INTER-AMERICAN TROPICAL TUNA COMMISSION PERMANENT WORKING GROUP ON FLEET CAPACITY

21ST MEETING

Bilbao, Spain 20 July 2019

CHAIR'S REPORT

AGENDA

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1. Opening of the meeting	
2. Adoption of the agenda	
3. Review of changes in the utilization of fleet capacity in the EPO	CAP-21-01
4. Consultant's report on the proposal to address the management of fishing capacity in the EPO: presentation and discussion of the proposal	
5. Review of pending capacity claims, disputes, adjustments, and requests according to the list presented at the 89 th meeting of the IATTC and referred to in document <u>CAP-17 INF-A REV</u> (14 May 2016)	
6. Recommendations to the Commission	
7. Other business	
8. Adjournment	

APPENDIX

1. List of attendees

The 21st meeting of the Permanent Working Group on Fleet Capacity was held in Bilbao, Spain, on 20 July 2019.

1. Opening of the meeting

The Meeting was opened by the Chair of the Working Group, Mr. Alfonso Miranda, of Peru.

2. Adoption of the agenda

The provisional agenda was adopted without changes with the announcement by Peru and Ecuador that they would give presentations under agenda items 5 and 7, respectively.

3. Review of changes in the utilization of fleet capacity in the EPO

Dr. Guillermo Compeán, Director of the IATTC, presented Document <u>CAP-21-01</u>, "Review of changes in the utilization of fleet capacity in the EPO". He reported that, as of 31 May 2019, the active purse-seine capacity on the Regional Register was 288,850 m³; the capacity of inactive or sunk vessels, 5,673 m³; and the capacity available as a result of movements of vessels on the Regional Register, 7,838 m³, for a potential total of 302,361 m³. In June 2002, when Resolution <u>C-02-03</u> entered into force, the active capacity was 218,482 m³, while the total sum of the active and inactive capacity, plus that included in paragraph 10 of the resolution, was 273,467 m³; this represents an increase of 28,894 m³ in the potential total capacity.

There were no comments or questions from the participants.

4. Consultant's report on the proposal to address the management of fishing capacity in the EPO: presentation and discussion of the proposal

Dr. Dales Squires gave a detailed presentation of his proposal, which was received with interest by the members of the Group, many of whom asked questions about specific aspects of the proposal and asked that some of those aspects be clarified or developed further. In general, the Member countries made comments on the following aspects:

- Countries with small fleets will have a disadvantage in the allocation of quotas or catch limits per fishing days.
- It is noted that the proposal would bring economic benefits, but it is not clear how the sustainability of the resource would be supported. The concept of maximum sustainable yield is not considered. There are risks of increasing the fishing effort since inoperative vessels could sell their fishing days to those that are operating.
- The system is based on supporting vessels that maintain a level of efficiency, however, the performance of the fleet that fishes in association with dolphins is extremely variable.
- A three-year period may not be enough to perceive benefits from the system and it is very unlikely that a country would decide to give up its capacity during this period to opt for a catch-per-fishing day system.
- It is important to look for a process that changes the vision of how to apply catch limits. If the IATTC decides to work on this proposal, it will take time since there are a lot of things that have to be polished, for example, if the fishing days are owned by a company or a country.
- The measures taken in relation to the proposal should consider the best scientific evidence available. The proposal should be accompanied by an evaluation of the management measures in accordance with the mandate of the Antigua Convention.
- The system should consider a comprehensive approach and take environmental and social circumstances into account. The proposal only favors economic aspects and disregards environmental and socioeconomic issues.
- How to calculate the basis for the fishing effort limits. The calculation should be based on operational or current allowable capacity since there are currently vessels that have not fished recently.

5. Review of pending capacity claims, disputes, adjustments, and requests according to the list presented at the 89th meeting of the IATTC and referred to in document <u>CAP-17 INF-A</u> REV (14 May 2016)

Peru gave a presentation to expand on the argument justifying the approval of its request for 5,851 m³ of capacity granted in the footnote of paragraph 10 of Resolution C-02-03. The reasons presented mainly include:

- Peru, as the sovereign country of its national waters, has the right to use its hydrobiological resources, and needs to create opportunities to improve the socioeconomic status of the population, given its status as a developing country.
- Peru agrees that there is a need for measures to limit fleet capacity in the EPO, but they cannot ignore the rights of a coastal country to consolidate its own fleet, even more so when Peru is committed to conservation and management measures.
- Skipjack stock indicators do not show decline, which allows the harvest of this resource without major risks of overexploitation; skipjack would mainly be its target species due to its presence in its jurisdictional waters.
- The fishing by the Peruvian fleet is limited to jurisdictional waters. The vessels only catch tunas temporarily; they mainly catch anchovy and jack mackerel. They only fish for tuna when the

anchovy and jack mackerel fishing seasons are closed, with no more than 180 fishing days per year. Therefore, the fishing effort on skipjack and yellowfin is much lower in comparison with any tuna vessel that operates around 300 days per year in the EPO.

- The granting of fishing capacity would encourage the development of the tuna industry by reactivating investment in a vertical integration scheme in which the plant has its fleet for its supply, it would promote job creation and increase production by more than 50%.
- Peru has solid national regulations that ensure the implementation of the conservation measures applied in the IATTC, as well as the protection of species associated with tuna.

Some delegations noted that it was not the time to make decisions on capacity requests or claims since, like in this particular case, it would be very hard to define the compensatory measures needed to compensate for the increase in capacity, as has been addressed in previous meetings of the Working Group.

6. Recommendations to the Commission

Gathering the elements of consensus reached during the discussion of item 4 of the agenda, the Working Group agreed to recommend the development, in coordination with the consultant, of a schedule of his visits to CPCs with purse-seine fleets in the near future. An important purpose of these visits will be to discuss the possible concerns of those CPCs regarding the proposed scheme, in order to take them into account in the review of the proposal.

7. Other business

Once again, Ecuador presented the case of the vessel María del Mar, which was circulated during the intersessional period.

Several delegations stated that decisions on these types of issues cannot be made intersessionally, in accordance with the specific provisions of the Antigua Convention. The European Union recalled that this case had already been considered and discussed in the Working Group in the past and reiterated its already-expressed position of not being able to give a positive response to this kind of request at the time. Nicaragua and Venezuela supported Ecuador's request to include the vessel in the Register on the list of sunk/inactive vessels; however, they agreed that these types of decisions should not be made through mail but at face-to-face meetings.

As there was no consensus, Ecuador requested that the case of the vessel María del Mar be referred to the Commission for discussion at its plenary meeting.

8. Adjournment

The meeting was adjourned at 17:00 on 20 July 2019.