

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

Good news from the Bangkok tuna market. Prices have risen as far as US\$1,180 per metric tonne compared to the last Tuna Market Intelligence which went out at the end of January (US\$1050).

Parties to Nauru Agreement (PNA) Commercial Manager Maurice Brownjohn said the annual Fish Aggregating Devices (FAD) closures drives up prices pre closure whilst processors built up their inventories: "Prices declined during the closure subject to catches, and then a significant drop on reopening, with the anticipated flood of FAD fish. This has seen low prices in late 1015. What is today more damaging to prices is that buyers are playing on this and deferring orders to speculate on these trends, which further depresses the market, so they can buy at a lower price."

With some uncertainty of supply and seasonal buying, currently prices are rising.

Brownjohn said the impact of the US fleet tying up at year end, and some domestic fleets being slow to start fishing has not had an impact on market prices, yet: "However, come late March and April the impact will be felt. Should these fleets resume fishing by the end of February, it will be May at the earliest that the supply resumes, but with FAD closures then nearing, prices are likely to be sustained."

He said the Central and Eastern Pacific has fished well in the last year, with Eastern High Seas supplying significant catch in competition with PNA EEZs. "In both cases these high catches are FAD and El Nino associated, and show high Bigeye Tuna catches," he said.

Send us your tips to marketintel@pnatuna.com

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INFLUENCERS REPORT

US treaty dramas

What looks like a compromise or the Pacific parties bending backwards to accommodate the United States demands is in fact a reduction of days as they had requested (keeping the original US\$12,600 per day Vessel Day Scheme price intact).

Sources say efforts to reach an agreement at this stage could be wishful thinking.

Forum Fisheries Agency boss James Movick said soon after a special FFA meeting in Nadi last week that all 17 member nations had met to discuss ways to move forward with an arrangement for the US Treaty for 2016, while also mitigating the financial losses posed by a revision of the 2016 fishing arrangement to meet the US request for fewer fishing days.

Movick said the Pacific had developed a counterproposal to forward to the US but that he could not share details as negotiations were ongoing.

He added: "But the Pacific parties to the Treaty have been very mindful of the urgency of this matter and do not

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think it is in any Party's interests for the fleet to remain tied up, and they took this into consideration in preparing a proposal they believe should satisfy the US without the need for any further negotiation.

US industry comments on treaty

Brian Hallman executive director of the American Tunaboat Association said he understands Congress has already introduced the bill to disallow foreign assistance to Pacific Islands if there is no tuna Treaty.

"The timing for legislation getting passed by Congress varies widely -- legislation can move quickly, slowly, or not at all," Hallman said. He also claimed that all US vessels were prepared to pay the price of the license fee agreed previously but what was still up for grabs is the number of days to purchase.

"It is true that some US vessels are able and willing to purchase more fishing days than other vessels," he confirmed, saying most of the US fleet is not tied up. "Vessels are legally fishing in the eastern Pacific, in US waters, or in high seas areas in the western Pacific outside of the Treaty Area".

PNA nations are better off without treaty

Meanwhile, PNA Chief Executive Officer (CEO) Dr Transform Aqorau said the PNA is well off without the Treaty and the time is ripe to develop a new arrangement.

"Parties have sold the days taken back (1996 days) to other fleets who need them and are fishing in their waters and also to their domestic fleets," he said, "the only risk is the aid component which the US is threatening to remove."

Dr Aqorau said the PNA met before the FFA meeting because without the PNA decision, there would have been no FFA offer.

"We can reshape this fishery and stop bending down to their demands feeling sorry for the US as if we owe them something," he commented. "We did not renege on this arrangement, the US did, so we have accommodated to US wishes by taking back our days. Frankly, the PNA is

better off without the Treaty and those that rely on the US treaty should now look to reshape that relationship."

Palau to lose from US Tuna Treaty pull out

Palau will lose close to half a million dollars in revenues as a result of the impending pull out of the United States from its fisheries treaty with the Pacific nations by next year.

Minister of Natural Resources, Environment and Tourism Umiich Sengebau said although Pacific nations including Palau are still hopeful that the treaty will be salvaged, the fishing days set for the US fishing fleets can be reallocated and sold to Japanese or Taiwanese fleets.

Although the US fleet does not fish in Palau waters, it has pooled 109 fishing days in the treaty.

Palau can sell its days to a minimum of \$8,000 per fishing days. The loss of revenues, however, will not affect Palau states revenues, as money collected from the sale of fishing days is not part of the revenue division among the states.

NFA partners with United Nations for Arafura Seas

Papua New Guinea's National Fisheries Authority (NFA) have teamed up with the United Nations Development Programme in an attempt to improve the condition of fisheries and their habitats in the Arafura Timor Seas region.

The Arafura Timor Seas region has some of the most biologically diverse marine ecosystems. However, it has been increasingly under threat due to unsustainable fisheries activities resulting in decline and loss of living coastal and marine resources, biodiversity and key marine species; increase of marine and land-based pollution such as marine debris, sediments, oil spills and more.

PNA tuna in Australian supermarkets

John West, in conjunction with PNA Pacific, has gained access to Marine Stewardship Council (MSC) certified sustainable canned skipjack tuna, enabling Australians to eat sustainable Pacific tuna.

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PNA skipjack tuna now finds its way onto the Australian supermarket shelves under the John West /Pacifical co-brand tuna which is MSC certified.

PNA Commercial Manager Maurice Brownjohn confirmed that Pacifical and John West have achieved this deal to supply their tuna to the Australian food giant. More than 100million John West cans of tuna will now display the MSC ecolabel annually, each co branded with Pacifical - which means 100% of the cans will be filled with PNA MSC skipjack tuna.

This also means 43% of Australia's canned tuna is also MSC certified sustainable.

Fish tops exports for Federated States of Micronesia

The latest trade report on the Pacific shows fish topping exports from the Federated States of Micronesia.

The Pacific Community's Pacific Islands Trade Report 2010-2014 launched this month in Fiji states the total of FSM's merchandise exports stood at US\$35.9m in 2014. Of this amount, fish exports stood at US\$32m showing how heavily their economy relied on fish exports.

However, the same report states that fish exports declined from US\$55m in 2010 to US\$32m in 2014.