



North Pacific Fisheries Commission

NPFC-2017-AR Secretariat

Annual Report

by
Secretariat

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2016/2017 period

Annual Report on the Commission's Activities

Secretariat

Abstract:

This paper highlights the activities of the Commission during 2016/2017 period. The Commission has held its second Annual meetings where members adopted seven Conservation and Management Measures, two years' budget and established a new subsidiary body of the Commission, the Finance and Administration Committee. The United States of America and the Republic of Vanuatu have deposited their instruments of ratification and become full members of the Commission as of 18 February 2017 and 11 June 2017, respectively. A new Secretariat staff, Data Coordinator was recruited on 1 April 2017 and began to work on the Commission's data and information system. The Commission has been represented at meetings of PICES, UN BBNJ Preparatory Committee Meetings, UN SDG14 Conference and NPAFC to have the Commission more involved in cooperative activities with existing organizations. NPFC staff have also been invited and participated as speakers in other international symposia in Korea, Rome, and Tokyo at universities in the area.

Introduction

In accordance with the Rule 6 of the Rules of Procedure, this is the Secretariat's Report on the Commission's intersessional activities carried out during the 2016/2017 period. The second year of the Commission was highlighted by activities to facilitate implementation of the CMMs adopted by the Commission at its 2nd meeting. Those include the initial development of a Data Management System; an initial VMS study of existing systems by the Secretariat; the hosting of workshops and working group meetings for assessment of stocks on NPFC's priority species; and support to electronic meetings to advance compliance and CMM initiatives.

Activities

I. Operation of the Secretariat

1) Employment of a Staff and temporary consultants

A new Secretariat staff, Mr. Mervin Ogawa was selected as Data Coordinator in January 2017 and commenced work on 1 April 2017. Major responsibilities of this position are to assist the Executive Secretary in duties and responsibilities in association with data and information of the Commission. To assist Secretariat works on IT and finance, two temporary consultants, a senior IT Development specialist and a Finance specialist were hired for part time work over 7 months (January - July 2017) and full time work for 15 months (January 2017- March 2018), respectively.

2) Headquarters Agreement

The Headquarters Agreement between the NPFC and Government of Japan signed on 30 November 2015 was endorsed by the DIET of Japan and has become effective as of 2 June 2017. The Commission sincerely thank the Government of Japan for their efforts to expedite the process to ratify the Agreement.

3) Performance Review of NPFC Staffs

In accordance with Staff Regulations 5.3 and 5.4, a performance review of all staff performance except Data Coordinator has been conducted for the period 2015/2016 and results thereof have been reported to the Commission at its HOD meeting. Unfortunately, at this time there is no mechanism to accommodate these performance reviews in the salary review as per Regulation 5.4, consequently the Executive Secretary has set the salary increment at 3% pending a specialist consultancy on the matter.

II. Financial and administration matters

1) Member contributions

The Status of Members' Contributions – Income for the Commission is noted in the Auditor's report circulated as Circular037/2017, and also in NPFC-2017-FAC01-IP02. All members have paid their contributions for 2016 to date. The 2016 contribution also includes that of a new Member, the USA, as of 18 February 2017.

2) Auditing

Tokoro Ltd. of Japan selected as the Auditor for the Commission in 2016 completed their second audit of the Secretariat's financial operations in May 2017. The resultant Report has been circulated as Circular #037/2017 in June of this year and is available on the NPFC website - www.npfc.int, Members' area under the information documents for this meeting as document number NPFC-2017-FAC01-IP02. The Secretariat suggests that the Commission reappoint Tokoro Ltd. as the Auditor for the Commission.

Expenses – Personnel and Other Services

The Auditor report noted the deficit of 13,581,715 JPY in Income due to the failure of three Members to pay its 2016 contribution before the end of the fiscal year, leaving total contributions paid for 2016 at 122,144,978 JPY. It is notable, however, that all outstanding Member contributions have been paid as of June 2017. Total expenditures for personnel were 72,065,480 JPY and for other services 44,409,124 JPY or a total expenditure of 116,474,604 JPY of a total budget of 134,967,332 JPY. Total equity at the end of 2016 financial year was reported as 18,492,728 JPY which was carried over to 2017 as the Working Capital Fund.

Proposed Budget Expenses for 2017-2020

NPFC-2017-FAC-WPxx, NPFC's budget and expense document, will be discussed in detail under the results of the Finance and Administration Committee, but in summary, the Secretariat was attempting to address the following items:

- a. Budget options requested by Members to consider and select one option;
- b. Adjusted budget for 2017;
- c. Ensure the build up the Special Project Fund to assist special projects for both scientific and compliance operations;
- d. Maintain, or gradually increase the planned expenditure levels to address MCS/database development and science work plans;
- e. Completion of the recruitment for two technical core team of the Secretariat to address: Information Technology/Data Management and Finance and Administration;
- f. Other minor housekeeping financial issues of the Secretariat.

3) Secretariat housekeeping documents

- a. The Secretariat has developed draft policies and guidelines on the following matters for consideration by the Commission:
 - i. Establishment of a Special Projects Fund
 - ii. Procedures for submission, review and approval of projects proposed by Members/NPFC subsidiary bodies
 - iii. Fixed yen-based Staff Salary
 - iv. Secretariat's Work Plan 2017
 - v. Assistance in developing draft TORs for a joint NPFC-PICES group
- b. In addition, the Secretariat has revised or updated following documents for consideration by the Commission:
 - i. Staff Regulations

- ii Information Security Guidelines
- iii Compliance Monitoring
- iv Cooperation with other Organizations
- v Cooperating Non-Contracting Parties (CNCP)
- vi Media Policy
- vii Support Experts and Specialists
- viii NPFC Document Rules
- ix Observer Status
- x Overview of the fisheries in 2016

and assisted in revisions to CMMs 2016-01; 2016-05; 2016-06.

These documents have been circulated for comments, final revision and adoption by Members.

4) Enhancement of cooperation with other organizations

As agreed by the Commission at its 2nd meeting, the NPFC provided PICES Small Pelagic Symposium a sponsorship of 200,000JPY as its cooperation with PICES. The report on the attendance of this symposium is posted on the NPFC website, Members Area (NPFC-2017-SC02-IP03).

III. Commission Meetings

1. Annual Meetings

1) 1st Technical and Compliance Committee meeting

The first Technical and Compliance Committee meeting chaired by Mr. Robert Day of Canada was held in Tokyo, Japan during 22-23 August 2016. Major topics discussed during the meeting included; overview of the fisheries in the Convention Area, the terms of reference for the TCC, the Framework for the TCC, and the process for the selection of the Chair and Vice Chair of the Committee, review of the two, existing conservation and management measures (CMMs); CMM 15-01 on vessel registration; and CMM 15-02 on controlling fishing effort on the Pacific Saury fishery resulting in a revision of the first CMM on the vessel registry, and new CMMs on transshipment, IUU fishing; Vessels without nationality; Bottom Fishing in the North East Pacific Ocean; Bottom Fishing in the North West Pacific Ocean; and Chub mackerel. The outstanding proposed CMM for high seas boarding and inspection was discussed, but without resolution. TCC also approved a Framework for the Technical and Compliance Committee. Finally, the TCC recommended to the Commission that the Commission establish links with other RFMOs, but this action was deferred until the Commission was more established.

2) Finance and Administration Special Working Group

The meeting of the Finance and Administration Special Working Group chaired by Mr. Kenji Kagawa was held in Tokyo, Japan on 24 August 2016 to discuss the financial status for 2015 and 2016, budget estimates for 2016-2019, the hiring of new staff, salaries and benefits resulting in two allowances being approved, one for education at the UN rates, and one for partial assistance for accommodation, NPFC work plans, and the Rules of Procedure. The Working Group recommended that the Commission establish a new subsidiary committee, the Finance and Administration Committee (FAC).

3) 2nd Commission meeting

The 2nd Commission meeting chaired by Mr. Kenji Kagawa was held in Tokyo, Japan, on 24-26 August 2016 which were preceded by the TCC and Special Working Group on Finance and Administration. Reviewing the TCC, seven conservation and management measures have been adopted and became effective on 16th January 2017. After summarizing the activities of the first year of the Commission by the Secretariat, reports of subsidiary bodies, namely the Scientific Committee, the Technical and Compliance Committee and the Finance and Administration Special Working Group were reviewed. The Commission reviewed existing CMMs and adopted new CMMs proposed by the TCC, as follows; CMM 2016-01 On Information Requirements for Vessel Registration, CMM 2016-02 To Establish a List of Vessels Presumed to Have Carried out IUU Fishing Activities in the Convention Area, CMM 2016-03 On the Interim Transshipment Procedures for the North Pacific Fisheries Commission, CMM 2016-04 On Vessels without Nationality, CMM 2016-05 For Bottom Fisheries and Protection of VMEs in the Northwestern Pacific Ocean, CMM 2016-06 For Bottom Fisheries and Protection of VMEs in the Northeastern Pacific Ocean, and CMM 2016-07 For Chub Mackerel. Terms of Reference for all subsidiary committees and procedures for selection of chairs and vice-chairs were adopted. Some administrative issues including policies for media access, cooperation with other organizations, observers, support to interns, consultants and secondments, and other admin policies were discussed but due to time constraints, were deferred to the next meeting.

2. Scientific Meetings

1) Workshops and Working Group meetings

Two meetings were held to assess the status of Pacific saury stock in the Convention area: Pacific saury Stock Assessment Workshop (PSSA WS) (Chair, Dr. Sakai) during 13-15 December in Busan, Korea; and meeting of the Technical Working Group on Pacific Saury Stock Assessment (TWG PSSA) (Chair, Dr. Sakai) during 20-22 February 2017 in Yokohama, Japan aimed at finalizing the stock assessment. An Ad-hoc Workshop for Chub Mackerel was held during 16-17

February 2017 in Yokohama, Japan (Chair, Dr. Zenitani).

At the PSSA WS, participants discussed data availability and suggested two ways to proceed with CPUE standardization. They presented different models to work towards finalizing CPUE standardization and agreed upon the Protocol for CPUE standardization. They came to an agreement to use three CPUE data sets: from Japan, Russia, and Chinese Taipei for the Pacific saury stock assessment. After an in-depth discussion, participants agreed to use the state-space production model and the Stock assessment protocol as the base model for stock assessment.

At the Technical Working Group on Pacific Saury Stock Assessment, participants finalized CPUE standardization, agreed upon base case scenarios for stock assessment scenarios for sensitivity analysis and conduct of the Pacific saury stock assessment for base case and sensitivity scenarios. It resulted in a comprehensive report of Pacific saury stock assessment that provides an analysis and evaluation of the current status of Pacific saury stock in the North Pacific Ocean through the stock assessment procedures by employing the Bayesian state-space biomass dynamic model.

At an Ad-hoc Workshop for Chub mackerel, participants made a presentation on biology, life history, population dynamics and stock assessment of chub mackerel; chub mackerel fisheries; and chub mackerel fisheries management. It was followed by a panel discussion and resulted in recommendations to the Scientific Committee which included: a) the necessity to conduct stock assessments for chub mackerel; and b) requested the Scientific Committee to identify the appropriate venue for continuous discussion of this matter.

2) 2nd Scientific Committee Meetings

Three meetings of Small Scientific Committees (SSCs) were held in Shanghai, China, from 17-22 April 2016, the SSC on Vulnerable Marine Ecosystems (Chair, Dr. Loh-Lee Low); SSC on North Pacific Armorhead (Chair, Dr. Taro Ichii); and SSC on Pacific saury (Chair Dr. Toshihide Iwasaki), and also the 2nd formal Scientific Committee (SC) meeting of the Commission chaired by Dr. Joji Morishita. Members presented their research activities, discussed VME Encounter Protocols, reviewed Interim and Voluntary Measures of NPFC, elaborated on stock assessments for priority species and discussed data collection. SSCs made recommendations which were accepted by SC with some amendments and endorsed to the Commission for consideration.

The SC recommended to the Commission revisions for CMM-05 and CMM-06 including possible additional measures for the North Pacific Armorhead (NPA) stock, in light of the low levels of NPA catch; adoption of an Adaptive Management process for NPA; broadening the scope of the SSC NPA to encompass bottom fish stocks; establishment of a Technical Working Group on Chub Mackerel (TWG CM) for the purpose of stock assessment; and additional meetings such as VME workshop and meetings of TWG CM and TWG PSSA. The SC also reviewed and endorsed the

Research Plan for 2017-2021 and the list of scientific projects for 2017 and subsequent years. Intersessional scientific work would be progressed through Corresponding Groups on data collection templates, on Information Security Guidelines, on the NPFC Observer Program, and Joint NPFC-PICES group.

IV. Information Technology - Data Management System and Website Development

The Secretariat, through the tender process, has conducted a consultancy to establish an NPFC Data Management System at the Secretariat. NPFC's official website www.npfc.int has been launched, including an updated vessel registry and online meeting registration.

1. Establishment of a Data Management System – 80 Options of Australia, an experienced IT company that has built data management systems for FFA, CCAMLR and WCPFC was contracted to develop the database system for NPFC under the direction of the senior IT Development consultant hired by the NPFC. The data management system is the core for the analyses and operations of the Commission; consequently, significant effort is being placed on the initial development and set up of this system. The developers from 80 Options shall be making a presentation on their progress at the 3rd Commission meeting.

2. Website development – The Secretariat found that the initial webpage developer was not familiar with international RFMO website requirements and was not able to meet the full needs of NPFC, consequently a contract was given for the development of a new website under our npfc.int domain name and it is now up and running – www.npfc.int. Data from the former website has been downloaded and stored for future reference. The new webpage is interactive with a new vessel registry, online meeting registration and all meeting documents from past meetings. There is a public page with only selected information available and a Member's page with more complete information. Official observers are also limited in their access to non-sensitive meeting documents.

V. Establishing NPFC VMS system

The Secretariat, again using the tender process, has conducted a consultancy to conduct a study of current VMSs in use by Members, with the intent to also assess if existing systems can be merged into a low-cost and effective regional VMS for NPFC. Members have not yet established compliance priorities for system development, but the above study is a critical first step to gather information on such development when Members so decide to proceed with VMS development. The consultant for the VMS Study, CLS of France, has presented a draft summary of their findings to TCC, said summary also included in the TCC report.

VI. International Liaison

During the 2016-2017 period, the NPFC was represented at the following meetings:

1) PICES: 3-8 November 2016, San Diego, USA

The Science Manager (SM) was invited by PICES as a key speaker at the workshop “The role of the northern Bering Sea in modulating arctic environments” and, in conjunction with this, was tasked by the Executive Secretary to represent NPFC at the PICES Annual meeting which followed the workshop, and make a presentation at the PICES Science Board.

Large overlaps in areas of application, membership and scientific interests provide potential and ground for cooperation between NPFC and PICES. In its 25 years of existence PICES has a tremendous experience in biogeochemistry, phyto- and zooplankton production, fish and top predators’ ecology, fisheries science and coastal communities. NPFC could benefit from bringing PICES expertise into its projects and activities.

According to the decisions of the Scientific Committee, the current cooperation with other organizations at this stage should be limited to visiting each other’s meetings as an observer. At the 2016 Annual Session NPFC has made the next step for closer cooperation supporting PICES/ICES Small Pelagic Fish Symposium. From the SM’s perspective, potential areas for NPFC/PICES collaboration could be vulnerable marine ecosystems, long-term climate-related stock assessment scenarios, ecological interaction among species, ecosystem modelling. All these should be further discussed at the upcoming SC meeting in April 2017.

It is noteworthy that PICES has a strong desire for mutual collaboration and it is ready to consider financial support for NPFC activities which overlap with its scientific interests as well as provide scientific advice, where necessary.

2) Small Pelagic Symposium-PICES/ICES: 6-11 March 2017, Victoria Canada

Following the Commission decision to contribute to the PICES/ICES International Symposium “Drivers of dynamics of small pelagic fish resources”, the Science Manager attended the symposium which was held in Victoria, Canada from 6-11 March 2017.

Major outcomes relevant to NPFC interests were:

- Discussion on potential areas for short- and long-term cooperation between NPFC and PICES; PICES participation in and support of the upcoming NPFC meetings (VME workshop).
- Review of assessment methods for SPF and comparison with approaches used by NPFC that resulted in conclusion that NPFC scientists use modern and advanced methods for stock assessment which follow the best world practice.
- Opinions of experts from ICES and SPRFMO regarding external service providers for stock assessment.

- Importance of data sharing for transparent and reliable scientific assessments within an RFMO.
- FAO interpretation and implementation of Ecosystem Approach to Fisheries (EAF) - NPFC does not have such capacity to consider economic and social aspects of EAF (in addition to ecological interactions) but has to take it into account to be consistent with FAO activities.
- Advanced methods to forecast long-term changes in SPF abundance and predict collapses of key fisheries resources that is important for long-term projections made by NPFC and adaptive management approach.

3) UN BBNJ Preparatory Committee Meetings: New York, USA.

The Compliance Manager attended three UN-Biodiversity Beyond National Jurisdictions (BBNJ) Preparatory Committee meetings in New York at the UN headquarters in 2016 and 2017. This exercise under UNGA resolution 69/292 to establish an international, legally binding instrument (ILBI) for the management of biodiversity beyond national jurisdictions may have a profound impact on the legal mandates and hence operations of RFMOs.

Some UN Members, supported by IUCN and many international NGOs are lobbying for a vertical implementing structure through the creation of a ‘super’ organization to tell RFMOs and sector IGO how they will operate for biodiversity (including fisheries) matters. This group claims that existing RFMOs do not have the mandate in their constitutions, nor the capability, nor have they shown the commitment to exercise such mandates, and therefore need to take new direction from a higher, centralized, authoritative body. If this approach is adopted then the legal mandates of RFMOs, including NPFC, could possibly be subsumed by a ‘super’ global centralized and authoritative body established to operate under this new international legislation.

Japan, Russia and to a lesser extent, Korea and Canada, have supported the second implementing scheme – the use of existing legal mechanisms and not undermining their authorities. UN FAO, Norway, Iceland and other developed Countries also support this second implementing mechanism.

This second group of Members strongly supported the horizontal approach of fully using and enhancing the mandates, capacity and coordination between RFMOs and Sectoral IGOs to implement the new ILBI. This latter group based their argument on the following points: the UNGA Resolution specifically stated that the Instrument was not to undermine existing legal mechanisms; many of these organizations already had existing legal mechanisms that addressed the issues; RFMOs were best located geographically, and were recognized by their Members to be best suited to deliver the new Instrument with closer support and liaison from sectoral IGOs, e.g, ISA, IMO, IOC, and the CDB Regional Seas Organizations. One example of such successful synergies was the MOU between NEAFC, for fisheries and protection of its ecosystem, and the Regional Seas Commission, OSPAR, for environmental matters. The CBD with FAO is already building on this

in the Sustainable Oceans Project to which the ES attended one of the first workshops in Seoul in September 2016. NPFC did not attend the second ABNJ workshop on this initiative, a point which was brought to NPFC's attention on the side of the Conference as a disappointment.

The fourth and last Preparatory Committee Meeting is ongoing at this time and will continue into next week. At this meeting final decisions will be made on the proposed management for various thematic issues, marine genetic resource and sharing of benefits; use of area-based management tools including marine protected areas; need and mechanisms regarding environment impact assessments and the ancillary assessments for transboundary and strategic EIAs; capacity building; and cross cutting issues which include the implementing mechanism which is important for the future of RFMOs. NPFC will not attend this last session.

At the end of 2017 the Chair of BBNJ PrepComs will report to the UNGA and turn over the task of final decisions on the implementing mechanism and the legal wordsmithing to the UN General Assembly for its next step.

4) NPAFC: 15-19 May 2017 in Victoria, Canada

The Executive Secretary was invited as an observer, and attended, the 25th annual meeting of NPAFC (North Pacific Anadromous Fish Commission) during 15-19 May 2017 in Victoria, Canada. Agenda items included: enforcement, scientific research and statistics, administrative and financial matters.

The NPFC participant stressed through an opening statement that the cooperation with NPAFC with 25 years of history would benefit NPFC in various aspects including Science and Compliance issues. The proposed multinational survey in the North Pacific in early 2019 under International Year of Salmon (IYS) project of NPAFC would be one of the areas that the two organizations can make a practical cooperation in the immediate future. Both sides understood that discussion on this joint survey should be continued as a detailed schedule of the survey becomes available in the future. The NPFC participant also noted the importance of cooperation in compliance including air surveillance system of NPAFC which could be one potential area of cooperation to be discussed in the future. To facilitate cooperation in compliance, a representative from NPAFC will attend the TCC meeting of the NPFC in July, Japan. The NPFC participant learned a lot from the NPAFC meeting in various aspects of meeting operation, through an event of 25th Anniversary celebration and an informal meeting with ED of NPAFC.

5) Ocean Conference: 5-9 June 2017 in New York, USA

The Science Manager (SM) was invited to the high-level United Nations Conference to Support the Implementation of Sustainable Development Goal 14 (SDG 14): Conserve and sustainably use the oceans, seas and marine resources for sustainable development was convened at United Nations Headquarters in New York from 5 to 9 June 2017. The Conference aims to be the

game changer that will reverse the decline in the health of our ocean for people, planet and prosperity.

The 193 Member States of the United Nations unanimously agreed to a set of measures that will support the implementation of the SDG 14. These measures were summarized in the Call for Action.

The following actions are relevant to the NPFC mandate:

- Enhance sustainable fisheries management, including to restore fish stocks in the shortest time feasible at least to levels that can produce maximum sustainable yield as determined by their biological characteristics ...;
- End destructive fishing practices and illegal, unreported and unregulated fishing ...;
- Accelerate further work and strengthen cooperation and coordination on the development of interoperable catch documentation schemes and traceability of fish products.

More than 1,300 voluntary commitments to action were offered at the conference to address all the issues needed to achieve Sustainable Development Goal 14 including 10% MPA of the globe's marine areas by 2020, expansion of scientific knowledge, development of and sharing innovative technologies, protection and management of fisheries, combating illegal, unreported and unregulated fishing, and others.

The NPFC participant learned from progress in implementation of SDG 14 in which NPFC's activities and actions taken match 10 targets identified under SDG 14. The resolution, Call for Action and list of voluntary commitments are available at the website <https://oceanconference.un.org/>.

VII. Others

- Public awareness: attend seminars and symposium held in Japan to share knowledge and views in relation to UN-BBNJ issues and other relevant issues on fisheries and ocean affairs.
- Contribution to RSN (Regional Fishery Body Secretariat's Network) Newsletter No 14 (January 2017) article: "The NPFC, a new RFMO to bridge the gap in the North Pacific"
- Contribution to Ocean Newsletter No 400 (April 2017) article of the Ocean Policy Research Institute (OPRI): "Birth of the North Pacific Fisheries Commission"
- NPFC official logo mark has been adopted



- The first NPFC yearbook covering the first annual session up to March of 2017 has been developed and printed with copies available at the website.
- The NPFC brochure has undergone its second revision and has been placed in your document bags.

- The NPFC meeting records, 2006-2015 have been printed and bound for reference in the NPFC Secretariat and are also available to Members on the new webpage.
- Yuko Yoshimura-Takamiya – training in WCPFC to learn the operational system of the WCPFC Secretariat.