

**INTER-AMERICAN TROPICAL TUNA COMMISSION**  
**PERMANENT WORKING GROUP ON FLEET CAPACITY**  
**17<sup>TH</sup> MEETING**  
**La Jolla, California (USA)**  
**14 May 2016**

**REPORT OF THE MEETING**

**AGENDA**

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1.	Opening of the meeting
2.	Adoption of the agenda
3.	Review of reports and proposals related to the establishment of a Capacity Management Plan in the EPO: a. <a href="#">Plan for the regional management of fishing capacity</a> b. <a href="#">Proposal to amend Resolution C-02-03</a>
4.	Review of the list presented at the 89th meeting of the IATTC of all pending capacity claims, disputes, adjustments, and requests
5.	Recommendations for the Commission
6.	Other business
7.	Adjournment

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**1. Opening of the meeting**

Ing. Guillermo Morán, Chairman of the IATTC, opened the meeting and requested nominations for chair, since Ing. Luis Torres, chair of the Group, could not attend. Mr. Luis Molledo, of the European Union (EU), was elected to chair the meeting.

**2. Adoption of the agenda**

The agenda was adopted as presented.

**3. Review of reports and proposals related to the establishment of a Capacity Management Plan in the EPO**

Dr. Guillermo Compeán, Director of the IATTC, made a presentation on the working documents for the meeting and on the current situation of the levels of utilization of capacity in the Eastern Pacific Ocean (EPO).

In response to a question from Guatemala, the Director indicated that the almost 12,000 cubic meters (m<sup>3</sup>) of capacity pending activation are due to vessels leaving the IATTC Regional Vessel Register or to capacity allocated by the Commission and that is reflected in the monthly capacity reports.

Ecuador requested that in future presentations the temporary capacity loans that some fleets have be reflected in a separate column.

The EU made a presentation on the proposal made at the Cartagena workshop for a gradual reduction in capacity, and referred to various options considered in the Cartagena matrix. The EU proposed addressing some of the capacity disputes and claims as a global package that would also include management measures that would compensate for the increase in fishing effort, and a capacity reduction plan.

Furthermore, the EU emphasized that the proposed increase of 25 more days of closure recommended by the Commission staff at the Scientific Advisory Committee should be a wake-up call to motivate a prompt reduction in capacity or for a plan to address the problem.

Some countries, although they recognize the importance of addressing issues of capacity reduction, stated that in order to adhere to a capacity reduction plan their right to develop their industry as developing coastal countries must first be recognized, and stated that developed countries should take greater responsibility in this process.

Along the same lines, Guatemala indicated that, before it could discuss a reduction plan, a suitable answer to its request for capacity was necessary.

Japan supported the idea of a capacity reduction plan, and recalled that it had provided ideas in this regard, for example a proportional reduction of capacity in cases of vessels being replaced on the Regional Register. Ecuador expressed the need for an architecture of a capacity reduction plan for the purse-seine tuna fleet and to that end the Group should determine the basis for terms of reference to be approved by the IATTC, which would allow for hiring a specialized team that would design this plan with its proper budget.

In answer to a question from Ecuador, the Director indicated that the recommendation on an appropriate level of capacity in the 2005 regional management plan (158,000 m<sup>3</sup>) is updated periodically and that the last figure recommended in 2015 was 162,000 m<sup>3</sup>.

Many delegations lauded the work of Lic. Bernal Chavarría at the head of the virtual Working Group on capacity.

The Working Group agreed unanimously to define a series of elements that could form part of a global plan for capacity management, and to work intersessionally on these elements in order to have a first draft ready for discussion at the next meeting of the Working Group.

To this end, the Group agreed that the EU would coordinate the work of this informal group, and that, by 28 May 2016 at the latest, it would send a first draft for the countries participating in the (open) group to review in a maximum period of 14 days. After receiving comments, a revised document would be prepared for 17 June at the latest.

Some of the measures identified by the participants during the discussion were the following:

- Consider the sovereign rights of coastal countries that are Members of the IATTC.
- Percentage reductions in the capacity of vessels that are replaced on the Regional Register.
- Reduce the total capacity of purse-seine vessels, by percentages and in time periods to be defined.
- Freeze the capacity of purse-seine and longline vessels.
- Limit capacity requests voluntarily.
- Establish priorities for capacity requests, considering their antiquity, justification and urgency for, *inter alia*, socio-economic reasons.
- Create a roadmap with deadlines.
- Consider management measures in accordance with their impact on the fishery.
- Transfer capacity from developed countries with inactive capacity.
- Review regularly the target capacity established in the 2005 regional plan.
- Justify capacity requests.
- Consider an incentive plan, seeking resources to withdraw capacity in exchange for economic

incentives or sources of international cooperation.

- Have a document from the Secretariat on management measures as alternative to increasing the days of closure, considering especially the allocation of catch quotas.
- Indicate different scenarios for reducing total capacity.
- Consider the gradual activation of inactive capacity.

#### **4. Review of the list presented at the 89th meeting of the IATTC of pending capacity claims, disputes, adjustments, and requests**

##### **a. Disputes for which the allocation of capacity has been accepted but are pending activation**

**Venezuela.** Recalled its request for the allocation of 1,668 m<sup>3</sup> for the vessel *Napoleón*, leaving aside the request for 3,805 m<sup>3</sup> for three other vessels.

**Guatemala.** Recover 3,762 m<sup>3</sup> of capacity, claimed since 2003. Guatemala indicated that, as in the case of Venezuela, this dispute had already been recognized by the Commission and should therefore not be discussed, since the only element to define was its activation.

##### **b. Other disputes**

There are other disputes involving Vanuatu and Bolivia, neither of which the meeting of the Group. Ecuador stated that it would maintain its legitimate rights in the capacity adjustments/claims to be addressed within the Commission.

##### **c. Capacity requests**

**Peru.** Recalled its request for 5,851 m<sup>3</sup>, as part of the 14,046 m<sup>3</sup> established in the footnote to Resolution C-02-03 and the 5,000 m<sup>3</sup> already granted in 2014. Peru indicated that it would use it mainly in its EEZ and that it will also fish for yellowtail and mackerel, therefore, the impact on the fishing effort would not be significant.

**Costa Rica.** Made a presentation recalling its request for 7,058 m<sup>3</sup> as part of the 16,422 m<sup>3</sup> established in paragraph 10 of Resolution C-02-03. He indicated that this was not an immediate activation but fundamentally a recognition of capacity. He reiterated the interest in an evaluation by the Commission staff of the impact of the measures that Costa Rica has taken unilaterally and voluntarily in its EEZ.

**Colombia.** Recalled the request for 4,772 m<sup>3</sup> as part of the request for 14,046 m<sup>3</sup> contained in the footnote to Resolution C-02-03. Indicated that at this time the intention of their request was to put it on record, and that they did not intend to activate it immediately.

**El Salvador.** Reiterated its national interest in 2,105 m<sup>3</sup> as a developing coastal country, and stated its interest in working on management measures that would offset the increase in capacity.

**Nicaragua.** Stated that its request for 4,200 m<sup>3</sup> is as legitimate as those of the other countries included in the footnote to Resolution C-02-03. It would not be activated automatically, but in parallel with the construction of a tuna processing plant in his country.

**Guatemala.** Stated its request for 9,000 m<sup>3</sup> since they require capacity so that vessels may operate that supply a plant and generate jobs.

**México.** Stated its request for 2,000 m<sup>3</sup> as a coastal country and to generate jobs. This is not an immediate request, and they are respectful of the resource.

The participants in the Group expressed their thanks for the clarifications made in the presentations. The Group noted the usefulness of justifying the requests in writing in the future, in order to facilitate their analysis.

## **5. Recommendations for the Commission**

The chair indicated that there would not be recommendations, but two conclusions:

1. The agreement to work intersessionally to compile into one document, to be discussed at the next meeting of the Group, a series of elements, on the basis of the measures identified by the participants in the discussion of item 3, that could form part of a global package for the management of capacity.
2. Ask the Secretariat to prepare a document on management mechanisms as alternatives to closures, with emphasis on a system of catch quotas, to be presented at the next meeting of the Working Group.

## **6. Other business**

Colombia requested clarification on the dates for presenting and reviewing the draft document that would be prepared by the EU. The timetable agreed under item 3 was referenced.

**INTER-AMERICAN TROPICAL TUNA COMMISSION**  
**PERMANENT WORKING GROUP ON FLEET CAPACITY**  
**17th MEETING (CONTINUED)**  
**La Jolla, California (USA)**  
**24 June 2016**

**REPORT OF THE MEETING**

**AGENDA**

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1.	Opening of the meeting
2.	Adoption of the agenda
3.	Review of reports and proposals related to the establishment of a Capacity Management Plan in the EPO: a. <a href="#">Plan for regional management of fishing capacity</a> b. <a href="#">Proposal for amending Resolution C-02-03</a>
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**1. Opening of the meeting**

Mr. Luis Torres of Ecuador, Chairman of the Working Group, opened the meeting on 24 June 2016 in La Jolla, California, noting that this was a continuation of the 17th meeting of the Working Group that was held on 14 May 2016, presided over by Mr. Luis Molledo, nearly all of the agenda being then covered.

The Chair highlighted the good work done on that occasion, emphasizing two areas of progress:

- 1) The Working Group reviewed the pending disputes, claims and requests for capacity, which were recorded in the minutes of the meeting.
- 2) The Working Group unanimously agreed to outline a series of elements that could form part of a global plan for capacity management, and to work on them during the intersessional period in order to produce a working draft for discussion at this meeting. As agreed, the European Union prepared a working draft that was circulated, and subsequently received comments from some Members.

The European Union presented the document in detail, highlighting that the plan should be considered as a complete package that addresses all pending cases relating to capacity along with conservation measures for tuna that fully compensate for the increase in global capacity. In addition, Members who submitted comments via email (Japan, Costa Rica and United States) explained the nature of their comments. The Group decided to revise the document in a paragraph-by-paragraph fashion, and as a result, they agreed to submit to the Commission the elements of the plan as presented in the Annex to this report.

The European Union said they could work, with the support of the Secretariat, to design a capacity management plan.

**2. Adjournment**

The meeting was adjourned at 4 p.m. on 24 June 2016.

## **ELEMENTS FOR IMPLEMENTING A FLEET CAPACITY MANAGEMENT PLAN IN THE IATTC**

**(REV. 4)**

The 17<sup>th</sup> meeting of the Permanent Working Group (WG) on Fleet Capacity that took place on 14 May 2016 in La Jolla, USA, decided to elaborate a document containing elements that could form part of a global plan for capacity management in the IATTC on the basis of the criteria mentioned by participants during that meeting and taking into account the 2005 Lanzarote Plan of Action, the results of the Cartagena workshop on fleet capacity, and the outcomes of the work of the Virtual Group on Capacity.

### **GENERAL PRINCIPLES**

1. The capacity management plan (the plan) should be designed as a package that addresses comprehensively and in parallel capacity requests, disputes, claims, compensatory management and conservation measures, and capacity reduction, to the levels required.
2. The sovereign rights of coastal developing countries as well as historical rights of other CPCs, shall be duly taken into account in the development of the plan.
3. The plan should be implemented in a phased approach with a clear roadmap and in a manner that ensures the long-term sustainability of tuna stocks in the EPO by maintaining at or restoring to levels which can produce the maximum sustainable yield and the conservation of the marine environment.

### **CAPACITY REQUESTS, CLAIMS, DISPUTES AND ADJUSTMENTS<sup>1</sup>**

1. As a matter of urgency, a solution should to be found to the activation of capacity in those cases already agreed by the Commission.
2. CPCs with capacity requests, claims, disputes and adjustments should endeavour to voluntarily suspend, limit or reduce, at least temporarily, their claims.
3. Capacity requests, claims and adjustments should be justified on solid grounds and should explain how the capacity will be utilised and contribute to the socio-economic development of the CPC concerned.
4. Pending capacity requests and claims should be activated in a gradual manner, notably taking into account their antiquity, justification and urgency.
5. In order to facilitate access to capacity for CPCs with capacity requests, claims and adjustments, a voluntary scheme should be developed to encourage temporary capacity transfers from CPCs with unused inactive capacity to CPCs with capacity requests, claims and adjustments.

### **COMPENSATORY CONSERVATION AND MANAGEMENT MEASURES**

1. Any capacity increase should be activated only on the condition that it is compatible with a sustainable management of fisheries that is consistent with maintaining at or restoring to levels which can produce the maximum sustainable yield.
2. The IATTC should develop and adopt, on the basis of advice from the scientific staff and the Scientific Advisory Committee (SAC), the conservation and management measures necessary to compensate for any agreed capacity increase.
3. Measures to be considered may include closures, time-area closures (like the “*corralito*”) where there

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<sup>1</sup> Include the four categories of cases identified by the Commission at its 88th meeting (extraordinary) and as recorded in Document CAP-17-03 (24 June 2016).

is a high incidence of catch of juvenile bigeye and yellowfin tunas, and individual vessel quotas, among others.

4. Regulations on deploying fishing gear, such as FADs, that would apply to fisheries on the basis of their relative impacts may also be considered.

#### **CAPACITY REDUCTION**

1. CPCs should agree to implement the 2005 Lanzarote Plan of Action (*Plan for Regional Management of Fishing Capacity*) and should reduce their purse-seine capacity, by percentages and in time periods to be defined. Possible proposals could be based on the outcomes of the Cartagena workshop, among others.
2. While priority should be given to reduction of purse-seine fleet capacity, the IATTC should evaluate the capacity of longline vessels in the EPO. The IATTC shall ensure that CPCs provide the well volume capacities of longline vessels on the Regional Vessel Register, as required by Resolution C-11-05. The IATTC should also propose target levels and manage the capacity of longline and other fleets other than purse seiners. The IATTC should take into consideration domestic capacity management systems already in place for CPCs. CPCs are encouraged to further reduce longline fleet capacity on a voluntary basis.
3. Regarding the activation of inactive/sunken capacity, restrictions and conditions could be considered in order to avoid excessive sudden increases of the global IATTC fleet capacity and ensure that the Commission avoids negative consequences.
4. The IATTC scientific staff will continue to review regularly the IATTC target capacity agreed by the Commission and report the results to the SAC and to the Commission in order to review the capacity management plan.