

Sub-contracting on the sea: vessel chartering and its implications for tuna conservation efforts in
the Western and Central Pacific Ocean

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Abstract

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Pacific Island countries that are a party to the Western and Central Pacific Fisheries Commission (WCPFC) often enter into access agreements and sub-contracting arrangements with foreign vessel owners as a way to increase domestic fishing vessel capacity, gain access to resources within their waters and further develop domestic fishery capabilities. Historically, this was done through access agreements and joint venture initiatives with foreign governments and foreign vessel owners – and more recently through the use of charter arrangements with foreign flagged fishing vessels. In recognition of the development aspirations of Small Island Developing States, fishing vessels of Pacific Island countries operating in the WCPFC Convention Area are often exempted from conservation measures that the Commission put into place to sustainably manage highly migratory stocks in the Western and Central Pacific Ocean. Sub-contracted foreign fishing vessels operating under charter arrangements are often included in these exemptions. This paper examines the issues surrounding the use of foreign-chartered vessels in WCPFC and provides an assessment of the potential risk for these charter arrangements to undermine the effectiveness of management measures that were put into place to conserve tuna stocks.

The potential for the use of chartered vessels to undermine conservation efforts has been largely driven by limited management, risks associated with exemptions, and the transfer of effort by foreign fleets. Evidence suggests that risks associated with the use of chartered vessels have not been addressed in the WCPFC and that a more robust management framework is necessary to properly manage the use of such vessels.

**The opinions expressed in this paper do not represent the views of the National Oceanic and Atmospheric Administration or the United States government.

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1. Introduction

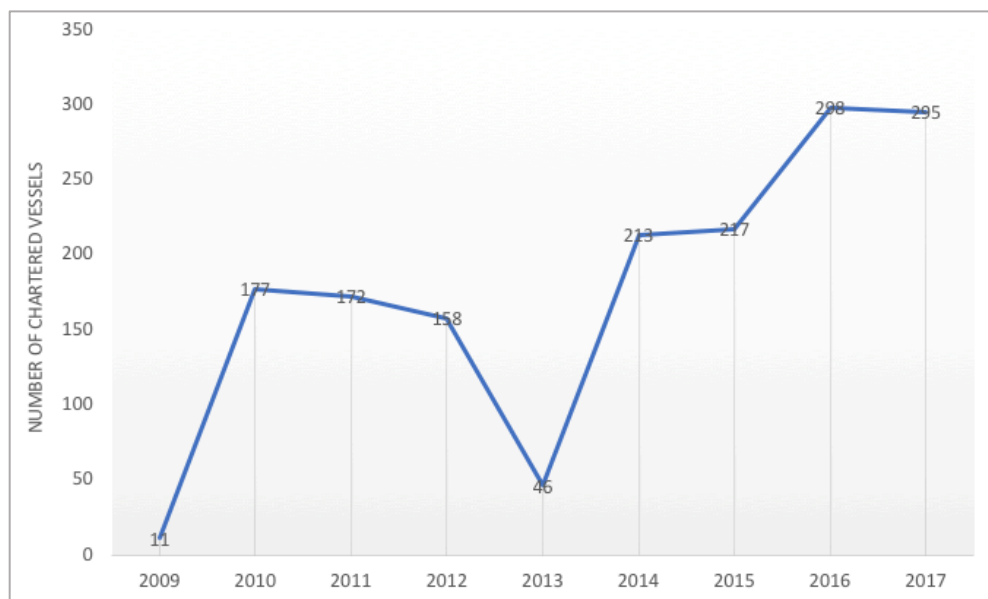
With the negotiation of the United Nations Convention on the Law of the Sea in 1982 (UNCLOS) and the establishment of the internationally recognized 200nm Exclusive Economic Zone (EEZ), countries across the globe gained exclusive rights to manage and exploit the fisheries resources within their national waters. In the Western and Central Pacific Ocean (WCPO), the establishment of the EEZ granted many Pacific Island countries sovereign rights over some of the richest tuna resources in the world. In 2016, tuna catch in the WCPO accounted for nearly 80% of the tuna caught in the Pacific Ocean and nearly 60% of the tuna caught globally (SPC, 2016). Management of tuna in this region is a particularly challenging and complex issue. Tuna are a highly migratory species, which means they do not respect the boundaries of any one country. They are a highly sought after and economically valuable common property resource shared across multiple nations and numerous fishing fleets – and as such, the management of these species requires international cooperation and regional collaboration (Allen et al., 2010; Munro, 2007; Clancy, 1998). International organizations known as regional fishery management organizations (RFMOs) were established to allow for international cooperation over the management of these species in an effective and sustainable way. The RFMO responsible for ensuring the long time sustainable use of the tuna resources in the WCPO is the Western and Central Pacific Fisheries Commission (WCPFC).

Historically, larger distant water fishing nations take the largest proportion of tuna in the WCPFC Convention Area; however, that catch is taken within the national waters of developing Pacific Island countries (WCPFC, 2016b). In recent years, Pacific Island countries in this region sought to increase access to the fisheries resources in their waters through the development of domestic fisheries operations. However, many countries lack the economic resources to do so and hence

established partnerships with foreign companies, often through sub-contracting of foreign fishing vessels, as a way to improve access and increase revenue.

In the WCPO, sub-contracted vessels, also known as chartered vessels, provide greater opportunities for Pacific island countries, often with limited resources to support direct investment in large-scale vessels, to participate in tuna fisheries and to secure fish supplies for domestic onshore processing operations (WCPFC, 2006a). These benefits led to an increase in the use of chartered vessels in the WCPFC – where the number of reported chartered vessels has grown steadily since 2009.

Figure 1: Summary information on chartered vessels fishing in the WCPFC Convention Area – 2009-2017¹



Source: WCPFC, 2017b

International governing organizations, including the United Nations and a number of RFMOs, recognize that inadequate management of foreign-chartered fishing vessels could undermine the

¹ Data in Figure 1 includes only those vessels for which charter arrangements exist between two distinct flag States. A full list of the number of vessels chartered from 2009-2017 is included in Annex II.

effectiveness of established global conservation and management measures (FAO, 2001; FAO 2002; ICCAT 2013; WCPFC 2006a; WCPFC 2009a). However, until now no one has examined whether and to what extent the measures currently in place to manage the use of such vessels in the WCPO are sufficient to avoid such risks. This paper evaluates the scheme in place to manage chartered vessels in the WCPFC Convention Area. This analysis is based on a review of international obligations with respect to the management of chartered vessels, as well as publicly available catch, effort and vessel data. Correspondence with regional experts, including WCPFC Secretariat Staff and WCPFC Scientific Service Provider (SPC) Staff provided additional information and context. This research aims to answer two central questions: 1) whether chartered vessels are appropriately managed in the WCPFC; and 2) whether the potential exists for chartered vessels to undermine the effectiveness of management measures that WCPFC put in place to conserve stocks?

Section 2 begins with an overview of the historical use of chartered vessels in maritime industries and the management of chartered vessels in WCPFC – through an examination of available literature, current and past vessel registries, and measures in place to manage the use of chartered vessels in WCPFC. Taking broader international obligations into account, and through a further review of meeting reports, catch and effort data, and conservation and management measures in place to manage stocks, section 3 outlines a number of key governance issues identified in the management of chartered vessels in the WCPFC. Sections 4 and 5 present an overall discussion of management risks, potential recommendations for future management, and conclusions.

2. Vessel subcontracting: concepts, histories and defining regimes

2.1 Sub-contracting in the WCPO: evolving governance and exploitation of the Pacific's most important natural resource

Tuna resources in the WCPO are highly economically valuable and of great importance to many Pacific island countries (Cordonnery, 2010; Barclay & Cartwright, 2007a). Geographic isolation and limited access to other economic development opportunities, means that tuna industry development is of key importance to many Pacific Island countries in the WCPO. For some it represents one of the only economic development opportunities available (Barclay & Cartwright, 2007b; Gillet, 2008). Many Pacific Island countries, however, lack the economic resources to develop their own domestic fisheries, so often they enter into partnerships with foreign investors, foreign companies, and foreign fishing vessels as a way to improve access and increase revenue from tuna resources (Peterson, 2002; Barclay, 2010). One example of this type of partnership is through the sub-contracting of foreign fishing vessels as a way to increase access to vessel capacity and aid in the development of domestic fleets.

The value of outsourcing and sub-contracting as a strategy to increase efficiency, lower costs, and grow productivity is recognized across global industries, from manufacturing and agriculture to shipping and fisheries (Heshmati, 2003; Ademun-Odeke, 2005; Towbridge, 1975). Global corporations, particularly in the shipping industry, have employed the use of sub-contracted vessels for centuries – and the practice has grown steadily alongside the expansion of international trade (Towbridge, 1975). In global fisheries, increasing international competition associated with globalization and the ‘race to fish’ led to continued investment in larger vessels with more efficient technology (Gordon, 1954; Barclay & Cartwright, 2007a). For some nations

who lack the necessary capital to invest in the construction of domestic fishing vessels and are unable to keep pace with the technological advances of newer more efficient vessels – the ability to sub-contract vessel capacity offers a low cost, low commitment approach to gain access to more vessels with greater technology and a higher degree of flexibility (Heshmati, 2003).

In the shipping industry, there are three general categories of maritime charter arrangements that are traditionally used (Ademun-Odeke, 2005; Towbridge, 1975)

1. Time charter – in which a ship owner leases a vessel to a chartering party for a period of time. The ship owner supplies the ship, captain and crew, and the chartering company leases the vessel for a specified period of time. The technical operation of the ship remains the responsibility of the ship owner. The possession and control of the vessel are not transferred to the chartering party, and the ship owner exercises these rights through the master and crew who are employed by the ship owner – but the chartering company controls and manages the vessel.
2. Voyage charter – where a vessel (including captain and crew) is chartered for a specific voyage.
3. Bareboat charter (also known as demise charter) – again where a ship owner leases a vessel to a chartering party for a period of time – but under this type of contract, the chartering company has complete control over the vessel, including the ability to appoint the captain and crew of the vessel for the duration of the charter.

In fisheries, the term “charter” is generally applied in two ways: (a) to describe a vessel used for hire for recreational fishing; and (b) when a commercial vessel is operated under the control of a party other than the owner (WCPFC, 2006a). In the global tuna industry, and more commonly in

the WCPO, the term is generally applied to describe a commercial fishing vessel operating under the control of a party in a nation other than the nation to which it is flagged.

In the WCPO, the use of chartered vessels enables some Pacific Island countries to develop nationally owned fisheries businesses and domestic fleets by allowing businesses to increase fleet size with less risk than investing directly (WCPFC, 2006a). The use of chartered vessels allows for a more efficient and flexible method of gaining access to resources and maximizing economic returns (Simmons & Stringer, 2014; Ministry, 2012). Often, chartered vessels conduct fishing operations in the chartering country's EEZ; however, because these vessels are often targeting tuna – a highly migratory species – management of these vessels also falls under the purview of WCPFC.

2.2 Developing a management regime: management of charters in WCPFC

International organizations such as the United Nations recognize that the global use of chartered vessels without adequate management could undermine the effectiveness of internationally agreed upon conservation measures and potentially create a loophole leading to illegal, unreported, and unregulated (IUU) fishing. The FAO Guidelines for Responsible Fisheries on Implementation of the International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (IPOA-IUU) note “that RFMOs may have a role to play in ensuring that chartering arrangements for stocks under their purview do not lead to IUU fishing” (FAO, 2002). A number of RFMOs have measures in place to manage the use of chartered vessels, including the Inter-American Tropical Tuna Commission (IATTC), International Commission for the Conservation of Atlantic Tunas (ICCAT) and the Northwest Atlantic Fisheries Organization (NAFO). However, due to the unique geographical distribution of tuna

and the special circumstances of Pacific Island countries in the WCPO, the practice is much more common in WCPFC (a comparison of the use of chartered vessels across tuna RFMOs is included in Annex III).

Discussions surrounding the need to appropriately manage chartered vessels in WCPFC began almost as soon as the Convention came into force in 2005. Most countries involved in negotiations recognized that the use of chartered vessels presents an economically efficient approach for some Pacific Island countries to develop their own domestic fisheries. They also recognized, however, that a management scheme for chartered vessels would be necessary to avoid the creation of loopholes that would allow chartered vessels to undermine existing management measures. At the time that negotiations began, WCPFC members granted Pacific Island countries certain exemptions from catch and effort limits for bigeye, yellowfin and southern albacore tuna – but there were concerns expressed that these exemptions could incentivize a transfer of effort through charter arrangements. During initial deliberations, WCPFC members highlighted three key priority issues that should be considered in the development of a measure to manage charters (WCPFC, 2009b):

- a. the need to satisfy the economic needs of some CCMs who rely on charters for the sustainable development of their tuna fisheries;
- b. concerns that the unregulated use of charters may lead to an increase or transfer in fishing effort that undermines the effectiveness of Commission conservation and management measures; and
- c. the need to ensure that charters do not become a loophole leading to IUU fishing in the Convention Area.

There were major disagreements over the need for flag State involvement in the management of chartered vessels – which led to two largely opposing views expressed during negotiations.

There were those countries who felt that any limits or restrictions on the use of chartered vessels would hinder the ability of some Pacific Island countries to develop their domestic fisheries, and those countries who believed that flag state involvement should be maintained in order to avoid loopholes that could lead to IUU fishing or a transfer of effort (WCPFC, 2007a; WCPFC, 2008a; WCPFC, 2009a). Unable to come to agreement on how (and whether) charter arrangements should be managed – members agreed that, at the very least, WCPFC should adopt a notification process to advise WCPFC of which vessels would operate under a charter arrangement and identify responsibility over those vessels with regard to catch attribution and data provision (WCPFC, 2009b).

In 2009, WCPFC adopted Conservation and Management Measure (CMM) for a Charter Notification Scheme (CMM 2009-08), which simply identified a process to follow if a country should choose to report vessels fishing under a charter arrangement. The measure was meant to be an interim solution while countries continued to work on the development of a broader framework for the management and control of chartered vessels (WCPFC, 2009d). However, since the adoption of the notification scheme in 2009, no such framework has been developed.

The charter notification scheme that WCPFC adopted was largely ambiguous and somewhat voluntary (members are only required to report the use of chartered vessels when catch is to be attributed to the chartering State). There were no restrictions or limits, very few specifications, and a remaining lack of clarity surrounding the distribution of responsibility over chartered vessels between the chartering State and the flag State. The number of chartered vessels reported

to WCPFC has continued to increase since that time and the ambiguity and lack of regulation in the current management scheme have resulted in a number of evolving governance issues.

3. Key governance issues in the management of WCPFC chartered vessels

3.1 Defining a “Charter Arrangement”

One key issue surrounding the management of chartered vessels in WCPFC is the ambiguity in what qualifies as a “chartered vessel” or a “charter arrangement” under the current management scheme. A clear understanding of the definition of a charter arrangement is essential to evaluating the potential impacts – both positive and negative - however, under the current scheme there is no clear guidance on the definition of a “charter” (Gillet, 2011). Under the current management scheme a “charter arrangement” could be defined as a bareboat charter, time charter, or conceivably any other variety of arrangement that may be described as a “charter” by any of the countries involved. The vague language in CMM 2009-08 simply includes reference to the notification of vessels that “charter, lease, or enter into other mechanisms”, without any further qualification of those terms (WCPFC, 2009d). In a 2011 report to WCPFC on catch attribution, specifically highlighting issues related to the attribution of catch by chartered vessels, Gillet suggests that there are two broad categories of charter arrangements commonly used in the WCPO: (a) an arrangement in which the owner of a foreign vessel is compensated by another party for the use of a vessel, and (b) an arrangement in which the owner of a vessel compensates another party for services related to access provided by that party (Gillet, 2011).

The first category of arrangement suggested by Gillet is analogous to those defined in the shipping industry as a bareboat charter or a time charter – an arrangement in which a chartering company obtains the use of a vessel for a period of time (Ademun-Odeke, 2005; Towbridge,

1975). There is little transparency with regard to the variety of charter arrangements used in the WCPO – though there are clear benefits that could be derived in developing States from either a time charter or a bareboat charter. Many Pacific island States take the position that charter arrangements are important to domestic development aspirations in two key areas – onshore tuna processing and domestic fleet development (Gillet, 2011; WCPFC, 2007a). In the case of a time charter – whereby a vessel owner supplies the vessel, the captain and the crew, and the chartering company pays to hire the vessel for a specified period of time (Adenum-Odeke, 2005) – it is likely that the largest gains by developing States are through benefits derived from onshore fish processing facilities. Foreign owned vessels operating under a time charter would likely derive benefits from a charter arrangement by gaining access to resources in the EEZ of a developing State (i.e. tuna), while the developing State would likely only derive benefits through catch supplied by such vessels to domestic onshore processing facilities. In the case of a bareboat charter, a chartering company retains the ability to employ the captain and crew of the vessel – so additional benefits could be gained through local employment opportunities and increased knowledge and experience of local captains and crew – potentially contributing to domestic fleet development.

Comments and proposals during the development of the WCPFC charter management scheme referenced the exclusion of bareboat charters from specific management measures – which implies that proposed measures were aimed at management of vessels fishing under time charter arrangements (WCPFC, 2007b). According to Barclay and Peterson, very few foreign fishing vessels in developing States employ Pacific Island crew and many of the foreign chartered vessels fishing in these areas have established crew recruitment systems in other countries (Barclay, 2010; Peterson, 2002). What this suggests is that the variety of charter arrangements

most commonly used in the WCPO are not bareboat charters, but time charters (vessel, captain and crew are all supplied by the foreign flag State). If this is the case, it could be argued that charter arrangements are doing little for developing States in the way of developing their own domestic fisheries. They simply allow for the short-term rental of capacity to supply catch to onshore processing plants - with potentially little to no long-term contribution to domestic fleet development aside from building a catch history.

The second category of arrangement described by Gillet - in which the owner of a vessel compensates another party for services related to access provided by that party - seems less closely aligned with the traditional definition of a “charter” and more like the traditional definition of an access agreement. This second category was likely included by Gillet to describe historical use of foreign chartered fishing vessels in New Zealand – where foreign flagged vessels were chartered by domestic New Zealand companies with domestic permits, who lacked their own domestic fishing capacity, to fish privately owned quota under contract within the EEZ of New Zealand² (Ministry, 2012). These were sub-contracting arrangements to increase efficiency – where a chartering company contracted foreign vessels with lower operating costs and superior technology to catch its quota. Lack of transparency makes it difficult to discern whether this type of arrangement has been defined as a “charter” elsewhere in the WCPO – however, WCPFC exempts many Pacific Island countries from quotas. So while chartered vessels were limited by the quota available to the domestic permit holder in the case of New

² Because of jurisdictional issues surrounding labor practices on foreign-chartered fishing vessels, the use of chartered vessels is no longer allowed in New Zealand waters. Beginning in 2016, all foreign flagged charter vessels were required to re-flag to New Zealand.

Zealand – it is unclear whether similar stipulations apply more broadly across the WCPO where this category of charter arrangements may be used.

Though both types of charters could be seen as sub-contracting arrangements aimed at increasing efficiency, the two vastly different types of arrangements would likely require different management schemes. Additionally, the lack of transparency in the type of charter arrangements being used may be further confused by the historical use of access agreements and joint ventures in some Pacific Island countries. These distinctions are important because of the potential distribution of profitability through the use of chartered vessels to either foreign companies or Pacific Island countries. As the next section argues, the historical use of access agreements, joint ventures, and charter arrangements may be creating a vertical integration of foreign benefit.

3.2 Joint ventures, charter arrangements and the vertical integration of foreign profit

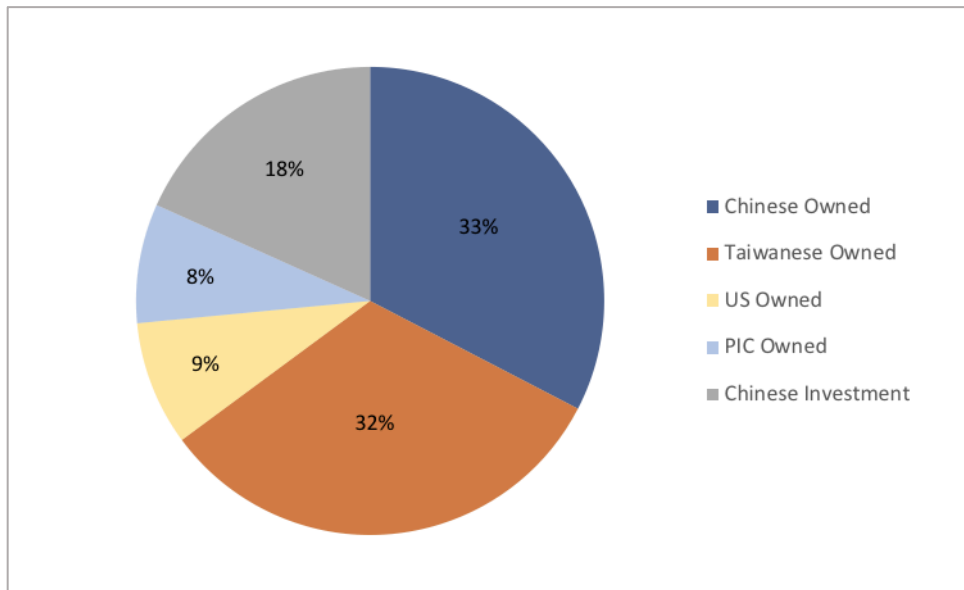
Many Pacific Island countries have limited capacity to develop their own domestic fishing fleets. Access agreements – whereby a country sells access to the resources within its EEZ through licensing agreements with foreign vessels – have become one of the major revenue earning strategies used to overcome these limitations (Havice, 2010). Though in some cases, these access agreements have led to the vertical integration of foreign owned fishing companies and jointly owned processing plants in Pacific Island countries that use of foreign owned vessels to supply catch.

Havice (2010) describes two general categories of access agreements traditionally negotiated in the WCPO: (a) first generation access agreements, in which a foreign fishing interest (either foreign government or foreign company) pays an agreed upon price for the right to fish in Pacific island waters; and (b) second generation access agreements, in which foreign vessels (or foreign

businesses) secure access to Pacific island waters by registering domestically or by investing in onshore facilities. Some of these second generation access agreements result in equity arrangements known as joint ventures – in which foreign investors jointly or solely finance local commercial fishing enterprises or onshore tuna processing facilities (Kaczynski & LeVieil, 1980; Parris, 2010b). Under second generation access agreements, foreign owned companies can qualify for domestic licenses and thus gain access to fish in the resource rich EEZs of Pacific island countries. In return, Pacific island countries gain economic revenues through licensing fees, onshore processing and the use of local goods and services. In some cases this resulted in locally registered, wholly foreign owned commercial enterprises in Pacific Island countries.

Some Pacific island countries seek to maximize economic rents on tuna resources by encouraging both first and second generation access agreements (Peterson, 2002). In some cases, this combination of foreign access and direct foreign investment in onshore processing facilities leads to vertically integrated fishing and processing (Havice, 2010). A full examination of the equitable distribution of economic gains from such vertically integrated foreign investment is outside of the scope of this analysis – however, it is worth noting the potential relationship between foreign vertical integration and the growing use of charter arrangements. Annual reports summarizing yearly WCPFC notified charter arrangements provide information on the fishing companies in Pacific Island countries which charter vessels through such arrangements (WCPFC, 2016). These reports suggest that a large majority of the fishing companies involved in charter arrangements are either wholly or partially owned by foreign corporations (Figure 2).

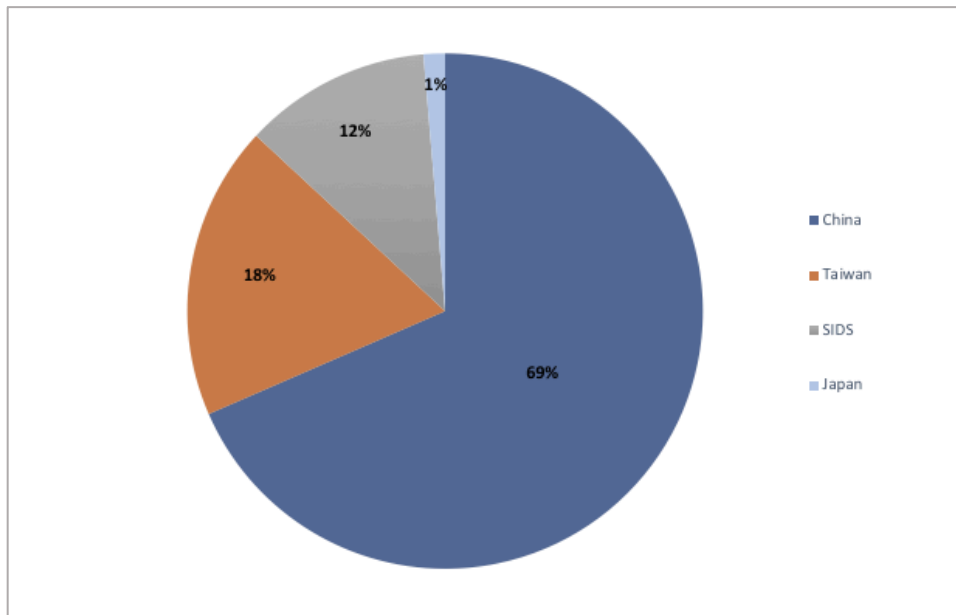
Figure 2: Charter Company Ownership - for vessels reported as chartered in 2016



Source: WCPFC, 2016a

A list of the fishing enterprises in Pacific Island countries reported to have chartered vessels in 2016 (WCPFC, 2016a) indicates that nearly 75% of the corporations are entirely foreign owned – and less than 10% are owned by domestic Pacific Island companies (a full list of 2016 chartering companies and their subsidiary corporations are included in Annex IV). Significantly, the foreign owned fishing corporations in Pacific Island countries that currently *charter* the greatest number of vessels are owned by nationals of the same flag States that *provide* the greatest number of chartered vessels (Figure 3).

Figure 3: Flag State (ownership) of chartered vessels reported in 2016



Source: WCPFC, 2017

This suggests that the majority of the economic gains associated with chartered vessels, both through the chartering company and the chartered vessel, could be going primarily to a small number of larger, more developed countries. In other words the flag States remain the “beneficial owners” of chartered vessels – instead of the chartering State, as intended.

In noting issues of concern surrounding the management of global charter arrangements, the FAO Technical Guidelines for Responsible Fisheries regarding the Implementation of the IPOA-IUU suggest that “if chartering arrangements are not carefully designed and enforced, the identity of those individuals or corporations that have the ultimate interest in the vessel may not be apparent” (FAO, 2002). With the current foreign investment in some Pacific Island countries it becomes more difficult to determine the “beneficial owner” of a chartered vessel. Because there is no clear definition of what qualifies as a “chartered vessel” in WCPFC, it is possible that vessels operating under charter arrangements are operating under 100% foreign ownership with 100% foreign captain and crew (Barclay, 2010). If fishing corporations that charter vessels are

owned by nationals of the same flag State as the foreign owned, foreign crewed vessels that they charter, it seems that under the current scheme a large majority of the economic benefits derived from charter arrangements are going directly to foreign corporations – and not the Pacific island countries themselves.

Traditional access agreements, joint ventures and charter arrangements can be seen as strategies for foreign fishing vessels to gain access to the resource rich waters of Pacific island countries. With foreign owned fishing companies using foreign owned vessels to supply catch to processing plants, which may themselves be partially foreign owned, there is a clear vertical integration of foreign benefit. In the WCPO, there is already an incentive for vessels to register in Pacific Island countries – to gain access to resource rich waters. In the case of vessels fishing under a charter arrangement, that incentive is increased because of certain catch and effort exemptions that WCPFC grants to Small Island Developing States. The nature of these exemptions is examined next.

3.3 When chartered vessels are exempt from Management Measures

The United Nations recognizes all of the Pacific Island countries that are a party to WCPFC as Small Island Developing States (SIDS)³. Article 30 of the WCPF Convention gives full recognition to the special requirements of Small Island Developing States in the Convention Area, by requiring that conservation and management measures do not directly or indirectly transfer a disproportionate burden of conservation action through the management of highly migratory fish stocks (WCPFC, 2000). As a result, a number of WCPFC's conservation and

³ A full list of countries considered by the United Nations to be Small Island Developing States is available at <https://sustainabledevelopment.un.org/topics/sids/list>

management measures include language that exempts Pacific Island countries from restrictions on catch and effort, in order to allow for the development of their own domestic fisheries. A list of relevant conservation and management measures that exempt SIDS from such limits is included in Table 1.

Table 1: Small Island Developing State Exemptions in current WCPFC CMMs

Conservation & Management Measure	SIDS Exemptions
CMM 2006-04: Conservation and Management Measure for Striped Marlin in the Southwest Pacific	“...shall not prejudice the legitimate rights and obligations under international law of small island developing State and Territory CCMs in the Convention Area who may wish to pursue a responsible level of development of their own fisheries for striped marlin in the Convention Area...”
CMM 2009-03: Conservation and Management Measure for Swordfish	“...shall not prejudice the legitimate rights and obligations under international law of small island developing State and Territory CCMs in the Convention Area who may wish to pursue a responsible level of development of fisheries in the Convention Area.”
CMM 2015-02: Conservation and Management Measure for South Pacific Albacore	“...shall not prejudice the legitimate rights and obligations under international law of small island developing State and Territory CCMs in the Convention Area for whom South Pacific albacore is an important component of the domestic tuna fishery in waters under their national jurisdiction, and who may wish to pursue a responsible level of development of their fisheries for South Pacific albacore.”
CMM 2017-01: Conservation and Management Measure for Bigeye, Yellowfin and Skipjack tuna	<i>General catch limits</i> : “...nothing in this measures shall prejudice the rights and obligations of those small island developing State Members and Participating Territories in the Convention Area seeking to develop their domestic fisheries.”
	<i>High seas purse seine effort</i> : “CCMs that are not SIDS shall restrict level of purse seine effort on the high seas...”
	<i>High seas FAD sets</i> : “...except those vessels flying the Kiribati flag when fishing on the high seas adjacent to the Kiribati exclusive economic zone...shall be prohibited to deploy, service or set on FADs in the high seas for two additional months...”

Source: www.wcpfc.int

In each of these measures, WCPFC exempts SIDS, and vessels fishing under a charter arrangement with a SIDS, from catch limits that would otherwise be applicable to all countries.

A 2010 analysis of the WCPFC conservation and management objectives suggests that such “exemption clauses are problematic from a sustainability perspective because they could mean that a substantial portion of the tuna industry may remain unregulated under the WCPFC and therefore undermine the effectiveness of the CMMs” (Parris, 2010a). Including exemptions in these measures inherently changes the focus of the measures from preservation to exploitation – and further incentivizes the search for foreign fishing enterprises, which would otherwise be subject to such limits, to gain access to resources in Pacific Island countries. Chartered vessels, which for all intents and purposes are conducting fishing operations as if they were a vessel of the chartering State, are also exempted from such limits if they are chartered in a SIDS. So the risks associated with these exemptions is further compounded by the unregulated expansion of capacity through the use of chartered vessels.

As one example, the 2017 (and preceding) WCPFC Conservation and Management Measure for Bigeye, Yellowfin and Skipjack tuna in the WCPO (CMM 2017-01) exempts vessels chartered to Kiribati from restrictions for purse seine vessels setting on Fish Aggregating Devices (FADs) on the high seas (WCPFC, 2017a). While there is no publicly available data on specific catch and effort of chartered vessels, general catch and effort data from WCPFC shows a stark increase in the number of reported days fished by Kiribati vessels on the high seas when they began chartering vessels from China in 2014⁴ (Table 2).

⁴ In 2012, 2013, & 2014 1 purse seine vessel was chartered to Kiribati by Japan. In 2014 Kiribati began chartering vessels from China as well. In 2014, Kiribati chartered 9 vessels from China, in addition to the 1 vessel chartered from Japan. In 2015 and 2016 all vessels were chartered from China.

Table 2: Number of Kiribati chartered purse seine vessels and number of reported days fished by Kiribati purse seine vessels on the high seas

Kiribati Purse Seine Effort	2012	2013	2014	2015	2016
Kiribati flagged PS Vessels ⁵	9	13	14	10	12
Chartered PS Vessels	1	1	10	11	16
Days fished on HS	183	184	858	708	881

Sources: WCPFC, 2017b; SPC, 2017;

Additional exemption language makes it difficult to determine whether this increase in effort on the high seas by Kiribati vessels has resulted in an associated increase in FAD sets on the high seas⁶. However, the data suggests that these chartered vessels are taking advantage of the benefits associated with the FAD set exemption.

WCPFC established FAD set limits in an effort to mitigate catch of juvenile bigeye and yellowfin tuna by purse seine vessels – and it is likely that FAD set exemptions were originally put into place in an effort to mitigate a competitive disadvantage for Kiribati. In a 2008 report on the development aspirations of FFA member countries, Gillet suggested that WCPFC management measures which limit fishing gear or technologies would have a positive impact on the competitive ability of Pacific Island domestic tuna fleets, which are generally older and less technologically advanced (Gillet, 2008). Exempting these less sophisticated vessels from restrictions such as FAD set limits would, therefore, be contributing to their aspirations by leveling the playing field somewhat. If it becomes the case, however, that the vessels exempted

⁵ Kiribati flagged vessel numbers were taken from annual Kiribati reports to the WCPFC (Annual Report Part 1) found at www.wcpfc.int. The number of reported vessels changed between years, so the numbers included in this table are a best estimate.

⁶ Footnote 3 in CMM 2015-01 allows that SIDS vessels newly introduced after 2010 be managed outside of any FAD set limits for 3 years following their introduction. Estimated FAD sets reported by the SPC between 2014-2016 have excluded FAD sets by vessels falling under this exemption. Chinese vessels chartered to Kiribati beginning in 2014 fall under this exemption (WCPFC, 2017b).

from these gear restrictions are the larger, more sophisticated vessels of distant water fishing nations, as has begun to be the case with chartered vessels, these would in fact be exactly the type of vessels the management measures were meant to regulate. In this case, exempting chartered vessels from FAD restrictions on the high seas would directly undermine conservation efforts put in place to better manage these stocks.

If these exemptions are contributing to the aspirations of developing States, it is likely through the incentive that they create for distant water fishing nations to gain access to their benefits. In Gillet's 2008 report on FFA development aspirations, one foreign business owner suggested that "Exemptions for PIC [Pacific Island Countries] will undermine effectiveness of management measures because it is easy for DWFN [distant water fishing nations] to set up phony joint ventures" (2008). Exemptions inherently encourage greater resource exploitation and the use of chartered vessels may be providing an unintended loophole for greater exploitation by distant water fishing nations – both within the EEZs of Pacific Island countries and on the high seas.

The fact that these exemptions also apply to chartered vessels fishing on the high seas opens a number of management implications arising from the complex international nature of management of vessels fishing on the high seas. Exemptions may create an incentive for chartered vessels to fish on the high seas, but there is a concerning lack of clarity surrounding jurisdictional responsibility over these vessels when they venture into international waters.

3.4 Who has Jurisdiction (over what...?)

The current WCPFC charter notification scheme does not specify geographical limitations for chartered vessels, which means that chartered vessels are entitled to fish in both the EEZ of the

chartering State and on the high seas. This lack of restriction comes with an associated and concerning level of ambiguity surrounding the management and control of chartered vessels.

A number of international agreements and guidelines recognize the potential for jurisdictional issues to arise with the management of chartered vessels (FAO, 2001; FAO, 2002). The IPOA-IUU, paragraph 37, provides that “States involved in a chartering arrangement, including flag States and other States that accept such an arrangement, should, within the limits of their respective jurisdictions, take measures to ensure that chartered vessels do not engage in IUU fishing” (FAO, 2001). A longstanding issue with regard to the management of chartered vessels is the question of jurisdiction between the chartering state and the flag State over such vessels (Palma et. al, 2010). This question is particularly relevant in WCPFC, where chartered vessels are currently entitled to fish in both the EEZ of the chartering State and on the high seas. The United Nations Convention on the Law of the Sea (UNCLOS) provides that a flag State has exclusive jurisdiction and control over its vessels fishing on the high seas (UN, 1982). A chartering State has the right to exercise jurisdiction over chartered vessels fishing within their EEZ – however, without further provision, it would remain the responsibility of a flag State to exercise effective control over its vessels on the high seas. Previous WCPFC conservation and management measures for bigeye and yellowfin tuna clearly stated that, for the purpose of such measures, vessels operating under charter, lease or other similar mechanisms by developing island States should be considered vessels of the host island State or territory (WCPFC, 2008b). This implies that the chartering State would have the ability to exercise jurisdiction and control over chartered vessels, both within the EEZ of the chartering State and on the high seas. The measure in which this provision was included, however, has expired – and this provision has not been carried over in any of the subsequent bigeye and yellowfin tuna measures. More recent

conservation and management measures have specified that the catch and effort of vessels notified as chartered shall be attributed to the chartering State. However, the question of jurisdiction between the chartering State and the flag State in WCPFC, particularly provided that chartered vessels are not restricted from fishing on the high seas, remains unclear. If a flag State is responsible for the effective jurisdiction and control of its vessels fishing on the high seas, but has little to no contact with a vessel to know when high seas fishing is occurring, and the catch and effort of the vessel is attributed to another State – as is the case with chartered vessels in WCPFC - there is seemingly little incentive for the flag State to exercise any sort of control over the vessel.

The FAO Series of Technical Guidelines for Responsible Fisheries on Implementation of the IPOA-IUU specifically highlighted issues related to the jurisdiction and control of chartered vessels fishing on the high seas. The guidelines suggest four possible responses to ensure clear jurisdictional responsibility: (1) require that the chartered vessel take on the nationality of the chartering State; (2) restrict chartered vessels from fishing on the high seas; (3) specify that both flag State and chartering State are responsible for controlling high seas fishing; (4) provide for boarding and inspection of chartered vessels on the high seas through regional arrangements (FAO, 2002). Other RFMOs have taken steps to address potential jurisdictional issues with chartered vessels in line with these guidelines. The rules of procedure for the chartering of vessels in the Inter-American Tropical Tuna Commission (IATTC) firstly requires that chartered vessels re-flag to the chartering State for the duration of the charter. The resolution further specifies that the chartering State, as the chartered vessel's flag State, shall be legally responsible for all matters related to the activities of the vessel associated with compliance with the rules, recommendations, and resolutions of IATTC (IATTC, 2012). The management scheme for

chartered vessels in the International Commission for the Conservation of Atlantic Tunas (ICCAT) specifies that both the chartering State and the flag State shall ensure compliance by chartered vessels with relevant conservation and management measures established by ICCAT, in accordance with their rights, obligations and jurisdiction under international law (ICCAT, 2013). The WCPFC management measure on high seas boarding and inspection procedures provides that all members of the Commission shall ensure that vessels flying its flag accept boarding and inspection on the high seas (WCPFC, 2006b) – however the Commission has taken no further initiative to ensure clear jurisdictional responsibility over chartered vessels fishing on the high seas.

This ambiguity surrounding flag State responsibility over chartered vessels has led to governance issues broader than just jurisdictional concerns. Specifically, it has led to complications in assessing compliance by States and vessels with WCPFC measures – particularly in trying to determine whether the flag State or chartering State is responsible for ensuring that chartered vessels comply with established management measures (WCPFC, 2011). And more generally this confusion over responsibility leads to a concerning lack of clarity surrounding data collection and catch reporting.

3.5 When ambiguity leads to misreporting: How many vessels are fishing and what are they catching?

The current WCPFC charter notification scheme (WCPFC, 2016d) simply provides the ability for chartering States to formally confirm (through notification) that certain vessels are considered “chartered” for the purposes of conducting fishing operations in the Convention Area. It is not mandatory for a charter arrangement to be notified to WCPFC unless catch and effort of such

vessels are to be attributed to the chartering State. This leads to a great deal of confusion with regard to the number of vessels fishing under charter arrangements in a given year. Often there are discrepancies between the number of formal notifications of chartered vessels and the number of vessels reported as chartered on the WCPFC Record of Fishing Vessels (RFV). In some instances, chartering States will enter information on chartered vessels in the RFV, but will not send a formal notification – or the charter is formally notified, but charter information is not entered in the RFV. In other instances, charter notification information is provided by the flag State, but not by the chartering State - and often there are deviations between the chartering period listed on the RFV and the chartering period notified by the chartering State (WCPFC, 2016c). To further complicate things, charter arrangements exist not between two countries, but between two private corporations in two different countries – which makes it difficult even for flag States and chartering States to track the use of these vessels.

Additionally, confusion over the number of active chartered vessels, and more largely the lack of transparency in the operation of chartered vessels, makes it difficult to track and properly attribute the catch and effort of those vessels. Catch reporting and attribution issues were highlighted early on in the process of developing a charter notification scheme, when the SPC recognized the need to ensure that catch from chartered vessels was not concurrently provided by both the flag State of the vessels and the chartering State (“double-reporting”). Specific language was included in the obligations for scientific data to be provided by members in an effort to try to clarify reporting obligations of chartered vessels (WCPFC, 2007d). SPC further recommended that WCPFC establish a reporting process for chartered vessels – specifically requiring that all chartering States be responsible for reporting catch of chartered vessels, and that flag States be required to acknowledge and confirm the catch reported by chartering states as

a way to avoid double-counting (WCPFC, 2009c). No such requirement was included in the charter notification scheme that WCPFC adopted, however, as some chartering States expressed concern that a requirement to notify flag States could result in the restriction of development aspirations (WCPFC, 2009a), and as predicted, this lack of transparency led to issues with catch reporting and attribution. As recently as 2017, SPC staff confirmed that a full and accurate analysis of the catch and effort of chartered vessels would be extremely difficult. Due to a lack of transparency and confusion over obligations, in some instances both the flag State and the chartering State report catch of chartered vessels (double-reporting), and in most cases it is difficult to confirm whether catch of chartered vessels is reported accurately and in full (under-reporting). If full, historic operational data were provided by the flag State, then it would be possible for SPC to cross-check whether both flag State and chartering State have reported catch of chartered vessels; however, operational data for key flag States involved in chartering agreements have only been submitted to WCPFC for the past 1-2 years, and even then, are not complete. Even with all of the required data provided, the level of work would be time consuming, and would require liaison with all respective States. (SPC Staff, personal communication, December 2017).

There are a number of important policy implications arising from the opacity of catch and effort data for chartered vessels. Full and accurate accounting of catch in the WCPFC is necessary to properly evaluate both stock status and vessel compliance with relevant CMMs. Additionally, if catch is not reported because of confusion over responsibility – chartered vessels would be contributing to the “Unreported” catch which gives rise to concerns associated with Illegal, Unreported and Unregulated fishing practices.

Without accurate data on the catch and effort of chartered vessels, it is impossible to fully understand their impacts in WCPFC – either positive or negative. Further, without a clear understanding of the number of vessels actively fishing under charter arrangements, or for that matter a clear understanding of the type of arrangements being used, WCPFC is limited in its ability to manage the vessels in a way that will sufficiently address globally recognized concerns associated with chartered vessels. The governance issues outlined above are a clear indication that a more robust framework is necessary to manage the use of chartered vessels in WCPFC. The following section provides an analysis of alternative management approaches that may be considered for such a framework.

4. Is broader management necessary? An analysis of alternative approaches to the management of charters

When the WCPFC Charter Notification Scheme (CMM 2009-08) was originally adopted in 2009, members recognized it as an immediate and initial step towards a broader management scheme. It was never meant to be a singular, or final, management approach. The original CMM included an expiration date two years after adoption of the measure because members acknowledged that there were a number of issues of concern that would still need to be addressed. Until as recently as 2015, the CMM for a Charter Notification Scheme included language specifying that WCPFC should “continue work on the development of a broader framework for the management of chartered vessels” (WCPFC, 2015). However, no such framework has been developed, and aside from the addition of language to clarify the attribution of catch and effort of chartered vessels, the measure has simply been carried over and adopted without change repeatedly. Given the current trend in the use of chartered vessels, it is clear that

WCPFC is still in need of a broader management framework. The aim of this framework, if nothing else, should be to address previously acknowledged risks associated with the use of chartered vessels.

In a report prepared during the development of the notification scheme, WCPFC members recognized that the potential exists for charter arrangements to provide loopholes for increased IUU fishing. These loopholes were described as: (a) difficulty in establishing the genuine identity of the party in control of the chartered vessel (beneficial owner); (b) transfer of responsibility for vessels from their flag State to another state in order to avoid compliance with conservation and management measures; and (c) confusion over the responsibility of control of chartered vessels on the high seas.

The historical promotion of foreign investment and foreign joint ventures as a way to gain access to developing State resources led to a vertical integration of foreign benefit with the use of chartered vessels – making it difficult to establish the beneficial owner of the vessels.

Furthermore, the current charter notification scheme requires that chartered vessels be an “integral part of the domestic fleet” (WCPFC, 2009d) without any further qualification of what that term means. Ambiguity surrounding the term “charter” under the notification scheme and the lack of transparency in the types of arrangements used make it incredibly difficult to gain a clear understanding of the contribution of these arrangements – either positive or negative. There is no question that the use of chartered vessels provides a benefit to some Pacific Island countries. At the very least, locally based vessels likely provide catch to onshore processing facilities and potentially provide economic revenue through the use of local goods and services. However, if the fishing corporation chartering the vessel is wholly foreign owned, the chartered vessel itself is foreign owned, and the captain and crew of the vessel are foreign – should those

vessels be considered an *integral* part of a *domestic* fleet? If the vertical integration of joint ventures and charter arrangements has led to the inequitable transfer of benefits to distant water fishing nations, then this is exactly the type of “loophole” to avoid compliance with conservation measures that an effective management scheme was meant to address.

The current unregulated use of chartered vessels has indeed become a loophole for foreign owned vessels to gain access to the unrestricted catch of Pacific Island countries. The FAO Guidelines for Responsible Fisheries on Implementation of the IPOA-IUU also recognizes that “[a]mong other things, agreed rules for chartering arrangements can ensure that vessels do not engage in “flag hopping” to gain access to more than one member’s quota” (FAO, 2002). The internationally recognized definition of a “flag of convenience” (i.e. a flag that would be “hopped” to) is simply a country that would rent out their flag “to ship owners seeking to evade their own country’s rules” (Warner-Kramer, 2004). If foreign vessels are entering into charter arrangements in order to evade catch limits which they would otherwise be subject to if they were conducting fishing operations as a vessel of their flag State – to instead fish unrestricted under a Pacific Island country – then this is essentially the same as “flag hopping” to gain access to another member’s quota. Quota that, in this case, is unlimited. The current management scheme in WCPFC has done nothing to either discourage this practice or to close the loophole.

In addition to the demand to close existing loopholes, there is a clear need to clarify jurisdictional responsibility over chartered vessels fishing on the high seas. Without further provision, flag States are responsible, under international law, to exercise control over their vessels fishing on the high seas – and some chartering States argue that this should remain the case (WCPFC, 2009b). But the flag State in some cases has seemingly little incentive and potentially limited ability to monitor and control vessels fishing under a charter arrangement.

China, the flag State with the greatest number of vessels chartered in Pacific Island countries, and specifically the flag State of all purse seine vessels chartered to Kiribati - vessels with greater incentive to fish on the high seas because of exemptions from FAD set limits - does not have any inspection vessels participating in the WCPFC high seas boarding and inspection scheme. In addition, some scholars have argued that many Pacific Island countries have limited assets to effectively monitor and control vessels fishing on the high seas (Norris, 2015). Solomon Islands, the Pacific Island country responsible for nearly half of the notified WCPFC charter arrangements, does not have any enforcement vessels listed on the WCPFC High Seas Boarding and Inspection Register⁷. Kiribati, Marshall Islands, and the Federated States of Micronesia – some of the other Pacific Island countries responsible for a large portion of charter arrangements – collectively have only a handful of enforcement vessels listed as high seas boarding and inspection vessels. Many of these countries do have enforcement vessels, however it is unclear whether these vessels have the resources to monitor and control vessels outside of their EEZs, on the high seas. It seems apparent that whether it is the flag State responsibility to monitor and control chartered vessels – or it is the chartering State responsibility – in either scenario there is a clear gap in the monitoring, control and surveillance (MCS) capabilities of responsible parties to patrol the activities of chartered vessels fishing on the high seas. While the Forum Fisheries Agency (FFA) has contributed greatly to the MCS capabilities of Pacific Island countries through a robust vessel monitoring system (VMS) and regional observer program, limited high seas enforcement capacity will likely remain an issue, particularly if unrestricted expansion of chartered vessels continues.

⁷ Enforcement vessel data taken from WCPFC High Seas Boarding and Inspection Register at <https://www.wcpfc.int/register-inspection-vessels>

The current management scheme is insufficient to address any of the original concerns that the use of chartered vessels would provide loopholes through beneficial ownership, transfer of effort to evade conservation measures, or confusion over the control of chartered vessels on the high seas. Furthermore, SIDS exemptions, which were meant to aid in the development of domestic fisheries in Pacific Island countries, have become an added incentive for foreign owned vessels to gain access to the unrestricted catch of Pacific Island countries. The use of chartered vessels allows for convenient access – and the current charter management scheme does nothing to discourage this practice, let alone manage it.

The evidence presented in this paper demonstrates that the current WCPFC Charter Notification Scheme is not sufficient to address any of the risks associated with chartered vessels and as a result, that chartered vessels are not appropriately managed by WCPFC. Due to the limited available data on the catch and effort specifically attributed to chartered vessels – it would be difficult to say with any certainty that the use of chartered vessels *is* undermining conservation efforts. But the governance issues outlined in this evaluation establish without a doubt that the risk is there – and that without further management the risk will increase.

WCPFC's ability to accurately assess both the number of active chartered vessels and their associated catch and effort remains limited because of a lack of transparency in the operations of these vessels. While purse seine vessels in WCPFC must maintain 100% observer coverage, the largest portion of vessels reported as chartered in WCPFC are longline vessels, which typically have less than 5% coverage. With limited observer coverage, it is difficult to confirm the accuracy of catch reported by chartered longline vessels. If WCPFC cannot agree on a further management scheme for chartered vessels, an increase in the required percentage of observer coverage would at least aid in the confirmation of accurately reported data.

A management scheme, which would restrict chartered vessels from fishing on the high seas, would sufficiently address confusion surrounding jurisdiction over such vessels. However, data reporting issues would remain. Requiring that chartered vessels re-flag to the chartering State, a solution recently enacted by New Zealand to address labor issues on foreign chartered vessels (Ministry, 2012), would eliminate jurisdictional issues, improve transparency and reduce risks associated with misreporting of catch. It would not eliminate the practice of “flag hopping”; however, the current use of charter arrangements to allow foreign vessels to fish in the EEZ of Pacific Island countries as a measure to avoid catch limits is already considered “flag hopping” under the most general definition. The current WCPFC charter notification scheme does little to discourage this practice, and the exemption of many Pacific Island countries from catch and effort limits in fact incentivizes it. If the largest contribution of these exemptions to the development aspirations of SIDS is through the incentive that they create for distant water fishing nations to gain access to their benefits, it may be time to reevaluate and potentially limit such exemptions.

5. Conclusions and future research

Much of the global concern regarding the use of chartered vessels has been focused on risks associated with IUU fishing (Parris, 2010a; WCPFC, 2006b; WCPFC, 2007c); however the current management scheme in WCPFC does little to address such concerns. News reports on at least one foreign owned charter company have highlighted the inequity of the dealings of the companies in gaining access to local tuna resources (Field, 2015). Other news reports have accused vessels operating under a number of foreign owned charter companies of slave labor and illegal fishing practices (Field, 2015; Syme-Buchanan, 2016; Radio New Zealand, 2007; Radio New Zealand, 2013). The risks associated with unreported catch, unregulated expansion, and a

transfer of effort have been largely ignored in WCPFC. The Charter Notification Scheme that has been adopted is a weak and ambiguous reporting measure – and it is clear that a stronger management framework is necessary to properly address the recognized risks associated with chartered vessels.

The domestic fleets of some Pacific Island countries have grown substantially over the last decade (SPC, 2016). Which begs the question - have the needs that charter arrangements were intended to address been met for some Pacific Island countries? If the use of chartered vessels was meant to be a short term solution to capacity limitations, then their continued use is unnecessary and damaging to Pacific Island interests, and can now be phased out, for the benefit of both conservation and development. If this is not the case, and the use of chartered vessels is meant to be a long term solution – there is no question that further management of such vessels is necessary.

While a full analysis of the equity of charter arrangements is outside the scope of this evaluation, a better understanding of the distribution of benefits from charter arrangements is necessary to implement proper management of such vessels. Foreign vessel owners would only engage in joint venture agreements, or in this case charter arrangements, when it is mutually advantageous to do so. While the benefit of charter arrangements to SIDS seems fairly clear – to contribute to the development of domestic fishing operations – the benefit to foreign vessels is less transparent. One of the large questions from this analysis that still remains to be answered is whether and to what effect the benefits of charter arrangements are actually translating to SIDS. Who are the “beneficial owners” of chartered vessels and chartering companies and who is deriving the most benefit? And have charter arrangements simply become a strategy for foreign vessels to further exploit the resources of Pacific Island countries?

In global fisheries, all parties aspire to gain an equitable allocation of the resource, but the increased use of the resource by each party inherently diminishes its use for others. Pacific Island countries in the WCPO have the sovereign right to manage and exploit marine resources within their waters as they see fit. But when the exploitation of such resources is without limit – allowing for unrestricted growth through chartered vessels will begin to undermine internationally agreed upon conservation efforts. Charter arrangements have clearly been beneficial to the development aspirations of Small Island Developing States. However, this study demonstrates the need to find a balance between conservation efforts and the equitable use of charter arrangements. Adequate management of such arrangements could maximize benefits to SIDS while minimizing risks to undermine conservation efforts. The evidence presented in this paper suggests that these risks require more careful consideration and that more appropriate management is necessary.

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Annex I – Acronym Glossary

CMM – Conservation and Management Measure

DWFN – Distant Water Fishing Nation

EEZ – Exclusive Economic Zone

FAO – Food and Agricultural Organization of the United Nations

FFA – Pacific Islands Forum Fisheries Agency

IATTC – Inter-American Tropical Tuna Commission

ICCAT – International Commission for the Conservation of Atlantic Tuna

IPOA-IUU – International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing

MCS – Monitoring, Control and Surveillance

NAFO – Northwest Atlantic Fisheries Organization

RFMO – Regional Fishery Management Organization

SIDS – Small Island Developing State

SPC – Secretariat of the Pacific Community, Oceanic Fisheries Programme

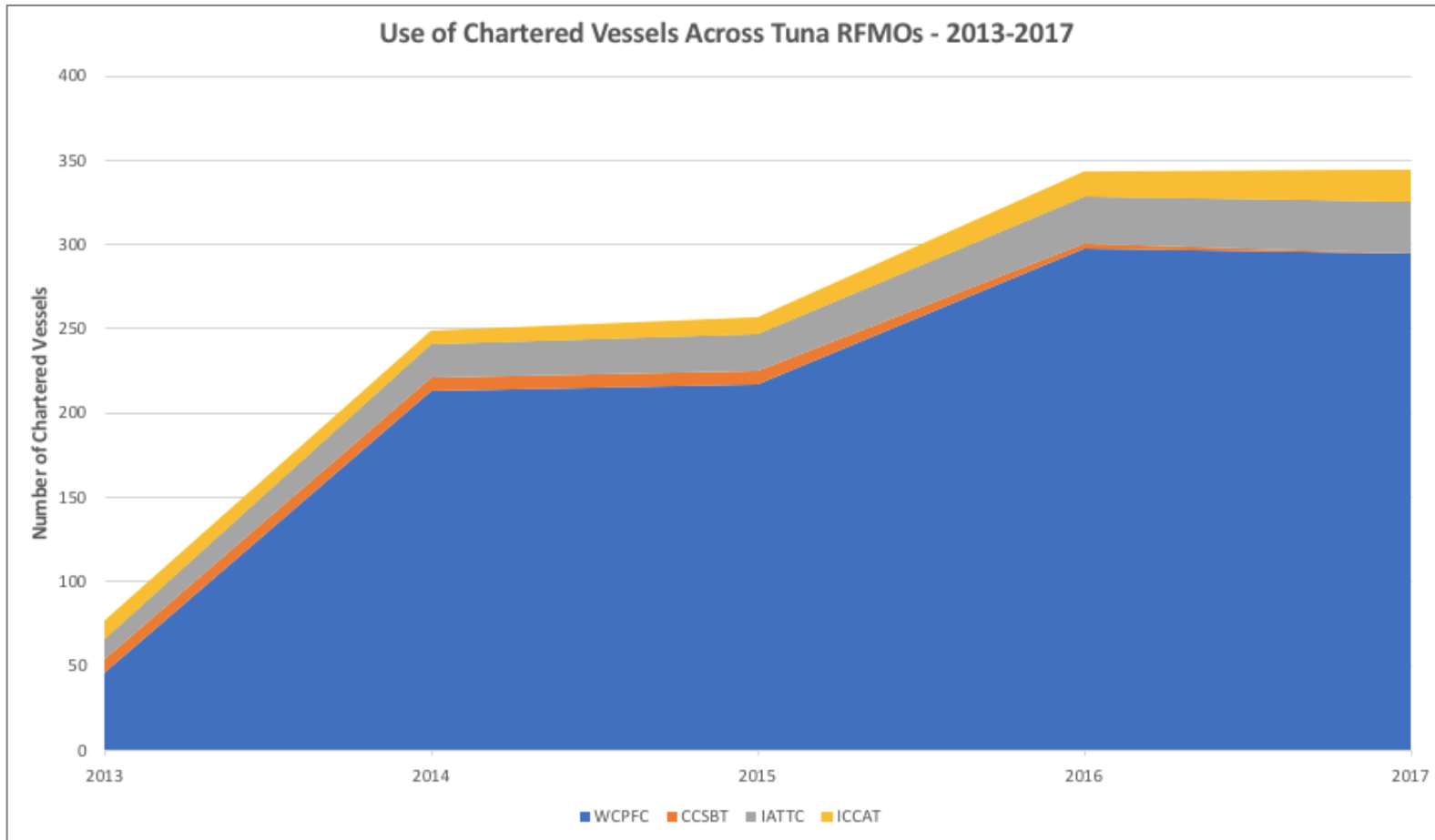
WCPFC – Western and Central Pacific Fisheries Commission

WCPO – Western and Central Pacific Ocean

Samoa	longline	Kiribati								1	1
Samoa	longline	Chinese Taipei							4	4	4
Samoa	longline	Vanuatu								10	10
		Total:	0	0	0	0	0	0	4	15	15
Solomon Islands	longline	China		50	48	44			61	60	60
Solomon Islands	longline	Cook Islands				2			2		
Solomon Islands	longline	Fiji		24	19	13			19	16	16
Solomon Islands	longline	Korea		8							
Solomon Islands	longline	Chinese Taipei		63	75	57	14	55	41	41	41
Solomon Islands	longline	Vanuatu		2		18	16	13	3	3	3
Solomon Islands	Purse Seine	China		5	5	6					
Solomon Islands	Purse Seine	FSM				1					
Solomon Islands	Purse Seine	Marshall Islands		1	1						
Solomon Islands	Purse Seine	Philippines				2					
		Total:	0	153	151	140	30	150	120	120	120

Source: WCPFC 2017b

Annex III – Comparison of Charters Across RFMOs



Comparison of Charters Across RFMOs: Charter vessel data was gathered from RFMO annual reports (WCPFC, 2017b; IATTC, 2016; ICCAT, 2017;), as well as current and past regional vessel registers from each RFMO

Annex IV – 2016 Reported Charter Companies

CHARTERING STATE	CHARTERING COMPANY	FLAG STATE /JOINT VENTURE	# OF VESSELS
COOK ISLANDS	Hunan Fishery Co Ltd (Subsidiary of LTFV)	China	5
FSM	Luen Thai Fishing Venture Ltd (LTFV)	China	64
	Kaiwaitui Company Limited	Fiji	1
	Kiribati Fish Limited	Kiribati/Australia/China	1
FIJI	Win full Fishing Co limited	Fiji	6
	Yavusa Tonga	Fiji	3
	Gonedau Enterprises Limited	Fiji	8
	Kaiwaitui Company Limited	Fiji	1
KIRIBATI	Kiribati Fish Limited	Kiribati/Australia/China	50
MARSHALL ISLANDS	Marshall Islands Fishing Venture, Inc (Subsidiary of LTFV)	China	22
	Pan Pacific Fishing	RMI	2
SAMOA	Apia Deep Sea Fishing Co Ltd (Subsidiary of Yuh Yow Fisheries Ltd)	Taiwan	19
SOLOMON ISLANDS	National Fisheries Development Ltd (Subsidiary of Trimarine)	Solomon Islands/US	24
	Southern Seas Investment (Subsidiary of Yuh Yow Fisheries Ltd)	Taiwan	39
	Global Fishery Limited	Taiwan	32
	Solfish Limited	Solomon Islands	2
	Solong Seafood Development ⁸		36

2016 Reported Charter Companies: Charter company data was sourced from WCPFC, 2017b. A desktop review was conducted to identify company ownership and country of origin.

⁸ There is no information available on Solong Seafood Development business operations or ownership – so its vessels have been excluded from Figure 2 (however the irony of the name is not lost)