



Fisheries
Transparency
Initiative

3rd International Advisory Group meeting

of the

Fisheries Transparency Initiative (FiTI)

4 February 2016, Nouakchott/Mauritania

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1. Background

The first two meetings of the International FiTI Advisory Group (Berlin, July 2015 and Rome, October 2015) defined that the initial focus of the FiTI should be on transparency regarding “access to marine fisheries”.

Furthermore, an understanding was reached regarding broad transparency categories and elements for this. However, it was agreed that more detailed discussions are needed to clearly define these transparency elements and the related process of providing and reviewing such information.

Therefore, at the 2nd meeting of the International FiTI Advisory Group in Rome, it was agreed to establish dedicated Working Groups to further develop the FiTI transparency elements.

Based on this, two FiTI Working Groups have been established:

- *FiTI Working Group on Small-Scale Fisheries*, and
- *FiTI Working Group on Large-Scale Fisheries*

The Working Groups will regularly report back to the FiTI Advisory Group on its status and to make recommendations.

2. Working Group on Small-Scale Fisheries

Current participants:	<ul style="list-style-type: none">• Ms. Mechthild Kronen (GIZ)• Mr. Gaoussou Gueye (CAOPA)• Mr. Jean-Louis Kromer (African Development Bank)• Mr. Rolf Willmann (Independent Expert, former FAO)• Mr. André Standing (Technical Adviser to the FiTI)• FiTI Secretariat
Meetings:	<ul style="list-style-type: none">• 1st meeting: 1. December 2015 (conference call)• 2nd meeting: 17. December 2015 (conference call)• 3rd meeting: 20. January 2016 (conference call)
Input:	<ul style="list-style-type: none">• Initial input paper provided by André Standing (26. November 2015)• Rolf Willmann provided a brief input paper on the post-harvest sector (22. January 2016)

General considerations

Purpose:

One of the first aspects discussed by the Working Group on Small-Scale Fisheries (WGoSSF) was the importance of including small-scale fisheries in FiTI. It was acknowledged that lack of transparency in the small-scale fisheries is not caused by the same factors that cause lack of transparency in the large-scale fisheries. In the large-scale fisheries lack of transparency is often associated with confidentiality, and can be seen as contribution to corruption or poor fisheries management. In the small-scale fisheries the problem is primarily one of data deficiency, meaning small-scale fisheries are often marginalized or underappreciated in policy decision-making. *The primary purpose of including small-scale fisheries in FiTI is therefore to increase public access to reliable knowledge about the small-scale fisheries.*

However – there was a range of views expressed about the need to ensure FiTI Reports contain the full range of data on the small-scale fisheries to communicate its important contribution to livelihoods and food security. *The group considered the implications for FiTI of including data on the post-harvest sector (see below).*

Approach to data gathering:

The WGoSSF discussed the difficulties in collating data on small-scale fisheries for the FiTI. In many countries, data on small-scale fisheries is either incomplete or dated.

Recommendation 1: The FiTI should not require countries to undertake considerable **primary research** on the small-scale fisheries for each report.

Whereas data for the large-scale fisheries should be mandatory for implementing countries, a more flexible approach is needed for the small-scale fisheries.

Recommendation 2: FiTI Reports should be considered satisfactory where the National Multi-Stakeholder Group agrees that the Report contains the **best available data** on the country's small-scale fisheries.

Recommendation 3: In case of incomplete or dated information on small-scale fisheries the National Multi-Stakeholder Groups should agree on an action plan and a timeframe to improve the current situation (**progressive improvement**).

It was further noted that in supporting the provision of national reports, the FiTI International Secretariat should establish strong working relationships with existing research projects on the small-scale fisheries, including those undertaken by the FAO and the Too Big to Ignore initiative, for example. Such data could be used in compiling FiTI Reports, and the FiTI International Secretariat may provide additional (desk-based) research support to FiTI implementing countries on this aspect.

3. Definition:

The WGoSSF was asked to consider a definition of small-scale fisheries for guiding the contents of the FiTI reports. This included the merits of using small-scale as opposed to artisanal. It was recognized that a distinction between small- and large-scale fisheries is needed for the FiTI, as different requirements (e.g. in collecting and reviewing data) will apply. The WGoSSF agreed that there is no definition that could work in all contexts.

Recommendation 4: The decision on **defining small-scale fisheries** should be left to the National Multi-Stakeholder Group in each country. Thus, these groups will decide what categories of fishing vessels will be included under the reporting for small-scale or large-scale fisheries.

Transparency elements

Based on the transparency elements presented during the 2nd Advisory Group meeting in Rome (October 2015), there was agreement on some of the transparency elements for small-scale fisheries.

Recommendation 5: Data on the **number of fishers** engaged in the small-scale sector should be provided, disaggregated where possible for types of fisheries and regions.

Recommendation 6: Information on **tenure rights** should be provided, including information on regions and types of fisheries. This information must also specify the areas where exclusive access is provided to small-scale fishers.

Recommendation 7: Information on **total catches** should be provided, disaggregated where possible for types of fisheries, regions and species.

It was further noted that a FiTI Report should be made available in an accessible format and in a timely manner to society. However, it was recognized that there are currently different understandings and expectations regarding the presentation and visualization of a FiTI Report.

Recommendation 8: A case study should be developed to evaluate the practical feasibility of the proposed transparency elements and to illustrate how a FiTI Report could look like. This case study should also identify possible use cases. The case study could be either based on an actual country or an imagined country.

However, there were different views expressed within the WGoSSF on other transparency elements:

- ➡ A view was that FiTI Reports should include information on **payments from the small-scale sector** to the government, for fishing permits and landing fees for example. However, there was some concern that this data, when compared to the same data on large-scale fisheries, would give a false impression of the value added to the economy. Nevertheless, it was noted that this data is important to capture as there can be limited accountability on the income and expenditure of money from the small-scale sector, and revenue collection can be a source of corruption that harms the small-scale sector.

- A view was that **data on the post-harvest sector** should be included in the FiTI Reports, including employment figures, income and trade data. It was argued that this information is essential to communicate the value added by the small-scale sector, particularly for women who account for a sizeable proportion of workers in the post-harvest sector.

A second view was that this expanded focus for the FiTI would make country reporting highly complex and could burden FiTI implementing countries, thereby making the FiTI less attractive to engage with. The FiTI should not become an ambitious research initiative, and replicate the work of other organizations such as the FAO.

A third view was that information on the post-harvest sector could be included in FiTI Reports but only as 'contextual information'. Researchers could be engaged to help compile this information on behalf of FiTI implementing countries (if needed), which would then be presented and approved by the country's National Multi-Stakeholder Group.

- A view was made to include **data on infringements and penalties for illegal fishing**. It was argued that the FiTI could help raise awareness on illegal fishing activities that impact small-scale fishing, particularly in areas reserved for small-scale fisheries. However, it was also argued that official data on illegal fishing is unreliable and would be contested. Moreover, if incidents of illegal fishing by large scale fisheries should be included in FiTI Reports, then the same should be applied to the small-scale sector, which would be extremely difficult to do.

The WGoSSF reached no firm consensus on this aspect, and it was suggested as a discussion point for an upcoming Advisory Group meeting, as this overlaps with discussions for large-scale fisheries.

- A view was to include data on **Official Development Aid** projects for fisheries, as these can be substantial, often have small-scale fisheries as the primary beneficiaries, but also lack transparency and accountability. However, there was insufficient time to discuss this in any detail within the WGoSSF so far.

- Finally, it was noted that FiTI Reports could consider including **financial and budgetary information** on the Ministry/Department that manages fisheries. This would ensure transparency on how revenues are spent and what proportion is provided to support small-scale fisheries. Again, there was insufficient time to discuss this in any detail, and the WGoSSF will continue discussing this aspect in one of its upcoming meetings.

3. Working Group on Large-Scale Fisheries

Current participants:	<ul style="list-style-type: none">• Ms. María Cornax (Oceana)• Ms. Kristin von Kistowski• Mr. Alexander Biryukov (Association of Russian Ship-owners in West Africa)• Mr. Sebastian Losada (Greenpeace)• Mr. Philippe Michaud (Seychelles Fishing Authority)• Mr. Xavier Vincent (The World Bank Group)• Mr. André Standing (Technical Adviser to the FiTI)• FiTI Secretariat
Meetings:	<ul style="list-style-type: none">• 1st meeting: 12 January 2016 (conference call)• 2nd meeting (rescheduled)¹
Input:	<ul style="list-style-type: none">• Initial input paper provided by André Standing (17. December 2015)• Greenpeace provided a briefing prior the 1st meeting (8. January 2016)

General considerations

Compliance with FiTI Standard:

Following the outcomes of the discussion of the 2nd Advisory Group meeting, it was suggested that FiTI implementing countries should meet certain **basic criteria** to be considered compliant with the initiative. This includes publishing contracts of bi-lateral access agreements and publishing (on-line) up-to-date information on relevant fisheries regulations, Acts and policy documents. It was argued that countries who fail to meet these basic criteria should not be classified as 'transparent' by the FiTI. There was no agreement on this within the Working Group on Large-Scale Fisheries (WGoLSF). It was recognized that prior to further discussions, a comprehensive list of such basic criteria needs to be compiled. In case the WGoLSF does not reach consensus on these criteria, it was recommended to discuss this aspect at one of the next Advisory Group meetings.

1 The 2nd meeting of the FiTI Working Group on Large-Scale Fisheries will take place on Thursday, 4 February 2016 (after the 3rd Advisory Group meeting in Nouakchott / Mauritania).

Transparency elements

In general, there was an agreement within the WGoLSF on the transparency elements presented during the 2nd Advisory Group meeting in Rome (October 2015) for large-scale fisheries. However, it was noted that these current elements represent thematic headings only. In the final specification of transparency elements (as part of the overall FiTI Standard), these elements would need to be more detailed and accompanied with extensive guidance notes.

Nevertheless, the WGoLSF could not identify any information on the list of transparency elements that FiTI implementing countries would struggle to obtain, which is different from the small-scale sector.

Recommendation 1: All transparency elements for large-scale fisheries must be considered mandatory.

Various detailed aspects for the transparency elements were discussed.

Individual rights holders

A FiTI Report should include a full list of individual rights holders in the large-scale sector, including information on the place of residence of the organization owning the rights.

It was further discussed whether to request information on the **beneficial ownership** of the rights holders. It was recognized that identifying the beneficial owner of a rights holder (e.g. fishing company) may be challenging in some cases. However, it was noted that beneficial ownership is a key theme these days in increasing transparency (in all sectors). The current G20 High-Level Principles on Beneficial Ownership Transparency was mentioned as an example. It was agreed that more information is needed to understand better how such principles translate into practice and what practical approaches exist to obtain such information.

List of authorized vessels

A FiTI Report should include a full list of vessels authorized to fish in the country's EEZ, including several **key defining vessel characteristics** (such as flag state, IMO number, size/weight etc.). The WGoLSF recognized that a comprehensive list of such key defining vessel characteristics needs to be further defined. It was noted however that some of these characteristics, including the vessel's age, information on call signs etc. would be superfluous for an FiTI Report, as this data can be found in other databases through the IMO number. It

was agreed that where possible, information to be contained in FiTI Reports should be limited and not duplicate information on other databases.

Different views were expressed regarding information on the **national vessel registry**: a view was that while the FiTI has currently a focus on improving transparency of who is fishing in the EEZ of implementing countries, a FiTI Reports should also include the national registry of authorized vessels, including those vessels that primarily fish in other countries or on the high sea. Another view was that this expands the focus and purpose of the FiTI, and it is unclear whether implementing countries should also include data on payments made by these authorized vessels to third countries, as well as data on catches made in other EEZs or the high seas. The WGoLSF recognized that this is a key aspect for the FiTI which need to be addressed in one of the next Working Group meetings.

Access right

A view was that FiTI Reports should include information on the **access right for each vessel**, which would identify whether access for each vessel is through a private license, a license issued through a bi-lateral access agreement, a charter arrangement, a joint venture agreement etc.

Information on the **financial terms of the access right** should be provided, including information on the cost of licenses, the value of bi-lateral access arrangements or investment contracts, payments for on-board observers, as well as information on the recipient bank account for the government (i.e. central treasury or Ministry of fisheries.). The WGoLSF recognized the need for further details to make recommendation on this aspect.

Further, it was agreed that information on any **obligations attached to access rights** should be published in an FiTI Report, including for landings, gear restrictions, permitted fishing zones or permitted fishing months, conditions on employment, on-board observers, authorized ports, etc. The WGoLSF recognized the need to discuss this aspect further, especially regarding whether a comprehensive list of obligations should be provided as part of the FiTI Standard, or whether each National Multi-Stakeholder Group should define its own country-specific scope of obligations.

Actual payments for access right

The WGoLSF reemphasized the need to provide information on actual payments made by the rights holder to the government on an annual basis, including information on any other payments made on behalf of the rights holders through bi-lateral access agreements or investment contracts. However, due to the complexity of this topic, it was recognized that further information is needed on the scope of such payments, period accruals, information verification etc.

Recommendation 2: Similar to the recommendation from the WGoSSF, a case study should be developed to evaluate the practical feasibility of the proposed transparency elements and to illustrate how a FiTI Report could look like. This case study should also identify possible use cases. The case study could be either base on an actual country or an imagined country.

Furthermore, the WGoLSF initiated discussions on other potential transparency elements:

- Information on the **fishing agent**: A view was that this information is relevant and useful for improving transparency in the large-scale sector. Fishing agents receive substantial fees from fishing companies to obtain and manage fishing access for companies, and this information is not often in the public domain. In some countries, there can also be conflicts of interests by fishing agents, who may hold positions in government or have worked previously for the fishing authority. However, payments and contractual arrangements between firms and fishing agents are private, so may not be acceptable to both parties to be included in the FiTI. The WGoLSF did not agree on any firm recommendation, and requires further time to discuss this aspect.

- Information on **penalties and fines for illegal fishing**: A view was that a FiTI Report should include information on specific penalties and fines for individual vessels, as well as a description on the infringement. However, it was also noted that this information may be sensitive and difficult to include in FiTI Reports, particularly where cases brought against companies are disputed in courts, or settled out of court. The WGoLSF did not agree on any firm recommendation, and requires further time to discuss this aspect.