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Informing the Commission for Trial Authorization-Pilot Program for Freezer Carrier Use in High Seas Pocket No.1 Special Management Area (HSP-1 SMA)

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Submitted by Philippines

A. Explanatory Note

Philippines', in its effort to optimize the limited access in HSP1, informs the Commission of its intention for a pilot program to explore the benefits of using freezer carriers in High Seas Pocket No. 1 (HSP-1). This initiative aims to evaluate the impact of freezer carriers on fish quality preservation and post-harvest loss reduction, aligned with sustainable fishing practices. We believe that this pilot will generate data essential for future Commission decisions on enhancing fish handling and minimizing post-harvest losses in the region.

Background and Rationale

The Western and Central Pacific Ocean (WCPO) tuna fishery is critical to the Philippines, particularly through the Special Management Area designation in High Seas Pocket 1 (HSP-1). Under CMM 2023-01, or the Conservation and Management Measure for Bigeye, Yellowfin and Skipjack Tuna in the Western and Central Pacific Ocean, Philippine vessels using traditional ice-chilled methods for tuna preservation were granted access to HSP-1, aiming to reduce fishing pressure on juvenile tuna within the Philippine Exclusive Economic Zone (EEZ) with the Philippines being their spawning and nursery ground. However, ice-chilled preservation has shown limitations in preserving fish quality during extended fishing operations due to the distance and duration involved, which has led to significant postharvest losses and reduced market value.

The Philippine tuna fishing industry faces substantial financial and resource losses due to the limitations of ice-chilling preservation techniques, especially for skipjack and yellowfin tuna. A detailed assessment conducted from October 2018 to June 2019 by the DA-National Fisheries Research and Development Institute (NFRDI) highlighted that ice-chilled preservation is insufficient for the lengthy fishing operations typical in High Seas Pocket 1 (HSP-1), leading to an estimated 17.25% postharvest loss. This loss equates to approximately PHP 223 million (USD 4.3 million), a significant economic setback for the industry (<u>SC16-ST-IP-14</u>).

Spoilage during operations leads to physical defects like skin loss, lacerated flesh, and burst bellies, mainly due to fluctuating temperatures in ice-chilled storage and rough handling of large catch volumes. While effective for short trips, ice-chilling cannot maintain stable temperatures long enough to prevent bacterial growth and spoilage, particularly in skipjack tuna, which is more prone to damage due to its smaller size and delicate flesh. Yellowfin tuna also suffers, though to a lesser extent. Quality losses reduce market value, as damaged tuna is often sold at lower prices or diverted to lower-value processes, impacting fishers' income and supply chain profitability. Consequently, the 17.25% loss reflects not only volume but also reduced profits, affecting fishers, processors, and export revenue.

Due to these post-harvest losses, the number of active Philippine catchers operating in HSP-1 has been decreasing since 2020 (SC20-ST-IP-11 This decline has led to underutilization of the 36-vessel capacity or the 4,659 fishing days limit set forth in Attachment 2 of Conservation and Management Measure (CMM) 2023-01. The Philippines has consistently appealed to the Commission to allow the use of freezer carriers to improve fish quality, rather than relying solely on ice-chilled carriers, though approval has not yet been granted.

To further support its position, the Philippines has proposed conducting a pilot study on the use of freezer carriers in HSP-1. This study aims to provide empirical support for using freezing-equipped carriers as an effective means of preserving fish quality and minimizing economic losses.

Objective

The proposed pilot program will assess whether using freezer carriers in HSP-1 preserves fish quality and boosts market value without increasing fishing effort. Under strict monitoring, this initiative would generate critical data to support evidence-based decision-making on the use of freezer carriers in the Western and Central Pacific Ocean specifically for the group seine operation in HSP-1.

Scope and Duration

The proposed 4-year pilot program would deploy 10 freezer carriers exclusively within HSP-1. This limited scale allows close monitoring of impacts and adherence to environmental and operational standards.

Monitoring and Reporting Protocols

For transparency and compliance, we propose the following protocols:

- 1. Vessel Monitoring System (VMS) and Electronic Reporting (ER): All freezer carriers will be equipped with VMS for real-time tracking and Electronic Reporting to record activities continuously, in accordance with WCPFC standards.
- 2. Data Reporting: Weekly reports will be provided on species, weight, and fish condition, verified by onboard observers.
- 3. Observer Coverage: Each carrier will have at least one observer to ensure data accuracy and regulatory compliance, with direct reporting of any violations to the WCPFC.

Impact Assessment

This pilot includes an evaluation framework to analyze:

- 1. Fish Quality and Market Value: The role of freezer carriers in maintaining quality and reducing spoilage, which could enhance marketability and fishers' income.
- Fishing Effort: Assurance that freezer carriers do not increase fishing pressure within HSP-1. The total effort shall not exceed 4,659 days and limited to 36 catcher vessels pursuant to Attachment 2 of CMM 2023-01.
- 3. Consideration of CMM 2013-06 for Impact of new proposals on SIDS and territories

Expected Benefits

By reducing spoilage-related losses (currently estimated at PHP 223 million annually), this program supports fresh fish quality preservation, which in turn enhances market value and fisher income. The initiative aims to strengthen the tuna supply chain, contributing to food security and economic stability in the region.

Compliance and Oversight

To ensure adherence to program guidelines, we propose:

- 1. Enforcement of Penalties: Immediate suspension for any breaches, including data misreporting.
- 2. Regular Reviews: Mid-term and final assessments to review compliance and evaluate pilot outcomes.
- 3. Reporting of Results: A comprehensive report detailing pilot findings will be submitted to the 22nd Regular Session of the Scientific Committee (SC22) of the WCPFC, summarizing impacts on fish quality, handling practices, and implications for sustainable fisheries management.

This pilot reflects the Philippines' commitment to sustainable fisheries and data-informed management, providing critical insights into the benefits of freezer carriers in minimizing postharvest losses. We urge the Commission to consider this temporary authorization, affirming our commitment to collaborative, sustainable, and economically beneficial fisheries for all stakeholders.

We look forward to productive discussions at the upcoming Commission meeting and appreciate the Commission's consideration of this proposal.

B. Consideration of CMM 2013-06

a. Who is required to implement the proposal?

The Philippines will be primarily responsible for implementing the proposal, including coordination with freezer carriers, monitoring agencies, and observers. Key agencies involved include the DA-BFAR and the Fisheries Observer Program, which will oversee the freezer carrier operations, compliance, and data collection. The Western and Central Pacific Fisheries Commission (WCPFC) will also provide oversight and receive periodic reports to monitor adherence to conservation standards.

b. Which CCMs would this proposal impact and in what way(s) and what proportion?

The proposal would mainly impact the Philippines as the proposing member and other neighboring Coastal Contracting Members (CCMs) with an interest in HSP-1. Since the freezer carrier pilot program is limited to a small number of vessels in a specific high-seas area, the overall impact on other CCMs will be minimal and controlled. The pilot's strict monitoring, reporting, and environmental assessment protocols will ensure there is no increase in fishing effort or environmental burden on these CCMs.

c. Are there linkages with other proposals or instruments in other regional fisheries management organizations or international organizations that reduce the burden of implementation?

Yes, the proposal aligns with best practices outlined in the FAO Code of Conduct for Responsible Fisheries, particularly regarding fish handling and preservation methods to reduce post-harvest losses. This alignment could leverage technical guidance and support from other international organizations such as the Food and Agriculture Organization (FAO) and regional bodies that promote sustainable fisheries management. Moreover, the results of the pilot may inform similar initiatives or post-harvest strategies under the WCPFC's jurisdiction.

d. Does the proposal affect development opportunities for SIDS?

No, SIDS will not be affected by this proposal, as it is focused solely on maintaining the fresh quality of fish caught by Philippine vessels in HSP-1. The initiative is limited to the Philippines' freezer carriers and will not interfere with SIDS' fisheries operations, resources, or development opportunities. The pilot aims only to enhance post-harvest handling and preservation practices, which will benefit Philippine fishers without impacting SIDS' development prospects nor increasing fishing effort in the area.

e. Does the proposal affect SIDS domestic access to resources and development aspirations?

No, this proposal does not affect SIDS' domestic access to resources or development aspirations. The limited freezer carrier operations are confined strictly to HSP-1, and the pilot is designed to prevent any increase in fishing effort, preserving SIDS' access to domestic fishing grounds and resources. Additionally, improved post-harvest practices can support SIDS' aspirations by increasing the overall value derived from their catches.

f. What resources, including financial and human capacity, are needed by SIDS to implement the proposal?

No additional resources are required from SIDS, as this proposal is solely a burden on the Philippines. The Philippines will independently handle the financial and human capacity needs for implementing the pilot program, including monitoring, observer training, and reporting requirements. SIDS are not expected to provide support or resources for this initiative.

g. What mitigation measures are included in the proposal?

The proposal includes several mitigation measures to minimize environmental and operational impact:

- Limited Scope: Only 10 freezer carriers are permitted, strictly limited to HSP-1, with no expansion into other areas.
- Vessel Monitoring System (VMS) and Electronic Reporting (ER): Real-time tracking and reporting will prevent unauthorized activities.
- Strict Compliance Protocols: Penalties for non-compliance, immediate suspension for violators, and mandatory observer presence ensure full adherence to conservation standards.
- h. What assistance mechanisms and associated timeframe, including training and financial support, are included in the proposal to avoid a disproportionate burden on SIDS?

Since the proposal places no direct burden on SIDS, no specific assistance mechanisms for SIDS are required. The Philippines will independently manage the necessary resources for implementation, including funding for monitoring, observer training, and compliance. This pilot program has no expected impact on SIDS' resources or capacity, ensuring it remains solely the responsibility of the Philippines without any disproportionate effects on other WCPFC members.