | Area, international fisheries         | 1952  |
| NAFO       | North-west Atlantic       | Area, international fisheries         | 1979  |
| NEAFC      | North-east Atlantic       | Area, international fisheries         | 1982  |
| SEAFO      | South-east Atlantic       | Area, international fisheries         | 2003  |
| NASCO      | North Atlantic            | North Atlantic<br>salmon              | 1983  |
| SIOFA      | South Indian Ocean        | Non –hms stocks eg<br>orange roughy   | Southern Indian Ocean Fisheries<br>Agreement (2006) |

# Annex 6: Relevant details of the South Pacific Regional Fisheries Management Organization (SPRFMO)

| Legal basis         | Convention on the Conservation and Management of High Seas Fishery Resources in the South Pacific Ocean.   |
|---------------------|--|
|                     | Relevant international law as reflected in \the United Nations Convention on the Law of the Sea of 10 December 1982, the Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks of 4 December 1995, the Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas of 24 November 1993 and taking into account the Code of Conduct for Responsible Fisheries adopted by the Conference of the Food and Agriculture Organisation of the United Nations at its twenty eighth session on 31 October 1995 |
| Objective           | Through the application of the precautionary approach and an ecosystem approach to fisheries management, to ensure the long-term conservation and sustainable use of fishery resources and, in so doing, to safeguard the marine ecosystems in which these resources occur.  |
| Area                | The Convention applies to waters of the Pacific Ocean beyond areas of national jurisdiction in accordance with international law; (mostly South Pacific Ocean, but north to $10^{0}$ N, west to $120^{0}$ E south of Australia, south to $60^{0}$ S and east to $67^{0}$ W   |
| Members             | Australia, Belize, Republic of Chile, People's Republic of China, Cook Islands, Republic of Cuba, European Union, Kingdom of Denmark in respect of the Faroe Islands, Republic of Korea, New Zealand, Russian Federation, Chinese Taipei and the Republic of Vanuatu   |
| Other participation | CNCPs (Cooperating Non-Contracting Parties) – 6, including USA IGOs – six, including FAO, IATTC, FFA, CCAMLR NGOs – 7, including WWF   |
| Basic<br>Documents  | Convention, Rules of Procedure, Financial Regulations, Rules for Cooperating Non-Contracting Parties (CNCPs)   |
| Structure           | Secretariat (Wellington NZ) with small staff (4) initially;  |

| Subsidiary     | Scientific Committee, Compliance and Technical Committee, Eastern Sub-Regional                         |
|----------------|--|
| bodies         | Management Committee, Western S-R MC, Finance and Administration Committee                             |
| Budget         | \$822,000 for FY 2014-15   |
| History of     | Series of international consultations (November 2006-November 2009);                                   |
| development    | Convention adopted November 2009, corrected April, 2010;   |
|                | Preparatory conferences (3) July 2010 – February 2012 (Science Working group and                       |
|                | Data and information Working Group); Interim Management Measures adopted                               |
|                | Convention closed for signature 3 January 2011, entered into force 24th August 2012                    |
|                | First meeting of Commission 28 January -1st February 2013, La Jolla, CA.                               |
|                | Second Commission Meeting 27 <sup>th</sup> -31 <sup>st</sup> January 2014, Manta, Ecuador; adopted CMM |
|                |  |
| Key provisions | Compatibility, SIDS  |

# Annex 7: Details of SEAFDEC and Infofish as examples of fisheries bodies in the region

# 1. Southeast Asian Fisheries Development Center (SEAFDEC)

The Southeast Asian Fisheries Development Center (SEAFDEC) is an intergovernmental organization established in December 1967 for the purpose of promoting sustainable fisheries development in the region. Member Countries are Brunei Darussalam, Cambodia, Indonesia, Japan, Lao PDR, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam. Representing the Member Countries is the Council of Directors, the policy-making body of SEAFDEC. The chief administrator of SEAFDEC is the Secretary-General whose office, the Secretariat is based in Bangkok, Thailand.

- Strategic Partnership with ASEAN since 2007
- In achieving the objectives and mandate of the Center, four technical Departments were established to undertake various technical disciplines of fisheries, namely
- Training (established 1968, focus on modern fishing techniques)
- Marine Fisheries Research (established in 1969, post-harvest technology and processing)
- Marine Fishery Resources Development and Management (established 1992, conservation and management, biological studies, resource assessment etc)
- Aquaculture

### 2. INFOFISH

INFOFISH (Intergovernmental Organization for Marketing Information and Technical Advisory Services for Fishery Products in the Asian and Pacific Region) was initially established as an IGO in 1981 as a regional project of the FAO covering the Asia-Pacific region and based in Kuala Lumpur, Malaysia. Established as an intergovernmental organization under a convention which was adopted at a conference convened by FAO in Kuala Lumpur in 1985 and which entered into force in March 1987.

# The objectives of INFOFISH are:

To enable the fisheries of its government partners to develop in accordance with current and future market demand and to take full advantage of the potential offered by their fishery resources, to contribute to the upgrading and modernization of fisheries of the Contracting Parties; to contribute to more balanced supplies of fishery products to the Contracting Parties; to make the best use of export opportunities within and outside the Asia and Pacific region; and to promote technical and economic cooperation among its various partner countries.

Towards this end, INFOFISH provides to its Members marketing information on fishery products, including sales opportunities and supply prospects within and outside the Asia and Pacific region, advices on technological developments, product specifications, processing methods and quality standards in accordance with market requirements, assists in developing new products and marketing opportunities for fishery resources that are not fully utilized for human consumption, assist in the planning and implementation of national fish market information and research activities in Member Countries; and trains staff in governments, institutions and industry in marketing development and strengthen national institutions involved in this field.

It is now mainly dependent mainly on its own income-generating activities and annual contributions provided by member governments. In addition to providing market information and intelligence, INFOFISH has been remarkably successful in organizing business conferences for different fishery industry groups.

# Annex 8: Options for the Sustainable Management of the LRFFT (Tsamenyi and Palma, 2012)

# For the capture of live reef food fish (LRFF), measures may include

- Developing fisheries management plans for LRFF, taking into account existing fishing rights and the application of key principles such as use of best scientific evidence available, precautionary principle, environmental impact assessment and EAF;
- More effective data collection and periodic assessment of biological status and ecosystems of reef fish;
- Establishing licensing systems to control access to fisheries;
- Prohibition or limits on the amount, species covered and sizes of fish that may be caught;
- Stronger controls on destructive fishing methods;
- Regulations or bans on targeting spawning aggregations or fish in aggregation sites;
   targeting or retaining immature fish; taking endangered species; and minimizing bycatch;
- Introducing measures to minimize the risk of supplying fish carrying toxins, causing food-borne illnesses:
- Monitoring fishing activities through reporting requirements, observer programmes and, if applicable, vessel monitoring systems.

# In terms of **LRFF aquaculture**, management measures could include:

- Preference for hatchery-reared fry and fingerlings;
- Introducing conditions that harvesting of wild-caught fry and fingerlings can only occur when it does not damage or negatively impact the sustainability of wild stocks;
- Compliance with applicable international and regional instruments and standards on LRFF aquaculture (food safety and quality and use of chemicals, for example);
- Minimizing post-capture mortality of wild-caught juveniles;
- Effective farm and fish health management practices that minimize risk of spread of fish pathogens;
- Sustainable sourcing of fish feed;
- Selection of aquaculture sites for LRFF that minimize interference with other coastal resource users and damage to habitats;
- Effective waste control and effluent management, and minimization of negative environmental impact.

# Measures for the handing and transport of LRFF could include:

- Rules to make sure transhipment only occurs in designated areas unless other authorized monitoring arrangements are in place.
- Developing best practices to ensure that handling, holding and distribution facilities are designed, operated and maintained to keep LRFF in optimum condition to reduce waste, losses and spread of pathogens;
- Stricter regulations for the transport of live fish, such as using air-only modes of transport, or adopting equivalent and tighter controls in air and at sea transport.

# CTI members should consider the following methods with respect to **trade and consumption of LRFF**

- Providing fish health certificates for each shipment of fish;
- Strengthening the licensing system to control the trade of LRFF, including terms and conditions such as a ban or limits on the amount, species covered, and sizes of fish that may be caught;
- Establishing a registration system for active and legal traders;
- Creating a legal requirement for export and import businesses to source fish supplied in accordance with international, regional and national standards on LRFF;
- Applying traceability programmes to ensure that LRFF shipments can be identified as either wild-caught or cultured, and traced back to their country of origin.
- Promoting responsible seafood consumption in import countries, so people buy and consume fish supplied according to international and regional standards;
- Ensuring fair trade returns for local stakeholders.

CTI countries could also set up other programmes encompassing various aspects of LRFFT such s establishing an LRFF fishery; trade monitoring activities; public information campaigns; incentive programmes promoting sustainable LRFFT and compliance; and effective enforcement of LRFFT-related regulations at national and local levels.

# **Annex 9:** Chronology of Events – CTI Consultative Forum Development

| Date      | Event/publication  | Issue  |
|-----------|--|--|
| 1995      | Environmental, Economic and Social Implications of the Live Reef Fish Trade in Asia and the Western Pacific, A study for the Nature Conservancy.   | "Seminal report"which stimulated interest in LRFFT   |
|           | Johannes, R. E. and M. Reipen  |  |
| 1997-2011 | SPC Live Reef Fish Information Bulletin 1-20   | (useful participatory information forum which has tapered off recently)  |
| 1999      | Fishing for solutions: Can the live trade in wild groupers and wrasses from SE Asia be managed? TRAFFIC, SE Asia                                   | Initial (or one of the first) airings of transboundary and national management issues in a single-issue international forum  |
| 2003      | While stocks last – The Live Reef Food Fish Trade Sadovy et al., ADB   | Review of all aspects of the trade; Institutional aspects: "Missing is a coordinating body to distil the information, minimize duplication of effort and act as both a promoter & watchdog on the trade" |
| June 2007 | The LRFT in the SSME – Trade Scoping Study G. Muldoon, for WWF   | Authoritative and comprehensive; focus on Malaysia, Philippines and Indonesia (although much of Indonesia outside SSME)  |
| May 2009  | CTI RPOA – approved in Manado 2009 as CTI launched, and after several years of discussion, formulation of NPOAs and RPOAs                          | Goal 2 (EAFM fully applied), Regional Action 2 Target 4, to "Establish an informal CTI Forum on Management of and International Trade in Coral Reef-Based Organisms"                                     |
| Dec 2009  | "Towards a More Sustainable Live Reef Food Fish Trade in the<br>Coral Triangle, Hong Kong (Muldoon, Cola and L-P Soede) WWF<br>1st Reg Workshop HK | Further elaboration of key sustainability and trade issues   |
| Jan 2010  | LRFT – aquaculture. NACA report  | Update on LRFF aquaculture developments especially groupers  |

| Date       | Event/publication  | Issue   |
|------------|--|---|
| June 2010  | A Report On The Possible Development and Implementation of A Live Reef Food Fish Trade Certification & Accreditation Program. (P. Scott) | Not widely taken up, but will be revisited.   |
| Oct 2010   | 1 <sup>st</sup> REX on implementation of EAFM; Kota Kinabalu   | Round Table leading to Forum; identification of science needs, application of EAFM etc.; recommended formation of CTI Forum to SOM? plans formation of TWG within EAFM WG |
| March 2011 | Final Report for Workshop on Market-based improvements in the LRFFT, APEC/WWF Bali   | Good coverage of trade issues, certification, standards etc   |
| Sept 2011  | 2nd REX on implementation of EAFM, Kota Kinabalu   | Policy and legal framework for EAFM; EAFM TWG established, with roadmap; ToR for a CTI-LRFF Multi-stakeholders Forum approved.  |
| Sept 2011  | 1st formal CTI EAFM TWG Meeting Kota Kinabalu  | ToR for the TWG approved, and ToR for a CTI-LRFF Muti-stakeholder forum approved (presented by G Muldoon)   |
| May 2012   | 3 <sup>rd</sup> Regional Exchange on implementation of EAFM Putrajaya,<br>Malaysia   | Framework and guidelines for EAFM; further development of CTI-LRFF Multi-stakeholder forum  |
| May 2102   | 2nd CTI EAFM TWG meeting   |   |
| June 2012  | Legal and policy gaps in the management of the LRFFT in the Coral Triangle Region M. Tsamenyi and M A Palma                              | Measures for sustainable management of LRFFT identified and national provisions detailed.   |
| May 2012   | Proposal for a multi-stakeholder forum on the LRFT – Final<br>Report - Fanli Marine and Consultancy                                      | Three-level structure; Infofish recommended as most suitable Secretariat because of commercial/trade links and wide membership  |

| Date                    | Event/publication  | Issue  |
|-------------------------|--|--|
| Jan-Feb<br>2013         | LRFT Intergovernmental Forum Bangkok                           | Resolution on sustainable LRFFT for the SE Asia and CTI-CFF member countries; 5 resolutions, SEAFDEC proposed as interim Regional Secretariat, RFMO model for forum; national fora |
| April 2013              | 45 <sup>th</sup> Meeting of SEAFDEC Council, Cebu, Philippines | Authority for SEAFDEC to serve as Interim Secretariat for the LRFFT Regional Forum with support from CTI-CFF IS and US CTI-SP.   |
| May 2013                | 3rd CTI-CFF EAFM TWG Bali                                      | Convened in lieu of a 4 <sup>th</sup> CTI Regional Exchange on EAFM; focus on regional EAFM issues; report on the Inter-Govt Forum on LRFFT  |
| Nov 2013                | 4th CTI-CFF EAFM TWG Manila                                    | WWF requested to undertake current study on options for a Consultative Forum given concerns re interim CTI-CFF IRS   |
| Nov 2013                | 9 <sup>th</sup> Senior Officials Meeting Manila                | SEAFDEC (and FAO) considered for partnership agreement with CT-CFF IRS; decision deferred to 10 <sup>th</sup> SOM  |
| (April 2014)            | CTI-CFF Interim Regional Secretariat                           | To define, by 30 April 2014, a detailed Mechanism for Cooperation on fisheries and other shared interests between CTI-CFF and other international inter-governmental bodies        |
| (May 2014)              | Establishment of permanent CT-CFF Regional Secretariat, Manado | Recruit Director, ratify establishment agreement, and launch the operationalization of the permanent Regional Secretariat  |
| (May 2014)              | 10 <sup>th</sup> Senior Officials Meeting, Manado              | Finalize draft MoU between CTI-CFF and SEAFDEC and sign instruments of cooperation   |
| (before end<br>of 2014) | First LRFFT Regional Forum held before end of 2014?            |  |

# Annex 10: Summary of the Discussion on "Opportunities for Dialogue on Sustaining the Live Reef Food Fish Trade"

# 1 August 2013, Hong Kong

### SUMMARY OF THE DISCUSSION

### 1. Role of Agriculture, Fisheries and Conservation Department (AFCD)

AFCD is an implementing agency of policies adopted by the Environment Bureau and Food Safety and Health Bureau. Regulations are promulgated by either of these Bureaus and enforcement is within the domain of AFCD where it is mandated to do so by such policy.

# 2. One Country, Two Systems

Hong Kong and China adhere to a one country, two systems governance framework. In instances where international cooperation involves intergovernmental relations, *i.e.* treaties, *e.g.* CITES, CBD, involving other sovereign states, this has to go through Beijing, then, pass on to Hong Kong if deemed required or appropriate. Such that in the case of CBD, the Hong Kong government has set up interagency mechanisms (technical working groups) to clarify plans and programs to implement the CBD targets for Hong Kong. In the same way, AFCD enforces regulations to protect species covered under CITES as part of Hong Kong government's policy pursuant to its commitment the said Convention.

On the other hand, Hong Kong can directly participate in international collaboration where membership involves countries, academe and non-governmental organizations, *e.g.* APEC, WTO, NACA (Network of Aquaculture Centres in Asia-Pacific.) These types of cooperation can be acted upon by Hong Kong government separately (and independently) from the People's Republic of China.

### 3. Program Priorities

AFCD noted that its priorities are programs related to the implementation of CITES, CBD and sustainable fisheries in Hong Kong. Among the fisheries management programs and policies currently implemented are: banning of trawl since December 2012; implementation of registration system with the view of limiting fishing effort in Hong Kong; provision of cash subsidies, vocational training, technical assistance to local fishermen to switch to more sustainable livelihood.

In all cases, it was emphasized that AFCD is restricted to implementing the policies of the Environment Bureau and Food Safety and Health Bureau, and also that its operations and activities require an appropriate vehicle, whether an international treaty or other legal convention to which China and/or Hong Kong are signatories and committed, and this would apply to any engagement related to the LRFFT.

### 4. Potential LRFFT Involvement

In terms of LRFFT, there are two tracks by which Hong Kong government can be engaged: One is via administrative route by which AFCD can participate in a per activity level such as information sharing *i.e.* statistics on LRFFT imports, consumer education, aquaculture technology. This is much easier and within the realm and mandate of AFCD. This needs to be tied up however with the current program priorities of the Department. AFCD noted that Hong Kong is a responsible member of the conservation community and willing to do its share provided the LRFFT cooperation fits within its mandate and priorities.

The other is through statutory route in which case, an ordinance or law needs to be passed if the intent is to "regulate or control the trade" and sanctions has to be enforced. The latter needs some degree of rigor and concrete actionable proposals before Hong Kong government passes legislative policy on LRFFT. This is a policy level track, hence beyond the mandate of AFCD. Relevant bureaus need to be engaged in the discussions if this track is to be pursued.

# 5. Proposal

A few recommendation and refinements are suggested to be further explored by the team which includes the following:

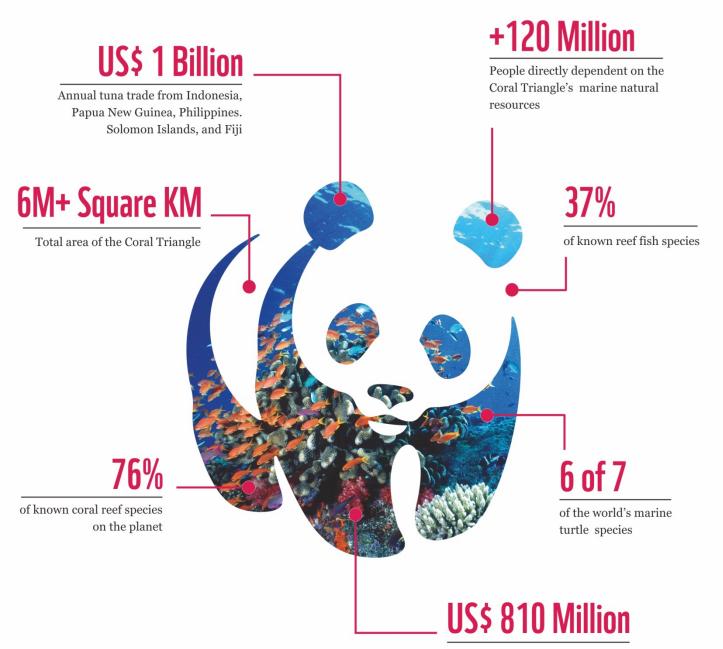
- 1. Repackage the concept note to deemphasize the intergovernmental nature of the forum and tie up the LRFFT to CITES, CBD and other relevant international commitments. AFCD is not comfortable in branding this activity as intergovernmental (if AFCD has to participate) as this is beyond their mandate. Hong Kong government still has no policy on LRFFT, so would be good to put the CITES, CBD angle into the concept note.
- 2. Conduct study tour with an informal forum/dialogue/roundtable discussion with stakeholders including AFCD for them to share its programs, activities and statistics relative LRFFT imports. Agenda can be jointly developed with WWF HK and AFCD with Mr. CW Cheung and Ms. Li (Louise) as the points of contact respectively.
- 3. Invite appropriate policy level people (Bureaus) from Hong Kong government during the informal forum/dialogue/roundtable discussion. The informal forum/dialogue/roundtable discussions may draw out policy priorities or recommendations for Hong Kong and CTI countries to pursue individually and collectively including a potential cooperative undertaking.

# 6. Follow-up Actions

Following a debriefing meeting with the team (SEAFDEC, WWF, US CTI), the following follow-up actions are agreed:

- 1. SEAFDEC to send a thank you letter with meeting notes to AFCD confirming next steps and AFCD point of contact (Ms. Louise);
- **2.** Revise the concept note to incorporate the recommendations suggested above redesigning the activity more as a study tour with informal dialogue; and
- **3.** Where appropriate, explore communicating LRFFT issues through diplomatic channels (Chinese embassies) in each CTI country to raise this back to the country and respective agencies for response.

# The Coral Triangle in numbers



Annual regional trade in live reed food fish in Asia-Pacific



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