

FFA FISHERIES TRADE BRIEFING

Volume 1: Issue 6 May 2008

By Liam Campling¹

Editorial Note

The scope of the *FFA Fisheries Trade Briefing* is inevitably limited. The coverage is selective and it is not possible to provide the full scope of reporting required to fully update PIC governments, industry and other readers on the wide range of fisheries trade-related issues affecting the Pacific. Since its outset *Fisheries Trade Briefing* has attempted to offer news and analysis of issues that may not be sufficiently covered elsewhere, but at the same time it attempts to avoid duplication of reporting by other important sources of information on fisheries trade. As such, the following are suggested because they are free, reliable and high-quality online sources of relevant information that might serve to complement the reporting in this *Briefing*. (If readers have any additional relevant sources they wish to recommend to readers of *Fisheries Trade Briefing*, please email: liamcampling@yahoo.co.uk)

- FFA Tuna Market News will be familiar to readers and can be accessed here: <http://www.ffa.int/node/246>
- Technical Centre for Agricultural and Rural Cooperation ACP-EU (known as the CTA) produces the monthly *Agritrade Fisheries, News Update*. It provides a rich source of information on multiple aspects of ACP-EU fisheries issues, including reporting on ACP-EU trade, EU fisheries partnership agreements, the Common Fisheries Agreement, and on business developments in the ACP and EU. Interested readers should register for a free subscription here: <http://agritrade.cta.int>
- Globefish monthly reports provide good surveys of market trends for multiple species, including tuna. Interested readers should register for a free subscription here: <http://www.globefish.org>
- The Geneva-based International Centre for Trade and Sustainable Development (ICTSD) provides a number of excellent briefings and updates on WTO issues, EPAs, trade and environment concerns and various other trade-related issues. Their three main publications are *Bridges Monthly Review*, *Trade Negotiations Insights* (co-published with ECDPM) and *Bridges Trade BioRes*. Interested readers should register for free subscriptions here: <http://www.ictsd.org>
- The Brussels-based European Centre for Development Policy Management (ECDPM) produces the 'ACP-EU News Weekly E-Alert' as well as several other newsletters. This weekly news briefing collates stories on all aspects of ACP-EU relations, including a section on EPAs. Interested readers should register



FFA

Contents

Editorial Note

Special Feature: The Global Economic Slowdown and the Fish Trade

Fisheries Subsidies

Overview of PIC issues at the May WTO fisheries subsidies meeting
EC establishes new guidelines on fisheries subsidies
France requests permission to assist its fishers as fuel protests spread across the EU

Fisheries Trade-related Regulation

Study on the global extent of IUU fishing
Responses to draft EC regulations on IUU fishing
Food miles and the fish trade
New seafood safety legislation in the US

Tuna Markets

Developments in
Greenpeace tuna campaign
Allegations of corruption in African marine fisheries
Bomb blast at Philippine tuna cannery
Two EU firms stop selling bluefin



FFA

for a free subscription here: <http://www.ecdpm.org>

- Atuna provides a regular flow of tuna-related news stories, often from a business perspective. Occasionally these need to be supplemented by additional information to check the reliability of the reporting. See: <http://www.atuned.biz>

The Global economic slowdown and the fish trade

Several factors have been important to the current problems in the world economy, these have been neatly summarised elsewhere as 'big increases in the prices of oil and food, the end of the US housing boom, increased fragility of the US-led banking system, sharp depreciation of the dollar, ongoing conflict in the Middle East and increasing evidence of global warming'.² The current slowdown in growth in the world economy has a number of particular implications for the trade in fish

Rising fuel prices are having a deeply negative impact on the profitability of fishing operations, as discussed below in relation to the European fishing industry, but also in respect to the potential suspension of Japanese tuna fishing operations in the Pacific Ocean.³ According to data presented by three major EU industry associations to the EC Fisheries Commissioner, there has been a 320 percent increase in fuel prices over the last five years, and a 40 percent increase between January and May 2008. The problem is that these increases have not been reflected in product price. For example, they claim that there has been a 25 percent reduction in prices for certain fishery products between January and May and fish prices are generally at the same level as they were 20 years ago.⁴ While international tuna prices have been increasing in recent years (see the FFA *Tuna Market News*), the increases certainly do not reflect those of fuel prices.

Demand in Japan – the traditional principal market for PIC tuna – is declining. This is possibly a reflection of economic conditions as well as shifts in consumer preferences there, but maybe also due to the increased global competition for supply.⁵ Regardless, Japan's import of skipjack dropped by 37.7 percent in 2007 compared to 2006 and by 30.9 percent for yellowfin. Total seafood imports dropped to below 3 million tons in 2007, the first time it went to that level since 1992.⁶

The weakening **US** dollar reduces its profitability as an export market. In addition, as recessionary effects are felt by the middle classes there are signs that some segments of the restaurant sector are shrinking, which will include a decline in fish consumption.⁷ This is problematic as a great deal of PIC fresh chilled tuna exported to the US – and earning much needed foreign exchange – is eventually consumed in restaurants.

There has been a 320 percent increase in fuel prices over the last five years, but no corresponding increase in fish prices.

Japan's import of skipjack declined by 37.7 percent in 2007 compared to 2006 and by 30.9 percent for yellowfin.



In **the UK**, a study of the top 385 companies in the fish merchants' market released in May found a series of negative indicators reflecting a rise in costs and a decline in sales.⁸ These include that: around one-third of firms have reported declining sales (a sign of recessionary trends); over 50 percent of firms have registered a fall in profit margins, with one-third of these running at a loss; and, around 25 percent have demonstrated cash flow problems due to their resort to short-term finance (a trend that is made all the more problematic given the tightening of credit in the banking system). In sum, the study predicts that, if current trends continue or worsen, over 15 percent of fish merchant firms in the UK could disappear. However, those smaller firms that are focussed on local and domestic markets appear to be less exposed to the slow down.

Glitner bank (a major financier of the seafood sector) points out that, while demand in the traditional principal markets will experience problems with the global economic crisis, emerging markets (namely China and India) will offer growth opportunities. For tuna this is certainly the case in **China** as sushi bars continue to pop-up in the key urban centres (e.g. Beijing and Shanghai) to supply Japanese expatriates and the growing Chinese upper and middle classes. China's market for seafood imports grew from USD 881 million in 1999 to USD 4.2 billion in 2007. Although much of these imports are processed and re-exported, according to the FAO, annual per capita consumption of seafood in China grew from 5kg in the 1970s to 26kg by 2007.⁹ Its accession to the WTO in 2001 and resulting scheduled tariff reductions on seafood imports (to an average of 11.4% by 2005), as well as a phase out of domestic rights for trading and distribution of fish is likely to led to an increase in imports. However, as already noted, this boom in seafood consumption is confined to the cities, which totalled 54 percent of the national total in 2002.¹⁰ The Japanese tuna industry is well aware of the market potential here and one multinational firm has already established commercial networks 'for the tuna industry to flow to China', but they are also of the associated impact as, according to a different major fishing corporation, 'the amount of tuna coming into Japan will decrease and the price will increase'. In an interview with a small commercial wholesaler in 2006, he noted that in 'two to three years time the Pacific will be exporting [fresh chilled tuna] to China', but cautioned that 'the priority is for wealthy Chinese is live fish'.¹¹

Despite the negative trends in principal markets, both Glitner bank and Landsbanki (another major corporate banker to the seafood sector) argue that the seafood industry will weather the global economic slowdown. Because as Glitner's head of global seafood puts it 'people still have to eat', which, for seafood, is improved because of the well-known health benefits of seafood relative to other sources of meat protein. Although it is likely that there will be a deepened trend of corporate concentration in the industry as a series of mergers and acquisitions in the past few years has indicated.¹²

UK fish merchants have registered significant indicators of recessionary trends.

Increased demand for sashimi grade tuna in China's urban centres looks set to grow and Japanese firms are already poised to further penetrate this market.



Fisheries Subsidies

Overview of PIC issues at the May WTO fisheries subsidies meeting

The Chair has issued a new matrix that summarises the different positions of WTO Members in response to each element of the proposed fisheries subsidies text, which will likely serve as the basis for future negotiations.

The fisheries subsidies cluster of the Negotiating Group on Rules met at the WTO on 13-16 May in what was to be the final cluster allocated for discussion of the first draft of Chair's text.¹³ Two written submissions dominated the agenda: a joint submission by China, India and Indonesia which offered a complete revision of the Chair's text and a joint submission by the ACP and Small Vulnerable Economies (SVE) groupings on technical assistance. These are discussed in turn below. First it should be noted that the Chair has since issued a matrix that reproduces the written submissions to the group to date and summarises the different positions of WTO Members in response to each of the components of his text. Despite requests to do so, the Chair felt unable to offer a revised text because of the (sometimes very) wide differences in Members' positions.¹⁴ The matrix will likely serve as the basis for future negotiations. The Chair's summary of delegations' comments on his first draft text adequately reflect the positions raised by the Pacific Delegation to the WTO. These include:

- PIC concerns raised over the scope of disciplines on operating cost subsidies
- The unnecessary inclusion of disciplines on port infrastructure subsidies
- Problems associated with using vessel length as a capacity measure
- The possibility of applying a tiered approach to fisheries management to give adequate policy space for commercial artisanal and small scale fisheries
- The possibility of specifying core elements and tools of a fisheries management plan to guide sustainability criteria
- The maintenance of full flexibilities for subsidized access fees
- Expanding the geographical scope of subsidized vessels targeting straddling and highly migratory species operating beyond their EEZ in other coastal states' EEZs, provided they are operating under an RFMO-recognised management arrangement, and
- The need for mandatory technical assistance (on this see below).

The Chair has issued a new document summarising debates to date, which adequately reflects PIC concerns



The core aspects of the China, India and Indonesia submission in May were: 1) a proposed substantial widening of the scope of the Special & Differential (S&D) treatment provisions for developing countries (Article III); and, 2) a proposed radical relaxation of the associated sustainability criteria on fisheries management conditionalities required for developing countries to use S&D provisions (Article V).¹⁵ From a PIC perspective, this proposal offered some interesting points and, moreover, probably serves to provide an extreme baseline from which certain developing countries will negotiate S&D provisions in future. However, many Members came out firmly against the proposal. It is politically important to note that the first swath of critiques came from other developing countries that argued that the China, India and Indonesia submission failed to reflect the remit of the group, which is to establish disciplines on fisheries subsidies that contribute to overcapacity and overfishing. These attacks made clear the divisions between developing countries on the scope of fisheries disciplines and, in effect, did the work of developed country Members for them, although Australia, the EC, Japan, New Zealand and the US all went on to slam the proposal on the grounds that it contradicted the mandate. In addition, in external media releases, environmental NGOs such as the WWF strongly opposed the proposal.¹⁶

The joint submission by the ACP and Small Vulnerable Economies (SVE) groupings on technical assistance (TA) for developing Members to implement the fisheries subsidies disciplines is a focussed and well-framed document.¹⁷ The essence of the submission is to transform the current vague language on giving 'due regard' to the need for TA (Article III.4) into a *mandatory* requirement. The submission offered language to make TA obligations more effective and operational, and laid out a logical legal provision wherein the *need* for effective and timely assistance for developing country Members in complying with fisheries subsidies disciplines was made clear, and *how* such TA might be provided. On the latter, the submission suggested that developing countries that express a need for TA should be provided through whichever mechanisms were most appropriate (i.e. at the bilateral or multilateral level), and, in order to monitor and assess the extent to which effective TA was provided, it proposed the creation of a Sub-Committee of the existing Committee on Subsidies to deal exclusively with this issue.

The proposal seems to have received a relatively positive response. The European Communities were broadly supportive but noted that there are already multiple sources of funding available from the EU for fisheries management and related areas. The US stated that the idea of a sub-committee is an interesting one to be explored further, but, like the EC, noted that there are existing sources of bilateral assistance available that need to be assessed before determining additional needs. Japan was slightly negative on the point about making TA mandatory, stating that the international community will find it difficult if TA is provided and it contributes to overcapacity and

The submission by China, India and Indonesia called for substantial improvements in special & differential treatment and radical relaxations of fisheries management conditions.

The submission by the ACP and SVE groupings proposed mandatory technical assistance to be made available for developing countries to meet fisheries subsidies disciplines.



overfishing. Japan's point was supported by Argentina and Chile. Norway emphasised that the scope of TA should depend on what the final fisheries management conditions under Article V look like – a point that the ACP and SVE groups had anticipated and already made in their introductory statement. Among other points the Chair noted that TA is a good investment if it supports improved fisheries management, but added a word of caution by iterating that the WTO is not a TA providing organisation.¹⁸

EC establishes new guidelines on fisheries subsidies: In order to ensure consistency with the new European Fisheries Fund (EFF), the European Commission has created new guidelines on the provision of state aid to the fisheries sector, which applied from 1 April 2008.¹⁹ In addition to support available under the EFF, the guidelines permit EU Members to grant state aid 'for compensation for damages caused by natural disasters, exceptional occurrences or bad weather events'. Interestingly from a PIC perspective, if 'certain conditions' are met, the guidelines allow Member governments to provide support to the EU distant water tuna fleet (DWF) in the form of tax relief and 'labour related costs'. The rationale for this measure is to provide incentives to EU tuna vessel owners to not register their boats in 'third countries', countries 'which do not ensure proper control over the activities of their fishing fleet, especially in terms of illegal, unreported and unregulated fishing'. The coverage of the new guidelines of the EU DWF has two key implications: 1) it provides yet more subsidies to the EU DWF making its operations more competitive; 2) it may signal an implicit acknowledgement that the EC recognises that some EU-owned vessels might have been engaged in IUU fishing.

France requests permission to assist its fishers as fuel protests spread across the EU: French fishers have been protesting in May about the negative impact of fuel prices on the commercial viability of their operations. These protests have involved the blockade of ports, causing chaos in sea and road traffic that has had repercussions in other EU countries, as well as blocking the fuel depot of the largest oil refinery in France. The response of the French government, backed by Italy and potentially Spain, has been to request an increase in the level of specific state aid that EU Member states can provide to their fishing industries that falls outside of the regulatory scrutiny of the European Commission.²⁰ The request is likely to meet firm opposition from several other EU Member states. However, the French protests were quickly followed by similar activities in Belgium, Portugal and Spain, among other EU member states,²¹ indicating that a degree of intra-EU political momentum is gathering on the issue. This case serves to re-iterate the highly politicised nature of fisheries subsidies, and as such, the difficulties faced by negotiators regarding establishing appropriate disciplines at the WTO.

The guidelines allow EU governments to provide support to the distant water tuna fleet in the form of tax relief and labour related costs.



FFA

Fisheries Trade-related Regulation

Study on the global extent of IUU fishing: A new report by the UK-based Marine Resources Assessment Group (MRAG) and the University of British Columbia on 'The Global Extent of Illegal Fishing' was released in April.²² The report was based upon a series of in-depth studies for 60 countries and 17 high seas regions. It estimated that the last ten years had seen a decline in IUU in seven areas, an increase in one and no movement in the remaining seven. The estimated overall loss from these studied fisheries is 11-19 percent of the reported catch, with a 2003 value of USD 5-11 billion (excluding discards). The analysis extrapolates the findings to a global scale and estimates that the total value of current IUU fishing worldwide ranged from USD 10 billion to USD 23 billion each year (between 11.06 and 25.91 million tons). The report estimates that annual average IUU catch in the West and Central Pacific Ocean over 2000-3 ranged from USD 707 million to USD 1,557 million.

Responses to draft EC regulations on IUU fishing

Amid growing media attention to the supply of IUU caught fish to EU markets (see *Fisheries Trade Briefing*, January 2008), EC consultations on its proposed new regulations to combat IUU fishing have continued.²³ The regulations are seen as necessary because, even though the EC spends around €400 million (USD585 million) a year on control systems, it 'has not worked properly for decades'.²⁴ Among other elements, the trade-related aspects of the regulation propose tough measures to severely restrict access to EU ports and markets to third country vessels engaged in IUU fishing and their products. The new system is expected to be in place by the end of 2010 and would include a traceability system that will track the fish from vessel to plate.

A meeting was held in London on 31 March and 1 April that brought together EC and UK government officials, EU and ACP industry representatives, environment and development NGOs, and fisheries experts to discuss the subject.²⁵ A representative of the South African fishing industry noted that new regulations should resist the 'bureaucratic impulse to over-regulate the legal operators'. A representative of the UK National Federation of Fishermen's Organisations (NFFO) acknowledged the need to assist developing countries in their actions against IUU fishing, but pointed out that the regulation as presently proposed 'would appear to be incapable of addressing the many challenges of changes in ownership, location, batch amalgamation and multiple end users'. The NFFO representative also expressed concern that the regulations would result in a burden on the legitimate trade in fish, but without substantially affecting the illegal trade; primarily because it is perceived as unworkable system that meets the political demand to be seen to be doing something but will not deliver in practice. Cepesca (a Spanish

The total annual value of illegal and unregulated fishing worldwide ranged from USD 10 billion to USD 23 billion.

The regulations propose tough measures that would involve severe restrictions on access for IUU vessels and fish to EU ports and markets.



FFA

Various representatives of the fishing industry in the EU and in the ACP have pointed that the new regulations may be costly and difficult to enforce.

umbrella organization representing the fishing industry) noted that implementation of the proposed regulation would be costly and lead to an administrative burden. The Chief inspector to the UK's Fishmongers' Company highlighted the practical problems for small enterprises in identifying fish product origins, which, in turn, make it difficult to combat the inflow of IUU fish. These problems included a lack of resources, inconsistent labeling of product, the variety of names for the same fish, and the compulsion of competition mean that there are pressures for year round supply and low price.

In addition, there was a first political debate on the proposed regulations in the EC Fisheries Council in April. One major issue was whether or not the regulations should be applied equally to EU vessels.²⁶ While NGOs and Spain support its universal application, it appears that most Member states do not.²⁷ The obvious consequence is that the regulation would then be discriminatory against vessels from third countries.

Food miles, carbon footprints and the fish trade

One of the major conceptual developments in popular understanding of the human impact on climate change is that of 'food miles'. The concept is used to highlight the distances involved in the flow of food from its original site of production through to its eventual retail, and thus focuses on the volume of carbon dioxide omissions that accompany this flow. There are reports of a significant rise in UK consumers choosing food products that have been produced 'locally' and an avoidance of goods with small stickers with an image of a plane on the packaging, which denote that they were air-freighted. For example, the Soil Association (a major certifier of organic and sustainably produced food) announced in 2007 that it might stop its certification of air-freighted organic food because the carbon emissions 'negated the benefits of growing it organically'.²⁸ Nonetheless, there is evidence that some air-freighted food is 'greener' than locally produced food in the UK. For example, there is often far less mechanisation in agricultural production in developing countries which tend to be more labour intensive, and UK seasonal produce tends to be warehoused in cold stores for far longer periods of time. Moreover, given that around 80 percent of all air-freighted produce coming into the UK is sourced from developing countries, the use of food miles as a regulatory principle would have devastating developmental impacts, a position maintained by, among others, the UK-based supermarket Co-op.²⁹ As a result of these arguments, the Soil Association dropped the idea, pointing out at the 2008 Seafood Summit that 'food miles is a deeply flawed concept and we shouldn't assume that larger food miles means higher environmental impact'.³⁰

IUU regulations might not be applied to EU vessels and will thus act as a discriminatory measure.

Air-freighted products in UK supermarkets are often labelled as such, which feed into popular beliefs that 'food miles' are bad for the environment.



FFA

As an alternative, the giant UK supermarket Tesco has committed to label its products (including fish) with their carbon footprint. According to Tesco, this information would go beyond food miles and incorporate indirect greenhouse emissions created during production and processing. Despite Tesco's recognition of the problems with food miles, all its air-freighted food products continue to be labelled as such. Tesco has admitted that it does not know how to calculate this issue and has offered funding to the tune of £5 million to the Environmental Change Institute at Oxford to develop a workable methodology.³¹ However, it is likely that fresh fish sent from the Pacific islands by air freight would register a far higher carbon footprint than the equivalent frozen product by sea freight (for example, while less than 1 percent of imported food in the UK is air-freighted, it constitutes 11 percent of total carbon emissions from food distribution).³² At the same time, standard frozen product does not offer the same quality as fresh-chilled fish, indicating that quality differentials may continue to spur demand for air-freighted product; that is, unless ultra-low temperature (ULT) frozen product is deemed sufficiently comparable by buyers to compete against fresh-chilled on quality.

New seafood safety legislation in the US: Currently, US food safety in the public sector for imported fish and fish products is regulated primarily by HACCP systems.³³ The Commercial Seafood Consumer Protection Act (senate bill 2688) is being backed for introduction into law. The Act requires the US government to improve systems and infrastructure for the import of safe seafood, including an annual allocation of USD 15 million for implementation. The new systems would include the examination and testing of imports, the examination of overseas facilities, the exclusion from examination of imports from those countries that demonstrate the application of consistently high standards, and, importantly, technical assistance and training to producers and governments to enable implementation and compliance.³⁴ Background information is available here: <http://www.nationalaglawcenter.org/assets/crs/RS22797.pdf>

Tuna Markets

Developments in Greenpeace tuna campaign

Greenpeace has continued with the lobbying and direct action campaigns reported on in detail in the last two month's issues of the *Fisheries Trade Briefing*. In the West and Central Pacific Ocean, the Greenpeace vessel the *Esperanza* encountered a Taiwanese longliner and 'freed' the catch hooked to the line. But it appears that there was no allegation of illegal activity aside from fishing in an area that 'Greenpeace is defending as marine reserves'. Instead, a Greenpeace Australia Pacific campaigner stated that 'Authorities can not be sure to what degree this vessel has engaged in pirate fishing activities'.³⁵ But the logic of this position would seem to also

Food miles is a deeply flawed concept and has an unnecessarily negative impact on developing countries.

The new Act will require the US government to improve systems and infrastructure for the import of safe seafood.



FFA

make it unsure that the vessel in question – which Greenpeace itself points out was legally registered – had ever engaged in illegal activities.

On 9 May Greenpeace reported that it observed a Philippine purse seiner illegally transshipping tuna on a pocket of high seas (or 'donut hole') between PNG and FSM. Apparently, the arrival of the *Esperanza* resulted in the vessels fleeing and the transshipment being stopped. The Philippine vessel in question – *Queen Evelyn 168* – is reportedly not licensed to fish in that area of the WCPO.³⁶ On 27 May, the *Esperanza* encountered a Spanish-owned super seiner (*Albatun Tres* owned by the Spanish multinational fishing corporation Albacora) setting within the Phoenix Islands of Kiribati, which is a proposed Marine Protected Area.³⁷ However, again, there seems to be no allegation of illegal activity in this case. In the Mediterranean it confiscated two kilometres of illegal driftnet containing dead undersized bluefin off the coast of Sicily. The Italian vessel in question was reportedly only permitted to fish within fifteen kilometres of the coast and was limited to using longlines or anchored nets.³⁸

Greenpeace has faced criticism from the Taiwanese government and certain sectors of the fishing industry following its recent campaigns of direct action and lobbying. In a letter from the Fisheries Agency of Taiwanese government to the Western and Central Pacific Fisheries Commission and Greenpeace, it protested that there was no evidence that the longliner – *Nian Sheng 339* – Greenpeace boarded broke any laws.⁴⁰ The letter accused Greenpeace activists of forcing themselves onto the boat, an accusation that Greenpeace categorically denied.⁴¹ On a separate front, Icelandic trawler owners have critiqued Greenpeace for putting pressure on US retailers to not stock certain species that they harvest in the Atlantic Ocean. A representative of the Icelandic Federation of Fishing Vessel Operators stated that: 'It's ridiculous that groups such as Greenpeace, that claim to be the standard bearers of the green movement, should in this way be able to libel people who work in a responsible manner'.⁴² In addition, the director of the National Fisheries Institute in the US – which groups together fish retailers, restaurants and companies involved in fisheries and processing – warned members to be wary of Greenpeace action arguing that its list of species to avoid is scientifically inaccurate.

Allegations of corruption in African marine fisheries

An article published by the Institute for Security Studies (South Africa) highlighted concerns that there is endemic corruption in marine fisheries in Africa.⁴³ These accusations include the bribing of on-board observers, bribes paid to port authorities to facilitate the transshipment of IUU fish, the embezzlement of access fees and the underreporting of license allocations. On the latter, the report goes into some detail:

Greenpeace reported that it observed a Philippine purse seiner illegally transshipping tuna on a pocket of high seas between PNG and FSM.

Greenpeace has faced criticism from the Taiwanese government and certain sectors of the fishing industry.



FFA

The report argues that fisheries licensing and access agreements in Africa should be made fully transparent to reduce scope for corruption.

In one East African country official reports suggest some 80 licenses per year are given for tuna fishing. However other sources close to the government have claimed the actual amount is nearer to 140. The International Union for the Conservation of Nature argue that if the number of licenses are kept secret in order to facilitate fraud, government funding is reduced, and the monitoring of fishing intensity for conservation purposes becomes impossible.

However, the analysis does not just highlight corruption and conflicts of interests as an African phenomenon and accordingly highlights 'the close relationships between the fishing industry and governments in Europe and Asia'.

As a partial solution to this phenomenon, the report highlights the rise of 'Publish What You Pay' (a network of over 300 NGOs) and the 'Extractive Industry Transparency Initiative' (a coalition of governments, companies, civil society groups, investors and international organisations) in the mining, logging, oil and other natural resource industries.⁴⁴ These initiatives are putting pressure on governments and industry to make resource access arrangements and payments fully transparent and accountable. The report argues that a similar effort should be undertaken in respect to foreign access arrangements to Africa's marine fisheries.

Bomb blast at Philippine tuna cannery: Two of the gang who are allegedly guilty of the bombing that took place on 30 January 2008 were apprehended in May. The factory is owned by the RD Group of Companies, which also operates RD Tuna Canneries and RD Fishing in PNG. The motivation for the bombing is unclear: the police suspect that it could have been a labour dispute and extortion demands of a gang, but owner of RD – Rodrigo E. Rivera, Sr. – asserted that it was 'a plain and simple barbaric terrorist attack ... aimed at spreading fear to the public in general'.⁴⁵

Two EU firms stop selling bluefin: As an indication that WWF campaigns on trade-related approaches to reducing the over-exploitation of bluefin are working (see *Fisheries Trade Briefing*, March), a major Swedish supermarket – ICA – committed to stop purchasing bluefin, along with several other species including blue marlin and swordfish.⁴⁶ Similarly, a major UK catering service supplier – M&J Seafood – stopped all purchases in mid-May. The company's director said: "This is something we expect other suppliers and retailers to follow. We had already banned Mediterranean bluefin tuna, but it was important that all bluefin tuna is removed from our extensive seafood list. ... We can still enjoy tuna on our menus if it is yellowfin or albacore for instance, but the industry needs to present a united front as we all have an enormous responsibility to support sustainable practices and reverse current trends".⁴⁷



Coming in the next issue (June 2008, Vol. 1: Issue 7)

- Special feature on the proceedings of the Tuna 2008 conference
- Summary of new comparative study on fisheries aspects of interim Economic Partnership Agreements and implications
- Recent issues affecting the tuna canneries in American Samoa

1 Liam Campling is Consultant Fisheries Trade Analyst, FFA. The contents of this briefing (including all analysis and opinions) are solely the responsibility of the author and do not necessarily reflect the positions or thinking of the FFA Secretariat or its Members.

2 Francis Cripps and Terry McKinley, (2008) 'The Global Benefits and Losses from the U.S. Recession and Recovery Package', Development Viewpoint, Centre for Development Policy and Research, School of Oriental and African Studies, No. 2 (May). Available at: <http://www.soas.ac.uk/cdpr>

3 Teruaki Ueno, 'Japan to suspend some tuna fishing on fuel prices', Reuters, 26 May 2008.

4 'Industry groupings warn Borg of mounting crisis', Fishupdate.com, 28 May 2008.

5 'Japan forecasts lower tuna supply', The Suisan Times, 4 March 2008.

6 'Japan's seafood imports hit 15-year low', The Suisan Times, 11 February 2008.

7 'Bypassing the turmoil', Seafood International, March 2008, p.37.

8 "'Early warning" signs for UK fish merchants', Fishupdate.com, 24 April, 2008

9 'FAO: Booming global fish trade spurred by China', intrafish.no, 3 June 2008.

10 Xubing, Fan and Yu Rui (2004), 'The Fishery Industry in China', FAO/GLOBEFISH Research Programme, Vol. 76, Rome: FAO, p. 23-4 and 30.

11 Multiple interviews, Japanese tuna industry representatives, June 2006.

12 Bypassing the turmoil', Seafood International, March 2008, p.38.

13 For a general overview of discussions see ICTSD, 'Chair Galmes issues negotiations update; divisions remain', Bridges Trade BioRes, 8(10), 30 May 2008. Available at: <http://www.icstd.org>

14 The Chair's explanatory note – 'Working Document from the Chairman of the Negotiating Group on Rules', 28 May 2008 – and the matrix summarising textual proposals, the Chairman's original draft text (TN/RL/W/213) and delegations' comments on the Chairman's text, are WTO document number TN/RL/W/232. They are available to download here: http://www.wto.org/english/news_e/news08_e/rules_28may08_e.htm

15 Submission by India, Indonesia and China 'Need for Effective Special & Differential Treatment for developing country members in the proposed Fisheries Subsidies text', TN/RL/GEN/155/Rev.1, 19 May 2008. Available to download here:

http://www.wto.org/english/tratop_e/rulesneg_e/rulesneg_e.htm

16 WWF 'China, India and Indonesia fishing for a loophole in WTO subsidy talks', WWF press release, Geneva, 16 May 2008. Available at: <http://www.panda.org>

17 Communication from Barbados, Cuba, Dominica, Dominican Republic, El Salvador, Fiji, Honduras, Jamaica, Mauritius, Papua New Guinea, St. Lucia, St. Vincent & the Grenadines, and Tonga, 'Small, Vulnerable Economies (SVEs) - Statement on key aspects of Article III of the Fisheries Subsidies Annex', TN/RL/W/226/Rev.4, 19 May 2008. Available to download here: http://www.wto.org/english/tratop_e/rulesneg_e/rulesneg_e.htm

18 Thanks to Manleen Dugal for her summary of Members responses to the TA submission.

19 DG MARE, 'Commission approves new guidelines on state aid to fisheries', 12 March 2008. Available at: http://ec.europa.eu/fisheries/press_corner/press_releases/2008/com08_24_en.htm

20 Reuters 'France asks EU for permission to help fishermen', 20 May 2008; Jeremy Smith, 'France calls for new EU aid rules for fisheries', The Guardian (UK), 27 May 2008. Available at: <http://www.guardian.co.uk>



- 21 'Fishermen give away free samples as they join protest over fuel prices', The Times (UK), 24 May 2008; 'Fisherman start strike action in Barcelona Port', typicallyspanish.com, 26 May 2008; 'Fishing strikes set to spread across Europe', AFP, 26 May 2008.
- 22 MRAG and Fisheries Ecosystems Restoration Research, Fisheries Centre, University of British Columbia (2008), The Global Extent of Illegal Fishing, funded by the Department for Environment, Food and Rural Affairs (DEFRA) and Department for International Development of the UK government. Available at: www.mrag.co.uk/Documents/ExtentGlobalIllegalFishing.pdf
- 23 For the draft regulations see Council Regulation COM(2007) 602 final 'Establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing', Brussels, 17 November 2007. See also Fisheries Trade Briefing December 2007 for an initial overview of these regulations and their implications for PICs. Available at: <http://www.ffa.int/node/1059>
- 24 Associated Press, 'EU nations agree to strengthen the fight against illegal fishing', International Herald Tribune, 18 February 2008.
- 25 The presentations from the Fourth IUU fishing update and consultation meeting at Chatham House are available to download here: <http://www.illegal-fishing.info/>
- 26 A detailed proposal by an alliance of NGOs was presented at the April Fisheries Council meeting by CFFA (Coalition for Fair Fisheries Arrangements), which was endorsed by Birdlife, FISH Sec, Greenpeace, ICSF, Oceana, Seas at Risk and WWF.
- 27 Personal communication, April 2008.
- 28 Robin McKie, 'How the myth of food miles hurts the planet', The Observer (UK), 23 March 2008. Available at: <http://www.theobserver.co.uk>
- 29 Terry Macalister, 'Co-op clashes with organic group over CO2 and food miles', The Guardian (UK), 22 April 2008. Available at: <http://www.guardian.co.uk>
- 30 'Food miles: fundamentally flawed', Seafood International, April 2008, p.101.
- 31 David Adam, 'Emission Impossible?' The Guardian (UK), 25 January 2007. Available at: <http://www.guardian.co.uk>
- 32 'Food miles: fundamentally flawed', Seafood International, April 2008, p.101.
- 33 For an overview of US import standards see Part III of Liam Campling, Elizabeth Havice and Vina Ram-Bidesi (2007), Pacific Island Countries, the Global Tuna Industry and the International Trade Regime. Available at: <http://www.ffa.int/node/891>
- 34 Ben DiPietro, 'US Senate introduces safety bill', Seafood International, April 2008, p.4.
- 35 Greenpeace press release, 'Greenpeace Frees Marine Life from Hooks of Taiwanese Longliner', Pacific Ocean, Saturday, 3 May 2008; See also 'Greenpeace "frees" fish from Taiwanese longliner', Fishupdate.com, 5 May, 2008
- 36 Xinhua News Agency, 'Greenpeace accuses Philippine ships for transfer tuna at high seas', 10 May 2008. Available at: <http://www.chinaview.cn>
- 37 Greenpeace press release, 'Greenpeace Confronts World's Biggest Tuna Vessel', Pacific Ocean, 27 May 2008.
- 38 'Greenpeace confiscates "wall of death" net in the Med', Fishupdate.com, 7 May 2008
- 39 See last month's Fisheries Trade Briefing, p.6.
- 40 Ralph Jennings, 'Taiwan fumes over surprise Greenpeace shark check', Reuters, 24 April 2008.
- 41 Greenpeace press release, 'Greenpeace Response to Taiwan Government's Accusations', 29 April 2008.
- 42 'Vessel owners slam Greenpeace tactics', Fishupdate.com, 5 May 2008
- 43 Andre Standing, 'Corruption in Africa's Marine Fisheries', ISS Today, 10 April 2008, Institute for Security Studies, Available at: <http://www.issafrica.org>
- 44 Information on Publish What You Pay is available here: www.publishwhatyoupay.org/ And on the Extractive Industry Transparency Initiative is available here: <http://www.eitransparency.org/>
- 45 '2 suspects in tuna factory blast nabbed', Sun Star General Santos, 12 May 2008
- 46 Drew Cherry, 'Swedish retailer ICA pulls tuna, some cod', intrafish.no, 2 May 2008.
- 47 'M&J Seafood bans sale of bluefin tuna', Fishupdate.com, 19 May, 2008.