

5th Meeting of the Commission Adelaide, Australia 18 to 22 January 2017

COMM 5 - Prop 01

Proposal on Interim Allocation of Jack Mackerel Quotas

Vanuatu

In recent years, while the jack mackerel stock has been rebuilding, the Commission has implemented interim quota allocations for the jack mackerel resource amongst actively fishing Member countries. Although there have been some changes to the 'formula' over the period, the central approach has remained intact and has provided some stability and quota security to the fishing activities of Member countries.

The annual jack mackerel TACs have been set at conservative levels to allow the stock to grow and, as a result, catches have been restrained.

The purpose of this paper is to outline two issues related to the quota allocation regime and propose solutions that, if implemented, will strengthen the process. The two issues are:

- 1. Achieving increased utilization of quotas; and,
- 2. Providing fishing opportunities for new entrants.

INCREASED QUOTA UTILIZATION

In the 3-year period, 2013-15, total utilization of the TAC averaged at 84%. However, within this overall average, the average utilization of national quotas has varied widely from nil to 100%. During this period, shortages of quota were experienced by some countries while other countries caught little or none of their quotas but despite having the ability to temporarily transfer these surplus quotas, did not do.

FISHING OPPORTUNITIES FOR NEW ENTRANTS

Under the current interim allocation arrangement there is little scope for previously inactive Members of the Commission or CNCPs to enter the fishery. This is likely to become an increasing source of friction between members and CNCPs as the jack mackerel stock recovers and TACs increase.

PROPOSALS

1. Establish a minimum annual utilization standard of quota that, if not reached, would lead to that Member not being entitled to share in any increase in the TAC <u>in the</u> following year.

The minimum annual utilization standard would comprise both catches and quota transfers. For example, if a member transferred all of its uncaught annual allocation it would achieve 100% utilization.

The minimum annual utilization standard could be set at a level of say 70% of the average utilization of quotas by all Members fishing for jack mackerel during the preceding 3 years.

If a Member fails to achieve the minimum utilization standard, then the catch limit of that Member would remain at the current level rather than increasing in line with any increase in the TAC in the following year.

The forfeit amount of quota would be assigned by the Commission to new entrants, whether Member states with no or very low allocations or CNCPs.

2. To avoid <u>within year</u> under utilization of quotas, Members and CNCPs should be required to notify the Secretariat of their intention to catch or transfer their allocation by 1 March.

Members or CNCPs that either fail to advise the Secretariat by 1 March or, having given this advice, fail to substantially catch or transfer their allocation by 1 June, will forfeit their allocation for the current year.

Forfeit allocations under this proposal would be reassigned amongst active fishing Members and CNCPs based on their respective shares of the current TAC.