



FISHERIES TRADE

WTO fisheries subsidies text released, MC12 delayed by Covid, and what next?

The Fisheries Subsidies Agreement (FSA) was being pushed to be agreed at the WTO 12th Ministerial Conference (MC12) in early December, but once more the Covid-19 pandemic resulted in a last minute cancellation, in particular the rapid spread of the Omicron variant. The Chair of the FSA negotiations has released a circular expressing the intention to run MC12 in the first week of March 2022 but this is under constant review given the pandemic and progress on the substantive outcomes.²

The drive to have a text ready for trade ministers to agree at MC12 saw a busy negotiation agenda in the lead-up, resulting in some considerable compromises in terms of the ambition of the FSA disciplines. The draft text released on 24 November is the closest that the membership have gotten yet to a consensus.³

Pacific Island subsidies to fishing that might lead to overcapacity or overfishing are largely covered by the current *de minimis* S&DT provision for 'small fishing nations'. This gives considerable flexibilities to WTO developing country members with less than 0.7% volume share of global marine capture.⁴ To be able to utilise this flexibility, members must provide wide ranging notifications to the WTO of their subsidy programmes, fisheries data and management systems. This represents a significant push among more ambitious members for increased transparency, not least because they have failed to achieve their principal objective of an FSA that effectively disciplines – i.e. reduces – fisheries subsidies.

A connected problem is that fisheries data must be notified for *all* subsidised fisheries, no matter how small the subsidy or the fishery. While some notifications are only required 'to the extent possible', this means that all data that governments do hold must be regularly submitted to the WTO. Further, other members have the right to ask questions about data gaps, which must be answered comprehensively, in writing, and 'as quickly as possible'.

A number of politically difficult issues yet remain to be solved, including the question of the transition period for larger developing countries with considerable fishing interests as they want exemptions from the overcapacity and overfishing rule.

The Chair has emphasised that he sees the draft text as the basis for *concluding* negotiations, not opening new issues or revisiting old ones.⁵ It could be argued that the relative convergence embedded in the current FSA has been achieved at the expense of effective disciplines: Members have been encouraged to concentrate not on the disciplines they want, but 'what they can live with'. Implicit in this request is that members accommodate one another's defensive interests – and sacrifice ambition as necessary to do so.

In this context, Pacific WTO members will be approaching the negotiations with a dual strategic focus. On the one hand, the Pacific is cognisant of the need to implement final tweaks to make the FSA workable and to avoid disproportionate burdens for states with limited capabilities. On the other hand, the Pacific is also aware of last minute deals among the more powerful global players in relation to side deals, such as on the Covid-19 TRIPS waiver.

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One of the greatest risks inherent in the FSA is the unintended consequences of the need to show that the WTO can reach multilateral agreement in a context of global turbulence and growing trade nationalism. The FSA may result in rules that are unworkable, meaningless or, worse, counter-productive and actually undermine existing mechanisms designed to reduce unsustainability in marine fisheries. If the coming months are indeed the final stretch for completing the FSA, Pacific members must remain ever vigilant.

FISHERIES MANAGEMENT

WCPFC's tropical tuna stocks under status quo management for next two years⁶

From 1-7 December 2021, the 18th Regular Session of the Western and Central Pacific Commission (WCPFC18) was attended virtually by over 300 participants. Given an in-person meeting was not possible once again due to COVID-19 travel restrictions, the WCPFC18 meeting agenda was significantly shortened, covering only the highest priority issues, particularly the negotiation of a new tropical tunas conservation and management measure (CMM).

Despite two week-long workshops held in April and September which were dedicated to the development of a new tropical tunas measure, plus considerable time spent during WCPFC18 in plenary and closed small working group sessions with Heads of Delegation, no substantive changes were adopted in the new two-year measure by WCPFC18 (CMM 2021-01). Commission members and cooperating non-members (CCMs) failed to reach agreement on changes to key elements of the 'package' measure – FAD management, high seas purse seine effort limits, longline bigeye catch limits and longline monitoring, control and surveillance (MCS) measures. This resulted in a status quo roll-over of provisions from the previous measure (CMM 2020-01). This outcome is not entirely surprising, with FFA members indicating from the outset of negotiations that they would not be seeking substantive changes to the existing measure given its relative success in managing WCPFC's tropical tuna stocks.

The most notable development was agreement by CCMs on two new FAD-related provisions – the prohibition of the use of mesh net on any part of FADs effective 1 January 2024, and the encouragement of vessels to implement measures for the retrieval and reporting of lost FADs. Other notable textural changes included an update to the preamble to reflect that latest stock status and scientific advice for tropical tuna stocks, as well as the inclusion of two new paragraphs regarding climate change impacts on tuna fisheries and associated disproportionate impacts on some members. The new measures also stipulate that the Commission will commence a process to develop a framework in 2022 for the 2023 adoption of hard limits and allocation amongst all CCMS for high seas purse seine effort limits and longline bigeye catch limits. The new measure will continue to serve as a 'bridging' measure while the Commission transitions to harvest strategies.

On South Pacific albacore, in the interim while a new CMM continues to be developed, CCMs agreed to the inclusion of text in the WCPFC18 meeting report which encourages CCMs to limit catch/effort within EEZs and not exceed recent years' high seas catch/effort levels, given SPC analysis indicates that recent catch levels are too high to achieve the interim target reference point agreed in 2018.

The draft FSA is a compromise text with few teeth to reduce fisheries subsidies and risks locking-in the global status quo

WCPFC18 agreed to ban the use of mesh net on any part of FADs from 1 January 2024

WCPFC's progress on harvest strategy development for key tuna stocks (skipjack, yellowfin, bigeye and South Pacific albacore) remains behind schedule, with CCMs agreeing to revisions to the Commission's Indicative Harvest Strategy Workplan to reflect delays. The workplan has now been extended to 2024 with milestones in place for harvest strategy adoption, which are considered achievable from a technical perspective (i.e. scientific modelling completed), but ambitious in terms of Commission processes (i.e. progressing negotiations and political will to adopt harvest strategies). The revised workplan schedules harvest strategy adoption for skipjack and South Pacific albacore in 2022 and yellowfin and bigeye in 2024. There was no substantial progress made on target reference points for skipjack, bigeye or yellowfin during WCPFC18. As covered in previous editions of *FFA Trade and Industry News* and in the story below, WCPFC's delay in adoption of harvest control rules (HCR) and harvest strategies is problematic for WCPO tuna fisheries which are MSC-certified. If harvest strategies are not in place by June 2023 for key stocks, MSC certifications will be suspended until such time that they are.

In positive news, after several years of deliberation, CCMs agreed to schedule the first trial meeting of the Science-Management Dialogue in conjunction with the Scientific Committee meeting in August 2022. The general sentiment expressed by most CCMs during WCPFC18 was that harvest strategies would become a priority issue for the Commission in 2022 and beyond, now that a two-year tropical tunas measure had been adopted. However, if the current milestones for harvest strategy adoption are going to be met, considerable time in Commission meeting agendas will need to be dedicated to this matter and CCMs will need to exercise strong political will to reach agreement. The considerable time and resources spent by CCMs in 2021 negotiating the new tropical tunas measure, which ultimately resulted in status quo management arrangements, should be a compelling reason in itself for the Commission to commit to expediting harvest strategy development. One of the advantages of harvest strategies over traditional fisheries management is that time-consuming and costly negotiations are no longer required when stock status changes (or a measure is due to expire), as a harvest strategy is designed to be dynamic and centres on pre-agreed responses to changes in stock status.

WCPFC18 also adopted a proposal from the 17th Northern Committee Meeting to increase Pacific Bluefin catch limits, in line with an increase agreed by IATTC in October 2021. The Pacific Bluefin measure (CMM 2020-02) will be revised to incorporate a 15% increase in the catch limit of large (>30kg) Pacific Bluefin on 2002-2004 average annual levels, given improvements in stock re-building. Some CCMs and NGOs raised concerns on this catch increase, given scientific analysis indicates that the Pacific Bluefin stock remains overfished, with overfishing still occurring.

Other notable WCPFC18 developments included the adoption of another 3-month extension to 15 March 2022 for exemptions for purse seine observer coverage, purse seine transshipment at sea and at sea longline transshipment observer coverage, with agreement to possibly phase in the removal of suspensions in 2022. CCMs also agreed to roll-over of the current Compliance Monitoring Scheme (CMS) measure for two years, but with a deferral of the 2022 compliance monitoring review (CMR) to 2023 to allow sufficient time to progress critical outstanding inter-sessional CMS issues in 2022 (i.e. risk-assessment framework, audit points, guidelines for observer participation and aggregated tables). The Chartering Notification CMM was also rolled-over for another two years (CMM 2019-08). Best practice guidelines for the handling and safe release of cetaceans were also adopted.

Greater focus is expected by the Commission on harvest strategy development from 2022



PNA seeks to extend MSC certification as lack of harvest strategies threatens MSC progress and future

The PNA Western and Central Pacific skipjack tuna and yellowfin tuna free school tuna purse seine fishery was first certified as meeting the Marine Stewardship Council (MSC) certification requirements in 2011. It was subsequently re-certified with updated MSC requirements in March 2018. In December 2020, the PNA applied for a scope extension of the free school certificate to assess skipjack tuna and yellowfin tuna for non-FAD *and* FAD sets, and to assess bigeye tuna as a Principle 1 (target) species, also caught with both non-FAD and FAD sets. In late October 2022, PNA's MSC Conformity Assessment Body (CAB), Lloyd's Register, released the Final Draft Report of the scope extension review with the Determination that associated sets and bigeye should be added to PNA's existing certification. The Determination is not a final certification result, but a critical step toward a certificate being issued.⁷

In making the determination, Lloyd's Register noted the fisheries' strengths related to data collection and analysis, stock status, observer coverage, among other issues. However, reported weaknesses also stand out, which are significant not only for the PNA scope extension, but for all WCPO tuna fisheries. Lloyd's Register notes, "No harvest strategies of the form required by MSC are in place at the WCPFC level and no agreed harvest control rules have been adopted to control fishing across the range of each stock'. Weaknesses around endangered, threatened and protected (ETP) species were also noted in the review, as were shortcomings around FAD-entanglement and FAD impacts on habitats.

The Coalition for Transparent Tuna Fisheries (CTTF) – which brings together a group of environmental organisations with aims of raising consumer awareness about destructive fishing practices and working with markets and policymakers to help find solutions⁸ – has picked up on these weaknesses and filed a formal objection to the scope extension. CTTF's objection outlines fifteen problems, all related to scoring.⁹ They primarily elaborate a case that the scope extension cannot be granted without a robust precautionary harvest strategy, secondary species management improvements, and improvements on a range of performance indicators impacted by FADs and FAD management practices, among other issues. The Independent Adjudicator has accepted the objection, with parties now entering into consultation. If a resolution can't be mutually agreed between the parties, the Independent Adjudicator will then make a decision on whether or not to uphold CTTF's objection.

These weaknesses – particularly the lack of harvest strategies – highlight uncertainty about the future of MSC tuna certifications in the WCPO and beyond. After the WCPFC failed to define and adopt harvest strategies at this year's annual meeting (see above), MSC warned that tuna fisheries face a suspension of their certification in the Western Pacific. All 28 MSC-certified tuna fisheries in the region have harmonized timebound conditions of certification that require the adoption of harvest strategies by June 2023. Presently, harvest strategy adoption at the WCPFC for skipjack and South Pacific albacore is slated for December 2022 and 2024 for yellowfin and bigeye.¹⁰

This threat presents opportunities and challenges in tuna fisheries. The threat of losing MSC certification could drive pressure that pushes RFMOs towards introducing harvest strategies. Big retailers, tuna brands and other consumers are now firmly committed to sustainability practices that centre on procuring products that are either MSC certified or in the pipeline towards MSC certification. Should RFMOs fail to progress in this area, downstream clients will be faced with very difficult procurement and public communication over their sustainability strategies. Seeing this challenge, 112 companies – including members of the Global Tuna Alliance –

An objection has been lodged against the addition of associated sets and bigeye tuna to PNA's purse seine MSC certification

Lack of progress on harvest control strategies is presenting a broad threat to MSC tuna certifications

collectively urged heads of delegation at the WCPFC to accelerate their progress towards comprehensive harvest strategies across tuna stocks.¹¹ Challenges are also evident for MSC as a certification body. As it has gained dominance in the sector, MSC has also faced scrutiny over the rigour of its certification standards and for certifying fisheries based on aspirations towards – rather concrete compliance with – its own standards.¹² As MSC’s own deadlines for harvest strategies approach, it is faced with making difficult decisions about whether to suspend certifications, in the case of WCPO for fisheries targeting stocks which are deemed to be healthy, or adapt its standard to maintain its legitimacy in the sector and recognize the complexity of harvest strategy development for multi-species/multi-gear highly migratory species.

Kiribati Government proposes opening its protected area to commercial fishing

Since 2015, the Kiribati Phoenix Islands Protected Area (PIPA) – one of the largest Marine Protected Areas (MPA) – has been a no-take fishing zone. The area is a UNESCO World Heritage marine park and one of the largest of its kind in the world. When PIPA was established, tradeoffs between conservation and the lost value of tuna revenues shaped the structure of the MPA. Government representatives originally insisted that a no-take area was impossible unless the costs of protection could be offset. To make the no-take area possible, the Government of Kiribati signed a conservation contract with Conservation International and the New England Aquarium, establishing the PIPA Trust. The PIPA Trust Act stipulates that the Trust may compensate the government if there is revenue loss associated with PIPA. Notably, PIPA was established in 2008 when revenue from the sale of fisheries access throughout Kiribati’s waters was just USD 27.5 million. By 2015, when the no-take provision came into effect, revenues had grown to a record of USD 148 million under the PNA’s Purse Seine Vessel Day Scheme.¹³ In late 2020, modelling indicated that under current VDS allocation rules, revenue losses would have resulted from the PIPA closure, although the ability to trade days with other VDS members may have reduced these losses to some degree.¹⁴ However, debate has continued over decisions about compensation via the PIPA Trust and which parties, people and entities are the beneficiaries of PIPA.¹⁵ Questions have continued as Kiribati’s waters remain highly productive and some climate change projections predict that they will become even more tuna rich as the oceans change.

In November 2022, these questions came to a head and Kiribati’s government announced that it will allow commercial fishing in the protected area. This decision followed from an the report of an independent Advisory Expert Panel made up of experts from the Forum Fisheries Agency, the Secretariat of the Pacific Community, and the Pacific Island Forum Secretariat that was invited to assess the impact of PIPA closure on government revenue and present its findings to the Kiribati Tuna Working Group, a body comprising the Government of Kiribati agencies. A press release published by the Kiribati government reports the following:

‘...since the PIPA closure in 2015, there has been a marked decline of demand for fishing in Kiribati EEZ by 8%. This is equivalent to 720 fishing days decline in fishing efforts in those years. Such decline has a huge implication on future allocations of Kiribati Vessel Day Scheme share under the Parties to the Nauru Agreement. For purse seine fishing, this translates to approximately USD\$60m to USD\$140m in loss [sic] revenue from 2015 to present. For longline fisheries, approximately USD\$850k is forgone annually or equivalent to USD\$5.9m since 2015.’¹⁶

Kiribati plans to open PIPA to commercial fishing, citing lost fishing access revenues



The government emphasised that its approach to decision-making is people-centric and must consider holistic options for marine protection and management, economic diversification, sustainable tourism and fisheries and the growth of Kiribati's blue economy to uplift the lives of all I-Kiribati. The proposal to open PIPA to commercial fishing will need to be approved by parliament. Oceans Five, one of the grantors supporting the PIPA Trust from 2015-2020, indicated that it respected the government's decision, but expressed its disappointment that the project has not achieved what it hoped to.¹⁷

The fate of PIPA raises questions about the role that PICs play in global efforts to protect 30 per cent of the world's oceans by 2030. This ambitious target would benefit local conservation at the site of MPAs and offer conservation-related benefits to the global community, including in the face of climate change. However, while advocates suggest that economic stability and environmental protection do not have to be mutually exclusive, the mechanisms for financial viability of MPAs remain under-developed. The stakes are particularly high for PICs as they must shore up their marine resources while also making investments to adapt to the existential and material threats of climate change.

TUNA INDUSTRY

Thai Union releases 'sustainability-linked bonds'

Thai Union (TU) is funding its expansion through the issue of a second dual-tranche of sustainability-linked bonds (SLBs) worth \$183mn in November. SLBs allow companies to reduce the costs of borrowing in return for complying with a set of sustainability objectives.

TU SLB was rapidly over-subscribed at over double the offer and is seen as low risk with an A+ rating according to TRIS Rating, a Thai credit ratings agency controlled by S&P Global Ratings. The majority tranche at 75% of the SLBs is over 5-years at 2.27% per year, with the remainder placed in a 10-year tranche at 3.36%.¹⁸

This follows on from Thai Union's first SLB in July, which was also over-subscribed by more than two times the offered amount, pushing the issuance to \$152 million, and had an annual interest rate of 2.47% over 7 years.¹⁹ In each case, major investors in TU's SLBs are Thai-based pension funds, insurance companies and banks. Combined, this gives TU a war chest of \$335mn, on the condition of meeting set criteria, including:

- remaining in the Dow Jones Sustainability Index (DJSI) Emerging Markets and ranking in the top 10 companies for the DJSI Food Products Industry Index;
- reducing the carbon intensity of Thai Union's from manufacturing operations by 4% annually; and
- increasing the monitoring and surveillance of Thai Union's wild-caught tuna supply chains, whether electronically and/or through the use of human observers at sea to 90% by 2023 and 100% by 2026.

Investors in the bonds will be entitled to a lower or higher return should TU achieve or fail to achieve these targets in 2023 and 2026 as 'observation dates'.²⁰

PIPA's no-take zone uncertainty raises questions about the economic viability of meeting the 30x30 MPA target

In 2021 Thai Union attracted over \$335mn in low cost debt in sustainability-linked bonds



SLBs are growing in global popularity reaching over \$80bn in issuance in 2021.²¹ They are one market segment in the global boom in demand for ESG – Environmental, Social and Governance – bonds, together worth over \$2tn in 2021 and estimated to grow to \$10tn by 2026. ‘Green bonds’ currently dominate the ESG debt market, and the other significant products are categorised as ‘sustainable bonds’ and ‘social bonds’.²²

The big difference between SLBs and ‘traditional’ green, social and sustainable bonds is that the latter commit the issuer – the borrower – to strictly use funds for specific ESG projects with considerable monitoring and a high cost for non-compliance, whereas SLBs only require it to commit to fulfilling sustainability goals over a set timeframe with only small penalties for non-compliance, otherwise the funds can be used for other purposes such as servicing debt. This has resulted in some SLB funds being accused of being mechanisms of greenwashing designed to access ESG finance, but which have the negative effect of muddying the already complex ESG waters.²³

Taiwanese industry and government turn to CCTV and Blockchain technologies to address labour concerns

As reported in prior issues of the *FFA Trade and Industry News*,²⁴ the Taiwanese government and distant-water fishing fleet have been engaged in ongoing efforts to address working condition on board vessels and to repair the fleet’s reputation. In this regard, the Taiwan Tuna Association (TTA) is trialling a video-monitoring system that will track labour practices on board vessels. Funded by a government grant and facilitated through a collaboration with National Chung Chen University, the system will allow onshore monitoring and will make use of Blockchain technology to ensure the integrity of the data.²⁵ The effort is a part of a larger project exploring the potential for technology to enhance human rights protection at sea.²⁶

To date, the CCTV systems have been installed on five vessels that are now actively fishing. Four more boats will receive the systems as part of the programme. Biometrics (primarily facial recognition) will be used to record and monitor working hours, while CCTV, coupled with artificial intelligence and machine learning techniques, aim to monitor and conduct ‘human pose estimation’ and ‘human behavior analysis and prediction’. The system is being designed to alert management to high-risk behaviour and to track and predict abnormal conditions, though the data will not be available in real time in order to make satellite transmission costs manageable. Reportedly, a long-run goal is to use Blockchain technology to establish a transparent database that can be accessed and analyzed by interested oversight groups.²⁷ The moves mirror a broader trend in the industry to turn to new technologies to address a wide range of challenges including waste reduction in processing, packaging, quality control, traceability and transparency, among others.²⁸

Notably, moves to improve working conditions and the reputation of the Taiwanese fleet and government oversight through projects such as this one are providing a geopolitical opening for the Taiwanese government, whose political engagement in the international community is limited by China. For instance, TTA indicates that the current project’s protocols will be guided by international instruments including the Work in Fishing Convention and the 1995 International Convention on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel (STCW-F) Convention of the International Maritime Organization. Such commitments build Taiwan’s direct links to the international community. TTA is also building international relationships by forming a fair labour and sustainable fisheries consulting group that aims to enhance discussion and cooperation among crew organisations, unions, NGOs, government and industry, both inside and outside of Taiwan.²⁹

Sustainability-linked bonds are often criticised as ‘greenwashing’

The Taiwan Tuna Association is piloting a CCTV labour monitoring programme

Overseas firms increase presence in China's growing pet food market

The soaring increase in pet ownership in China, particularly of dogs and cats, has meant the pet food market, which was valued at just over USD 1 billion in 2020 is projected to reach around USD 1.5 billion in 2026.³⁰ According to the State Council of China, around 73.55 million households own a pet, of which 46.1% own dogs and 30.7% have cats.³¹ Not only are more people adopting dogs and cats, but there has been an increasing demand for high-quality pet foods in the country that has resulted in increased demand for salmon and tuna in the industry.³²

With the increasing demand for high-quality pet foods, companies are planning to come up with more products for this market segment. One centre of manufacturing is the seaport and manufacturing city of Tianjin and its Technological and Economic Development Area (TEDA). At least one international company is increasing its investments and activities in the pet food industry to satisfy the demand. Nestlé Purina, a subsidiary of Nestlé, the Switzerland-based food conglomerate, has reportedly invested a total of nearly CNY 1 billion (USD 157 million) in its factory there, which includes a new pet food canning line that will produce customized high-end wet canned products for the local Chinese pet market.³³

Other major companies active in the China pet food market include the French firm, Royal Canin, a subsidiary of Mars, the American multi-national manufacturer of confectionary, pet food, and other food products and a provider of animal care services. Chinese firms also have a major presence in the pet food market. The leaders are Yantai China Pet Food Co. Ltd., Huaxing Pet Food Co. Ltd., and Chengdu Car Pet Food Co. Ltd.³⁴ The first-named firm is based in Shandong where Yantai is a major processing and storage site for the fishing industry. The company reportedly has 18 subsidiary factories and exports to over 50 countries, describing itself as the global leading manufacturer of pet treats. Its wet cat food line-up includes pouched products of tuna, tuna and crab, tuna and codfish, tuna and salmon, tuna and shrimp, and tuna and scallops. A separate canned product is tuna and chicken.³⁵

Credit Suisse fined in Mozambique 'tuna bond' scandal

In late October Credit Suisse was fined a total of \$475mn in the USA and UK for its role in a 2013 deal where Mozambique borrowed \$2bn from international investors to ostensibly to fund Ematum (Empresa Mocambicana de Atum), a state-owned tuna longline fishery, as well as other maritime projects. Credit Suisse and a Russian bank called VTB took nearly \$200mn in loan arrangement fees, and \$500mn of the loan had been used to pay for various bribes and kick-backs.³⁶

Three Credit Suisse bankers had already pleaded guilty in US criminal courts to accepting bribes to arrange the loans,³⁷ but this new fine places the blame squarely at the door of Credit Suisse and not only individual employees. The bank will pay a \$175 million criminal fine to the US Justice Department, \$99 million to the US Securities Exchange Commission, and \$200 million to the UK Financial Conduct Authority; it has also committed to forgive \$200 million of debt owed by Mozambique.³⁸

This is far from the end of story. Credit Suisse is facing a civil trial in London due in 2023 brought by creditors, while members of the Mozambique elite remain in prisons in Mozambique and South Africa awaiting trial for charges of blackmail, embezzlement and money laundering.³⁹

As for Ematum and the claims that Mozambique would emerge as a new Western Indian tuna hub, it was always clear to anyone with knowledge of this region's

Global food giants, Nestlé and Mars, have a strong presence in China's growing pet-food market

It takes two to tango: corrupt lenders and borrowers bookend longline scandal

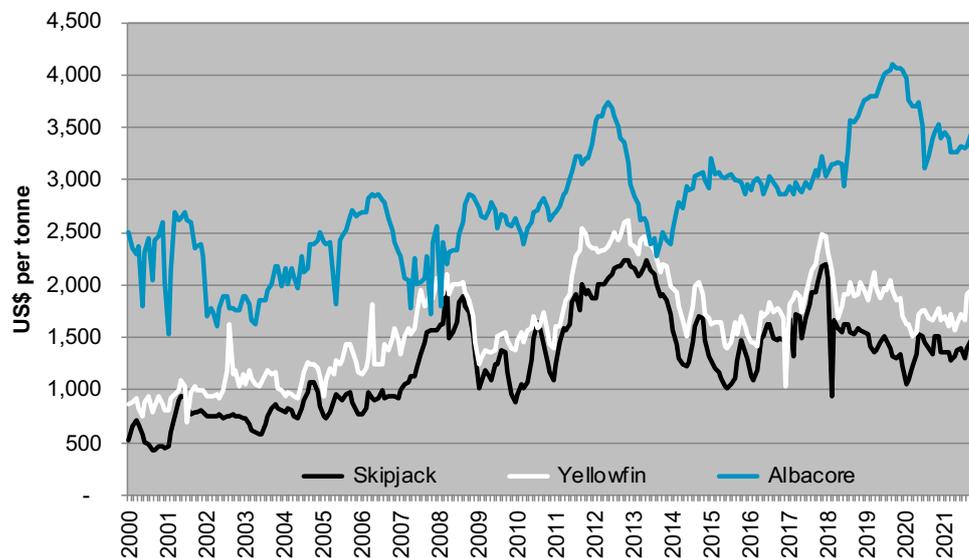
If it looks too good to be true, ... Mozambique's GDP cut in half by tuna scandal

fishery that Ematum was a white elephant. Its business plan had from the outset been skewed by outsized estimates of Mozambique's tuna catch and comically over-inflated sashimi prices in Japan.⁴⁰ This scandal was compounded by the fact that the 24 longliners, built in a French shipyard, had to be modified to comply with EU standards!⁴¹

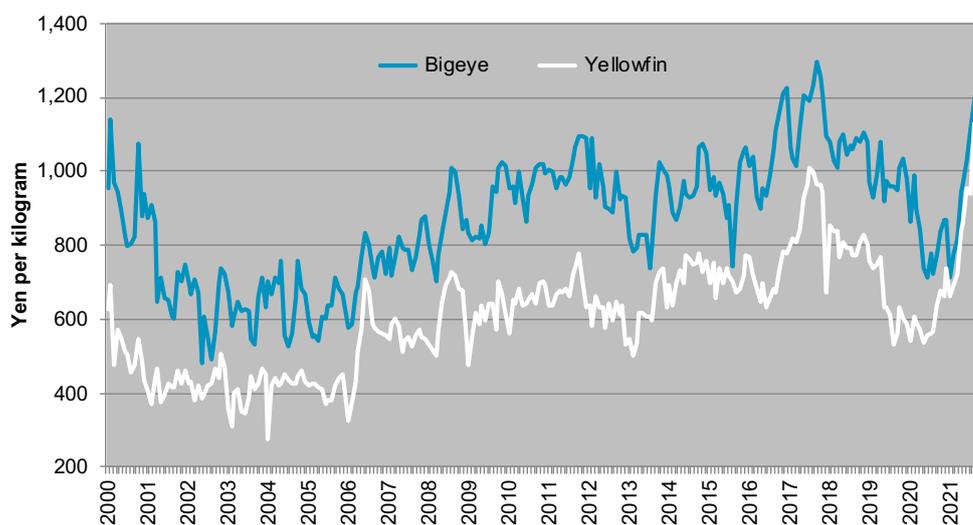
Ultimately the losers of the 'tuna bond' scandal are ordinary Mozambicans. One study estimates that the cumulative effects of the fraud on reduced investment and growth cost the economy \$11bn, or \$400 per citizen, between 2016 and 2019. Put differently, the leveraging of a tuna fishery to siphon kick-backs and bribes by national politicians and transnational bankers has further indebted one of the poorest countries in the world, cutting its projected GDP in half for 2021, from \$31bn to under \$16bn.⁴² Mozambican civil society organisations are demanding complete debt forgiveness for the corrupt loan, which is now worth around \$4bn with debt servicing.⁴³

TUNA PRICE TRENDS⁴⁴

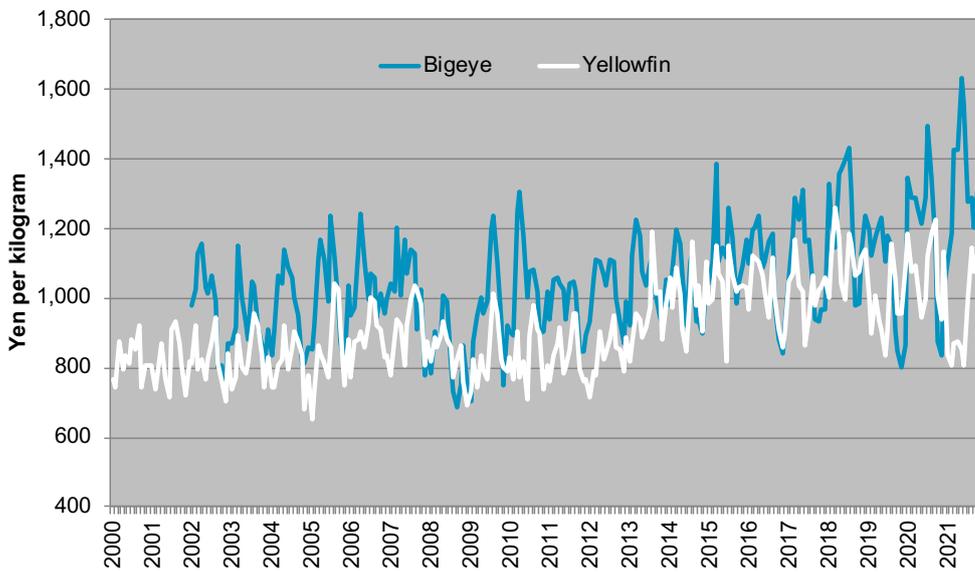
Bangkok canning-grade prices to November 2021⁴⁵



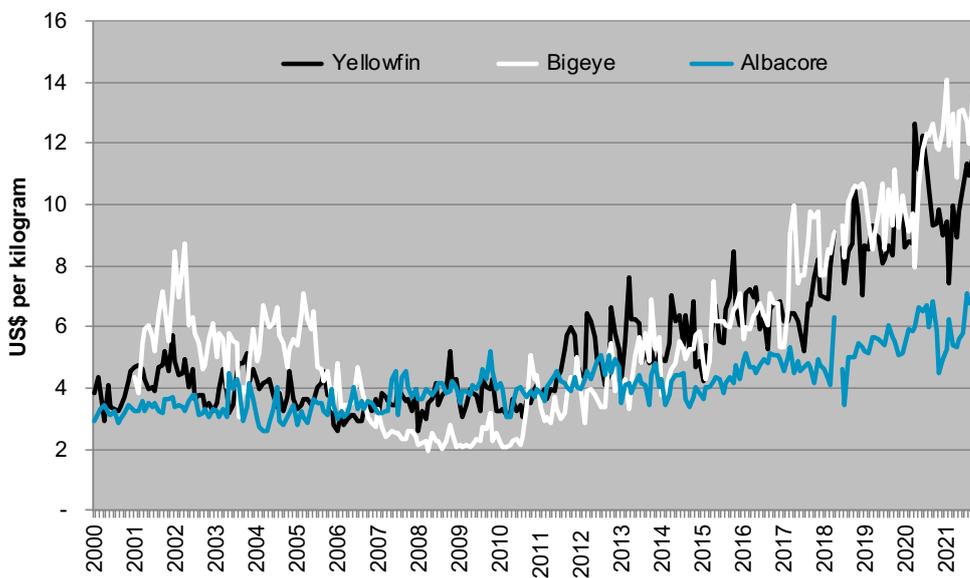
Japan frozen sashimi prices (ex-vessel, Japanese ports) to November 2021⁴⁶



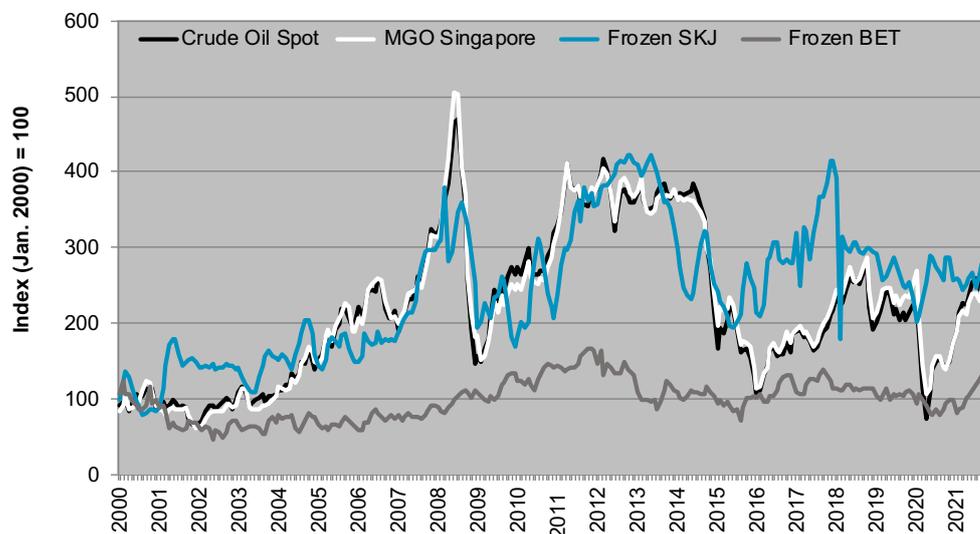
Japan fresh sashimi prices (origin Oceania) to October 2021⁴⁷



US imported fresh sashimi prices to October 2021⁴⁸



Crude oil, canning-grade frozen skipjack (SKJ) and frozen bigeye (BET) price index to November 2021⁴⁹



¹ Prepared for the FFA Fisheries Development Division by Professor Liam Campling, School of Business and Management, Queen Mary University of London, Dr Elizabeth Havice, University of North Carolina at Chapel Hill and Mike McCoy, independent consultant, all Consultant Fisheries Trade and Market Intelligence Analysts, Fisheries Development Division, FFA. Desktop publishing by Antony Price. The authors would like to thank FFA for their input on an earlier draft of this briefing. The contents of this briefing (including all analysis and opinions) are the responsibility of the authors and do not necessarily reflect the positions or thinking of the FFA Secretariat or its Members.

² Letter from the WTO General Council and Trade Negotiations Committee, Geneva, 29 November 2021.

³ WT/MIN(21)/W/5, 24 November 2021, Agreement on Fisheries Subsidies. https://www.wto.org/english/news_e/news21_e/fish_25nov21_e.htm

⁴ Article 5.4 (b)(i), WT/MIN(21)/W/5

⁵ PIFGVA Circular 29-2021, Fisheries Subsidies Update and Future Work Plan, 17 December 2021.

⁶ WCPFC18-2021 Provisional Outcomes Document; various WCPFC18 meeting papers; insights from WCPFC18 attendees. All documents available at: <https://www.wcpfc.int>

⁷ Rob Blythe Skyrme and Kevin McLoughlin 2021. 'Parties to the Nauru Agreement (PNA) Scope Extension', Review undertaken by Lloyd's Register. Available at: <https://fisheries.msc.org/en/fisheries/pna-western-and-central-pacific-skipjack-yellowfin-and-bigeye-tuna-purse-seine-fishery-fad-and-non-fad-sets/@assessments>

⁸ Full mission and members listed at: <http://www.cttf.uk>

⁹ Full objection text is available at: <https://fisheries.msc.org/en/fisheries/pna-western-and-central-pacific-skipjack-yellowfin-and-bigeye-tuna-purse-seine-fishery-fad-and-non-fad-sets/@assessments>

¹⁰ 'Multiple Pacific tuna fisheries face certification loss by 2023, MSC warns', *Undercurrent News*, 9 December. Available at: <http://www.undercurrentnews.com>

¹¹ '112 supply chain companies unite to save the MSC label on tuna', *Global Tuna Alliance Press Release*, 4 November. Available at: <http://www.globaltunaalliance.com>

¹² See, e.g., Liam Campling, Elizabeth Havice and Mike McCoy 2020. 'Following controversy, first bluefin fishery gains MSC certification', *FFA Trade and Industry News*, 13(4): July-Aug. Available at: <http://www.ffa.int>

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