

**INTERNATIONAL DOLPHIN CONSERVATION PROGRAM**  
**WORKING GROUP ON VESSEL ASSESSMENTS AND FINANCING**

**MINUTES OF THE 2<sup>ND</sup> MEETING**

**La Jolla, California (USA)**  
**3-4 February 2003**

**Chairman: Arnulfo Franco Rodríguez (Panama)**

**AGENDA**

1. Opening of the meeting
2. Election of Chairman
3. Adoption of the agenda
4. Review of AIDCP budget for 2004
5. Review of services and associated costs necessary to achieve the objectives of the AIDCP
6. Actions necessary to adequately fund the IDCP
7. Possible modifications to the current system for calculating vessel assessments
8. Recommendations for the Meeting of the Parties
9. Other business
10. Date and place of next meeting
11. Adjournment

**APPENDICES**

1. List of attendees
2. Illustrative calculation of vessel assessments (revised)
3. Draft resolution on vessel assessments and financing

**DOCUMENTS**

[VA-2-04](#) AIDCP budget

[VA-2-07](#) European Community working document on a new method for calculating vessel assessments

The 2<sup>nd</sup> Meeting of the Working Group on Vessel Assessments and Financing was held in La Jolla, California (USA) on February 3 and 4, 2003. The attendees are listed in Appendix 1.

### **1. Opening of the meeting**

Dr. Robin Allen, Director of the IATTC, which functions as Secretariat for the AIDCP, declared the meeting open.

### **2. Election of Chairman**

Mr. Arnulfo Franco of Panama was elected to chair the meeting.

### **3. Adoption of the agenda**

The provisional agenda was approved as presented.

### **4. Review of AIDCP budget for 2004**

Dr. Allen presented Document [VA-2-04](#), which describes the background to the proposal to change the rate for the vessel assessments, the impact of the national programs on the costs and income of the IDCP, and the current AIDCP budget, including revenues and expenses, as well as the allocation of IATTC staff time dedicated to AIDCP activities. The budget presented clearly illustrates past, current, and projected deficits facing the program.

The document presented by Dr. Allen contains three specific proposals by the Secretariat to recover the deficit and generate adequate funding for the operation of the program in the future:

1. The Secretariat initiate charges to recover costs of seminars for captains and net alignments.
2. Governments pay a fee of US\$50 for each blank *dolphin safe* certificate.
3. Either the Parties pay a total of US\$366,258 in each of 2003 and 2004, distributed in proportion to the amount of tuna landed in each Party's ports during the previous year or on some other agreed basis, or agree to increase the vessel assessment from US\$12.552 to US\$15.43 per m<sup>3</sup>, representing an approximate annual increase of US\$2,878 for a 1,000 m<sup>3</sup> vessel.

Dr. Allen pointed out that the vessel payment being assessed now is virtually the same as that assessed 10 years ago, under the La Jolla Agreement in 1994, despite inflation and the increased requirements, activity and workload associated with the IDCP.

### **5. Review of services and associated costs necessary to achieve the objectives of the AIDCP**

In response to previous requests made by the Parties, the Secretariat presented, in document VA-2-04, a detailed breakdown of the time spent by IATTC staff working on AIDCP matters.

### **6. Actions necessary to adequately fund the IDCP**

A significant part of the meeting was devoted to this agenda item, with extensive discussions on what steps could be taken by the governments immediately to eliminate the current deficits and ensure that the IDCP is funded adequately in the foreseeable future.

A variety of proposals on the best way of funding the IDCP adequately were put forward during the discussion of this agenda item. It was generally agreed that, since the program had direct or indirect benefits for all tuna fisheries, its cost should not be borne exclusively by vessels that carried observers. The proposals put forward included the idea that all vessels should pay a fee of some sort, and stressed the importance of fees being paid by their due date.

The representative of the tuna industry, Dr. Gabriel Sarró, reported on the vessel measurement exercise he

had undertaken in conjunction with the Government of Ecuador. He suggested that a factor of 1.4 for converting carrying capacity in metric tons to cubic meters might be more appropriate than the current factor of 1.17, noting that this would also be helpful to the budget. Dr. Allen agreed that a conversion factor of 1.4 would be more appropriate, given current practices of packing fish into wells on vessels.

It was noted that 30% of the cost of observers is paid from the IATTC budget, and the European Union suggested that this figure needed to be re-examined, suggesting that it might be higher.

The United States made the point that even if some savings were achieved through the expenditure side of the equation, these would be relatively minor, and so it was important to focus on how to increase revenues to cover the current deficit and to pay for the program in the future.

In the end, there was general agreement that (1) a factor of 1.4 should be used to convert metric tons to cubic meters, for purposes of calculating vessel assessments; (2) separate and different fees, based on cubic meters of calculated well volume, should be required of vessels with observers, vessels without observers, and inactive vessels; (3) vessels requesting DMLs should pay the required assessment by October 1 of the preceding year, and a specific date would be set for other vessels as well; (4) any vessel that does not pay the required assessment by the required date should be required to pay a surcharge of 50% of the assessment; (5) a supplemental payment should be made in 2003 by certain vessels; and (6) the annual increase in the fixed costs of the IDCP should not be greater than the rate of inflation in the United States.

#### **7. Possible modifications to the current system for calculating vessel assessments**

The European Union presented Document [VA-2-07](#) on a new method for calculating vessel assessments. This would replace the current system based on well volume with a system based on the following three components:

1. A base fee component paid by all vessels, according to size, and extension of coverage by observers to vessels of Classes 4 and 5;
2. An assessment component based on “utilization, i.e., vessels fishing on dolphins would pay more than vessels that did not fish on dolphins (50% of the vessels covered by National Programs would be excluded);
3. An assessment component based on the costs associated with the observer’s presence aboard (days spent at sea (working days) + observer travel + observer salary). An alternative method of calculating the last component would be to maintain the direct relationship between assessments and vessel size by means of a classical assessment component based on the cubic meters of the vessels.

Mexico and Colombia expressed their opposition to the idea of higher payments by vessels with DMLs and to the concept of basing payments on the number of days an observer spends at sea.

Vanuatu proposed that the relevant vessel owners pay the travel costs of observers. No opposition was expressed to this idea.

#### **8. Recommendations for the Meeting of the Parties**

The meeting considered a draft resolution on vessel assessments and financing based on the discussions of actions necessary to adequately fund the IDCP under agenda item 6 and the general agreements reached during those discussions. The Secretariat prepared a table (Appendix 2) illustrating the potential effects of the proposals contained in the draft resolution. The text was thoroughly discussed and analyzed, but no final agreement could be reached. The Working Group eventually agreed to submit a text to the IRP in which certain paragraphs would be bracketed for discussion (Appendix 3).

## **9. Other business**

No other business was discussed.

## **10. Date and place of next meeting**

It was not decided that the Working Group would meet again, but it was agreed that the issue of vessel assessments and financing would be discussed at the next Meeting of the Parties to the AIDCP, scheduled to take place in Antigua, Guatemala, in June 2003.

## **11. Adjournment**

The meeting was adjourned on 4 February 2003.

## **Appendix 1.**

**INTERNATIONAL DOLPHIN CONSERVATION PROGRAM  
PROGRAMA INTERNACIONAL PARA LA CONSERVACIÓN DE LOS DELFINES**

**WORKING GROUP ON VESSEL ASSESSMENTS AND FINANCING  
GRUPO DE TRABAJO SOBRE CUOTAS DE BUQUES Y FINANCIAMIENTO**

**2<sup>nd</sup> MEETING – 2<sup>a</sup> REUNION**

**3 FEB 2003  
La Jolla, California**

**ATTENDEES - ASISTENTES**

### **BOLIVIA**

**GONZALO SANCHEZ  
ALFREDO ROJAS**  
Ministerio de Defensa Nacional

### **COLOMBIA**

**JAIME JIMENEZ  
ARMANDO HERNÁNDEZ  
ALVARO BUSTAMANTE**  
Ministerio de Agricultura y Desarrollo Rural

### **COSTA RICA**

**ASDRÚBAL VÁSQUEZ  
GEORGE HEIGOLD**  
INCOPECA

### **EL SALVADOR**

**RENE SALGADO**  
CENDEPESCA

**EUROPEAN UNION – UNION EUROPEA**

**JOHN SPENCER**  
**ROBERTO CESARI**  
European Commission  
**JAVIER ARÍZ TELLERÍA**  
Instituto Español de Oceanografía

**CARLOS DOMINGUEZ**  
**IGNACIO ESCOBAR**  
**JUAN I. ARRIBAS**  
Secretaría General de Pesca

**MEXICO**

**GUILLERMO COMPEAN**  
**PEDRO ULLOA**  
**LUIS FLEISCHER**  
Instituto Nacional de la Pesca  
**RICARDO BELMONTES**  
CONAPESCA

**MICHEL DREYFUS**  
PNAAPD  
**LUIS FUEYO MACDONALD**  
SEMARNAT/PROFEPA

**PANAMA**

**ARNULFO FRANCO**  
Autoridad Marítima

**PERU**

**JORGE VERTIZ**  
Ministerio de la Producción

**UNITED STATES OF AMERICA - ESTADOS UNIDOS DE AMERICA**

**DAVID HOGAN**  
Department of State  
**JAMES LECKY**  
**PAT DONLEY**  
**ALLISON ROUTH**  
**NICOLE LEBOEUF**  
**JESSICA KONDEL**  
**BRETT SCHNEIDER**  
National Marine Fisheries Service

**MARCELA CAMPA**  
**PETER FLOURNOY**

**VANUATU**

**EDWARD WEISSMAN**  
**HUGO ALSINA LAGOS**  
Office of Deputy Commissioner of Maritime Affairs

**ORGANIZACIONES NO GUBERNAMENTALES--NON-GOVERNMENTAL ORGANIZATIONS**

**NINA YOUNG**  
The Ocean Conservancy

**INDUSTRIA ATUNERA -TUNA INDUSTRY**

**GABRIEL SARRÓ**  
OPAGAC

**SECRETARIA – SECRETARIAT**

**ROBIN ALLEN, Director**  
**DAVID BRATTEN**  
**ALEJANDRA FERREIRA**  
**JOSHUE GROSS**  
**MARTIN HALL**

**BRIAN HALLMAN**  
**BERTA JUÁREZ**  
**NORA ROA-WADE**  
**NICHOLAS WEBB**

Appendix 2.

INTERNATIONAL DOLPHIN CONSERVATION PROGRAM  
**WORKING GROUP ON VESSEL ASSESSMENTS AND FINANCING**  
**2<sup>ND</sup> MEETING**

LA JOLLA, CALIFORNIA (USA)  
 3 FEBRUARY 2003

ILLUSTRATIVE CALCULATION OF VESSEL ASSESSMENTS (REVISED)

Based on the proposals in the draft resolution on vessel assessments and financing of 3 February 2003. All figures assume full participation by all vessels contemplated in the draft resolution. Portion assigned to national programs based on current percentage allocation of funds for coverage of vessels covered by the AIDCP.

	Class size	Capacity (mt)	Calculated well volume (m <sup>3</sup> ; mt x 1.4)	Rate per m <sup>3</sup> (US\$)	Additional revenue (US\$)		
					Total	National programs	Secretariat
<b>2. Vessels required by the AIDCP to carry observers</b>							
Difference from current well volume (m <sup>3</sup> )	6	22,507	31,509	10.49	330,581	113,229	217,352
<b>3. Other active vessels</b>							
Total capacity, by IATTC capacity class	1	340	476	2.00	952	-	952
	2	2,410	3,374	3.00	10,122	821	9,301
	3	3,831	5,363	4.00	21,454	6,986	14,468
	4	5,005	7,007	5.00	35,035	11,681	23,354
	5	7,235	10,129	6.00	60,774	21,045	39,729
Total		18,821	26,349		128,337	40,533	87,804
<b>4. Inactive vessels</b>							
Total capacity, by IATTC capacity class	1-4	2,260	3,164	2.00	6,328		
	5	350	490	3.00	1,470		
	6	25,962	36,347	4.00	145,387		
Total		28,572	40,001		153,185		

SUMMARY OF CHANGES TO VESSEL ASSESSMENT REVENUE

		US\$
Additional revenue from Class 6 vessels	(Draft resolution, item 2)	217,352
Revenue from Class 1-5 vessels	(Draft resolution, item 3)	87,804
Revenue from inactive vessels	(Draft resolution, item 4)	153,185
2002 deficit	(Document VA-2-04)	(221,640)
2003 deficit	(Document VA-2-04)	(236,701)
Surplus		0

### Appendix 3.

## INTERNATIONAL DOLPHIN CONSERVATION PROGRAM

# DRAFT RESOLUTION ON VESSEL ASSESSMENTS AND FINANCING

February 2003

*The Parties to the Agreement on the International Dolphin Conservation Program:*

[PREAMBLE]

*Agree:*

1. [Pending the completion of the measurement of well volume agreed by the IRP at its 30<sup>th</sup> meeting in June 2002, to apply a factor of 1.4 to convert the carrying capacity, in metric tons, of all purse-seine vessels on the IATTC Regional Vessel Register (“Register”) to well volume, in cubic meters, and calculate vessel assessments on the basis of the resulting calculated well volume.]
1. [In congruence with the decision to modify the reference system for vessel measurement from metric tons to cubic meters for the purposes of the payment of the vessel assessments for the observer program temporarily and until the measurement of well volume agreed by the IRP at its 30<sup>th</sup> meeting in June 2002 is completed, a factor of 1.4 will be applied to convert the carrying capacity, in metric tons, of all purse-seine vessel on the IATTC Regional Vessel Register to well volume, in cubic meters.]
2. All vessels required by the AIDCP to carry observers shall be assessed US\$[\_\_\_\_\_] per cubic meter of calculated well volume.
3. All vessels not required by the AIDCP to carry observers but included in the *Active Purse-Seine Capacity List* of the Register shall be assessed US\$[\_\_\_\_\_] per cubic meter of calculated well volume.]
4. Vessels on the *Inactive and Sunk Purse-Seine Capacity List* of the Register, excepting sunk vessels, shall be assessed US\$[\_\_\_\_\_] per cubic meter of calculated well volume.
5. All vessels contemplated in paragraph 2 that request a DML for a given year shall pay the required assessment by October 1 of the preceding year, pursuant to the AIDCP.
6. [All vessels contemplated in paragraph 2 that do not request a DML for a given year shall pay the required assessment by December 1 of the preceding year.]
7. Any vessel covered by this resolution but not contemplated in paragraph 2 shall pay the required assessment by December 1 of the preceding year.
8. Any vessel that does not pay the required assessment by the corresponding date shall be required to pay a surcharge of 50% of the assessment, additional to any sanction contemplated in Annex IV of the AIDCP.
9. In 2003 only, [all vessels required by the AIDCP to carry observers] [all purse-seine vessels] shall be required to pay, by August 1, the assessments for 2003 calculated pursuant to paragraph 1. Any vessel that does not pay the [supplementary] [required] assessment by the specified date shall be subject to a surcharge of 50% of this assessment.
10. [Any vessel that does not pay its required assessment for two consecutive years shall be considered to be undermining the AIDCP.]
11. [In 2003, if the assessment paid by a vessel for that year exceeds the assessment calculated pursuant to this resolution, the difference shall not be reimbursed.]
12. Unless the Parties decide otherwise, the annual increase in the fixed costs of the IDCP shall not increase by more than the rate of inflation in the United States of America in the previous year.
13. All assessments will be reviewed in 2005 with the aim of balancing the budget in that year.