

Western Pacific Regional Fishery Management Council

April 26, 2017

The Honorable Wilbur L. Ross Secretary of Commerce US Department of Commerce 1401 Constitution Ave., NW Washington, D.C. 20230

Dear Mr. Secretary:

The Nation's primary fisheries management law, the Magnuson-Stevens Fishery Conservation and Management Act (MSA) originally enacted in 1976, has been amended and reauthorized by Congress three times to take into account the dynamic nature of fisheries and their management. The establishment of national marine sanctuaries and marine national monuments (MNM), under the National Marine Sanctuaries Act (NMSA) and Antiquities Act, respectively, are being hard-pressed by environmental activist groups to displace processes under the MSA that provide for the sustainable use of fishery resources while conserving vital marine ecosystems. The Western Pacific Regional Fishery Management Council (Council) has developed numerous science-based regulations through the MSA. However, sanctuary and MNM designations now prohibit commercial fishing in 52 percent of US exclusive economic zone (EEZ) waters in the US Pacific Islands (i.e., Western Pacific Region).

In January 2009, the Marianas Trench MNM was established with three units. In 2016, a request was made to designate a national marine sanctuary over the Marianas Trench MNM. The NOAA National Ocean Service's Office of National Marine Sanctuaries (ONMS) has accepted the request and is initiating the designation review process. The proposal would cover more than 55 percent of the US EEZ around the Mariana archipelago. The expansion would include the water column, which currently is not a part of the Trench and Volcanic Units of the Marianas Trench MNM. The overlaying of marine sanctuaries on marine monuments appears to be a new strategy for advocates looking to restrict fishing outside of the MSA process.

In 2012, the Fagatele Bay National Marine Sanctuary expanded from a 0.25 square mile area into the 13,581 square-mile National Marine Sanctuary of American Samoa. The sanctuary now engulfs nearly 10 percent of the US EEZ around the Territory, including an overlay of the Rose Atoll MNM, which itself was an overlay on the Council-established Large Vessel Prohibited Area. Three federal agencies now have jurisdiction over the area: the US Fish and Wildlife Service, NOAA National Marine Fisheries Service and NOAA ONMS.

A third potential sanctuary overlay has been directed through the 2016 proclamation issued by President Obama expanding the Papahanaumokuakea MNM (an overlay of the Council's Protected Species Zone). That proclamation states that the Secretary of Commerce should consider initiating the process under the NMSA to designate the Monument Expansion area and the Monument seaward of the Hawaiian Islands National Wildlife Refuge and Midway Atoll National Wildlife Refuge as a National Marine Sanctuary "to supplement and complement existing authorities." The proposed sanctuary would claim 61 percent of the US EEZ around the Hawaii Archipelago.

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National Standard 7 of the MSA states that "conservation and management measures shall, where practicable, minimize costs and avoid unnecessary duplication." President Trump's Executive Order for a Comprehensive Plan for Reorganizing the Executive Branch also directs agencies to consider, among other points, redundancy of programs and functions and whether costs are justified against the public benefits it provides. The Council is alarmed by the recent and proposed expansions of sanctuaries and monuments that marginalize the MSA and the regional fishery management councils. Overlaying sanctuaries on existing monuments increases regulatory burdens on commercial and non-commercial fisheries without providing any additional conservation benefits.

Sanctuaries and marine monuments eliminate access to US waters to US fishermen. These closures are not consistent with the MSA National Standards, which are principles followed by the regional fishery management councils and NMFS to ensure sustainable and responsible fishery management. Such standards include the use of best scientific information available to prevent overfishing while allowing US fisheries to achieve optimal yield for the benefit of the Nation and local communities. Fishery management plans already include measures to reduce bycatch and to conserve target and non-target stocks and protected species and habitats so as to ensure healthy marine ecosystems.

Please consider halting the process of overlaying sanctuaries on monuments in the Marianas Trench and Papahanaumokuakea MNM and its expansion area. Also, please consider reviewing the continued need for existing monument and sanctuary fishing restrictions given the availability of MSA regulations to manage fisheries in the US Pacific Islands. The MSA regulations to manage the fisheries in the monument and sanctuary areas in the Western Pacific Region are still in the US Code of Federal Regulations to ensure conservation and management of fisheries, habitat and protected species, while helping to address the US seafood trade deficit, particularly with China (see enclosed).

Edwin A. Ebisui Jr. Chair

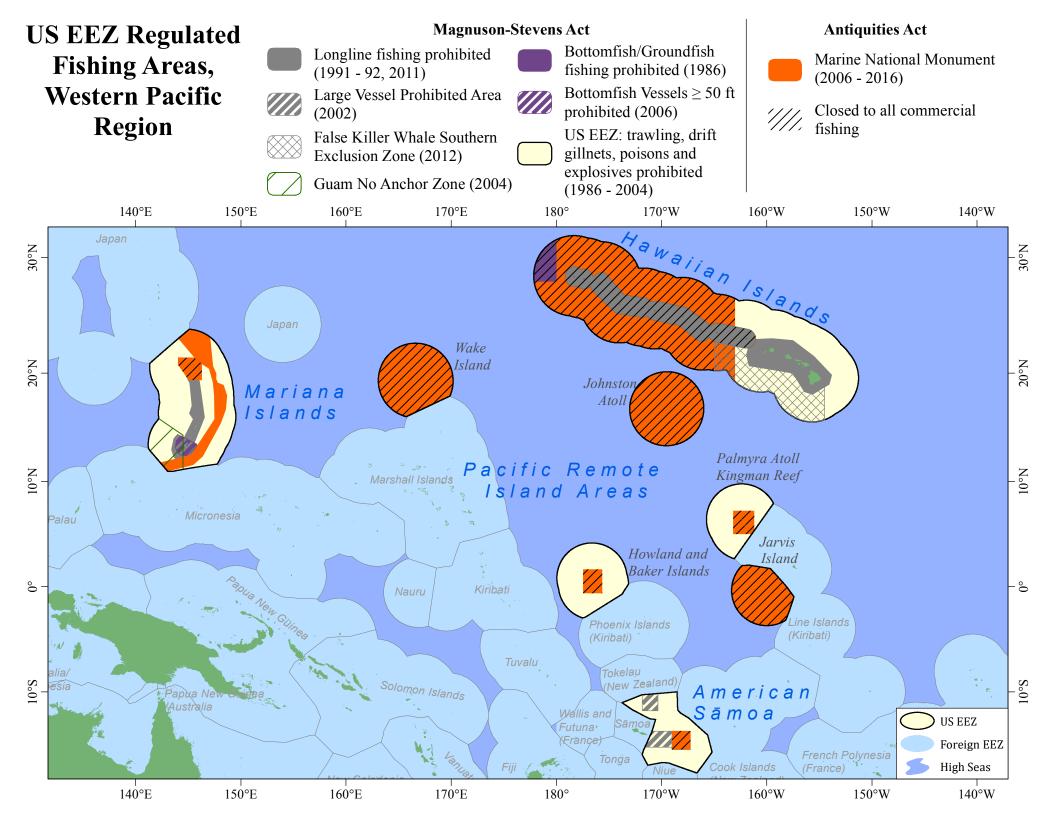
Respectfully,

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Kitty M. Simonds Executive Director

Enclosures: Western Pacific Spatial Management & Fisheries Regulations Maps Information Paper: The Rise of China in Pacific Tuna

Cc: President Donald J. Trump Secretary of the Interior Secretary of State Regional Fishery Management Councils American Samoa Governor CNMI Governor Guam Governor



Key Pelagic Fishing Regulations

All Long line Vessels

- Longline gear must be marked
- Must carry and use dip nets, line clippers, bolt cutters and other mitigation gear, and follow handling, resuscitation, and release requirements for incidentally hooked or entangled sea turtles and seabirds
- Federal permits and logbooks required
- Mandatory annual protected species workshops for all vessel owners and operators

General Longline (Guam, CNMI and PRIA)

• Long line exclusion zone around Guam out to 50-100 nm from shore

Hawaii Longline

to fish in the EEZ

Limited entry fishery with a maximum of 164 vessels Maximum vessel size 1 01 feet in length Longline exclusion zones throughout the Hawaii Archipelago out to 25-75 nm from shore Mandatory notification to NMFS at least 72 hours (not including weekends and federal holidays) before leaving port

- Shallow-set fishery
 - Mandatory observer program with 100% coverage
 - Annual hard cap of 34 loggerhead and 26 leatherback sea turtle interactions
 - Other gear requirements to minimize incidental bycatch of sea turtles (circle hooks and

mackerel-type bait) and seabirds (either side-set or use blue-dyed bait, strategically discard offal and set at night)

• Deep-set fishery

- Mandatory observer program with 20% coverage
- Follow shallow-set fishery seabird mitigation requirements when fishing north of 23 deg. N

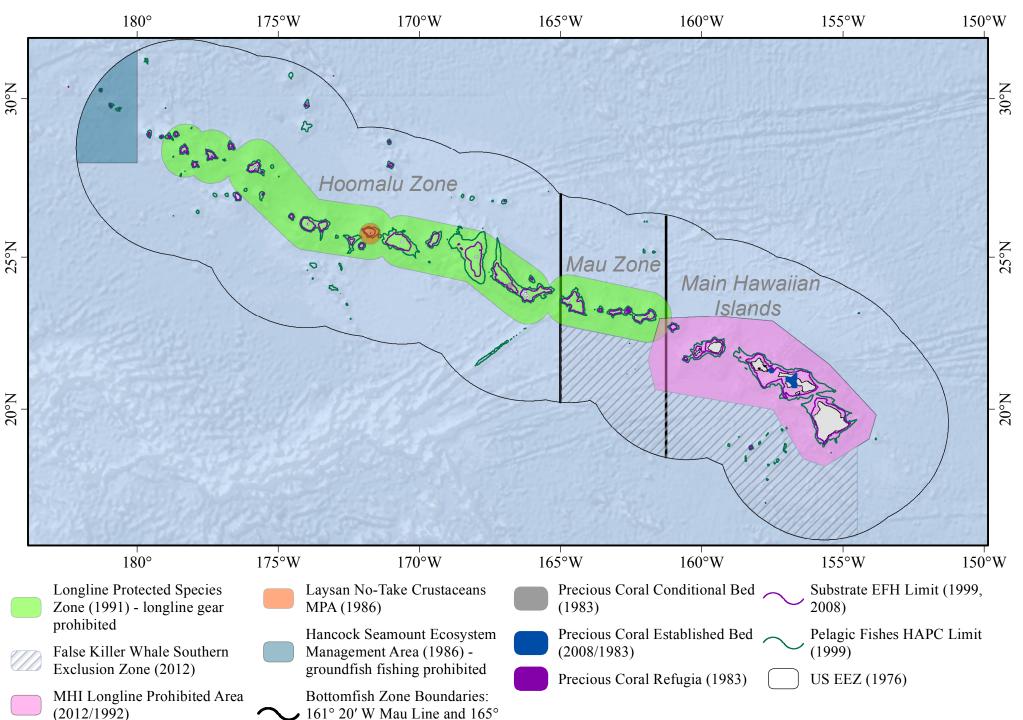
American Samoa

- Limited entry of vessels in four different size classes for longline vessels
- Mandatory notification to NMFS at least 72 hours (not including weekends and federal holidays) before leaving port to fish in the EEZ
- Large pelagic vessel (>50 ft) exclusion out to zone 50 nm from shore
- Longline gear requirements to minimize sea turtle interactions

Troll and Handline

• Federal permits and logbooks required when operating in the PRIA

Western Pacific Council Spatial Management in the Hawaiian Islands



W Hoomalu Line (1988)

Key Regulations for Hawaii Archipelago

NWHI Bottomfish

- Prohibits use of destructive fishing techniques: explosives, poisons, trawl nets and bottom-set gillnets
- NWHI EEZ split into two limited access systems Mau and Hoomalu Zones
- Annual landing requirements for permit retention and redistribution of permits based on historical participation
- Mandatory participation in protected species workshop
- Limit on maximum vessel length
- Community Development Program reserves 20% of Mau Zone permits for indigenous Hawaiian fishermen
- Federal observer placement requirements
- Annual catch limits would be required if the fishery reopens
- Moratorium on commercial harvest of seamount groundfish at Hancock Seamounts

MHI Bottomfish

- Annual Catch Limits (ACL) for Deep-7 Bottomfish and nondeep-7 bottomfish complexes
- Non-Commercial Federal Permit and trip reporting
- Non-commercial bag limits for deep-7 bottomfish species
- Compliance with State of Hawaii Commercial Marine License requirement (CML)
- Trip Reporting
- Annual vessel registry and markings
- Prohibits use of destructive fishing techniques: explosives, poisons, trawl nets and bottom-set gillnets

Coral Reef Fisheries

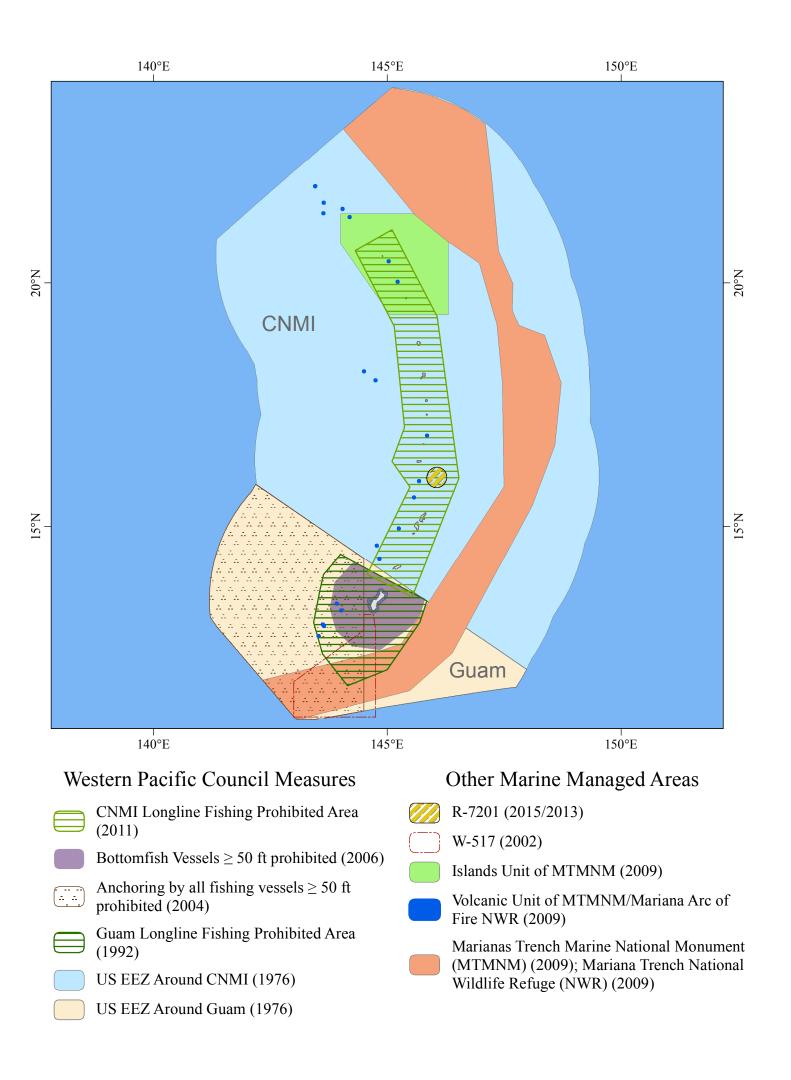
- Special permit (permitting and reporting) for Potentially Harvested Coral Reef Taxa and low use Marine Protected Areas
- Gear identification for traps
- ACLs
- Prohibitions (on live rock, poisons, explosives)

Crustaceans

- Limited entry permit (including permit area 1 around NWHI, which is a limited access permit)
- Annual lobster harvest guideline (quota, would then become ACL)
- Gear restrictions (by trap or hand only)
- Trap regulations (entry size, escape vents, max number of traps, etc)
- Monk seal protective measures
- Closed seasons (Permit area 1 closed Jan-Jun; Permit area 2 closed May-Aug)
- Closed areas (within 20 nm of Laysan, within the EEZ landward of the 10 fm curve)
- Harvest limitation Program (for Necker, Gardner, Maro and NWHI)
- Vessel monitoring system requirement
- Daily catch report requirement

Precious Corals

- Area restrictions (Westpac Bed refugia)
- Spatial Management (Established, conditional beds and exploratory area)
- Gear restrictions (selective gear only)
- Size restrictions (pink coral min height of 10 in; black coral min height of 48 in or diameter of 1 inch)
- permitting and reporting
- Quotas (by established bed and species; and now ACLs)
- Gold coral moratorium



Key Regulations for Mariana Archipelago

All Fisheries

- Annual Catch Limits
- Anchoring prohibited on Guam's southern banks

Bottomfish

- Prohibits use of destructive fishing techniques: explosives, poisons, trawl nets and bottom-set gillnets
- Prohibit vessels larger than 50 feet from targeting bottomfish with 50 nm around Guam
- Federal permits and reporting for large vessels

Coral Reef Fisheries

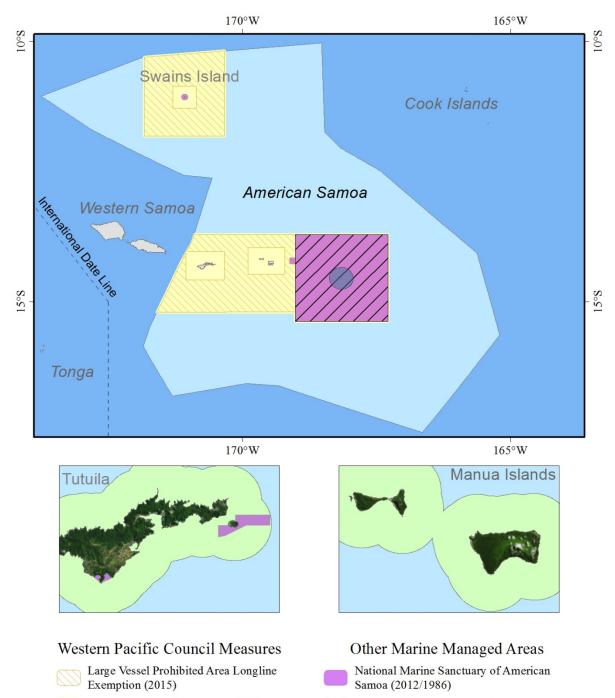
- Special permit (permitting and reporting) for Potentially Harvested Coral Reef Taxa and low use Marine Protected Areas
- Prohibitions (on live rock, poisons, explosives)
- Gear identification for traps

Crustaceans

- Permit and reporting (for spiny, slipper, deepwater shrimp)
- Landing notifications

Precious corals

- Spatial management (Exploratory area)
- Permitting and reporting requirements
- Gear restrictions (selective gear only)
- Size restrictions (pink coral min height of 10 in., Black coral min height of 48 in or diameter of 1 in.)
- Gold coral moratorium
- Quotas (1000 kg for all MUS combined, except black corals)



- Large Vessel Prohibited Area (2002)
- 12 nm No-Take MPA (2013)

- Rose Atoll Marine National Monument (2009) American Samoa Territorial Waters
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- US EEZ (1976)

Key Regulations for American Samoa Archipelago

All Fisheries

- Annual Catch Limits
- No-take MPA within 12 nautical miles of Rose Atoll

Bottomfish

• Prohibits use of destructive fishing techniques: explosives, poisons, trawl nets and bottom-set gillnets

Coral Reef Ecosystem

- Special permit (permitting and reporting) for Potentially Harvested Coral Reef Taxa and low use Marine Protected Areas
- Prohibitions (on taking live rock, poisons, explosives)
- Gear identification for traps

Crustaceans

- Permit and reporting (for spiny, slipper, deepwater shrimp)
- Landing notifications

Precious Corals

- Spatial management (Exploratory area)
- Permitting and reporting requirements
- Gear restrictions (selective gear only)
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Informational Paper: The Rise of China in Pacific Tuna Fisheries

February 2017

I. Introduction¹

China has experienced substantial growth of its fishing industry since the late 1970s with catches increasing from about 5 million tons to over 60 million tons. Historically, China's marine fisheries production was eclipsed by freshwater fisheries production and disrupted by political events such as the mid-1960s Cultural Revolution. In 2013, China's total fishery production reached 61.7 million tons, representing over one-third of the world's total fishery production. China's enormous fishing industry is supported by the world's largest fishing fleet, with nearly 200,000 marine (sea-going) fishing vessels and 2,460 distant-water (i.e., fishing on the high seas beyond China's EEZ) fishing vessels that fish on the high seas beyond China's EEZ.

Apart from being the biggest fishery producer, China has also been being the world's leading exporter of fishery products since 2002. In 2013, China grossed USD 11.6 billion surplus from its external fishery trade.

II. China's Tuna Fisheries in the Pacific Ocean

Since 2000, there has been rapid growth in Chinese longline and purse seine fisheries operating in the Pacific Ocean targeting tuna.

Longline Fisheries

Chinese longline vessels target bigeye, yellowfin, and albacore tuna, and operate in both the high seas and national waters of Pacific Island countries. Significant increases in both number of vessels and catch have been observed since 2000 (Figures 1). In 2015, 429 Chinese-flagged longline vessels operated in the Western & Central Pacific Ocean (WCPO), catching over 35,000 mt of tuna and billfish. A significant component of the Chinese longline fleet is capable of landing ice-chilled and super-frozen tuna for various markets including sashimi (e.g. bigeye) and cannery (e.g. albacore). Chinese large scale longline vessels also operate in the Eastern Pacific Ocean (EPO), with observed increased catches since 2000 (Figure 3).

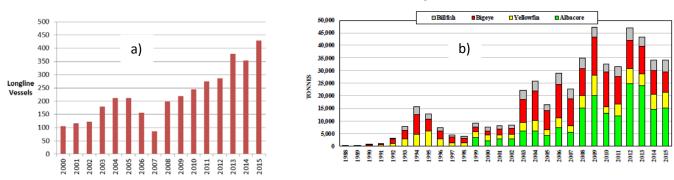


Figure 1: a) Number of active Chinese-flagged longline vessels operating in the WCPO; b) WCPO catch of tuna by Chinese longline vessels

Source: WCPFC 2016.

¹ This introductory section on China and its fisheries is freely adapted from a paper by Zhang Hongzhou (2015).

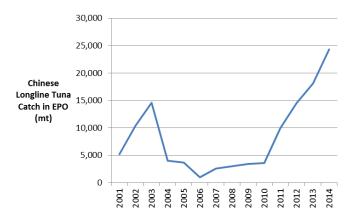
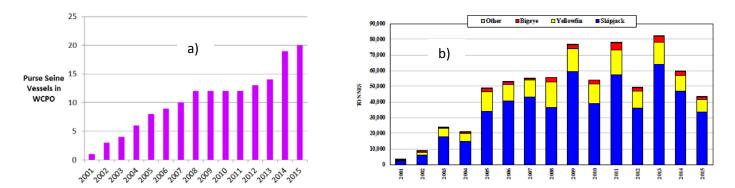
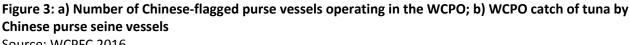


Figure 2: EPO catch of tuna by Chinese-flagged longline vessels Source: IATTC 2015.

Purse seine Fisheries

China has a growing purse seine fishery. In 2000, there were no Chinese flagged seiners operating in the WCPO, now there are 20. The WCPO catch of Chinese-flagged purse seine vessels in 2015 was 43, 236 metric tons. China's emergence in purse seine fishing has been coupled with significant investments in onshore processing facilities under development in Papua New Guinea, Federated States of Micronesia, Fiji, Marshall Islands, and Kiribati. Onshore investments are typically coupled to fishing access agreements to the EEZs of certain Pacific Island countries.





Source: WCPFC 2016.

III. Chinese Government Subsidies²

China subsidizes its distant water tuna fleets to levels unmatched globally. In its 11th five-year plan (2006-2011), China's central government's 'going global' strategy was emphasized, as it announced that it intended to actively support domestic enterprises abroad. Part of this strategy includes a set of incentives and subsidies to continue expanding its distant water fleet. These include subsidies on fuel, vessel construction, preferential tax treatment and payment for access to other nation's EEZs (Table 1).

 $^{^{2}}$ The following section on China's subsidies for its fishing industry is freely adapted from paper by J. Ilakini and R. Imo of the Forum Fisheries Agency (2014).

Table 1. Tax incentives and Direct subsidies by the chinese government to its distant water neets	
Tax Incentives	Direct subsidies to the fishing industry
Corporate tax relief	 Fishery research, development and
 Tax incentives to shipyards 	exploration and technology transfer
 Tariff cuts on imported equipment 	Fuel offsets
 Accelerated depreciation 	Access fees
	Favorable industry loan rates

Table 1: Tax incentives and Direct Subsidies by the Chinese government to its distant water fleets

Source: Ilakini and Imo 2014.

The extent and magnitude of the subsidies and other support given by the Chinese government to its DWF sector is significant and likely to provide the Chinese DWF with significant cost advantage over unsubsidized fleets. The extent of Chinese subsidies and tax incentives appears to be growing under each five-year plan. Operators of other fleets operating in the WCPO longline fishery feel that they may soon be rendered economically unviable due to their cost disadvantage.

IV. Influence in Western and Central Pacific

It is no coincidence that China's rapid growth in fisheries also coincided with its growing influence in Oceania. Since the early 2000s, China has been an aggressive player in Oceania in search of natural gas, minerals, fish, and other raw materials. China provides hundreds of millions of dollars in foreign aid to governments of Pacific small island developing states. In many cases, the aid includes infrastructure projects, which are constructed by Chinese firms employing non-local Chinese workers. There are numerous articles that describe China's increased interest in Oceania and its mounting influence over Pacific Island countries. See the following reference list for further reading.

V. Competition with US fisheries

Chinese longline vessels are supplying the same US markets that are supplied by US longline fleets operating out of Hawaii and American Samoa. Chinese vessels are also competing for fish on the same fishing grounds, often fishing side by side with Hawaii longline vessels on the high seas adjacent to the US EEZ around Hawaii.

VI. Conclusion

China's rapid growth in Pacific tuna fisheries since 2000 has served to overcapitalize fisheries and has led to stock declines in bigeye and albacore fisheries. Significant government subsidies for Chinese vessels lessen the impact of reduced catch rates, which allow Chinese vessels to outcompete fleets of other nations including the United States. The expansion of China into Pacific tuna fishing is undermining US influence in the region, and exacerbating our seafood trade deficit through the influx of Chinese caught tuna supplied to US markets.

References

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