



**COMMISSION
THIRTEENTH REGULAR SESSION**
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**FFA PROPOSAL TO ENSURE THE SUSTAINABILITY OF THE SPECIAL REQUIREMENTS
FUND**

**WCPFC13-2016-DP17
4 November 2016**

Proposal from FFA Member CCMs



FFA

4 November 2016

Feleti P. Teo OBE
Executive Director
Western and Central Pacific Fisheries Commission
PO Box 2356, Kolonia
Federated States of Micronesia

Dear Feleti,

Special Requirements Fund

I write on behalf of the 17 members of the Forum Fisheries Agency in my capacity as the Chair of the Forum Fisheries Committee. Please find attached draft amendments to the Dear Feleti,

We sincerely thank those developed Commission members that have contributed to this important Fund, which has been established under Article 30(3) of the WCPF Convention.

It has been most beneficial, particularly to those of our SIDS' members that have needed additional nationals to participate and support at Commission related meetings.

However, a fundamental issue has arisen for FFA SIDS in relation to the **voluntary** nature of the Special Requirements Fund.

This has come to a fore with the Fund exhausted for most of this year. Given the obligations on the Commission to assist SIDS in their WCPFC participation flowing from Article 30, FFA members see an urgent need for the Commission to ensure the sustainability of this Fund.

FFA Members have carefully considered this issue and propose a way forward as set out in Attachment 1. FFA Members are firmly of the view that there are some fundamental principles bedded in the Convention that can guide us.

We welcome views on this proposal, so that we can collectively find a solution to assist the Commission in meeting its obligations.

We look forward to discussing this proposal with CCMs in Bali and would welcome any inquiries before them, which should be directed to the FFA Secretariat (manu.tupou-roosen@ffa.int).

Yours Sincerely

Christopher Arthur
Chair, Forum Fisheries Committee

FFA PROPOSAL TO ENSURE THE SUSTAINABILITY OF THE SPECIAL REQUIREMENTS FUND
Submitted without prejudice to the further development of individual or collective positions

Background

1. The Preamble to the Convention recognises the “ecological and geographical vulnerability of the small island developing States, territories and possessions in the region, their economic and social dependence on highly migratory fish stocks, and their need for specific assistance, including financial, scientific and technological assistance, to allow them to **participate effectively** in the conservation, management and sustainable use of the highly migratory fish stocks”.
2. In addition, the Preamble further recognises the “smaller island developing States have unique needs which require special attention and consideration in the provision of financial, scientific and technological assistance”.
3. Article 30(1) of the Convention also sets out a duty on the Commission to “**give full recognition to the special requirements of developing States Parties to this Convention, in particular small island developing States, and of territories and possessions,** in relation to conservation and management of highly migratory fish stocks in the Convention Area and development of fisheries for such stocks.”
4. In particular, Article 30(3) sets out a clear duty for the Commission to establish a fund as follows:

“3. The Commission shall establish a fund **to facilitate the effective participation of developing States Parties, particularly small island developing States, and, where appropriate, territories and possessions, in the work of the Commission,** including its meetings and those of its subsidiary bodies. The financial regulations of the Commission shall include guidelines for the administration of the fund and criteria for eligibility for assistance.
5. The administration of the fund is governed by the *Principles, Guidelines and Operational Procedures for the Commission’s Special Requirements Fund* which underlines the specific purpose of the Fund to “**improve the capacity of individuals within the Commission’s SIDS members to help States fulfil their obligations under the Convention and participate effectively in its work.**”
6. The intent behind the establishment of the Fund is clearly to ensure that developing countries can “effectively participate” in the work of the Commission. Hence, this Fund is fundamental to promoting a level playing field and facilitating the participation of the less-resourced members of this Commission, in whose waters the majority of fishing takes place, so that the Commission as a whole can achieve the objective of the Convention.
7. The Financial Regulations provide under paragraph 7.2 that the “special requirements fund shall be financed from **voluntary** contributions and such other sources as the Commission may identify”.

Key issue

8. The issue arising is the reliance of this Fund on **voluntary** contributions; and this has come to the fore with the Fund near exhausted by WCPFC12, and exhausted for most of this year.
9. The electronic records held by the WCPFC Secretariat since 2010 illustrate that the Fund has been mostly used for travel by SIDS to participate in meetings. Between 2010 and 2015, there were 42 items paid from the Fund, with 36 of these being for travel of SIDS nationals and one Philippines national; 4 items were for interns and only 2 items were for actual projects, notably subregional (not national) projects again in the form of meetings.
10. The dominant use of this Fund over the past 6 years – to allow additional SIDS' nationals to participate in person at meetings – clearly demonstrates this is a SIDS' need.
11. It is recognised that there is a suite of assistance tools/mechanisms available to SIDS, and we sincerely thank developed members for this support. **At the same time, it is important to note that the work of the Commission has grown significantly, so this breadth of assistance and choice is necessary so that SIDS can “effectively participate”.**
12. The Financial Regulations require a budget for one representative from developing States and where appropriate, territories, to each meeting of the Commission and its relevant subsidiary bodies. The WCPFC Finance Manager has informally advised that it is a rough average of USD 100,000 per meeting. This is an excellent starting point for SIDS and has assisted significantly towards SIDS nationals' participation in these meetings.
13. However, it must be recognised that the Commission has ever-increasing obligations placed on all CCMs, in particular SIDS. The environment today is quite different from what it was in 2004 when the Commission first started. The complexity and diversity of issues have expanded and evolved, so it must also be recognised that it is impossible for one representative to cover all the issues at these meetings. Realistically, he or she can only focus on participating effectively in just some of the discussions, not all.
14. Increasingly, meetings are being attended by at least 2 SIDS nationals per delegation, where possible; and various avenues have been utilised to this end by SIDS, obviously including the SRF, but also through significant additional investment from SIDS limited national budgets.
15. Travelling to these meetings or trainings must be viewed as not just for mere attendance. It provides so many opportunities that is most effectively undertaken in person, such as:
 - (i) enhancing SIDS' knowledge and skills so that they can understand the issues and outcomes to assist in implementing these through national projects;
 - (ii) to voice their national perspective;
 - (iii) to conduct bilateral consultations;
 - (iv) to discuss regional positions;
 - (v) to share the workload, and discuss and participate in real time, with other members of its delegation;
 - (vi) to network and establish relations more easily with all CCMs; and
 - (vii) to contribute in real time to discussions towards a common goal, and ultimately to achieve the objective of the Convention.

16. Adequate and professional participation by SIDS representatives in the deliberations of the Commission and its Subsidiary Bodies is also of great benefit to the Commission as a whole. To date SIDS have contributed very strongly to the performance of WCPFC, which demonstrates that the investment on participation has been fundamental, and this is expected to continue.

Changing the voluntary nature of the SRF

17. The proposed option to address this issue is essentially based on requiring a **compulsory amount to be placed annually into the Special Requirements Fund**.
18. Based on a recommendation from FAC6, WCPFC9 decided that (i) core budget funding would be provided for developing states and territories to allow them to participate in the NC meetings; and (ii) funding would be provided by non-developing states and territories who are NC members and be included as part of the General Account Fund. The amount per NC member is calculated in the same way as that CCM's assessed contributions. It was also agreed that funding provided by non-SIDS NC members would be reviewed in the future if unnecessary or inadequate.
19. At WCPFC12, in line with the WCPFC9 decision, USD 25,000 was assessed from non-developing state members of the NC to fund attendance at the NC meeting by developing states and territories if needed. The developed members of the NC that are required to pay towards this amount are Canada, China, Japan, Korea, Chinese Taipei, and the US.
20. This WCPFC9 decision sets a very good precedent for the Commission to draw on to ensure the sustainability of the SRF. In addition, this focuses on travel to meetings and trainings/workshops, and leaves intact all other types of assistance, including for national projects, for developing members.

Proposal

21. The following is proposed:
- (i) Developed State members provide an annual amount to the Special Requirements Fund;
 - (ii) Initial amount to be paid is USD 300,000 – the rationale for this amount is based on what the Fund has been dominantly used for - the costs for the participation of a representative of a developing State member to 3 meetings – the Commission, SC and TCC – noting that NC already provides this assistance and FAC is tagged to the annual WCPFC meeting;
 - (iii) If the funds reduce to [30%] of the initial amount by the time of the annual FAC meeting, the WCPFC Secretariat will add the amount required to replenish the Fund to USD 300,000 to the assessed contributions of developed States to be paid in the following year.
 - (iv) The amount per developed member is based on the percentage paid by that member for its annual contributions;
 - (v) The Fund can be drawn down as per current practice for an additional representative of a developing State member to these meetings or for any other need such as internships or a national project.