

Tuna Market Intelligence

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Your fortnightly report on trends and influencers on the global tuna market from the Pacific Islands.

MARKET UPDATE

The downward trend at the Bangkok Tuna market continues through this month.

With no light at the end of the tunnel yet, prices have slipped to US\$1,150 per metric tonne compared to the US\$1,300 we reported in the last update.

Insiders report that, as a result, buyers deferring orders on a falling market, so importers have declined tuna imports at this end of the year bringing the volume to its lowest since 2010. From January to August this year tuna imports have dropped to 450,000 tonnes. With the PNA FAD closure open this will see a upsurge in landings further depressing prices

Meanwhile, in Ecuador, similar trends are being experienced except they still had a slightly higher price of US\$1,200 per metric tonne towards the end of October.

Send us your tips to marketintel@pnatuna.com

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INFLUENCERS REPORT

Greenlight for small island nation Tuvalu

Tuvalu has been given the greenlight to export its newly built purse seine vessel *Tautaloo* from Taiwan to Tuvalu, bringing its fleet strength to two vessels.

A jubilant Tuvalu Minister for Natural Resources Elisala Pita said he had received the letter from the Secretary

General of the Taiwan Fishery Agency informing him that they had approved an export permit for the *Tautaloo*. *Tautaloo* was built in March 2012 by Taiwan's shipbuilding company Ching Fu but, due to its national laws on construction of new purse seine boats, stating that the equivalent tonnage of old purse seine boats needed to be scrapped, work on the boat and subsequent delivery to Tuvalu was stalled.

Tuvalu raised the issue in PNA, FFA, and WCPFC meetings, as well as negotiations with Taiwan, and had even called for reduction of fishing days to the distant water fishing nation as a result of its stalling of the new vessel.

Pita earlier said that Tuvalu intends to develop its domestic fishery by expanding its feet to fully participate in the harvest of its own tuna. He said Tuvalu gets high returns from its fishing vessel *Taumoana*, and a second fishing vessel will boost these returns.

Tuvalu's government is also in the process of bargaining for the purchase of three more vessels from Tri Marine which would increase their fleet strength to five.

NFA pays State dividend

THE National Fisheries Authority (NFA) has paid the Government K50 million in dividend this month, in addition to the K25 million it paid in August.

NFA Chairman Job Pomat and Managing Director John Kasu handed over the K50 million payment to Chief Secretary Sir Manasupe Zurenuocinin early October. Sir Manasupe said the NFA board's commitment to provide increasing dividends to the Government over the years contributed largely to the country's revenue cycle. He said the authority was one of the few State-owned enterprises which continued to pay dividends to the State every year.

The previous 2 years, the authority paid a K55 million dividend compared to the K75m this year. The authority derives its revenue from tuna resources through fishing access fees from fishing partners including Japan, Korea, China, Taiwan and the Philippines.

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However, Pomat said the main focus was to promote onshore processing of our tuna resources: "The benefits of onshore processing will be in the form of employment, tax returns and spin-off businesses, and linked to volumes processed.

Palau signs sanctuary law

Palau President Thomas Remengesau has this week signed the historic Palau National Marine Sanctuary Act. He stressed that it is just the beginning of the journey to protect Palau's ocean from foreign fishing and strengthen its a domestic fishing zone.

The marine sanctuary means that in the 80 percent of Palau's maritime territory, no fishing or mining can take place. The remaining 20 percent of Palau's waters will become a domestic fishing zone reserved for local fishermen and small-scale commercial fisheries with limited exports.

Remengesau said the marine sanctuary aims to strengthen management and development initiatives to build a sustainable and lucrative domestic longline fishing fleet that will supply Palau consumer and tourist markets. He said work is not done as Palau will be seeking partners to ensure effective enforcement of its reserve.

Seth Horstmeyer, The Pew Charitable Trusts Director of Global Ocean Legacy, which provided technical support on the sanctuary, said that the next step is to create a five year plan to ensure better enforcement in the Palau's EEZ. Under the new law, after five years, there will be strict rules against fishing vessels which enter Palau's waters.

EC report finds anomalies

A recent report by the European Commission's Court of Auditors on whether fishing partnerships were actually working found that tonnage negotiated was often higher than catches reported, particularly for Mozambique.

This leads to regular underuse. Because the EU pays in full regardless of the amount of fishing actually done, the real cost paid was frequently higher than the price negotiated. In Mozambique, the real cost per tonne of tuna in 2013 was about six times higher than the price which had been negotiated

The report recommended that the Commission should:

- consider previous levels of use when negotiating new arrangements and endeavour to link payments for access rights more closely to actual catches, while ensuring that fishing is not disrupted;
- ensure that the new catch database is fully used by flag Member States and provides reliable catch data which can be monitored and kept up to date;
- propose eligibility requirements for new agreements to assess actions being considered for funding.

Kiribati has a fishing partnership agreement with the EC so if the recommendations are taken aboard it could mean more rigid monitoring and updating of their catch databases

Longline VDS will take time

Despite doomsayers predicting further bad times for Longline Vessels with the Vessel Day Scheme (VDS) scheduled to take off next year, change will take time reports the PNA.

Parties to Nauru Agreement (PNA) Chief Executive Officer Dr Transform Aqorau said implementing VDS will require all boats to be on the VDS register: "At the moment we don't have a good picture of all these longline boats and it is a much bigger fishery and a lot of those boats are fishing on the high seas also. We also don't have the levels of controls and the quality of data is really bad and the reporting we are getting is poor. So, first thing is to fix the register first."

Dr Aqorau also said PNA countries may not be willing to move straight away into selling days for longline boats. "Like the purse seine VDS, it really took time and once they started to manage and monitor their days and then they became comfortable, and once we get a better grasp of the economics and data, then countries can start saying they will charge so much for a day.

He said one longline boat can make in a year what one purse seiner boat can make in one trip.

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