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RENEGOTIATING THE SOUTH PACIFIC TUNA TREATY: CLOSING LOOPHOLES AND PROTECTING U.S. INTERESTS

HEARING

BEFORE THE

SUBCOMMITTEE ON ASIA, THE PACIFIC AND THE GLOBAL ENVIRONMENT

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

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RENEGOTIATING THE SOUTH PACIFIC TUNA TREATY: CLOSING LOOPHOLES AND PROTECTING U.S. INTERESTS

WEDNESDAY, SEPTEMBER 22, 2010

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIA, THE PACIFIC
AND THE GLOBAL ENVIRONMENT,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 1:40 p.m., in room 2172, Rayburn House Office Building, Hon. Eni F.H. Faleomavaega (chairman of the subcommittee) presiding.

Mr. FALEOMAVAEGA. The hearing will come to order. This is the hearing of the Committee on Foreign Affairs, specifically the Subcommittee on Asia, the Pacific and the Global Environment. The topic for discussion this afternoon is Renegotiating the South Pacific Tuna Treaty: Closing Loopholes and Protecting U.S. Interests.

I am very, very pleased and honored to have two gentlemen who, in my humble opinion, are very much familiar with the issue that we are going to be discussing this afternoon, and I do want to recognize them before they give their testimony. My good friend, the ranking member, unfortunately, is tied up with other hearings and commitments. So we are going to go ahead and push on.

Our first witness that we have this afternoon is Mr. William Gibbons-Fly, the Director of the Office of Marine Conservation, in the Bureau of Oceans and International Environment and Scientific Affairs at the Department of State. Mr. Gibbons-Fly has 25 years of direct involvement in the development, negotiation, and implementation of international environmental and oceans policy. His previous positions included 4 years as Deputy Counsel for Environment, Science and Technology at the U.S. Embassy in Mexico City; 5 years dealing with issues at the U.S. National Oceanic and Atmospheric Administration, where he coordinated all NOAA participation in a wide range of international scientific, technical and organizational agreements.

Over the past 20 years, Mr. Gibbons-Fly has been at the forefront of discussions and negotiations for international fisheries management in the Pacific Ocean. He previously served as a U.S. Commissioner of the Western and Central Pacific Fisheries Commission; past chairman of the Inter-American Tropical Tuna Commission, or IATTC; and representative of the State Department at the Western Pacific Regional Fishery Management Council. He is currently leading the U.S. negotiating effort to extend the Multilat-

eral Treaty on Fisheries between the governments of certain Pacific Island States and the Government of the United States, commonly known as the South Pacific Tuna Treaty.

Mr. Gibbons-Fly holds a master's of international affairs from George Washington University and a bachelor's degree with honors from the University of California in Santa Barbara. He is a career executive with the Senior Foreign Service. He is the recipient of numerous honors and awards. And I am very, very happy to have him join us at this hearing.

Also with us this afternoon is Mr. Smith, who was formerly with the Office of U.S. Trade Representative, USTR, where he was the Director for International Environmental Policy and Multilateral Environmental Agreements some 4 years ago. He joined the USTR in 2002 as Deputy Director of the Office of the Americas. Prior to that he had many years of experience at the Department of Justice and in private practice. He has led various U.S. delegations in negotiating international negotiations, including, for example, the U.S.-China Bilateral Agreement on Combating Illegal Logging and the environmental chapter of the Free Trade Agreement between the U.S. and the Republic of Korea. His particular talent is to develop creative strategies for making U.S. trade and environmental policies mutually supportive and to work with U.S. trade partners.

Mr. Smith holds a bachelor's degree from Yale University and also a juris doctorate from the University of Michigan.

Gentlemen, welcome to the hearing. And I would like at this time for Mr. Gibbons-Fly to start our hearing. And, without objection, both of your statements will be made a part of the record, and any other extraneous materials that you wish to be added will be made a part of the record as well. You are more than welcome.

Mr. Gibbons-Fly.

STATEMENT OF MR. WILLIAM GIBBONS-FLY, DIRECTOR, OFFICE OF MARINE CONSERVATION, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENT AND SCIENTIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Mr. GIBBONS-FLY. Thank you, Mr. Chairman. And it is a great pleasure to be here to see you again to testify before this committee and to have the opportunity to update you on the status of our ongoing efforts to extend the South Pacific Tuna Treaty, along with some related issues.

Before I begin, let me say, I am very pleased to be joined by Mr. Smith this afternoon from NOAA. The Department of State works closely with a number of NOAA offices in the implementation of the treaty. In particular, the NOAA fisheries' Pacific Islands regional office in Honolulu and its field station in your district, Mr. Chairman, in Pango Pango work closely with us, and they manage the day-to-day implementation of the treaty. And the implementation of this treaty would simply not be possible without support that we get from NOAA on an ongoing basis, and we very much appreciate that. Nor would the implementation of the treaty be possible without the support and participation of the American Tuna Boat Association and the U.S. vessel owners and operators that comprise the U.S. tuna purse seine fleet. So I want to recognize them at the outset.

Since my last testimony, Mr. Chairman, we have had two negotiating sessions with the Pacific Island parties. October of last year in Honiara, Solomon Islands, and in July of this year in Honolulu. Our annual treaty consultations, which took place on the island of Niue in March of this year, also provided an opportunity to exchange views on issues related to the treaty negotiations.

Even so, Mr. Chairman, I need to report to you that the status of these negotiations is much the same as it was when I last testified before you in April 2009. The negotiations are complicated by a number of issues which I will touch on, and the outcome of those negotiations at this time remains uncertain.

To begin, Mr. Chairman, there is still a question as to whether the Pacific Island States continue to attach the same value to the treaty as they have in the past. Right now the industry licensing fees paid under the treaty and the associated U.S. Government economic assistance provide approximately $25 million a year to the Pacific Island parties. There is a sense among the Pacific Island parties that this figure is too low, given the value of the resources and the increasing level of fees and assistance provided by other states with fleets operating in the region.

It is important to the United States that the Pacific Island parties get fair value for these resources. Throughout its history the treaty has provided a higher economic return to the Pacific Island States than any other agreement in the region. We expect this to continue to be the case, should the treaty be extended. If the Pacific Island States believe the current level of compensation under the treaty is not sufficient, we have requested that they provide us with their estimate of today's value of the treaty, should it be extended at something close to the current terms and conditions. But to date, Mr. Chairman, we have received no such proposal from their side, but we are hopeful that something might be forthcoming.

Another key issue, Mr. Chairman, is the extent to which under an extended treaty the U.S. fleet would operate under the Vessel Day Scheme developed by the parties to the Nauru Agreement. We have sought to make clear that the United States is not opposed to considering the application of the Vessel Day Scheme to the U.S. fleet, but before proceeding, we need a better explanation of the scheme than we have received to date.

For example, we have asked for an up-to-date document that reflects the rules of the Vessel Day Scheme as it is currently being implemented. There is no document that can currently be shared with us; nothing, in fact, in writing to tell us what the rules of this program are at the present time. We have asked if any of the PNA member countries have published regulations or guidelines describing how the scheme is being implemented in their own countries. And again, the answer is "no." We are told that all PNA members are implementing the Vessel Day Scheme through their bilateral agreements; but these agreements are not available, so there is no way to confirm this. The only bilateral agreement that, to our knowledge, is in the public domain is the agreement between the European community and the Solomon Islands. That agreement, Mr. Chairman, contains no reference to the Vessel Day Scheme or to any related concept. Further discussions with representatives in

other countries have confirmed that there is no uniform or consistent application of the Vessel Day Scheme across countries and fleets.

So as you can imagine, Mr. Chairman, it is almost impossible for us to negotiate under these circumstances when we don't know what we are being asked to agree to. If the PNA and the FFA more broadly are interested in working cooperatively with the United States to develop a workable, well-defined and transparent Vessel Day Scheme to be applied to all fleets seeking access to fish in the region, we have been and continue to be open to those discussions. But, Mr. Chairman, those discussions would require a somewhat different approach on the part of the PNA members than we have seen to date.

A third key issue, Mr. Chairman, is the aspirations of these small island developing states to gain benefits from the fishery resources under their jurisdiction and the industries that they support. This is an issue to which the United States attaches significant importance, and we will be seeking to learn more about the specific proposals from the FFA members on these matters as our discussions continue.

My written testimony, Mr. Chairman, notes some additional issues that I will not mention here in the interest of time, but they are reflected in the written testimony.

With the remainder of my time, I would like to take just a minute to discuss the very critical issue of conservation of tuna resources in the Pacific and how the treaty relates to those efforts.

Mr. Chairman, as you well know, there are very strong indications that the level of fishing efforts on some species of tunas in the western and central Pacific exceeds levels that are sustainable in the long term. This is particularly true for bigeye tuna and, to a lesser extent, yellowfin tuna as well. If we are to address the issues of long-term conservation and sustainability of the region's fish stocks, we must find a way to limit and eventually reduce the number of vessels operating in the region.

Our longstanding position has been that when the coastal states and the fishing states of the region are prepared to enter into serious negotiations to achieve a real reduction in the level of the fishing effort in the region, the United States will not only participate in that effort, but will work actively to bring such negotiations to a successful conclusion. In doing so we have made clear that we will be prepared to accept a fair and equitable share of any reduction in fishing effort, including by the U.S. tuna purse seine fleet.

And yet, Mr. Chairman, this is not what we see happening. The number of purse seine vessels continues to increase each year, seemingly without limit. We understand there are plans to bring up to an additional 40 vessels into the fishery in the next 3 to 4 years, and as a result, we see little to be gained if any reductions that would accrue as part of the U.S. fleet would simply be offset or more than offset by this continuing increase in the level of our efforts, especially when many of those vessels coming into the fishery would be from states with no previous history of fishing in the region, no record of compliance with agreed measures, and no history of cooperation to conserve and manage the region's fisheries resources.

So in very short terms, Mr. Chairman, those are some of the challenges we face. I will stop there in the interest of time. I would be happy to respond to any questions you may have. Thank you.

[The prepared statement of Mr. Gibbons-Fly follows:]

UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON FOREIGN AFFAIRS
SUBCOMMITTEE ON ASIA, THE PACIFIC AND THE GLOBAL ENVIRONMENT

HEARING ON THE MULTILATERAL TREATY ON FISHERIES BETWEEN THE GOVERNMENTS OF CERTAIN PACIFIC ISLAND STATES AND THE GOVERNMENT OF THE UNITED STATES
("SOUTH PACIFIC TUNA TREATY")

SEPTEMBER 22, 2010

STATEMENT BY WILLIAM GIBBONS-FLY
DIRECTOR, OFFICE OF MARINE CONSERVATION
BUREAU OF OCEANS, ENVIRONMENT AND SCIENCE
U.S. DEPARTMENT OF STATE

Mr. Chairman and distinguished members of the Subcommittee:

Thank you very much for the invitation to testify today. It is a pleasure to appear before you once again to discuss the Multilateral Treaty on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States, often referred to as the South Pacific Tuna Treaty (hereinafter, "the Treaty"), and related issues. In particular, I understand you are interested in an update on our ongoing efforts to negotiate an extension of the Treaty beyond the current operational timeframe, which extends through June 14, 2013.

I am happy to provide such an update Mr. Chairman. In addition, I will also say a few words about the related issue of conservation of tuna resources in the Pacific region.

As you know Mr. Chairman, the Treaty provides the basis for up to 40 U.S. flagged tuna purse seine vessels to operate in the waters under the jurisdiction of the 16 Pacific Island States that are party to it. Under the Treaty and an associated Economic Assistance Agreement with the Forum Fisheries Agency (hereinafter, "the Agreement"), the Pacific Island States receive from the U.S. fishing industry and the U.S. Government licensing fees and related economic assistance that currently exceeds $25 million annually. When I last appeared before you on April 2, 2009, my testimony contained considerable background on the Treaty, its history and the benefits that have accrued to both sides since the Treaty first entered into force in 1988. With one exception, I will not repeat that background here, but instead refer members of the Subcommittee to that testimony for further information.

The one key point that I do want to reiterate here Mr. Chairman is that the implementation of this Treaty would not be possible without the dedicated work of the

NOAA Fisheries Pacific Islands Regional Office (PIRO) and its field station in American Samoa, as well as other NOAA offices. PIRO manages the day-to-day operational details of Treaty implementation and devotes considerable time, energy and resources to this task. In this regard, the staff at PIRO works closely with us at the State Department to ensure both that the United States complies fully with its Treaty obligations and that actions by the Forum Fisheries Agency and the Pacific Island States in respect of the U.S. fleet also comport with the relevant Treaty provisions. Nor would the implementation of the Treaty be possible without the active support and participation of the American Tunaboat Association and the U.S. vessel owners and operators that comprise the U.S. tuna purse seine fleet operating under the Treaty. As noted in past testimony, the U.S. fleet has long set the standard among the many fleets operating in the region for responsible operations, full and complete reporting, and compliance with agreed measures.

Since my last testimony, Mr. Chairman, we have had two negotiating sessions with the Pacific Island Parties with a view to extending and, as necessary, amending the Treaty. The first of these took place in October 2009 in Honiara, Solomon Islands, the second in Honolulu, Hawaii, in July of this year. In addition, our annual Treaty consultations, which took place on the island of Niue in March of this year, provided an additional opportunity to exchange views on issues related to the Treaty negotiations.

In some respects, Mr. Chairman, although the discussions to date have helped each side to better understand the positions and concerns of the other, the status of the negotiations is not far advanced from where it was when I last testified in April 2009. That is, the negotiations are complicated by a number of factors and the outcome remains uncertain. To better understand the situation, I believe it will be helpful if I outline some of these factors and provide additional details.

To begin, Mr. Chairman, there is still an open question as to whether the Pacific Island States continue to attach the same value to the Treaty as they have in the past. Some Pacific Island officials have gone so far as to say that the Treaty hinders, rather than supports, their own domestic development aspirations. Some of these officials and their advisors have suggested that the Pacific Island Parties would do better to forgo the $25 million annual payment provided pursuant to the Treaty and the associated Agreement in order to pursue additional bilateral arrangements with other fishing States or to further develop their own domestic fleets and industries.

However, we believe this calculation is based, at least is part, on a misunderstanding among some Pacific Island Parties; a misunderstanding that we have been working hard to clarify. We understand that advisors to the Pacific Island Parties are telling them that, should the Treaty not be extended, the only loss to the Pacific Island Parties is the approximately $6 million provided by the U.S. industry, and that this loss can more than be made up by making licenses currently issued to the U.S. fleet available to other vessels. We have sought to convey that the total financial package of more than $25 million is directly tied to the implementation of the Treaty, in large part because of the value of this multilateral framework as a forum for coordinating and cooperating with the

Pacific Island Parties on a range of other issues, including conservation and management of the region's fish stocks, fisheries enforcement cooperation, capacity building, and other related issues. As a result, we have been clear and unambiguous that the continuation beyond 2013 of this package of fees and related economic assistance is likewise dependent on the extension of the Treaty and the associated Agreement beyond that date. Yet, even so, questions on this matter persist.

Having said that, Mr. Chairman, the Pacific Island States are entirely within their rights to decide who should be granted access to fish in waters under their jurisdiction as well as the terms and conditions of that access. If they decide that the relationship with the U.S. Government and fishing industry under the Treaty is no longer in their collective best interest, they have every right to consider such alternatives as they see fit. At the same time, we believe the majority of Pacific Island States are not looking to abandon the relationship with the United States that has been established over the past twenty two years. We believe that most continue to see value in this relationship and would like to see it continue. In this regard, if the Pacific Island Parties believe the current level of compensation under the Treaty is insufficient, we have requested that they provide us with their estimate of today's value of the Treaty should it be extended at something close to the current terms and conditions. We have noted that in each of the previous negotiations to extend the Treaty and the associated Agreement, the financial package of licensing fees and U.S. Government economic support funds to the Pacific Island Parties has increased. We have made clear that should they have a proposal in this regard, we are open to considering it. To date, however, we have received no such proposal.

Other issues are related to the operational conditions that would apply to the U.S. fleet under any extension of the Treaty. One key issue in this regard is the extent to which, under an extended Treaty, the U.S. fleet would operate under the "Vessel Day Scheme" developed by the Parties to the Nauru Agreement. Although this issue was discussed to some extent in my previous testimony, I will take just a moment to review the background of the Vessel Day Scheme.

To begin, the Parties to the Nauru Agreement (or "the PNA") are a group of eight countries, all of which are members of the South Pacific Forum Fisheries Agency (FFA) and thus Party to the Treaty we are discussing here today. These countries are Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Palau, Papua New Guinea, Solomon Islands and Tuvalu. The large majority of the tuna taken in waters under the jurisdiction of the Pacific Island Parties is taken in the waters under the jurisdiction of these eight countries.

The PNA have developed the Vessel Day Scheme over the past several years in an effort to maximize the return they receive from licensing vessels to fish in waters under their jurisdiction. The theory is that by limiting the number of "fishing days" available, and having those that want to fish in the region compete or bid against each other for the available pool of days, the competitive market for "fishing days" will produce maximum economic returns to the States in question.

To be clear, the idea of maximizing revenues to the Pacific Island States from the tuna resources in waters under their jurisdiction is an idea that we very much support. Throughout its history, through a combination of industry licensing fees and Government economic support funds, the Treaty has provided a higher economic return to the Pacific Island States than any other agreement in the region. Because of the value of the Treaty as more than a simple access arrangement for U.S. vessels, the economic returns to the Pacific Island Parties historically have exceeded the comparable value of a straight access arrangement for U.S. vessels. We have sought to make clear our expectation that the Treaty would continue to maintain this distinction should it be extended. At the same time, the manner in which the Vessel Day Scheme is being implemented, or perhaps more accurately, not being implemented, is the source of some concern.

We first learned of plans to develop the Vessel Day Scheme in 2005, when the concept was presented to us at our annual Treaty consultation with the Pacific Island Parties. At that time, we expressed a strong interest in working with the PNA, and the FFA more broadly, to help develop a Vessel Day Scheme that met their objectives and could be implemented in a manner not inconsistent with the Treaty. The Pacific Island States politely declined this offer. At that time, and for the next three years, we received assurances that the rights of U.S. vessels granted under the Treaty would not be affected by the implementation of the Vessel Day Scheme. We were told that the days required by the U.S. fleet would be accommodated from an initial pool that would also accommodate vessels fishing with licenses issued under what is called the "FSM Arrangement" (for the Federated States of Micronesia, where the agreement was adopted), the only other licensing arrangement that provides access to waters under the jurisdiction of multiple countries.

That situation changed in 2009, when the PNA notified us that the U.S. fleet would be required to operate under the Vessel Day Scheme and, in addition, be limited to a total of 2,773 fishing days. This number represents approximately one-third to one-quarter of the level of fishing effort by U.S. vessels currently authorized under the Treaty.

As noted above, the current provisions of the Treaty, under which the U.S. fishing industry and Government provide in excess of $25 million a year, are operational through June 14, 2013. And yet, the letter from the PNA stated that the fishing effort authorized for the U.S. fleet was to be cut by somewhere between 65 and 75 percent as soon as this year, apparently without any reduction in the corresponding financial package. As you might guess, Mr. Chairman, the United States has resisted what would amount to an effort by one side to change unilaterally the terms of our existing and longstanding Treaty.

The United States has been clear that, under the proper conditions, we are not opposed to considering the application of the Vessel Day Scheme to the U.S. fleet. However, before agreeing to proceed along this path, we are seeking clear assurances that the Vessel Day Scheme will be applied to the U.S. fleet in a fair and equitable manner, at levels approximately consistent with the levels currently authorized under the Treaty, and under the same conditions as those applied to other fleets in the region.

In our efforts to better understand the operational requirements of the Vessel Day Scheme, we have asked the PNA if there is any up-to-date document that reflects the rules of the Scheme as it is currently being implemented. The last version we received was from May 2009, but we understand the Scheme has been amended significantly since that time and that such revisions are still underway. Among the key issues for clarification is how days, once assigned, are counted against the total, which is done using such concepts as "fishing days" and "non-fishing days." As of today, Mr. Chairman, the PNA has not been able to provide us with an answer to this fundamental question, nor have they been able to provide a clear definition of either of these terms.

In addition, we have asked if any of the PNA countries have published regulations or guidelines, or have any other written guidance or documentation, available to the public, describing how the Scheme is being implemented in their own country. Again the answer to date appears to be no.

On this latter question, the PNA staff in the Marshall Islands recently assured us that, despite the lack of national regulations or published guidance by its member States, all PNA members are implementing the Vessel Day Scheme through their bilateral agreements with their other fishing partners. Almost without exception, however, the terms of these bilateral arrangements are not made public, so it is impossible to know whether and to what extent they reflect the application of the Vessel Day Scheme.

The only such bilateral access arrangement for purse seine vessels that, to our knowledge, is in the public domain is the agreement between the European Community and the Solomon Islands. Both the European Community and the Solomon Islands are to be highly commended for this because it introduces a level of transparency regarding such bilateral arrangements that is otherwise lacking. The bilateral agreement between the EC and the Solomon Islands contains no reference to the Vessel Day Scheme or any related concept. Discussions with representatives in other countries have confirmed that there is no uniform or consistent application of the Vessel Day Scheme across countries and fleets.

To their considerable credit, Mr. Chairman, some representatives from PNA members have acknowledged these shortcomings. However, this has not yet translated into a change in the negotiating position of the PNA as a whole. However, based on our most recent discussions, it should be clear that the United States is not prepared to be legally bound under the Treaty or any other arrangement to a regime for which there are no clearly established rules, no clear definitions of fundamental concepts, and no uniform application to other fleets operating in the region.

In effect, our position with respect to the Vessel Day Scheme is essentially the same as when the topic was first presented to us in 2005. That is, if the PNA, and the FFA more broadly, are interested in working cooperatively with the United States to develop a workable, well-defined and transparent Vessel Day Scheme to be applied to all fleets seeking access to fish in the region, we are open to those discussions. However, those

discussions would require quite a different approach on the part of the PNA members than we have seen to date.

In addition to the Vessel Day Scheme, there are a number of pending issues to be resolved if we are to conclude successfully the negotiations to extend the Treaty. Among the most important of these are the aspirations of the small island developing States to gain additional benefits from the fishery resources under their jurisdiction and the industries they support. This is an issue to which the United States attaches significant importance and we will be seeking to learn more about the specific proposals from the FFA members on these matters. Other significant issues include market access for tuna products, the level of financial compensation and development assistance to be reflected in the Treaty and the associated Agreement, the relationship between the Treaty and the national laws of the Parties, among others. In the interest of time, Mr. Chairman, I will not cover these issues in detail here, but am happy to discuss them should there be any questions.

With that, Mr. Chairman, let me take just a minute to discuss the critical issue of the conservation of tuna resources in the Pacific and how the Treaty relates to those efforts.

There are strong indications that the level of fishing effort on some species of tunas in the Western and Central Pacific exceeds levels that are sustainable in the long term. This is particularly true for bigeye tuna and, to a lesser extent, yellowfin tuna as well. In response, the best available scientific advice suggests that fishing effort in the region should be reduced from current levels.

The species of greatest concern at present is bigeye tuna. Bigeye tuna is not a target species of the purse seine fishery, but the purse seine fishery does result in significant catches of juvenile bigeye tuna, in particular during sets on "fish aggregating devices" or FADs. All purse seine fleets fishing in the region use FADs as a fishing strategy, including the U.S. fleet, and we must find ways to reduce catches of juvenile bigeye tuna caught in association with FADs. International efforts are underway to achieve this objective and the United States must play an active part in those efforts and contribute in a significant way.

Because of the situation described above, the United States has been criticized in some quarters for exercising the fishing rights granted by the Pacific Island Parties under the Treaty to fish in waters under their jurisdiction. Interestingly, this same criticism has not extended to the several other countries with dozens of vessels licensed to fish in the region under much less transparent and less strict conditions than those that apply to the U.S. fleet. Remember, all fishing by the U.S. fleet in these waters takes place only under licenses issued by the Forum Fisheries Agency on behalf of its member States, in full compliance with the terms and conditions of the Treaty that has been in force for more than 20 years.

Moreover, Mr. Chairman, the criticism that has been directed at the United States ignores some important facts. Since 1990, the total catch of bigeye tuna taken by purse seine

vessels in the Western and Central Pacific, as reported by the Secretariat of the Pacific Community (SPC), has increased four fold, from 12,000 metric tons in 1990 to 47,000 metric tons in 2008. And yet, the U.S. fleet is smaller today that it was then, while the fleets of many other nations have grown considerably and continue to grow, seemingly without limits.

As the number of purse seine vessels operating in the Western and Central Pacific continues to increase, the United States remains the only fleet in the region operating under a legally binding limit on the number of vessels that may be licensed to fish in the region. Moreover, Mr. Chairman, the United States is the only country that has already accepted, adopted and implemented a 20 percent reduction in the number of vessels that may be licensed to fish in the region. When the Treaty was last extended in 2003, the number of licenses authorized decreased from 50 to 40 to accommodate the interests of the Pacific Island States to make licenses available to others, including for the development of their own domestic fleets.

As noted, in addition to the U.S. vessels operating under the Treaty, the Pacific Islands Parties also issue licenses to fish in the region to vessels from a number of other States. There is little question that the cumulative number of vessels fishing under such licenses results in a level of fishing effort that is too high. The United States has long expressed its concern about this state of affairs and, in particular, the steadily increasing number of vessels entering the tuna purse seine fishery in the region. At the last meeting of the WCPFC in December 2009, the Chairman of the Commission reported with concern that plans are in place to add as many as 40 additional vessels to the fishery over the next five years.

In fact, one of the troubling features of the Vessel Day Scheme discussed earlier is that it removed a previously agreed limit on the number of vessels that could be licensed to fish in the region at any given time. In this regard, the designers of the Vessel Day Scheme appear to have made a conscious decision to encourage a pool of vessels that is as large as possible to bid for available days, with the idea that this will maximize the value of the days and, as a result, revenue. History has repeatedly shown, Mr. Chairman, that this focus on maximizing revenue in the short term, without restrictions of the number of participants in a given fishery, is a recipe for overcapitalization, overfishing, resource depletion, declining revenues and severe adverse consequence for all concerned.

If we are to address issues of long-term conservation and sustainability of the region's fish stocks, Mr. Chairman, we must find a way to limit and eventually reduce the number of vessels operating in the region. The United States has been a strong advocate of such controls on the level of fishing effort. Our longstanding position has been that when the coastal States and fishing States of the region are prepared to enter into serious negotiations to achieve a real reduction in the level of fishing effort in the region, the United States will not only participate in that effort, but will work actively to bring such negotiations to a successful conclusion. In so doing, we have made clear that we will be prepared to accept a fair and equitable share of any reduction of fishing effort, including by the U.S. tuna purse seine fleet.

However, Mr. Chairman, this is not what is occurring. For example, the proposal described earlier to limit the U.S. fleet to 2,773 days under the Vessels Day Scheme is not linked to any overall reduction of fishing capacity in the region; in fact, quite the contrary. In seeking to establish this as a limit under the Treaty, the PNA members have said they would make additional days required by the U.S. fleet available under separate bilateral agreements. In response, as stated in my previous testimony, the United States continues to view the Treaty with all the member States of the Pacific Forum as the sole vehicle governing access by U.S. vessels to waters under the jurisdiction of the Pacific Island Parties.

So, while the United States is ready and willing to discuss reductions to its fleet as part of an overall capacity management and reduction effort, there is little to be gained if any such reductions are more than offset by increases in vessels from other fishing States; States, in many cases, with no previous history of fishing in the region, no record of compliance with agreed measures and no history of cooperation to conserve and manage the region's fishery resources.

As you can see Mr. Chairman, we continue to face a number of challenges in our efforts to provide access to the U.S. fleet to fish in the Pacific while at the same time working to conserve and manage the tuna resources of the Pacific on a sustainable basis. As noted earlier, it is up to the Pacific Island Parties to determine whom they choose to license to fish in the waters under their jurisdiction and the terms and conditions of that access. At present, it is still not clear whether we will be able to reach agreement on terms and conditions that are mutually acceptable. Despite these challenges, however, our sense is that the majority of the Pacific Island States continue to view the United States as a reliable partner and that they want the relationship established over the twenty-two year life of the Treaty to continue into the future. Our discussions with the Pacific Island Parties will continue and we will work in good faith toward a fair and equitable agreement that meets the objectives of both sides.

Mr. Chairman and distinguished members of the Subcommittee, thank for the opportunity to be here and to present these views. I am happy to respond to any questions.

Mr. FALEOMAVAEGA. My sincere apologies. I kind of jumped the gun on the hearing this afternoon. I have not even offered my opening statement. But be that as it may, I would like to give my opening statement now, after Mr. Gibbons-Fly had already given his statement. But this may be beneficial to Mr. Smith. You might want to make some added notes about some of the concerns I raised concerning the tuna treaty.

This is the third in a series of hearings the subcommittee has held on the fisheries agreements of U.S. interests in Asia and the Pacific, the two previous having been held in July 2007 and April 2009. The purpose of this hearing is to determine the Obama administration's views on the status of negotiations over the extension of the current South Pacific Tuna Treaty which expires on June 14, 2013, and on such issues as revenue sharing, conservation, linkages between the treaty and the Western and Central Pacific Fisheries Convention, the Nauru Agreement, and impacts on U.S. interests.

Of particular concern is the practice of transshipment of tuna caught under the auspices of the South Pacific Tuna Treaty. Under the terms of the treaty, the U.S. Government pays out about $18 million of the $25 million total that is given to the island nations. This amount is given to the Pacific Island parties in return for the right of our U.S. tuna boats, limited to about 40 licenses, to fish in the Exclusive Economic Zone of the 16 Pacific Island nations which are party to the treaty.

The U.S. tuna boats also pay the Pacific Island parties about $3 million to $5 million or more per year, depending on the amount of tuna caught. According to the Congressional Research Service, the U.S. tuna boats harvest about $250 million worth of tuna annually. But the value of the tuna as it moves through the processing and distribution chain may be as much as $500 million or more.

Of the approximately 300,000 metric tons of tuna that is caught by the U.S. tuna fishing fleet, more than 180,000 metric tons is transshipped and outsourced to foreign nations such as Thailand, which has become the world's largest canned tuna producer and processes a large percentage of tuna caught in the Pacific region. This practice of outsourcing U.S.-caught resources has led to an offshoring of American jobs. Thailand's fish cleaners, who are paid 75 cents or less per hour, directly compete against the workers in the United States who are paid in accordance with Federal minimum wage laws. And I am making reference specifically to my own district. American Samoa's economy, which is more than 80 percent dependent either directly or indirectly on the U.S. tuna fishing and processing industries, has been adversely affected with more than 2,000 workers now displaced. Puerto Rico and California have also suffered job losses as Thailand's private-label business currently accounts for almost 30 percent of the market for tuna consumed in the United States. This subcommittee is interested in the administration's views about how we can close these loopholes and more fully protect U.S. interests.

The subcommittee is also concerned about the environmental impact of overfishing. According to the Congressional Research Service, the western Pacific is, and I quote, "home to half of the world's tuna stocks and some of the few remaining sustainable fishing

areas in the world." But in the time it takes for the older U.S.-built tuna boats to make three direct deliveries to a U.S. port, like American Samoa, the newest boats in the U.S. fishing fleet, which are foreign built and account for more than half of the available licenses, can make five transshipment deliveries. They offload their catch to a big mother ship, a reefer, making it possible for these boats to return more quickly to the South Pacific Tuna Treaty fishing grounds where they can catch more and more tuna at a more and more maddening pace.

And this is only the story of the U.S. tuna fishing fleet. Asian countries account for an estimated 80 percent of tuna caught in the Pacific, according to Greenpeace, which means we must get serious about making modifications to the South Pacific Tuna Treaty to seriously address the issue of overfishing and outsourcing.

I am pleased that in 2007, 3 years ago, modifications were made to allow U.S. longline vessels, along with purse seine and albacore troll vessels, to fish in the treaty area. And I am hopeful that other concerns I have also raised will be addressed.

The South Pacific Tuna Treaty, which has been in place since 1988, was renewed in 1993 and again in 2003. The regional fishing tuna treaty—and I just want to comment—came as a result. The problems that we have had when our American tuna boat owners held the belief that since tuna is a highly migratory fish, they can fish anywhere they want regardless of the Exclusive Economic Zones that these countries claim, especially in Latin America. And what happened was that when these fellows went over there, their ships ended up getting confiscated, and eventually they decided to leave the coastline in the Americas and come to the western Pacific to fish. And here again, with that philosophical outlook, because tuna is a highly migratory fish, they continued doing this fishing anywhere they wanted because they felt that tuna is a migratory fish, and therefore there are no boundaries extending in terms of their limitations on how they can fish.

Well, one of our purse seiners ended up being confiscated by the Solomon Islands Government, and that created an international uproar. This resulted in Secretary of State Shultz and Mr. Negroponte, also with the State Department, negotiating and establishing this regional fishing treaty allowing our tuna purse seiners to fish these island countries in their Exclusive Economic Zones. And I just wanted to share that with Mr. Smith and Mr. Gibbons-Fly about how this treaty came about.

The treaty has served to reduce tensions between the U.S. and Pacific Island nations, which, prior to the agreement, regarded U.S. purse seiners' vessels as operating illegally. But new concerns have arisen, and Pacific Island nations rightfully want their fair share of the profits, too.

His Excellency, President Johnson Toribiong, the President of the Republic of Palau, called for a Pacific Islands summit recently to develop an OPEC-type organization of cartels to control the tuna industry, which generates about $4 billion annually. I support the efforts of the parties to the Nauru Agreement because for too long, Pacific Island countries, including my own little district, have not received a fair share of these revenues. Instead, our resources are

being siphoned off by Thailand and other countries that are making billions of dollars at our expense.

I believe if we will pull together, we might be able to level the playing field for all Pacific Islanders as well as for our U.S. tuna fishing fleet and processing industries. But any forthcoming agreement or treaty will need to make certain that the same monitoring and control and surveillance requirements imposed upon U.S. vessels are also applied to major fleets that are non-U.S.-owned.

So with that opening statement for both of you gentlemen, at this time, I would like to ask Mr. Smith for his statement.

[The prepared statement of Mr. Faleomavaega follows:]

COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

STATEMENT OF
THE HONORABLE ENI F.H. FALEOMAVAEGA
CHAIRMAN

before the
SUBCOMMITTEE ON ASIA, THE PACIFIC AND THE GLOBAL ENVIRONMENT

"Renegotiating the South Pacific Tuna Treaty: Closing Loopholes and Protecting U.S. Interests"

September 22, 2010

This is the third in a series of hearings the Subcommittee has held on fisheries agreements of U.S. interest in Asia and the Pacific, the two previous having been held on July 16, 2007 and April 2, 2009. The purpose of this hearing is to determine what the Obama Administration's views are on the status of negotiations over the extension of the current South Pacific Tuna Treaty (SPTT) agreement, which expires on June 14, 2013, and on such issues as revenue sharing, conservation, linkages between the treaty and the Western and Central Pacific Fisheries Convention, the Nauru agreement, and impacts on U.S. interests.

Of particular concern is the practice of transshipment of tuna caught under the auspices of the South Pacific Tuna Treaty. Under the terms of the Treaty, the U.S. government pays out $18 million annually to the Pacific Island parties in return for the right of our U.S. tuna boats – limited to 40 licenses – to fish in the exclusive economic zones (EEZ) of the 16 Pacific Island nations which are parties to the Treaty. The U.S. tuna boats also pay the Pacific Island parties about $3 million or more per year, depending on the amount of tuna caught.

According to the Congressional Research Service (CRS), the U.S. tuna boats harvest about $250 million worth of tuna annually but the value of the tuna as it moves through the processing and distribution chain may be as much as $500 million or more.

Of the approximate 300,000 metric tons of tuna that is caught by the U.S. tuna fishing fleet, more than 180,000 metric tons is transshipped and outsourced to foreign nations, like Thailand, which has become the world's largest canned tuna producer and processes a large percentage of tuna caught in the Pacific region. This practice of outsourcing U.S.-caught resources has led to the off-shoring of American jobs given that Thailand's fish cleaners, which are paid $0.75 cents and less per hour, directly compete against workers in the U.S. who are paid in accordance with federal minimum wage laws.

American Samoa's economy, which is more than 80% dependent, either directly or indirectly, on the U.S. tuna fishing and processing industries, has been adversely affected with more than 2,000 workers now displaced. Puerto Rico and California have also suffered job losses as Thailand's private label business currently accounts for almost 30% of the U.S. market share.

The Subcommittee is interested in the Administration's views about how we can close these loopholes and more fully protect U.S. interests. The Subcommittee is also concerned about the environmental impact of over-fishing. According to CRS, the Western Pacific is "home to half the world's tuna stocks and some of the few remaining sustainable fishing areas in the world."

But in the time it takes for the older U.S.-built tuna boats to make 3 direct-deliveries to a U.S. port like American Samoa, the newest boats in the U.S. tuna fishing fleet, which are foreign-built and account for more than half of the available licenses, can make 5 transshipment deliveries by off-loading their catch to a big mother ship making it possible for these boats to return more quickly to the South Pacific Tuna Treaty fishing grounds where they can catch more and more tuna at a more and more maddening pace.

And this is only the story of the U.S. tuna fishing fleet. Asian countries account for an estimated 80% of tuna caught in the Pacific, according to Greenpeace, which means we must get serious about making modifications to the SPTT which will seriously address the issues of over-fishing and outsourcing. I am pleased that in 2007 modifications were made to allow U.S. long line vessels, along with purse seine and albacore troll vessels, to fish in the Treaty area, and I am hopeful that the other concerns I have also raised will be addressed.

The South Pacific Tuna Treaty has been in place since 1988 and was renewed in 1993 and again in 2003. The Treaty has served to reduce tension between the U.S. and Pacific Island nations which, prior to the agreement, regarded U.S. purse sieve vessels as operating illegally. But new concerns have arisen and Pacific Island nations rightfully want their fair share of profits, too.

His Excellency Johnson Toribiong, President of the Republic of Palau, has called for a Pacific Island summit to develop an OPEC-style organization to control the tuna industry which generates about $4 billion annually. I support the efforts of the parties to the Nauru Agreement because, for too long, Pacific Islands, including American Samoa, have not received our fair share of these revenues.

Instead, our resources are being siphoned off by Thailand and other countries that are making billions of dollars at our expense. I believe if we will pull together, we might be able to level the playing field for all Pacific Islanders as well as our U.S. tuna fishing and processing industries but any forthcoming agreement or Treaty will need to make certain that the same monitoring, control and surveillance requirements being imposed upon U.S. vessels are also applied to major Asian fleets.

STATEMENT OF MR. RUSSELL SMITH, III, DEPUTY ASSISTANT SECRETARY FOR INTERNATIONAL FISHERIES, NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

Mr. SMITH. Thank you, Mr. Chair Faleomavaega and members of the subcommittee. Thank you for that warm welcome and for inviting me to testify here today on the South Pacific Tuna Treaty, the U.S. interests and the changing nature of this fishery.

As you know, NOAA shares responsibility for implementing the South Pacific Tuna Treaty with the Department of State. U.S. involvement in the purse seine fishery under the treaty has fluctuated since it went into force in 1988. The number of licensed U.S. Vessels operating in the treaty area reached a high of 49 in 1994 and generally declined over the next decade. The declining price of raw tuna product and significant increases in fuel and insurance costs affected the profitability of the purse seine fishing, and by 2007, only 11 U.S. vessels were licensed under the treaty.

Following the addition of new Taiwanese-built purse seine vessels to the U.S. fleet, passage of legislation to allow employment of internationally licensed officers on these vessels, and a shift away from American Samoa-based operations, the U.S. fleet began to rebound. Currently there are 36 U.S. purse seine vessels licensed under the treaty. As the U.S. purse seine fishery first developed in the western central Pacific back in the late 1970s, many operators delivered to the two canneries in your district and used Pango Pango as a base of operation. Those vessels would take four to six trips a year, spending roughly 200 days per year at sea fishing, and the remainder in port unloading or maintaining their vessels and gear.

While it is unclear why so many vessel owners left the fishery in the 1990s and in the early 2000s, some have attributed the position to a general lack of profitability, given the large capital investment and risks associated with the operation of purse seine vessels.

In 2007, a component of the industry developed an alternative business model after building new vessels that were equipped to efficiently transship fish, a model that you have referenced, Mr. Chair. This alternative business model attracted about 20 vessels to join the U.S. fleet in 2007 and 2008, with some of the new vessels initially basing their operations in Pango Pango. However, the closure of one cannery has caused at least a few of these vessels to turn to transship, given the reduced demand for tuna in Pango Pango.

The U.S. territories in the Pacific have seen direct economic benefits at one time or another as a result of the treaty. Vessels continue to supply tuna to the remaining cannery in American Samoa, and the territory enjoys other benefits associated with vessel support, such as provisioning and crewing, albeit at a reduced level from the past.

The treaty has mitigated some of the economic uncertainty for U.S. participants in the purse seine fishery by providing a stable operating environment, but it seems that changes in the business model have been driven by the need to be competitive in the face of foreign competition. Preliminary figures for 2009 show that the western and central Pacific Ocean fishing area, approximately 250

large purse seine vessels from several nations landed a record 1.9 million metric tons of predominantly skipjack tuna. Of this amount, the U.S. purse seine fleet landed about 260,000 metric tons, or roughly 14 percent of the WCPO purse seine total, worth approximately $300 million. The U.S. purse seine fleet operating under the treaty is the greatest revenue-producing U.S. fishing fleet operating outside of U.S. waters.

Skipjack tuna is the predominant target species in the U.S. Purse seine fishery in the WCPO followed by yellowfin. Bigeye tuna, although not a target species in the purse seine fishery, is caught mostly as juveniles in quantities equal to the region's longline fishery, an issue of great concern to NOAA, given that bigeye is currently subject to overfishing.

NOAA has a number of administrative and operational roles with respect to the treaty as well as enforcement responsibilities. NOAA provides technical and fisheries policy support to the Department of State during treaty negotiations and issues the domestic regulations necessary to carry out the terms of the treaty and the objectives of the South Pacific Tuna Act of 1988. These regulations include requirements related to vessel licensing, reporting on fishing activities, carrying vessel observers and operating satellite-based vessel-monitoring systems.

NOAA staff from Pango Pango provide essential tuna stock assessment and vessel-monitoring data to the Pacific Islands Forum Fisheries Agency as the treaty administrator for the Pacific Island parties.

U.S. negotiating positions developed for the treaty are consistent with and support NOAA's position in the Western and Central Pacific Fisheries Commission, the regional fisheries management authority that sets the tuna targets for the purse seine and longline fisheries industries in this region, including the vessels from other countries. As both a coastal state with a significant amount of EEZ waters and a major fishing state primarily due to our purse seine fleet, NOAA has been able to achieve strong measures for conservation as well as successfully preserve fair and equitable access for U.S. fishing activities.

The Commission has implemented a number of conservation and management measures for purse seine vessels that NOAA has implemented domestically, such as restrictions on the use of fish aggregation devices, or FADS, and other efforts to limit bycatch, high seas closures, 100 percent observed coverage, and effort limits.

In summary, NOAA is committed to supporting the renewal of the treaty and working within the Commission to ensure the long-term health of the WCPO tuna stocks to maintain a beneficial economic return on the U.S. investment. Without significant U.S. participation in this fishery, NOAA's ability to influence decision-making in the Western and Central Pacific Fisheries Commission would be diminished.

Thank you again for the opportunity to address the committee. I hope I have touched on some of the issues that are of interest, and I would be happy to answer any questions that you might have.

Mr. FALEOMAVAEGA. Thank you very much. I appreciate your statements. As I said earlier, without objection, your statements will be made part of the record.

[The prepared statement of Mr. Smith follows:]

TESTIMONY OF
RUSSELL SMITH
DEPUTY ASSISTANT SECRETARY FOR INTERNATIONAL FISHERIES
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE

ON
RENEGOTIATING THE SOUTH PACIFIC TUNA TREATY: CLOSING LOOPHOLES AND PROTECTING U.S. INTERESTS
BEFORE THE
HOUSE FOREIGN AFFAIRS SUBCOMMITTEE
ON ASIA, THE PACIFIC AND THE GLOBAL ENVIRONMENT
U.S. HOUSE OF REPRESENTATIVES

SEPTEMBER 22, 2010

Thank you for inviting the Department of Commerce's National Oceanic and Atmospheric Administration (NOAA) to provide testimony at this important hearing on U.S. Interests and the South Pacific Tuna Treaty (Treaty). My name is Russell Smith, and I am the Deputy Assistant Secretary for International Fisheries for NOAA. Although the Department of State has the lead, NOAA shares the responsibility for implementing the Treaty. I appreciate the opportunity to discuss NOAA's interests and roles regarding the Treaty and the changing nature of this fishery.

BACKGROUND

When the Treaty entered into force in 1988, about 50 U.S. purse seine fishing vessels were fishing in approximately 10 million square miles of the area covered by the Treaty. After the Treaty's implementation, the total number of licenses available to U.S. vessels under the Treaty was set at 55. After the Treaty's third (10 year) extension in 2002, the number of available licenses was reduced to 40, with an additional five licenses reserved for joint venture arrangements. The number of licensed U.S. vessels operating in the Treaty Area reached a high of 49 in 1994, and generally declined over the next decade. No joint venture license has ever been issued. Several factors contributed to the decline in the number of vessels operating under the Treaty, including the declining real price of raw product for canning of yellowfin and skipjack tuna, and the significant increases in the real cost of fuel and insurance. Each of these factors affected the profitability of purse seine fishing and by 2007, only 11 vessels were licensed under the Treaty. However, following the addition of new Taiwanese-built purse seiners to the U.S. fleet and the passage of legislation to allow internationally licensed officers to be employed aboard these vessels in the Treaty Area, the size of the U.S. distant water fleet began to rebound, coupled with a shift away from American Samoa-based operations. By the end of 2008, the fleet returned to 38 vessels, equaling the number of participants in the early 1990s. Currently, there are 36 U.S. purse seine vessels licensed under the Treaty.

Preliminary figures for 2009 show that in the Western and Central Pacific Ocean (WCPO) approximately 250 large purse seine vessels from several nations landed a record 1.9 million

metric tons of tuna; predominantly skipjack, with lesser amounts of yellowfin and bigeye tuna. The U.S. purse seine fleet is one of the four major fleets in the region, with Japan, Korea and Taiwan. Other large purse seine vessels come from China, Spain, New Zealand and several Pacific Island countries. Of this total amount in 2009, the U.S. purse seine fleet landed about 260,000 metric tons, or roughly 14 percent of the WCPO purse seine total. The ex-vessel value – the price the fishermen receive - of the entire WCPO purse seine fishery's catch, virtually all of which is destined for canneries in several countries (e.g., American Samoa, Thailand, the Philippines, Ecuador, etc.), was estimated to be just over $2 billion [approximately $1050 per metric ton or $0.48 per pound], suggesting that the value of the U.S. fleet's 2009 purse seine catch was in excess of $300 million. The U.S. purse seine fleet operating under the Treaty is, by far, the greatest revenue-producing U.S. fishing fleet operating outside of U.S. waters. Industry trend data suggests that in 2009, ex-vessel revenues were down approximately 20 percent from those in 2008, which was considered by many in the industry as a good year in terms of profitability. Inter-annual variation in the ex-vessel price of tuna can be as great as 50 percent. This variability, coupled with rising fuel and operating costs, continue to make purse seine fishing in the WCPO a risky enterprise. Growth in the past few years has been accomplished by mitigating this variability and reducing operating costs, where and when possible.

CONSERVATION OF THE FISH STOCKS

Skipjack tuna is the predominant target species in the U.S purse seine fishery in the WCPO, followed by yellowfin tuna. Bigeye tuna, although not an important target species in the purse seine fishery, is caught in quantities equal to the region's longline fishery. The bigeye bycatch of the purse seine fleets in the region is predominantly made up of juvenile fish due to fishing on fish aggregating devices.

For fishery management purposes, the health of a fish stock is generally characterized by its population or biomass and the ongoing level of fishing relative to the maximum sustainable yield (MSY) of the stock. MSY refers to the largest long-term average catch or yield that can be taken from a stock or stock complex under prevailing environmental conditions and fishery technological characteristics. The status of skipjack tuna in the WCPO is generally considered good: the size of the stock is considered to be greater than the maximum sustainable yield and the exploitation rate (or level of fishing) is below the maximum sustainable yield. There are concerns, however, about the status of yellowfin and bigeye tuna in the WCPO. Yellowfin tuna stock size is slightly greater than the MSY and the exploitation rate of yellowfin tuna in the WCPO is estimated to be close to, but still less than the MSY. The exploitation rate of bigeye tuna in the WCPO is considered to be greater than the MSY, but the bigeye stock has not yet declined below the MSY. These two tuna species are important to the region's longline fisheries, including the U.S. longline fishery, which produces high-value sashimi-grade tuna. Although the WCPO longline fishery lands substantially less tuna by weight, it rivals the purse seine sector in terms of overall value.

NOAA'S ROLES

NOAA has a number of administrative and operational roles with respect to the Treaty, as well as enforcement responsibilities. NOAA provides technical and fisheries policy support to the

Department of State during the ongoing treaty negotiations. The testimony provided by Mr. William Gibbons-Fly, the Director of the Office of Marine Conservation at the U.S. Department of State will provide details on the status of the ongoing negotiation of an extension to the Treaty as well as describe the relationship between the U.S. and the Parties to the Nauru Agreement regarding the Treaty. NOAA, on behalf of the Secretary of Commerce, is responsible for issuing the domestic regulations needed to carry out the terms of the Treaty and the objectives of the implementing legislation, the South Pacific Tuna Act of 1988 (Tuna Act). These regulations are issued with the concurrence of the Secretary of State, and after consultation with the Secretary of Homeland Security (due to Coast Guard responsibilities). Regulations issued under the Tuna Act are applicable to all U.S. purse seine vessels operating under the Treaty. Regulations include requirements related to vessel licensing under the treaty, reporting on fishing activities, carrying vessel observers, and operating transmitters used as part of the satellite-based vessel monitoring systems. NOAA has recently proposed regulations to establish an allocation system among U.S. purse seine vessels for the 40 general licenses that are available under the Treaty. This action was prompted by the recent increase in the size of the fleet and the increased likelihood that the number of license applications received in a year will exceed the 40 licenses available. The proposed rule was published on June 28, 2010, and NOAA anticipates issuing a final rule in the next few months.

It is important that the U.S. negotiating positions developed for the Treaty are consistent with and support the position being pursued by NOAA in the Western and Central Pacific Fisheries Commission (Commission). The Commission is the regional fishery management authority with overall responsibility for highly migratory fish stocks in the WCPO, including the targets of the purse seine and longline fisheries, i.e., skipjack, albacore, yellowfin and bigeye tuna. The U.S. has the unique position of being both a Coastal state with a significant amount of Exclusive Economic Zone (EEZ) waters with both fish and protected species under our national jurisdiction and a major fishing state, primarily due to our purse seine fleet. NOAA, providing the U.S. leadership to the Commission, has vigorously pursued strong positions on both fronts; achieving strong measures for conservation as well as successfully preserving fair and equitable access for U.S. fishing activities. The Commission has implemented a number of conservation and management measures applicable to purse seine vessels that NOAA has implemented by domestic regulations, including restrictions on the use of fish aggregation devices, high seas closures, 100 percent observer coverage, and effort limits.

NOAA staff in Pago Pago, American Samoa, is responsible for ensuring that vessel daily catch and effort reports are submitted in a timely manner to the Pacific Islands Forum Fisheries Agency (Forum Fisheries Agency), as the Treaty Administrator for the Pacific Islands Parties. These NOAA staff also monitor fish landings, including tracking the composition of the catch by species and measuring the lengths of tens of thousands of fish each year. These data are particularly important in regional tuna stock assessments. These NOAA staff also facilitate placement of Forum Fisheries Agency observers on the Treaty-licensed U.S purse seine fishing vessels. Under the Treaty, observers are required to be deployed on 20 percent of fishing trips in the Treaty area. Under a recent measure of the Commission, agreed to by the U.S.; all purse seine vessels of all nations must now carry observers on 100 percent of their fishing trips in the Commission Convention area, which significantly overlaps the Treaty Area. For the past year

and a half, the Commission mandated observers have been provided by the Forum Fisheries Agency at full cost to the U.S. industry.

The U.S. purse seine fishing vessels are continuously monitored via the satellite-based vessel monitoring system (monitoring system) by NOAA Enforcement agents in Honolulu. Vessel observers and monitoring systems are now considered standard monitoring and data collecting mechanisms in the world's fisheries. These tools were first adopted under the Treaty and then they became regional standard in part because of the responsible practices demonstrated by the U.S. purse seine fleet operating in the WCPO. NOAA is currently working to implement an electronic logbook reporting system that will facilitate accurate and timely reporting of catches to both U.S. and Forum Fisheries Agency authorities. This system will allow near real-time fish catch and effort reporting in the U.S. purse seine fishery in the WCPO.

CHANGING NATURE OF THE FISHERY

As the U.S. purse seine fishery first developed in the western and central Pacific back in the late 1970s, U.S. vessels shifted from fishing in the eastern tropical Pacific to the western and central Pacific. Many of these purse seine operators, though not all, delivered to the two canneries in American Samoa, as well as used Pago Pago as a base of operation. Those vessels developed a viable business model whereby they would take four to six trips a year, spending roughly 200 days per year at sea fishing and the remainder in port unloading or otherwise maintaining their vessel and gear. It is unclear why so many vessel owners decided to get out of the fishery in the 1990s and early 2000s. Some have attributed the decision to a general lack of profitability given the large capital investment and risks associated with the operation of purse seine vessels. This was a period of generally declining fish prices and increasing operational costs. Additionally, the remaining participants had to share a higher portion of the $3 million industry payment under the Treaty.

In 2007, a component of the industry developed an alternative business model after building new vessels that were equipped to efficiently transship fish. These vessels also benefited from more efficient hull designs, fuel-efficient engines and improved electronics. These vessels do not base out of a single specific port in the region, rather they maintain the flexibility to transship in ports depending on where their fishing is located. This reduces operational costs and allows vessels to spend more days fishing rather than transiting to and from a single base of operation. They unload their catch of fish to a carrier vessel that takes the fish to canneries. This alternative business model attracted about 20 vessels to join the U.S. fleet in 2007 and 2008. While it was not anticipated, 2008 was a good year for purse seining. Despite high fuel costs, both catch and ex-vessel price aligned to provide operators one of their best years of the decade. This return to profitability had new vessels basing operations in Pago Pago again; however, the closure of one cannery has caused at least a few of these vessels to turn to transshipping given the reduced demand for tuna in Pago Pago. The change in the business model now challenges NOAA to carry out the Treaty-mandated monitoring and catch sampling responsibilities in areas outside of U.S. jurisdiction. NOAA is currently pursuing cooperative agreements with marine resource agencies in the Republic of the Marshall Islands and the Federated States of Micronesia to ensure that all landings from U.S. purse seine fishing vessels are monitored appropriately.

In addition to the Treaty requirements, the Commission conservation measures, and other regional standards applied to fishing, all U.S. fishing vessels, including those in the purse seine fleet and operating in the WCPO are required to conform to all applicable U.S. domestic laws, including the Marine Mammal Protection Act, the Endangered Species Act, the Magnuson-Stevens Fishery Conservation and Management Act and the Shark Finning Prohibition Act. In NOAA's view, few other fishing fleets in the region are monitored as diligently and operated as responsibly as the U.S. fishing fleet. It is important to remember this U.S. purse seine fishery serves as a model for purse seine fisheries of other countries and supports U.S. conservation and management objectives in the region.

The U.S. areas in the Pacific, territories of American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands (CNMI) have seen direct economic benefits at one time or another during the course of the Treaty. There was a period in the 1980s during which a significant fleet of U.S. purse seine vessels based operations in Guam. For many years, Guam derived significant economic benefits from these vessels in terms of net repair, provisioning, logistical and recreational activities. It has been estimated that each port of call netted hundreds of thousands of dollars. Benefit also flowed to the CNMI, through a large cold storage facility in Tinian through which many of the Guam-based vessels transshipped significant quantities of fish from that port or placed their fish in the cold storage facility for later sale to international buyers. The benefits to American Samoa and U.S. purse seine vessels based there have been significant for almost 20 years. Vessels continue to supply tuna to the remaining cannery in American Samoa and the territory enjoys other benefits associated with vessel support such as provisioning and crewing, albeit at a reduced level from the past. Purse seine fishing and the determinants that make it worth the risk to U.S. investors have been and remain dynamic. The Treaty has mitigated some of the uncertainty by providing a stable operating environment, but changes in the business model are driven by the need to be competitive in the face of foreign competition.

CONCLUSION

In summary, NOAA is committing its efforts to supporting the renewal of the Treaty, and, working within the Commission to ensure the long-term health of the WCPO tuna stocks to maintain a beneficial economic return on the U.S. investment. Without significant U.S. participation in this fishery, NOAA's ability to influence decision-making in the Western and Central Pacific Fisheries Commission would be diminished. As the region's fisheries continue to evolve in reaction to the dynamic social, ecological, political and economic factors at play, and while the Treaty is being re-negotiated, in order to continue its leadership role in regional fisheries conservation and management, it is important for NOAA to have a strong and productive U.S. purse seine fishery in the region. Thank you again for the opportunity to address the Committee. I would be happy to take questions.

Mr. FALEOMAVAEGA. I do have a couple of questions that I wanted to ask so that we can dialogue on this issue.

We did extend an invitation to the American Tuna Boat Association and its affiliates and someone representing the U.S. fishing fleet to come and testify; but unfortunately I think they were tied up with the current fisheries conference being held in Bangkok. I think that is one of the reasons why some of their chief officers were not able to attend. But I wanted to ask Mr. Gibbons-Fly, do you know what the official position of the Tuna Boat Association is concerning the current negotiations that are going on right now over the treaty?

Mr. GIBBONS-FLY. Yes, Mr. Chairman. We work very closely with the American Tuna Boat Association, their executive director Paul Krampe and many of their members. Because we hosted the last session of the negotiations in Honolulu, a number of the U.S. vessel owners were able to come and participate actively on the U.S. delegation in a way that has not been possible when we have held them in more far-flung corners of the Pacific.

I think I can say confidently that the American Tuna Boat Association members, the vessel owners and operators share the concerns that have been laid out in my testimony, both in the oral testimony and the written testimony. I hesitate to speak for them, but I feel like I can say a couple of things. I think they feel very strongly that they have been very good actors over the life of the treaty. They have set the standard for compliance. They have taken on responsibilities, such as vessel-monitoring systems, observer programs, and other things that then allowed—because the U.S. fleet set the example—then allowed the Pacific Island States to hold other foreign fleets to that same standard. So I think it comes as some surprise to them, as it does to us, that we now see this shift in the position of some of the island states that really has tended to be somewhat critical, highly critical in some cases, of the operations of the U.S. fleet and the U.S. Government in the way that the treaty has been implemented.

We are surprised by that, and we think that—you know, I am hoping that it is largely part of any ongoing negotiation that we will be able to work through. Obviously they want to get the best deal that they can, and we want to make sure that we provide a fair and equitable return in response to—in return for the access that our vessels are afforded.

Thank you, Mr. Chairman.

Mr. FALEOMAVAEGA. You mentioned that it is difficult right now for the administration to determine what will be considered a reasonable price tag on the funding that the U.S. Government will provide to implement or enforce a new treaty with these island nations. As you mentioned in your statement, the island countries are saying the current funding is not enough. And you rightly pointed out that it was difficult for your office to determine what is considered the right amount when they have not been forthcoming in giving you the specific data and information that really is giving us a better sense of value.

Has there been any information from the office in terms of these bilateral agreements that these island countries made with other countries? For example, I think Spain currently has about 14 purse

seiners operating in the waters off the Republic of Kiribati. Do you know how much Kiribati is currently getting as a result of allowing some 14 Spanish purse seiners to fish in their fishing grounds?

Mr. GIBBONS-FLY. No, Mr. Chairman. We do not have that information as to what the level of return is. The Asian Development Bank reports cumulative totals in terms of what their return on access fees are to various Pacific Island States and what percentage that constitutes in terms of the value of the resource or the overall percentage of each country's budget.

I am confident in saying that over the life of the treaty, and even today currently, that the treaty—the cumulative total of the licensing fees paid by the industry and the economic assistance provided by the government represent a higher rate of return on the value of the resource than any of these agreements in the region. At least to this date, no one has been able to contradict us when we made that statement. So until someone does, we are confident that that continues to be the case.

That said, Mr. Chairman, if you will allow me, we have not been able to come up with an exact figure; but we have been able to—we have sought to convey to the Pacific Island States that each time this treaty has been negotiated, the level of overall return to them, both through the license fees and from the U.S. Government assistance package, has increased. And this is now our third effort to renegotiate this extension, so we have every expectation, and it would certainly be reasonable to expect, that they would come to us and make a proposal for some higher level of compensation. But it is up to them to determine what level of compensation they determine to be appropriate. And then once we have that figure, we can begin the negotiations; and more importantly, we can begin to seek whatever budget authority we would need to be able to determine whether or not we could agree to that figure or not. Thank you.

Mr. FALEOMAVAEGA. It is my understanding that the total cumulative value of the entire tuna industry, processing, fishing and everything related to the tuna industry, is somewhere around $4 billion. And I am curious, just catching the fish alone—catching the tuna alone in the Pacific, I am also informed that it is valued well over $1 billion in terms of how much is being caught in the western and central Pacific Ocean.

And I am just curious, $25 million in payments, and the value is some $500 million worth of tuna that our fishing boats catch. I am not a mathematician, but I am just figuring that $25 million is a pittance compared to the value of how much tuna that our tuna boats harvest in the Pacific waters. And if you go to the processing plant, the value comes to about $500 million. So would you say that there is some concern, rightly so, the fact that $25 million out of $500 million worth of tuna caught by our own fishing boats is a little low? Can you comment on that?

Mr. GIBBONS-FLY. Yes. Well, only to repeat that if it is the view of the Pacific Island States that the level of compensation is not sufficient, we would hope that they would come to us with a proposal as to what they think an appropriate level of fees are. The treaty, as I said, has always provided—the U.S. Government values the treaty as more than just an access arrangement. They are of

significant value to us in having this relationship with the FFA and the Pacific Island States as a whole. And so in terms of the economic assistance that is provided, there has always been a premium built in to reflect the value of the treaty to the United States above and beyond anything that might be expected as a payment for straight access fees, which are covered by the industry payment.

We would like to see that relationship continue, but I can't name a figure for two reasons. One, I don't want to be in the position of negotiating against ourselves. And two, I have no budget authority to be able to say we can provide anything more than the amount we are currently providing. But if there is a proposal on the table from the other side, then that gives me the possibility to go back through our budget process and say, here is what we are being requested, and try to get authority within my department to agree to that number.

I can't make any guarantees until I go up—I certainly don't have the decisionmaking authority on multimillion-dollar decisions, but certainly I think there is a strong argument that can be made, such as you have articulated, Mr. Chairman, that the United States might look for some additional funds to raise. I mean, it has been 10 years since we negotiated the treaty. So even in terms of just an inflation adjustment, one might expect there could be some increase over what was provided in 2000 and 2003.

Mr. FALEOMAVAEGA. Please, Mr. Smith, jump in if you think you might want to add some more points on this on behalf of NOAA.

Mr. SMITH. No. I agree with my colleague from State. I think he has articulated this very well. Thank you.

Mr. FALEOMAVAEGA. I was recently in Vanuatu attending the Pacific Island Forum's conference, and in talking to some of the leaders of the Pacific Island countries, another issue that I want to raise with you, Mr. Gibbons-Fly, is—you may want to talk to your principals about this. One of the things the island nations are complaining about is the fact that this fish has been caught in their waters, being transshipped to a major port like Thailand. And what they are saying is, why don't you transship it to the island ports so that the benefit will continue to be part of the economic needs of the Pacific Island nations, rather than giving it to the world's largest tuna-processing country, mainly Thailand? And I said, "Well, why not transship it to my port, too, for that matter?"

But this was a very serious issue. They say, hey, these 300,000 metric tons harvested by American ships, they just ship it to Thailand. Why don't they ship it to some of the island countries for transshipment and even for processing?

So I just wanted to raise that issue as maybe another thing that you may want to look at in your negotiations with the island countries.

Are both the Forum Fisheries Agency and the Nauru Agreement countries, the PNA group, are they working together in this negotiation? Or is it just primarily the FFA representatives representing the island nations in this negotiation?

Mr. GIBBONS-FLY. Yes. Well, I don't mean to monopolize all of the time, Mr. Chairman, so I will make some comments, and Mr.

Smith should feel free to jump in whenever he feels it is appropriate.

Our treaty is with the FFA members. All 16 members of the Forum Fisheries Agency are party to the treaty, and our primary negotiating forum is with the FFA members. Having said that, the PNA has been within the FFA emerging as a more independent voice, and their interests are very much front and center in this negotiation. And so apart from the discussions that we have had with the FFA as a whole, we have also had informal discussions with the PNA members individually and collectively to try to get a sense of their interests and the manner in which they would like to see these negotiations proceed. And those negotiations, those discussions have centered to this point on the Vessel Day Scheme.

And it comes back to the point that I made in both my oral testimony and in which is explained in more detail—excuse me, in my written statement—that they very much want the U.S. to participate under the Vessel Day Scheme. But our concern is that we have not been able to receive one—as of today, there is no single piece of paper anywhere that can tell us what the rules of that program are. And, you know, we are talking about negotiating a legally binding agreement, and once we get done with that agreement, our colleagues in NOAA are going to need to write some very strict regulations to ensure that when U.S. vessels don't follow the rules, they can be hit with sanctions and penalties. But NOAA can't write those regulations and decide what rules are going to apply to U.S. vessels if we don't know what those rules are.

And at the same time, if I am going to be asked to go back into my Department and justify an increase in the level of economic support funding for the economic assistance associated with the treaty, I need to be able to explain in pretty considerable detail what it is we have agreed to. And I can't do that right now because we just don't know what we are being asked to sign on to. So until we get some clarity in these issues, it is very difficult to make progress in these negotiations, Mr. Chairman.

Mr. FALEOMAVAEGA. Mr. Smith?

The Vessel Day Scheme, as you had indicated earlier, Mr. Gibbons-Fly is that you come and fish in the Exclusive Economic Zone of any country that is a member of the treaty. Whatever number of days you spend in that EEZ zone, regardless of how much you catch, you will pay kind of like a standard fee. So in other words, even if I spend 10 days in that EEZ zone, if I don't catch anything, I still have to pay. Is that basically the problem that we have with the Vessel Day Scheme they are advocating on this issue?

Mr. GIBBONS-FLY. Well, the answer is we don't know because we don't know what the rules of the program are. The way it is supposed to work is that a country or a fleet is assigned a specific number of days. So let us say, you know, a fleet gets 3,000 days. Then there has to be a way of counting which of those days—when vessels are at sea, which of those days count against that total. And so there are what are called fishing days. All the fishing days are then subtracted against the total, except when they are determined to be nonfishing days. So if a vessel is at sea and meets certain requirements, then it counts as a fishing day. But if it meets

the requirements for that to be a nonfishing day, then that is not counted against the total.

But we have asked for a definition of a fishing day. We have asked for a definition of a nonfishing day, so that we will know how to count against whatever total is assigned. There is no definition that can be provided to either of these terms, Mr. Chairman, which just complicates the things even further. Thank you.

Mr. FALEOMAVAEGA. I want to ask you, Mr. Smith, I guess, in the process of monitoring and collecting data—I think that is where NOAA comes into the picture. Does our Government provide any service to these island nations through our—and I don't even know if I am saying this correctly—GPS system? Do we help in tracking some of the poachers that come into the EEZ zones of some of these island nations and catch them so they are fined extensively? Is our Government providing some kind of service to these island nations about tracking poachers or ships that are illegally fishing on these grounds, their grounds?

Mr. SMITH. Well, I know our Government provides services in terms of tracking our own vessels both in terms of locations of vessels, and when they are fishing, and ensuring that reports on levels of activity and levels of catch are being transmitted to the FFA, and that the information that is being transmitted is correct.

On the question of providing assistance with respect to combating illegal, unreported, and unregulated fishing in general, I know that we do do some work with them, but I am not sure of the nature, and I would be happy to provide you with some additional information perhaps as a supplement.

Mr. FALEOMAVAEGA. Yes, I would very much appreciate that, if you could give me exactly what the current status of our monitoring system is to help these island countries.

[The information referred to follows:]

Committee on Foreign Affairs

Subcommittee on Asia, the Pacific, and the Global Environment

September 22, 2010

Follow-Up Questions for the Record

Questions for Russell Smith

Chairman Faleomavaega:

Question: What is the current status of our monitoring systems to help island countries? (Pages 33-34)

Response:

Below is text from the United States' First Statements at the 2010 South Pacific Tuna Treaty (SPTT) Consultations, in which NOAA was a participant. This text describes an arrangement for some of the assistance that NOAA's Office of Law Enforcement (OLE), NOAA's General Counsel for Enforcement and Litigation (GCEL) and the U.S. Coast Guard provided to the countries that are a party to the SPTT.

Text adapted from the: TWENTY-SECOND ANNUAL CONSULTATIONS BETWEEN THE PARTIES TO THE TREATY ON FISHERIES BETWEEN THE GOVERNMENTS OF CERTAIN PACIFIC ISLAND STATES AND THE GOVERNMENT OF THE UNITED STATES -- Alofi, Niue March 17-18 2010: FIRST STATEMENT BY THE UNITED STATES: Broader Cooperation

"36. The United States has a long history of cooperative enforcement efforts in the region and provides support for Pacific Islands monitoring, control and surveillance (MCS) activities in many ways. In the past five years, the U.S. commitment to cooperative enforcement in the region has been unwavering. Utilization of U.S. Coast Guard, NOAA and U.S. Navy assets in service to cooperative regional enforcement efforts incur significant costs to the United States Government. These efforts provide direct support to the Pacific Islands as they have served to detect illegal, unreported, and unregulated (IUU) fishing in the waters of the Pacific Island Parties that resulted in significant fines and penalties being paid by those violators to the Pacific Island Parties. The United States strongly believes that our cooperative enforcement efforts and efforts to increase enforcement capacity in the region benefits all Parties.

37. U.S. MCS engagement in the region occurs on a bilateral, multilateral, and interagency basis and includes training; asset, information and personnel sharing; shiprider agreements; and bilateral and multilateral operations. It is our goal that these efforts provide the most comprehensive mix of surveillance

assets available to the appropriate authorities and jurisdictions to close enforcement gaps, and provide IUU operators with no safe havens. For example, the United States has six bilateral shiprider agreements, with the Republic of the Marshall Islands (RMI), Federated States of Micronesia (FSM), Palau, Cook Islands, Tonga and Kiribati, that allow enforcement officials from Pacific Island Parties to embark U.S. Coast Guard cutters on patrol to enforce fisheries laws in their country's exclusive economic zones. These have been active since 2008 and executed 12 times[1] resulting in over $5 million USD collected by Pacific Island Parties in penalties and fines.

38. The United States cooperates directly with the surveillance operations officer at the Forum Fisheries Agency (FFA) during four regular operations. These operations are Kuru Kuru, Rai Balang, and Tui Moana. Operation Big Eye and Operation Island Chief are bi-annual events that are also supported by U.S. vessels and aircraft in coordination with the Pacific Patrol Boats and surveillance assets provided by Australia, France, and New Zealand (Quads). In addition, the U.S. Coast Guard and U.S. Navy have begun conducting surveillance operations during transits across the Pacific. Two transits have been completed with twenty-seven vessels having been identified with four potential illegal fishing operations being forwarded to the appropriate Pacific Island Parties. In addition, NOAA regularly sends enforcement personnel to FFA or Pacific Island Parties MCS training workshops, at least a dozen over the last five years. NOAA enforcement personnel have also served as enforcement advisors to several Niue Treaty enforcement operations. By participating in such workshops, the United States continues to demonstrate its commitment to increasing enforcement capacity in the region. "

In addition, during calendar year 2010 NOAA OLE, Pacific Island Division (PID) has detailed or expects to detail personnel to two different parties to the SPTT. During these details, the personnel from PID train enforcement personnel from SPTT parties in a variety of enforcement techniques. PID expects to receive several new requests from the Forum Fisheries Agency/SPTT countries during FY11 for additional detailees.

The details agreed to so far include:

A. Training by PID Special Agent for Republic of the Marshall Island (RMI):

At the FFA's request, PID assigned one Special Agent to participate as a member of the training team that traveled to Majuro, RMI on September 20-24, 2010. This team instructed RMI fishery enforcement personnel on monitoring control and surveillance tactics; dockside boarding aimed at detecting IUU fishing; gathering evidence of fishing

[1] This number is inconsistent with the figure provided by USCG in Attachment 2, paragraph 4 which states USCG has conducted 17 patrols for shipriders. The discrepancy may be explained by the fact that the document being quoted here was drafted in March and the USCG attachment was drafted more recently, apparently in response to the QFRs.

violations; and presenting evidence in court. This assistance was provided in accordance with U.S. obligations under the "Updated Agreed Minutes on MCS," a subsection of the SPTT that was recently executed by the FFA/Pacific Island Parties to the Treaty and the U.S. Government in Honolulu, Hawaii on July 31, 2010 (See attachment 1).

B. In addition, the RMI has provided significant assistance to NOAA OLE/PID, during past investigations. Training by PID Special Agent for Vanatu

The FFA has requested that NOAA OLE/PID, assign one Special Agent to a training team that will travel to the Island of Vanuatu on October 24, 2010 - November 2, 2010. This team will provide Vanuatu Fisheries Officers and Maritime Police Officers with the same type of training that was provided for the RMI (see above). This cooperation is also pursuant to the July 31, 2010 agreement described above. This agreement provides NOAA and the U.S. Coast Guard with an important tool for providing support to the Pacific Islands in combating IUU. Vanuatu staff has assisted NOAA OLE/PID, during past investigations. More information on monitoring systems in the Pacific Islands is attached. This material was prepared by the U.S. Coast Guard. Attachment 2 is a letter about Coast Guard activity related to enforcement and attachment 3 is a chart of the Pacific Exclusive Economic zones and shiprider agreements.

Finally, NOAA would note while DoD and the U.S. Navy are not authorized to conduct fisheries enforcement operations per se, they do cooperate with USCG and foreign maritime security entities on mission sets that properly fall within their purview, including maritime domain awareness and maritime security operations.

Attachment to Clause 1A :

- "Updated Agreed Minute on Monitoring, Control, and Surveillance Cooperation between the Parties to the Treaty (SPTT) on Fisheries between the Governments of Certain Pacific Island States and the Government of the United States of America."

Attachments to Clause 1B:

- From the U.S. Coast Guard: Response from LCDR Jay Caputo, US Coast Guard, regarding Fisheries Law Enforcement in Pacific Islands including a description of U.S. Coast Guard activity in Oceania with Pacific Island Country engagement in fisheries law enforcement over the past few years.

- From the U.S. Coast Guard: A chart of the U.S. Coast Guard bi-lateral shiprider agreements

UPDATED AGREED MINUTE ON MONITORING, CONTROL AND SURVEILLANCE COOPERATION BETWEEN THE PARTIES TO THE TREATY ON FISHERIES BETWEEN THE GOVERNMENTS OF CERTAIN PACIFIC ISLAND STATES AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA

The representatives of Australia, the Cook Islands, Federated States of Micronesia Fiji, Kiribati, the Marshall Islands, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Samoa, the Solomon Islands, Tonga, Tuvalu, United States, and Vanuatu (hereinafter the "Parties"), who are also the Parties to the Treaty on Fisheries Between the Governments of Certain Pacific Island States and the Government of the United States of America ("the Treaty");

Meeting on the occasion of the Twenty-second Annual Consultations held pursuant to Article 7 of the Treaty;

Recognising the need to continue to enhance the effective application and enforcement of conservation and management measures adopted by the Pacific Island Parties for living marine resources covered by the Treaty in order to promote the long-term objectives of the Treaty;

Further recognising the intention of the Pacific Islands Forum Fisheries Agency (FFA) to continue to develop and enhance, in consultation with the Pacific Island Parties and all States and entities fishing in the Pacific Islands region, regional schemes, systems and processes to support cooperation in fisheries monitoring, control and surveillance (MCS);

Further recognising the merit to reaffirming the Parties commitment to cooperation in MCS efforts as expressed in the Agreed Minute on Surveillance and Enforcement Cooperation Between the Parties to the Treaty on Fisheries Between the Governments of Certain Pacific Islands States and the Government of the United States of America agreed upon at the Sixth Annual Consultations at Nadi, Fiji on the 8th day of March 1994;

Wish to record the following understandings:

1. The Parties intend to promote and enhance cooperation in the enforcement of conservation and management measures adopted by the Pacific Island Parties for living marine resources covered by the Treaty.

2. The Parties intend to exchange, consistent with their respective national laws, and in accordance with appropriate policies and procedures to protect the integrity of such:

   (a) records documenting violations of such measures;

   (b) database information including from the FFA Vessel Register;

   (c) vessel monitoring system information and data; and

   (d) information on fishing vessel movements and activities, including but not limited to, observer reports, information related to port visits and inspections, and any other information relevant to aid in the investigation, interception and prosecution of violations related to the living marine resources covered by the Treaty.

JS WGF

3. The Parties further intend to cooperate through the exchange of surveillance and enforcement personnel and, in particular, to provide for the participation:

   (a) of National Oceanic and Atmospheric Administration (NOAA) and United States Coast Guard (USCG) enforcement officials in appropriate regional fisheries MCS meetings, briefings, training sessions and other fora convened by the FFA;

   (b) of surveillance and enforcement personnel from the Parties and the FFA Secretariat in appropriate NOAA and USCG MCS meetings, briefings, training sessions and other fora; and

   (c) of appropriate law enforcement personnel in cooperative MCS operations, including but not limited to ship rider agreements, as consistent with their respective national laws.

4. The Parties intend to cooperate, including through periodic technical and other consultations for the purpose of:

   (a) exchanging information consistent with paragraph 2 for the purposes of protecting living marine resources covered by the Treaty;

   (b) developing plans and policies for regional and subregional MCS, consistent with regional MCS plans and policies of the Pacific Island Parties of vessels engaged in fishing for living marine resources covered by the Treaty;

   (c) enhancing MCS efforts to monitor and deter illegal fishing for living marine resources in the area covered by the Treaty by, among other things, ensuring a coordinated approach to regional and subregional MCS efforts, encouraging multilateral MCS operations, and maximizing the use of limited MCS assets through cooperative MCS efforts; and

   (d) further developing the MCS capability and capacity within the Region.

5. The Parties also recognise that it may be in their mutual interest for the United States to take legal action, consistent with the Treaty and U.S. law, against vessels that violate the conservation and management measures adopted by the Pacific Island Parties for living marine resources pursuant to the Treaty. It is understood that, in cases where the United States authorities are considering such legal action, the United States is to consult with the FFA and the relevant Pacific Island Parties and the FFA and the Pacific Island Parties are to cooperate and support such action.

Dated at Honolulu, Hawaii this 31st day of July 2010.

FOR THE UNITED STATES OF AMERICA

FOR THE PACIFIC ISLANDS FORUM FISHERIES AGENCY ON BEHALF OF THE PACIFIC ISLAND PARTIES

Response from LCDR Jay Caputo, US Coast Guard Regarding Fisheries Law Enforcement in Pacific Islands

Please see attached chart of the U.S. Coast Guard bi-lateral shiprider agreements and a description of U.S. Coast Guard activity in Oceania with Pacific Island Country engagement in fisheries law enforcement over the past few years below:

The United States working with its neighboring countries for conservation of highly migratory species has a vested interest in a strong monitoring, control, and surveillance scheme (MCS). As a renewable resource, tuna provides both sustenance and economic opportunities for the pacific island countries with large exclusive economic zones (EEZ) and little arable land. Trade, commerce and culture are focused around this plentiful resource which is critical to the survival of small island nations and strategically important for stability in the region.

The bi-lateral shiprider agreements employ pacific island enforcement officials embarked on board U.S. Coast Guard cutters to patrol a Pacific island country EEZ and enforce the maritime laws of that country. In 2007, this program was piloted with Kiribati, Cook Islands & Federated States of Micronesia (FSM). In 2008, after proof of concept was accepted with the temporary agreements, five permanent agreements were signed. These were with Cook Islands, FSM, Kiribati, Republic Marshall Islands (RMI), and Palau. Principally these countries shared an EEZ boarder with the U.S. and by enabling pacific island enforcement officials to conduct cooperative enforcement on board the U.S. Coast Guard cutters gave IUU fishermen few options for escaping the jurisdictional authority. In 2009, Tonga signed an agreement with the U.S. bring the total to six bi-lateral shiprider agreements.

From 2008 to the present the U.S. Coast Guard has conducted 17 patrols for shipriders executing each of the six agreements at a minimum of once per year. These efforts have achieved over $5 million in fines for fisheries violations directly to the Pacific Island Countries, greatly increased the compliance with pacific island fisheries law and has harmonized and increased the proficiency of law enforcement boarding procedures in the region. Many of the fines for fisheries violations have been attributed to Kiribati, which shares three EEZ boundaries with the U.S. remote EEZs of Howland and Baker Island, Palmyra Atoll, and Jarvis Island. The chief of the ministry of fisheries John Mote noted that after one patrol with the U.S. Coast Guard there was a significant increase in the number of vessels requesting licenses to fish in Kiribati waters, indicating that the presence of a U.S. Coast Guard cutter with embarked Kiribati police officer was enough of a deterrence to force illegal fishermen to request licenses. The U.S. Coast Guard conducts a yearly, Operation Sea Guardian with Palau and FSM. This a week long officer exchange and training conducted at a different island each year. Officers from Palau, FSM, and U.S. Coast Guard will train on boarding procedures, use of force, tactics, and fisheries laws. After Sea Guardian, the participants then execute operation Rai Balang, a Forum Fisheries Agency (FFA) sponsored multilateral fisheries enforcement operations. This is executed every spring for the last three years.

The U.S. Coast Guard performs a significant role in fisheries compliance for the high seas under the Western and Central Pacific Fisheries Commission (WCPFC). The U.S. Coast Guard was the first

enforcement agency to implement and execute high seas boarding and in inspection in August of 2008, when USCGC MUNRO boarded a Japanese pole and line vessel. Since that time the U.S. Coast Guard has conducted 25 HSB&I and issued violations to four vessels. The U.S. Coast Guard has partnered with the Australian Fisheries Management Authority (AFMA) and has regular exchanges to conduct WCPFC HSB&I. These operations are performed on the high seas near U.S. EEZ boundary lines as well as Pacific Island Countries EEZ boundary lines. Many of the PICs have fisheries regulations that do not allow fishing on the high seas if licensed in their EEZ. Conducting WCPFC HSB&I will not only provide support for the U.S. obligations under WCPFC, but also assist the PICs in the enforcement of their EEZs.

From 2009, the U.S. Coast Guard has been partnering with the Navy to increase surveillance in Oceania. In June 2009, officers from the fourteenth Coast Guard district in Honolulu, HI embarked the USS Crommelin (FFG-37) in a voyage from Honolulu to Guam. Along the way they sighted and reported IUU fishing vessel to RMI, and conducted a joint enforcement patrol with FSM. Since this pilot program, the U.S. Coast Guard has conducted five additional fisheries surveillance patrols with U.S. Navy warships. Future plans are to have a boarding capability under WCPFC and execution of shiprider agreements through the use of embarked U.S. Coast Guard boarding teams.

Finally, the Commander Coast Guard District Fourteen is designated by the Commander U.S. Pacific Command as the executive agent for the Quadrilateral Defense Coordinating Operations Work Group (QDC OWG). The U.S. Coast Guard coordinates operations with the Navies and Air Forces of Australia, New Zealand, and France to provide fisheries surveillance to the Pacific Island Countries for maritime security. Recently two operations were conducted, OP TAU TAI coordinated by the French out of Papeete, Tahiti. During this operation USCGC KUKUI with embarked Kiribati officer, AFMA officer, and French liaison officer, discovered a vessel illegally fishing in Kiribati EEZ. The second operation, RHOMBUS, was coordinated by New Zealand and patrolled United States, Kiribati, and French EEZs for illegal fishing vessels. During this operation a U.S. Coast Guard officer from district fourteen was embarked to conduct surveillance. The U.S. Coast Guard meets twice a year with the QDC OWG to plan patrol for fisheries and maritime security.

Currently the U.S. Coast Guard has become a catalyst for harmonization of fisheries enforcement procedures in Oceania via the U.S. Treaty. Primarily through the association with the U.S. Treaty, and the signed agreed enforcement minute, the U.S. Coast Guard can engage with FFA on a regular basis to share vessel monitoring system (VMS) information, license lists, and data on illegal fishing vessels. Through this association the U.S. Coast Guard leverages the Australian Pacific Patrol Boat program, 22 vessels in 12 PICs, with a network of Royal Australian Naval officers. To ensure compliance of the 40 licensed purse seine vessels, the U.S. Coast Guard provides surveillance and participates in four annual multilateral fisheries enforcement operations hosted by FFA. It is through cooperation established by the U.S. Treaty that the U.S. Coast Guard has signed six bilateral shiprider agreements and is progressing toward an additional four agreements in the near future.

The Treaty provides an initial purpose for U.S. Coast Guard interaction with the PICs and has established a long term cooperative association in fisheries enforcement. Without the Treaty the coalition enforcement presence created by the U.S. Coast Guard will be greatly diminished. This would invite

other influences to fill the gaps that are created and could subject the region to additional risk concerning illegal, unreported, fishing.

I hope this is of assistance,

Sincerely,

LCDR Jay Caputo

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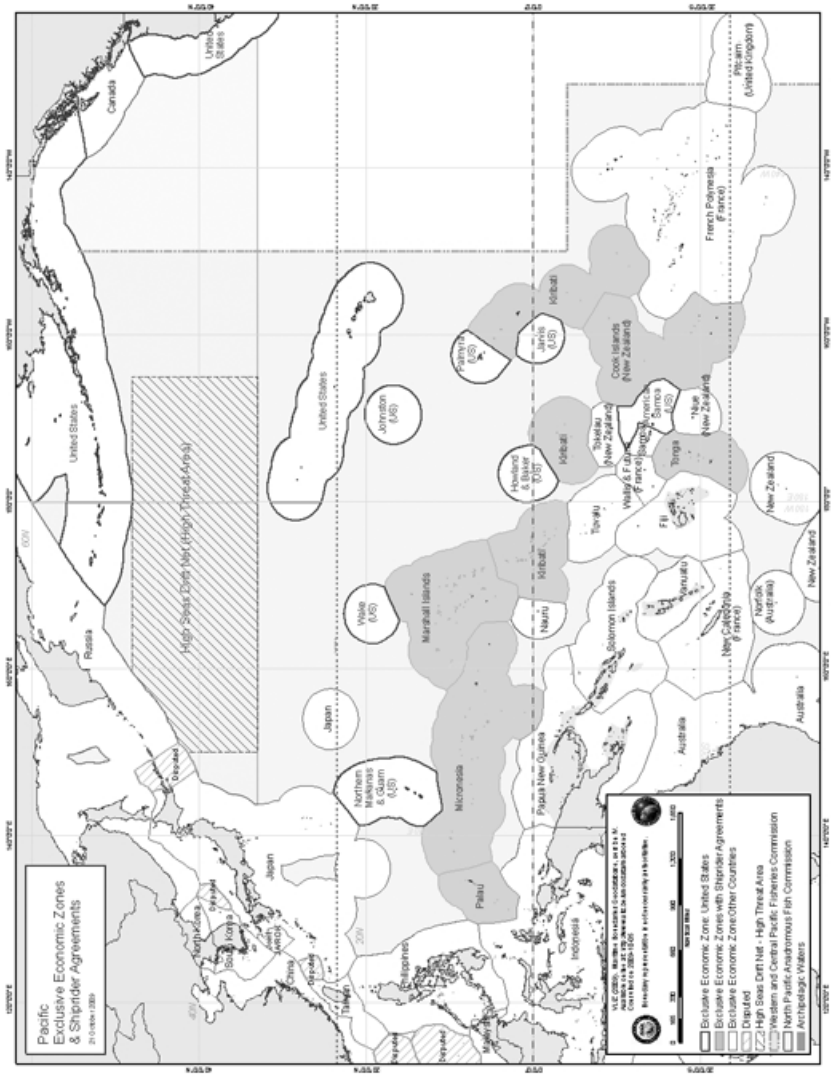
Pacific
Exclusive Economic Zones
& Shiprider Agreements
Canada
United States
Russia
High Seas Drift Net (High Threat Area)
Japan
Taiwan
China
Korea
Philippines
Indonesia
Palau
Micronesia
Papua New Guinea
Marshall Islands
Nauru
Kiribati
Solomon Islands
Tuvalu
Vanuatu
Fiji
Tonga
Samoa
Niue
Cook Islands
Tokelau
Wallis & Futuna
Pitcairn
French Polynesia
New Caledonia
Norfolk
Australia
New Zealand
Exclusive Economic Zone: United States
Exclusive Economic Zones with Shiprider Agreements
Exclusive Economic Zone/Other Countries
Disputed
High Seas Drift Net - High Threat Area
Western and Central Pacific Fisheries Commission
North Pacific Anadromous Fish Commission
Archipelagic Waters

Mr. SMITH. If I could just, a little bit more on this and on a related point. As you know, our Government is very concerned about protecting, among other things, the health of the fisheries in which we are fishing. In this particular area, one of the ways we do this is through our work in the Western and Central Pacific Fisheries Commission, which covers much of the same area as the treaty, but where we come together with all of the nations that are fishing in the region, not only the parties to the SPTT, but the other countries that are fishing in these same waters, in order to set measures that, in part, protect the resources.

Our participation in the SPTT is in part important to us because, as a significant fishing nation in this region, it gives us a greater voice, a greater voice to not only argue for reduced catches and other measures to protect the stock, but also to argue for ventures that help combat things like IU, illegal, unregulated and unreported fishing. It also gives us a vehicle for working with other nations to enforce against those sorts of activities and we think in general works to the benefit of everybody because it helps to preserve the fish stocks.

Mr. FALEOMAVAEGA. Let me rephrase my question. Maybe I am not getting through. I am not a member of the Intelligence Committee, but I think our satellite system is sophisticated enough to know just about every ant and fly that goes under the ocean and on the surface of the ocean throughout the entire Pacific Ocean, both North and South. And I was just wondering whether in the process of getting assistance—because they don't have airplanes, they don't have resources to monitor illegal fishing in their Exclusive Economic Zone, and I was just wondering if the U.S. is giving some kind of assistance in that respect.

I realize that we have security, strategic and military interests as well, and this is more than just fishing, but I just wanted to know if we can do the same service. I mean, we have got satellites over there that can pinpoint just about every ant or spider that goes around in the Pacific. And I was wondering, as a real help to these island countries that don't have airplanes, don't have ships—if they do, it is so bare that it is very, very difficult for them to monitor illegal fishing, especially from the Taiwanese boats. They are the biggest culprits in this poaching that is going on, and I imagine the hundreds of millions of dollars' worth of fish that has been taken illegally because of this. And I was just wondering, that would be such a tremendous help to these island nations to culture this resource that is so important to them.

You know, I always say, the ocean is their farm. They have limited land resources for agricultural or commercial productions. But they certainly have Exclusive Economic Zones in the oceans and perhaps this is maybe something where our Government could give assistance.

Mr. SMITH. Thank you, Mr. Chairman. And, yes, I do understand your question, and I think that—I need to go back and seek further information for you, although I do know that, for example, Coast Guard has some programs. And perhaps Mr. Gibbons-Fly can provide a little further background on those programs.

Mr. FALEOMAVAEGA. Please.

Mr. GIBBONS-FLY. Yes, Mr. Chairman. There is a great deal of assistance that the United States Government is providing to the island states to help them defend and enforce their EEZs against incursions by foreign fishing. The large majority of that comes from the U.S. Coast Guard, which regularly patrols wide areas of the western and central Pacific and over the last few years has negotiated a number of what are called ship rider agreements with the Pacific Islands, whereby enforcement authorities from the Pacific Island States are able to ride along on these Coast Guard cutters when they are in waters under the jurisdiction of the coastal states and therefore provide a platform. So when they encounter a vessel that is fishing illegally, it is not the Coast Guard taking action because they don't have jurisdiction in those waters, but the enforcement authority from the coastal state then is able to exercise his or her enforcement authority over the vessel. And there have been a number of cases of vessels found illegally fishing, brought into port, that have resulted in fines against these vessels and very significant numbers that have accrued to some of the Pacific Island States.

The Coast Guard is currently—and I think there are six or seven of these agreements. I don't have all of it, but I think the compact states, I believe, Kiribati—the compact states, Palau, Marshall Islands, FSM, Kiribati, there are others. And the Coast Guard is actually even now looking to expand those with other States in the region.

But I do want to emphasize that it is the treaty that provides the foundation, the cooperation under the treaty that provides the foundation for that kind of activity by the Coast Guard. We have under the treaty an agreed enforcement minute that says, we shall cooperate on enforcement across—and the Coast Guard has used that as the basis for a lot of this work. So the treaty underpins our cooperation, the U.S.-Pacific island cooperation, that has been established under the treaty. It underpins a lot of that work.

Mr. FALEOMAVAEGA. So you are saying that that is part of the treaty agreement process where we give assistance to these island countries for the Coast Guard to monitor illegal fishing in their grounds. Am I correct in this? Or was that a separate issue that is not included in the treaty?

Mr. GIBBONS-FLY. Well, it is not part of the treaty itself, but the treaty does establish the foundation for us to cooperate on other issues. And in particular there is—as I said, there is an agreement enforcement minute. And it is a very simple document. It is very possible that the Coast Guard could have gone ahead and negotiated these agreements even in the absence of that minute. But some of the relationships that were built by the Coast Guard representatives with the island states were built as a result of their participation on the delegations to the treaty consultations and things like that.

So I wouldn't say that this is part of the treaty. Coast Guard is operating under its own authority in conducting these agreements and implements and operates them under their own authority. But the treaty has certainly provided a lot of—kind of the underpinnings under which this relationship was able to evolve to get to these broader agreements.

Mr. FALEOMAVAEGA. I realize that this issue is outside the parameters of our discussion concerning the regional tuna treaty. But it also touches on the fact that it is in reference to the same region, and that is the Pacific region composed of all these island countries that is part of the Pacific.

I want to raise the issue that beyond just fishing for tuna, one of the things that I have always advocated strongly in terms of our Government's involvement where it should be involved are the seabed minerals that are contained in the Exclusive Economic Zones of these island nations. A couple of years ago, I think it was a Norwegian company that did a feasibility study on the Cook Islands. The Cook Islands only have about 20,000 people, but their Exclusive Economic Zone in the ocean is about 3 million square miles. And this company estimates that the Cook Islands' seabed has an amount of manganese nodules valued well over $200 billion. If there was some harvest procedure going on on the bottom seabeds of these islands, and that is just the Cook Islands alone. I even understand in the Samoan Islands there is cobalt found there.

So not just fishing, tuna, but on a more long-term vision in terms of looking at these island countries, as small as they may be, beyond just fishing for tuna. The wealth that these island countries possess potentially as far as seabed minerals are contained. As you well know, there are nodules that grow naturally in the bottom of the ocean which produce manganese, nickel, copper. I think two other elements are also there. That is why there is tremendous, tremendous wealth or value in the seabeds.

Does our Government have any interest in this area besides just tuna, the worth of manganese nodules in the seabeds of these island countries throughout the Pacific?

Mr. GIBBONS-FLY. Mr. Chairman, you have ventured outside my area of expertise, but if you have a specific question, I would be happy to take it for the record and get you a response.

Mr. FALEOMAVAEGA. Can you please? I would be very interested to know what the State Department's position is on this. I know it is not about tuna. But I said seabed minerals are even more valued, more valued than tuna in that respect.

Mr. Smith, do you think maybe NOAA might have some ships going around sensing how many submarines are going through our waters there?

Mr. SMITH. Thank you, Mr. Chairman. I am relatively sure that we don't.

Mr. FALEOMAVAEGA. You don't have any understanding?

Mr. SMITH. That is not within sort of the work that we are doing right now.

Mr. FALEOMAVAEGA. So are you saying perhaps the Department of the Navy or the Department of Defense might have that information in that regard?

Mr. SMITH. We would be happy to get back to you and provide you with some additional information.

[The information referred to follows:]

WRITTEN RESPONSE RECEIVED FROM MR. RUSSELL SMITH, III, TO QUESTION ASKED DURING THE HEARING BY THE HONORABLE ENI F.H. FALEOMAVAEGA

NOAA does not maintain these types of records. We encourage the Committee to ask the Department of Defense, specifically the Navy, for this information.

Mr. FALEOMAVAEGA. All right. You have both given an indication about the question of conservation issues. And this has always been one of my pet peeves in terms of the process of fishing, especially the process of purse seining, supposedly a more high-technology development in how these ships go out and like little purses get all the fish. What comes around as a result of that is not so much the tuna that they catch, but it is the discarding of miscellaneous or bycatch that I would venture to say that we don't even have the slightest notion of how much this value of the fish, miscellaneous fish, that is being discarded and not even utilized for consumption purposes, and the fact that a swordfish or bass or other forms of marine life has just as much protein as tuna.

Do you have any concerns about bycatch and miscellaneous catch as part of the negotiations with the island countries? Has this issue ever been raised by NOAA as well as by our State Department?

Mr. SMITH. Thank you, Mr. Chairman. In fact, bycatch is a concern. As I mentioned earlier, the general issue of protecting the resources, and part of protecting the resources is looking at the impact that the fishing activities have on stocks and on fish and on marine mammals that are not the target of the fishing.

One of the things that working both within the SPTT and within the WCPFC has allowed us to do is to develop measures that both collect information on the impact of fishing on both targets and nontarget species and then take measures that are designed to address the impact on nontarget species.

As I mentioned in my testimony, the U.S. under the SPTT has 100 percent observer coverage on the vessels, on the purse seine vessels that are fishing in this fishery, and as a result, we have recently good data. I guess I should say that this is only as of 2010 that we have had 100 percent coverage. But we have good data, and we are getting better data on what the incidence of bycatch is.

Mr. FALEOMAVAEGA. When you say "data," what data and information have you been able to compile over a series of years on the amount of bycatch that has been discarded discriminately or indiscriminately by fishing vessels?

Mr. SMITH. Well, with respect to the U.S. purse seine fleet, which is where we have the best information, during 2008 and 2009, discarded bycatch—so these are—this is the product that is just thrown away—has been about between 0.4 and 0.9 percent by weight of the total catch. So by weight it is a relatively small percentage of the product caught.

I will note that our fishers go after yellowtail and skipjack tuna. They also catch bigeye as bycatch, but that bigeye, for the most part, is utilized. It goes into canneries and is retained.

So by some definitions, the bycatch is higher, but I think the concern that you expressed was about discards, and with respect to discards, it is the 0.4.

Mr. FALEOMAVAEGA. Can you submit something for the record, the data that NOAA has collected in terms of how much bycatch has really been taken as a matter of record? Because I can't believe it is only 0.4 percent. It has got to be a lot more than that.

Mr. SMITH. I would be happy to.

Mr. FALEOMAVAEGA. Please, if you could submit that for the record.

[The information referred to follows:]

Committee on Foreign Affairs

Subcommittee on Asia, the Pacific, and the Global Environment

September 22, 2010

Follow-Up Questions for the Record

Questions for Russell Smith

Chairman Faleomavaega:

Question: What data do you have on how much bycatch has been taken? (Page 45)

Response:

Comprehensive data on bycatch in the Western Central Pacific Fisheries Commission (WCPFC) area is included in a recent report entitled "Non-target species interactions with the tuna fisheries of the Western and Central Pacific Ocean" prepared by the Oceanic Fisheries Programme at the Secretariat of the Pacific Community (OFP-SPC) and presented to the Sixth Regular Session of the Scientific Committee to the WCPFC August 10 - 19, 2010 in Nuku'alofa, Tonga. This report is included as attachment 4.

Bycatch, by definition, is any species caught other than the target species. For the purse seine fisheries, all of the *tuna* species are considered target species, and therefore are not considered bycatch according to the above definition. A key conclusion of the OFP-SPC report was that, based on observer reports, over 98% of the catch on purse seine sets are of target species (including juvenile yellowfin and bigeye).

The purse seine fisheries operating in the region are split into those that fish (or set) for schools of animals associated with floating objects (logs or other fish aggregating devices) and those that fish unassociated schools. The target species comprised 98% of the catch for log associated sets and 99% for all other set types. The bycatch species included several species of sharks, billfish and other pelagic fishes as well as sea turtles and marine mammals. Of the total catch by the purse seine fisheries, 1% - 2% of the catch was bycatch of over 20 different species. There was considerable variation in the bycatch species composition between associated and unassociated sets.

Nonetheless, both target species and bycatch species are discarded (not landed or sold, including live release at sea). The rate of discard for target and bycatch species is shown in the table below. The predominant reasons for target species discards were; "fish too small for canning" (77%), "gear damage" (14%), and "vessel fully loaded"

(10%). Due to the nature of catch storage, bycatch species are generally not retained. Crew consumption was the main reason for retaining bycatch.

Discard Rates for Target Species and Bycatch Species from the US Purse Seine Fleet, 2007-2009

	2007	2008	2009[2]
	% Discarded[1]	% Discarded	% Discarded
Skipjack	8.8	3.4	1
Yellowfin	6.4	3.2	0.7
Bigeye	10.2	11	0.5
Bycatch	93.7	68.4	85.4

- Notes: (1) Discard Rates are from observer data (20% coverage)
  (2) Data for 2009 is preliminary

References:

OFP. (2008). A description of observer and port sampling data collected under the US Multilateral Treaty and FSM Arrangement 2006–2007. A paper prepared for the Internal Meeting of Pacific Island Parties to the South Pacific Regional US Multilateral Treaty. March 3-7, 2008, Rarotonga, Cook Islands. Oceanic Fisheries Programme, Secretariat of the Pacific Community, Noumea, New Caledonia.

OFP. (2009). A description of observer and port sampling data collected under the US Multilateral Treaty and FSM Arrangement 2007–2008. A paper prepared for the Internal Meeting of Pacific Island Parties to the South Pacific Regional US Multilateral Treaty. March 10–13, 2009, Koror, Palau. Oceanic Fisheries Programme, Secretariat of the Pacific Community, Noumea, New Caledonia.

OFP. (2010). A description of observer and port sampling data collected under the US Multilateral Treaty and FSM Arrangement 2008–2009 (Rev. 1). A paper prepared for the Internal Meeting of Pacific Island Parties to the South Pacific Regional US Multilateral Treaty. March 10–12, 2010, Alofi, Niue. Oceanic Fisheries Programme, Secretariat of the Pacific Community, Noumea, New Caledonia.

OFP. (2010). Non-target species interactions with the tuna fisheries of the Western and Central Pacific Ocean. WCPFC-SC6-2010/EB-IP-8. Sixth Regular Session of the Scientific Committee. August 10-19, 2010. Nuku'alofa, Tonga. Oceanic Fisheries Programme, Secretariat of the Pacific Community, Noumea, New Caledonia. (ATTACHED)

USA. (2010). Annual Report to the Commission Part 1: Information on Fisheries, Research, and Statistics. United States of America. WCPFC-SC6-AR/CCM-26. Sixth Regular Session of the Scientific Committee. August 10-19, 2010. Nuku'alofa, Tonga. Pacific Islands Fishery Science Center, National Marine Fisheries Service, Honolulu, HI.

Attachment to be inserted at end of response:

- "Non-target species interactions with the tuna fisheries of the Western and Central Pacific Ocean. WCPFC-SC6-2010/EB-IP-8. Sixth Regular Session of the Scientific Committee." Oceanic Fisheries Programme, Secretariat of the Pacific Community, Noumea, New Caledonia August 10-19, 2010. Nuku'alofa, Ton

SCIENTIFIC COMMITTEE
SIXTH REGULAR SESSION

Nuku'alofa, Tonga
10-19 August 2010

Non-Target Species Interactions with the Tuna Fisheries of the Western and Central Pacific Ocean

WCPFC-SC6-2010/EB-IP-8

Oceanic Fisheries Programme[1]

[1] Secretariat of the Pacific Community, Noumea, New Caledonia

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INTRODUCTION

The Western and Central Pacific Ocean (WCPO) tuna fisheries are amongst the largest, most complex and valuable fisheries resources in the world. In 2008, the most recent year with confirmed statistics, the annual catch exceeded 2.4 million tonnes (Williams and Terawasi, 2009), comprised over 50% of the total global tuna catch and was valued at over USD 5 billion dollars. Although albacore, bigeye, skipjack and yellowfin tunas have dominated annual catches from the WCPO, the fisheries also interact with non-tuna taxa, such as billfishes and sharks, which are important components of the retained catches and a range of other species with no commercial value (e.g. turtles, birds).

The Western and Central Pacific Fisheries Commission (WCPFC) is the Regional Fisheries Management Organisation for the tuna fishery with responsibilities for not just managing the catch of target species but also non-target species. Estimates of the catch of non-target species have been provided regularly to the WCPFC since 2005 (Molony 2005, SPC 2006, 2007, 2008). This report syntheses the current information on the interaction of WCPO tuna fisheries with non-target species to assist with informing discussion within the Ecosystem and Bycatch Specialist Working Group at the 2010 regular meeting of the WCPFC Scientific Committee.

OBSERVER DATA

The species and species groups caught in the WCPO can be determined from observer data held by the SPC Oceanic Fisheries Programme that were collected onboard longliners since 1992 and purse seiners since 1994. Tables 1 and 2 show the number of observer trips covered by data held by the OFP for longliners and purse seiners respectively.

The number of trips onboard purse seiners have been relatively consistant through time, both for trips fishing mainly unassociated schools and trips fishing schools associated with floating objects (primarily logs, drifting FADs and anchored FADs). In the early years of the time series, the majority of trips were taken on United States vessels, but the coverage of other fleets, particularly those fishing under the FSM Arrangement, has improved over time. Since 2002, a large number of observer trips has been taken in the waters of Papua New Guinea.

The number of trips taken on offshore longliners based in Pacific island countries and fishing in the tropics or targeting albacore in sub-tropical waters, and on vessels in the domestic fleets of Australia and New Zealand, has been relatively consistent. However, data held by the OFP for trips taken on longliners based in Hawaii cover only the period from 1994 to 2004; while the fleet has continued to operate since 2004, data have no longer been provided to the OFP. The distant-water fleets of Japan, Korea and Chinese Taipei account for a high proportion of longline effort in the WCPO, but the number of trips covered by observer data held by the OFP, other than for Japanese vessels fishing in the waters of Australia or New Zealand, is minimal. The Japanese longline fleet ceased fishing in the Australian Fishing Zone in 1998. The discontinuities in the observer data covering the fleet based in Hawaii and the Japanese vessels fishing in the AFZ should be born in mind when interpreting time series of catch rates of finfish determined from the observer data.

Table 1. Number of trips taken by observers onboard longliners covered by data held by the SPC Oceanic Fisheries Programme, by sector

Year	Australia Domestic	Australia Japanese	Distant-Water Albacore	Distant-Water Yellowfin & Bigeye	Hawaii	New Zealand Domestic	New Zealand Japanese	Offshore Albacore	Offshore Tropical Deep	Offshore Tropical Shallow	Shark	Total
1992	0	59	0	0	0	2	6	1	1	0	0	69
1993	0	86	0	0	0	0	17	1	2	6	0	112
1994	0	62	0	0	46	1	7	1	3	15	0	135
1995	0	41	0	1	48	3	8	7	5	18	3	131
1996	0	34	1	0	53	5	0	13	7	13	2	126
1997	0	31	0	0	37	7	8	10	19	20	3	132
1998	0	2	2	1	50	11	5	6	11	24	4	112
1999	0	0	1	0	38	4	6	12	11	13	10	85
2000	0	0	0	1	111	9	4	5	20	14	4	164
2001	0	0	0	0	229	21	4	5	4	3	10	266
2002	0	0	0	2	279	10	4	32	69	8	5	404
2003	6	0	0	1	264	5	4	48	49	6	1	383
2004	34	0	0	0	213	16	0	52	47	11	11	373
2005	11	0	0	3	0	12	2	53	41	0	6	122
2006	51	0	0	5	0	14	3	74	67	4	3	218
2007	19	0	0	0	0	14	3	49	53	12	4	150
2008	0	0	0	0	0	17	2	70	17	11	3	117
2009	0	0	0	0	0	0	0	90	4	5	1	99
Total	121	315	4	14	1,368	151	83	529	430	183	70	3,158

Table 2. Number of trips taken by observers onboard purse seiners covered by data held by the SPC Oceanic Fisheries Programme, by main type of school association per trip

Year	Unassociated Schools	Associated School's	Total
1994	14	11	25
1995	32	30	62
1996	52	57	109
1997	47	62	109
1998	78	85	163
1999	21	54	75
2000	35	55	90
2001	56	69	125
2002	84	128	212
2003	91	144	235
2004	141	224	365
2005	164	246	410
2006	191	256	447
2007	169	239	408
2008	151	169	320
2009	53	63	116
Total	1,379	1,892	3,271

Figures 1 and 2 show the distribution of observed effort relative to total effort in the longline and purse-seine fisheries in the WCPFC Statistical Area. While the coverage of observer data collected on purse seiners is more or less geographically representative, except for the lack of data covering Indonesia and the Philippines, the coverage for longliners is not, primarily because of the lack of data covering the distant-water fleets.

MAJOR FINFISH SPECIES AND SPECIES GROUPS CAUGHT BY LONGLINERS AND PURSE SEINERS IN THE WESTERN AND CENTRAL PACIFIC OCEAN

The major finfish species and species groups caught by longliners and purse seiners covered by observer data held by the OFP are listed in Tables 3 and 4, ranked by the amount of observed catch. Non-target species account for only 0.89% of the observed purse-seine catch (assuming that the unidentified tunas were target species), whereas for the longline fleets that are covered by the data, non-target species account for about half of the observed catch, with sharks accounting for 29.7%. The relatively large proportion of southern bluefin in the observed catch of longliners reflects the fact that much of the observer coverage of Japanese longliners fishing in Australia and New Zealand has been of trips targeting southern bluefin.

Figure 1. Distribution of longline hooks set and hooks observed in the WCPFC Statistical Area, 1992–2007

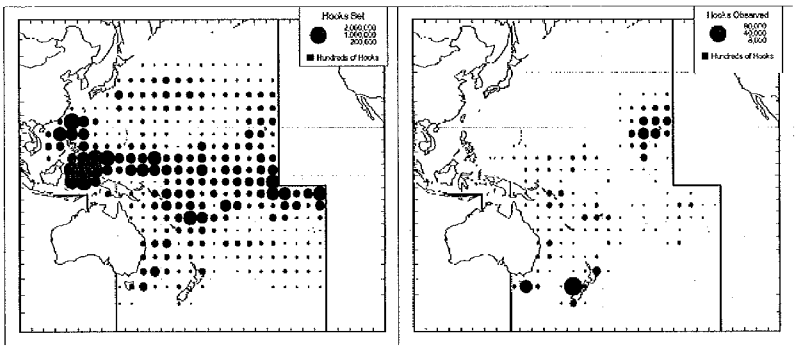

Figure 2. Distribution of purse-seine days fished or searched and days observed, 1994–2008

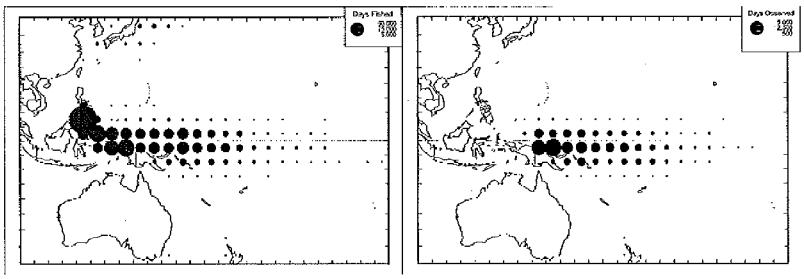

Table 3. Major finfish species and species groups caught by longliners in the Western and Central Pacific Ocean, ranked by total observed catch, 1994–2009

Species or Species Group	Scientific name	Observed Catch	
		Tonnes	%
Blue shark	Prionace glauca	9,216	19.5%
Bigeye tuna	Thunnus obesus	7,381	15.6%
Albacore	Thunnus alalunga	5,945	12.6%
Yellowfin tuna	Thunnus albacares	5,560	11.8%
Southern bluefin tuna	Thunnus maccoyii	4,468	9.5%
Swordfish	Xiphias gladius	2,792	5.9%
Silky shark	Carcharhinus falciformis	1,644	3.5%
Opah	Lampris guttatus	1,330	2.8%
Striped marlin	Tetrapturus audax	1,200	2.5%
Mako sharks	Isurus spp	1,047	2.2%
Escolars	Gempylidae	805	1.7%
Blue marlin	Makaira nigricans	799	1.7%
Oceanic whitetip shark	Carcharhinus longimanus	666	1.4%
Common dolphinfish	Coryphaena hippurus	565	1.2%
Ocean sunfish	Mola mola	499	1.1%
Porbeagle	Lamna nasus	450	1.0%
Wahoo	Acanthocybium solandri	408	0.9%
Pomfrets	Bramidae	346	0.7%
Skipjack tuna	Katsuwonus pelamis	323	0.7%
Shortbill spearfish	Tetrapturus angustirostris	289	0.6%
Lancetfishes	Alepisaurus spp	264	0.6%
Butterfly kingfish	Gasterochisma melampus	223	0.5%
Shark suckers	Remora spp	213	0.5%
Oilfish	Ruvettus pretiosus	207	0.4%
Thresher sharks	Alopias spp	181	0.4%
Black marlin	Makaira indica	149	0.3%
Indo-Pacific sailfish	Istiophorus platypterus	117	0.2%
Hammerhead sharks	Sphyrna spp	106	0.2%
Other sharks and rays	Elasmobranchii	719	1.5%
Other fish	Osteichthyes	590	1.2%
Total		47,193	100.0%

Table 4. Major finfish species and species groups caught by purse seiners in the Western and Central Pacific Ocean, ranked by observed catch, 1994–2009

Species or Species Group	Scientific Name	Observed Catch	
		Tonnes	%
Skipjack tuna	Katsuwonus pelamis	812,882	64.95%
Yellowfin tuna	Thunnus albacares	349,719	27.94%
Bigeye tuna	Thunnus obesus	59,574	4.76%
Rainbow runner	Elagatis bipinnulata	4,131	0.33%
Triggerfish	Balistidae	1,023	0.08%
Whale shark	Rhincodon typus	939	0.07%
Mackerel scad	Decapterus macarellus	931	0.07%
Silky shark	Carcharhinus falciformis	900	0.07%
Frigate and bullet tuna	Auxis thazard & Auxis rochei	787	0.06%
Common dolphinfish	Coryphaena hippurus	512	0.04%
Blue marlin	Makaira nigricans	365	0.03%
Mantas	Mobulidae	284	0.02%
Black marlin	Makaira indica	234	0.02%
Albacore	Thunnus alalunga	161	0.01%
Wahoo	Acanthocybium solandri	155	0.01%
Oceanic whitetip shark	Carcharhinus longimanus	120	0.01%
Tunas (unidentified)	Thunnini	18,270	1.46%
Other scombrids	Scombridae	192	0.02%
Other sharks and rays	Elasmobranchii	177	0.01%
Other billfish	Istiophoridae	120	0.01%
Other fish	Osteichthyes	760	0.06%
Total		1,251,474	100.00%

Longline Fisheries catch composition

To examine the differences in species caught by the various longline fisheries, the observer data from 1996 onwards (excluding data from the Aust., NZ, and Hawaii observer programmes) was grouped into four combinations of geographic area and depth of set: (1) Western South Pacific (WSP) Albacore is 10°S to 25°S, (2) Western Tropical Pacific (WTP) Deep is 10°N-10°S and west of 180° and > 10 Hooks Between Floats (HBF), (3) WTP Shallow is 10°N-10°S and west of 180° and <= 10 HBF and (4) Shark targeted sets. There was considerable variation in the species composition by group (Figure 3). The target tuna species (albacore, bigeye, skipjack, yellowfin) comprised 74% of the number of individuals observed in the WSP Albacore group, 66% of the observations for the WTP Deep group and 43% of the WTP Shallow group.

One hundred and ninety non-target species have been observed to interact with the WSP Albacore group. The most commonly observed non-target species were mahi mahi (17%), wahoo (12%), blue shark (10%), longsnouted lancetfish (9%), escolar (5%), great barracuta (4%), opah (4%),

shortbilled spearfish (3%), silky shark (3%) oceanic whitetip shark (2%), pelagic stringray (2%), blue marlin (2%), swordfish (2%), oilfish (2%), striped marlin (2%), sailfish (1%), short finned mako (1%) sickle pomfret (1%) and snake mackerel (1%). All other species comprised observation frequencies of < 1%.

One hundred and forty non-target species have been observed to interact with the WTP Deep group with blue shark (12%), silky shark (11%), wahoo (8%), mahi mahi (7%), blue marlin (6%), pelagic stringray (4%), bigeye thresher (4%), sailfish (3%), pelagic thresher (3%), great barracuda (3%), shortsnouted lancetfish (3%), longsnouted lancetfish (3%), lancetfish (3%), oceanic whitetip shark (3%), swordfish (3%), pomfret (2%), opah (2%), oilfish (2%), striped marlin (2%), snake mackerel (2%), black marlin (2%), escolar (2%), barracuda (1%), short finned mako (1%), sickle pomfret (1%), longfinned mako (1%) and shortbilled spearfish (1%) the most commonly observed. All other species comprised observation frequencies of < 1%.

Ninety seven non-target species have been observed to interact with the WTP shallow group. The most commonly observed non-target species were blue shark (22%), silky shark (15%), blue marlin (8%), swordfish (8%), pelagic stringray (5%), oceanic whitetip shark (5%), mahi mahi (3%), wahoo (3%), sailfish (3%), black marlin (2%), bigeye thresher (2%), striped marlin (2%), oilfish (2%), escolar (2%), barracuda (2%), lancetfish (2%), shortfinned mako (2%), snake mackerel (1%), great barracuda (1%), pelagic thresher (1%), shortbilled spearfish (1%), longsnouted lancetfish (1%) and crocodile shark (1%) with all other species comprising observation frequencies of < 1%. The longline data to the east of 180 degrees longitude was excluded as the sample size of 296 sets available for analysis was too small for meaningful comparison.

The most commonly observed species from shark targeted sets were silky shark (55%), oceanic whitetip shark (6%), yellowfin tuna (5%), grey reef shark (3%), swordfish (3%), great barracuda (2%), sailfish (2%), blacktip shark (2%), hammerhead shark (2%), silvertip shark (2%), blue shark (2%), blue marlin (2%) galapogos shark (1%), balcktip reef shark (1%), bronze whaler shark (1%), scalloped hammerhead shark (1%), mahi mahi (1%) and bigeye (1%). The number of observations of seabirds, turtles and marine mammals was <1% for each group.

Purse-seine Fisheries catch composition

The purse-seine fisheries operating between 10°N and 10°S were split into unassociated and associated (log, drifting FAD, anchored FAD) sets. There was considerable variation in the species composition between associated and unassociated sets (Figure 4). The target species comprised 98% for log associated sets and 99% for all other set types.

On log associated the most commonly observed non-target species were rainbow runner (41%), mackerel scad (12%), oceanic triggerfish (11%), silky shark (6%), mahi mahi (4%), frigate tuna (3%), blue marlin (1%), black marlin (1%), bullet tuna (1%), black triggerfish(1%), manta rays (1%), wahoo (1%), kawakawa (1%), mackerel (1%) and other sharks (1%). On anchored FAD associated sets the most common non-target species observed were rainbow runner (41%), frigate tuna (12%), silky shark (8%), mackerel scad (6%), mahi mahi (6%), bullet tuna (5%), oceanic triggerfish (4%), kawakawa (4%), manta rays (2%), blue marlin (2%), black marlin (1%), oceanic whitetip sharks (1%) , barracudas (1%), wahoo (1%), black triggerfish(1%), and other sharks (1%). On drifting FAD associated sets the most common non-target species observed were rainbow runner (45%), silky shark (8%), oceanic triggerfish (8%), mackerel scad (7%), mahi mahi (6%),

[NOTE: The remainder of this document is not reprinted here but is available in committee records.]

Mr. FALEOMAVAEGA. Mr. Gibbons-Fly.

Mr. GIBBONS-FLY. Yes. Thank you, Mr. Chairman.

Just to add a couple of points, this issue has been discussed within the WCPFC, and the issue of bycatch, in particular the juvenile bigeye, has been a source of continuing concern. And the WCPFC has adopted at least two measures to get to this question. One is the WCPFC now requires all purse seine vessels to retain all fish that is caught; no discards unless a vessel is absolutely full on its last set and has no more room in its hold. But other than that, all fish is to be retained.

The idea is to—because the juvenile tuna, the smaller tuna, has less value, if the vessels are required to take that into port where they are going to get less money for it, in theory it provides an incentive to avoid those areas where they are catching a lot of small fish.

The second thing that the WCPFC has done is most of the catches of juvenile bigeye tuna are caught in association with fish-aggregating devices, the floating aggregated devices, the FADS. Last year there was a 60-day closure of the FAD fishery, and that will expand to a 90-day closure of the FAD fishery, particularly to decrease the amount of small bigeye that is caught.

And third, this continues to be an issue. And a number of governments and private sector groups are looking at ways to mitigate bycatch or catch of juvenile tuna, juvenile bigeye tuna, in purse seine fisheries. In particular, a group called the International Seafood Sustainability Foundation has undertaken a major research project in all the oceans of the world to look at ways—chartering vessels to look at what technological solutions might be available in terms of fishing gear and techniques that would mitigate catch of the bigeye tuna. It is my view that the U.S. should be a major contributor to that effort, and we are looking for ways to do that in cooperation with NOAA.

So these issues are very much on the radar screen, Mr. Chairman. I don't think we are where we want or need to be yet, but we are working very hard to try to get there. Thank you.

Mr. FALEOMAVAEGA. I realize that this is not related to tuna, but it does have issues as far as conservation is concerned as well. Years ago we passed a law on restricting the killing of sharks for the purpose of the fishermen just simply cutting off the fins and discarding the rest of the body of the shark for the only reason because shark fin soup happens to be the most expensive soup in Asia. And I remember going to Tokyo. A little bowl of shark fin soup like this was $100.

I wanted to know, Mr. Smith, conservationwise, are we being successful in really cutting down the situation dealing with shark finning? I suppose it is not part of the tuna fishing treaty, right? Nothing to do with sharks? Mr. Gibbons-Fly.

Mr. GIBBONS-FLY. Well, I will let Mr. Smith be the one to address this.

Mr. FALEOMAVAEGA. Thank you.

Mr. SMITH. In fact, as you may know, there are several tuna treaties or treaties under which we address tuna and other highly migratory species. And in each of those, sharks has come up as an issue in one way or another, often as bycatch.

Yes, we continue to aggressively look for ways to reduce the mortality of sharks, in particular reduce the mortality of sharks that are taken just for purposes of finning. And we do it through these organizations, working with our partners. Our vessels are subjected to the legislation that you referred to, and NOAA actively and the U.S. Coast Guard actively enforce those provisions.

Mr. FALEOMAVAEGA. I think we have pretty much covered our bases on some of the issues that have been raised in the hearing this afternoon. I make this presumption: Assuming that I get reelected in November, you will see my ugly face again. But otherwise, I do deeply appreciate both of you for your involvement in the negotiations on the regional tuna treaty.

I notice my good friend Dave Whaley is back there on behalf of my colleague; and a real dear friend who knows very much about fishing industries, that would be Congressman Don Young from Alaska. And I am very happy that he is here just to observe and hear what we are talking about.

But, gentlemen, I do want to say that we have got to be in a better competitive edge in terms of how we are dealing with the tuna industry. Competition coming from foreign countries has been very stiff, and I don't know how much longer we are going to be able to continue to compete in this industry. And I sincerely hope that our tuna boat owners will also be forthcoming.

The problem that I have had over the years, Mr. Gibbons-Fly, is that our tuna boat owners are so independent of one another. It is very difficult to really get a sense of unity of organization, really given the issues of what would be in the best interests of our tuna industry; no less also to suggest that our canneries are not also united in that respect in terms of what should be the concerns and how the future of our tuna industry should be brought about in a more positive way.

Before I close, did you have any more additional statements you wanted to submit for the record?

Mr. GIBBONS-FLY. No, Mr. Chairman, only to say we wish you well on your upcoming election, and we look forward to being back here before you to keep you updated on our progress in these negotiations and other related issues.

On your last issue about the U.S. tuna fishermen, I think my general assessment over three decades—and I think it relates to all fishermen that I have encountered—is that individuals become fishermen precisely because they don't want other people to tell them what to do, and that presents a number of challenges for us in the government. But I have found our fishing industry to be—despite the fact that they have very varied interests, for me it has always been a pleasure to work with them, and it has been an honor to represent them in the international arena because I think our fishermen do have the best record, and we should be proud of that record and seek to see that as the standard that is set for other parts of the world.

Thank you, Mr. Chairman.

Mr. FALEOMAVAEGA. I might also note for the record, before Mr. Smith gives his statement, I had about a 5-hour dialogue with Mr. Jeff Pike, representing our tuna boat owners, given the fact that one of our laws has expired, in terms of the requirement of licens-

ing offices to man these fishing boats. My understanding is that it is necessary that we give our tuna boat owners another 2 years' extension to have this waiver, this extension.

But my concern, as part of the equation, what are they doing to help my little tuna industry in American Samoa? And that has not been forthcoming. And I sincerely hope that we are going to come up with some more positive results in terms of this law that gives a waiver for foreign offices to man our tuna boats.

Mr. Smith?

Mr. SMITH. I just wanted to take this opportunity to say thank you for the hearing and for giving us the chance to testify, and I do hope that we will have this opportunity to visit this way again. Your support in this area has been very important. It is a difficult area because of the economics and because of the needs of the islands and the fish and the tuna boats, and I think it is only through this dialogue that we are going to be able to come to a solution on how to get all of these interests balanced out. But thank you very much.

Mr. FALEOMAVAEGA. Well, gentlemen, with that, I am going to use this mallet and say the hearing is adjourned. Thank you very much.

[Whereupon, at 2:50 p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515-0128

SUBCOMMITTEE ON ASIA, THE PACIFIC AND THE GLOBAL ENVIRONMENT
Eni F.H. Faleomavaega (D-AS), Chairman

September 15, 2010

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Subcommittee on Asia, the Pacific and the Global Environment, to be held in **Room 2172 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at http://www.hcfa.house.gov)**:

DATE: Wednesday, September 22, 2010

TIME: 1:30 p.m.

SUBJECT: **Renegotiating the South Pacific Tuna Treaty: Closing Loopholes and Protecting U.S. Interests**

WITNESSES: Mr. William Gibbons-Fly
Director, Office of Marine Conservation
Bureau of Oceans and International Environment and Scientific Affairs
U.S. Department of State

Mr. Russell Smith, III
Deputy Assistant Secretary for International Fisheries
National Oceanic and Atmospheric Administration
U.S. Department of Commerce

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

HEARING MINUTES OF THE SUBCOMMITTEE ON ASIA, THE PACIFIC AND THE GLOBAL ENVIRONMENT

Day: **Wednesday**

Date: **September 22, 2010**

Room: **2172 Rayburn House Office Bldg.**

Start Time: **1:40 p.m.**

End Time: **2:50 p.m.**

Recesses:

Presiding Member(s): Chairman Eni F.H. Faleomavaega

CHECK ALL OF THE FOLLOWING THAT APPLY:

Open Session	X
Executive (closed) Session	
Televised	X
Electronically Recorded (taped)	X
Stenographic Record	X

TITLE OF BRIEFING: "Renegotiating the South Pacific Tuna Treaty: Closing Loopholes and Protecting U.S. Interests"

COMMITTEE MEMBERS PRESENT:

NONCOMMITTEE MEMBERS PRESENT:

BRIEFERS: Same as meeting notice attached? Yes _X_ No ____ *(If "no", please list below and include title, agency, department, or organization.*

ACCOMPANYING BRIEFERS: *(Include title, agency, department, or organization, and which witness the person accompanied*

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record)*
Chairman Faleomavaega, Rep. Watson, Mr. Gibbons-Fly (witness), Mr. Smith (witness)

Lisa Williams
Staff Director

Statement
Congresswoman Diane E. Watson
Subcommittee on Asia and Global Environment
Committee on Foreign Affairs
Wednesday, September 22, 2010
2172 Rayburn House Office Building
1:30 p.m.

"Renegotiating the South Pacific Tuna Treaty: Closing Loopholes and Protecting U.S. Interests"

Good afternoon, Mr. Chairman, and thank you for holding this timely hearing on the status of the South Pacific Tuna Treaty (SPTT). Overfishing of tuna in other parts of the world has caused an increase in interest in Pacific tuna, one of the few remaining sustainable stocks in the world.

The South Pacific Tuna Treaty has had economic benefits for the U.S. and the 16 island nations involved. The U.S. harvests roughly 250 million dollars worth of tuna yearly. In return, the U.S tuna industry pays 3 million dollars in fees and the U.S. government provides 18 million dollars annually in aid to the Pacific Island parties.

Though this agreement has worked well over the last twenty plus years, circumstances have changed. As many of the tuna stocks over the world are depleting, foreign nations are now paying these struggling island nations for access to their waters.

I thank the Obama Administration for taking steps to renegotiate this treaty. We must be careful to ensure that the South Pacific tuna supply remains sustainable and also benefits the island nations. I look forward to hearing about the challenges the Administration is facing.

Thank you, Mr. Chairman, and I yield back the remainder of my time.

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