



Options for the Future of CCSBT Quality Assurance Review Programme

New Zealand

Prepared for the 17th Meeting of the Compliance Committee of the Commission for the Conservation of Southern Bluefin Tuna

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Introduction

The Commission for the Conservation of Southern Bluefin Tuna (CCSBT) has a Compliance Plan that supports its Strategic Plan, approved in 2011. It provides a framework for CCSBT Members and Cooperating Non-Members to achieve full compliance with conservation and management measures (CMMs). Quality Assurance Reviews (QARs) act as an effective tool to assess members' implementation of CCSBT obligations into their domestic regulations.

The CCSBT has implemented its QAR program to provide independent reviews to help Members identify how well their management systems function with respect to their CCSBT obligations and to provide recommendations on areas where improvement is needed. It is intended that QARs would:

- Provide members with confidence in the integrity and robustness of their own monitoring and reporting systems;
- Provide confidence among members as to the quality of other members' performance reporting; and
- Demonstrate the credibility and international reputation of CCSBT as a responsible regional fisheries management organisation (RFMO).

CCSBT is the only RFMO to implement a quality and assurance programme consisting of independent reviews of members' monitoring and reporting systems. The QAR reports can be used by members to improve shortcomings in their monitoring and reporting systems and could be considered in future compliance decisions.

QARs as a compliance tool

QARs are a beneficial process for assessing Members' implementation of CCSBT obligations against 'Compliance Policy Guideline 1 – Minimum Performance Requirements to Meet CCSBT Obligations.' This policy acts to ensure all Members have a common understanding of existing obligations and the expectations around their implementation.

There is potential for QARs to be more targeted and focused on specific areas of compliance in lieu of the broad overarching QARs completed to date. Compliance by Members with specific CMMs could be assessed rather than an audit of compliance with all CMMs by a particular Member.

Why QARs are beneficial

- Provide insight into Members' fisheries management and fisheries compliance organisations;
- Provide operational level information on how Members meet CCSBT obligations; and
- Operational-level detailing on how monitoring, control and surveillance (MCS) is implemented.
- Identify any systems gaps.

The History of QARs in CCSBT

2011 (CC 6)

The Compliance Committee agreed to require Members to have their MCS systems independently audited. The audit focused on the systems and processes that each Member implemented to meet its CCSBT obligations. Audit reports were to be made available to all

Members. The purpose of these audits was to give the Member assurance on the adequacy of their MCS systems, identify areas of improvement, and assure the Commission that the Member is meeting its obligations. The commission was recommended to approve the trial audit policy with further discussions to be had around what the audits would entail.

2012 (CC 7)

At CC7 agreement was reached that an independent QAR system should be developed to demonstrate the credibility and international reputation of CCSBT as a responsible RFMO. The below general principles were agreed upon:

- QARs were to be funded out of general contributions by members
- The programme will apply to members and cooperating non-members
- Members will make available the necessary information to enable reviewers to undertake the QAR e.g. any documented procedures
- Terms of reference were to be developed
- QARs were to focus on the most important CMMs, for example CDS and VMS
- Reviewers were to be appropriately qualified - internationally accredited, have relevant expertise and to be used for all QARs for consistency
- QAR reports were to be presented to CC for consideration
- Assessment of members was to be conducted against specific obligations from CCSBT's Compliance Policy 1 'Minimum performance requirements to meet CCSBT obligations.'

A trial audit policy was developed by the Secretariat, which acted as a guide for QAR processes. Members discussed the audit process and how it would function, e.g. external independent review versus government appointed auditors.

2013 (CC 8)

The revised trial audit policy that was developed and circulated intersessionally was introduced to CC8. Extensive discussion was held in relation to the policy. The importance and value of independent QARs was highlighted by some Members along with the need to progress quickly. A small working group met to develop principles for a QAR policy and to recommend how to proceed in relation to a trial QAR and tasked the Secretariat to develop a Terms of Reference. Taiwan reserved its position on participating in the QAR pending the outcomes of the trial. It was agreed that one reviewer/company should be used for all QARs.

2014 (CC 9)

The Secretariat presented a draft terms of reference developed as tasked by CC8 – agreement was reached that reviews will determine whether Member's systems and processes meet CCSBT's minimum performance requirements for:

- National allocations
- Catch documentation scheme
- Transshipments
- Annual reporting to the Compliance Committee.

For each of the following, reviewers assessed the weaknesses and risks posed to the member and made recommendations on how to reduce the risk:

- Fishery management
- Compliance and observer services
- Industry engagement and communication

- Data management systems
- Validation systems

Trial QARs were decided upon for Australia, Japan, Korea and New Zealand. SAI Global Assurance Services was used to complete all QARs for all members. CCSBT Members committed to all Members having a QAR completed (see Appendix 1 for the QAR timeline and process).

Background to this paper

The final QAR was presented to CC16 in 2021. The future of QARs was discussed and the CC agreed to consider this further at CC17. New Zealand volunteered to prepare a discussion paper (with input from other Members and observers) to help facilitate a discussion to determine whether there was a need to continue work on the QARs.

Excerpt from the CC16 meeting report:

The future need for QARs

87. *The Chair introduced this item noting that QARs are considered to be a strength of the CCSBT, e.g., based on feedback from the Tuna Compliance Network (TCN) and from Pew/International Seafood Sustainability Foundation (ISSF) compliance workshops.*
88. *The meeting discussed the QAR process to date and noted the following points:*
 - *There was some continued support for QARs and it was recognised that targeted QARs might be more useful in future; and*
 - *Consideration of both the burden on Member personnel resources and budgetary implications needed to be taken into account.*
89. *New Zealand offered to draft a paper exploring the future operation of QARs to present to CC17.*
90. *The meeting thanked New Zealand and agreed for New Zealand to prepare this paper for CC17's consideration. Interested Members will be asked to provide comments intersessionally. Pew offered to assist with this process.*

Options for the future of QARs in CCSBT

Because of staff changes New Zealand was not able to meet the commitment to engage with members on the development of this paper. Options are presented with a preliminary assessment of advantages and disadvantages of each to promote discussion at the Compliance Committee.

Four options are proposed for the future of the QAR work programme for discussion:

1. Discontinue use of QAR audits.
2. Members conduct independent assessments of the original recommendations from their individual QAR reports.
3. Additional QARs are conducted for targeted CMMs.
4. Repeat full QAR process.

Table 1. Summary table of options for the future of the QAR work programme.

Option	Advantages	Disadvantages	Estimated Cost
1. Discontinue QARs	<ul style="list-style-type: none"> • Allows Members to focus on identified shortcomings in their own time and means • Resources could be refocussed on other CCSBT priorities, e.g. capacity support/development • No cost to the CCSBT 	<ul style="list-style-type: none"> • Limited additional mechanisms in place to measure/track Member's compliance with measures • QAR process unique to CCSBT and seen as a boon to the Commission 	No cost to CCSBT
2. Members conduct independent assessments of original QAR recommendations	<ul style="list-style-type: none"> • No/low cost compared to conducting full QARs (if Members conduct assessments) • Allows for in-depth follow up and accountability on Member's QAR reports 	<ul style="list-style-type: none"> • Only reviews identified shortcomings, no review of compliance with all minimum requirements • Puts onus, cost on Members to resolve shortcomings and draft response report. 	No or low cost to CCSBT
3. Complete QARs for targeted/key CMMs	<ul style="list-style-type: none"> • Reduced cost compared to option 4 • Allows for a more detailed assessment of compliance with key CMMs of interest to Members 	<ul style="list-style-type: none"> • Requires risk assessing of (and agreement on) which obligations/CMMs to assess • Could allow for some CMMs to 'fall through the cracks' 	\$50,000
4. Repeat full QAR process	<ul style="list-style-type: none"> • Allows for complete re-analysis of all CMMs, including those where shortcomings were previously identified 	<ul style="list-style-type: none"> • High cost to CCSBT and Members 	\$130,000

Discussion of options

Option 1 – Discontinue QARs

Advantages

Discontinuing the QAR process for CCSBT would result in significant cost savings for the Commission which could be applied elsewhere to other priority projects (e.g. capacity support/development). The current budget projections constructed by the Secretariat anticipate budgetary shortfalls in the near future and has proposed an increase to Member contributions to help address these shortfalls. A project like the QAR programme is associated with significant costs which may result in additional increases to Member contributions to CCSBT.

Additionally, removing the burden of an obligation to the CCSBT QAR programme will allow Members to address the deficiencies identified in their QAR reports in their own time and through their own means. This will alleviate some of the burden on Members in terms of financing and capacity, resources which could also be re-directed to other priority projects identified by CCSBT.

Disadvantages

The QAR programme is unique to CCSBT and has been lauded by external organizations and other entities. This unique aspect of CCSBT sets it apart from other RFMOs and raises the standards for accountability and transparency, setting a high bar for other RFMOs. Abandoning this unique management mechanism could reflect negatively on CCSBT in the various international forums in which it operates.

The mechanisms of the QAR programme to assess Members' compliance with CCSBT management measures were constructed to address identified deficiencies in compliance with these management measures. There is a risk that discontinuing the QAR work programme will allow these shortcomings to once again manifest as there are limited additional mechanisms in place to track Member's compliance with measures.

Option 2 – Members conduct independent assessment of original QAR recommendations

Advantages

Member-led independent assessments of the outcomes of the original QARs would allow for in-depth follow up on deficiencies identified in the reports. It would allow Members to address these shortcomings and create accountability to report back to CCSBT on how they are being addressed. It would also demonstrate a commitment by CCSBT to give due consideration to the deficiencies identified in the QARs. An alternative to drafting a separate report could be a designated section or annex under the existing Compliance Committee report template where Members can systematically report back on progress gained in addressing deficiencies identified in their QAR reports.

Similar to the financial considerations under *Option 1*, this option provides a reprieve to the CCSBT budget because funding responsibility for the work falls primarily on Member nations. However, given CCSBT prioritisation of capacity building in developing Member nations, a small budget could be made available to assist Members in addressing the recommendations of their QAR reports if needed and agreed to by the EC.

Disadvantages

This option limits the review of Member's compliance with measures only to those that were identified as not meeting the standard of the CCSBT Minimum Performance Requirements. While this limited review allows for more focused response, it also limits the examination of compliance with measures which could allow for additional deficiencies to go unnoticed or unaddressed, especially given the amount of time that has elapsed since many Member's QAR reports were finalised.

The cost in terms of resources and time for drafting the response report falls on individual Members which may be problematic for some. The recommendations from the QAR reports varied widely between Members in terms of their complexities and potential effort required to resolve the identified deficiencies which could place a burden on some Members to address.

Option 3 – Complete QARs for targeted/key CMMs

Advantages

Targeting specific CMMs that have been selected by CCSBT Members allows for in-depth review of those measures deemed most critical. It also provides an opportunity to address those measures with low adherence historically.

Additionally, the cost for this option would be relatively modest when compared to the cost to repeat the full QAR process. Based on the cost of the trial QAR process, the estimated cost would be approximately \$50,000, approximately two-thirds the cost for a full QAR programme.

Disadvantages

The selection of the CMMs that would be examined for this process would require agreement by all CCSBT Members. This would necessitate a risk assessment or review process to make the decisions around the selection of CMMs. Unless there is a common view on priorities, this could be a lengthy process requiring additional time and resourcing.

The selection of target CMMs would, by its nature, exclude some CMMs from the review process. This would deprioritize some of the CMMs implemented into the CCSBT Minimum Performance Requirements policy, a policy previously confirmed by Member nations. Similar to the previous option, this could allow for some deficiencies in adherence to CMMs to go unnoticed or unaddressed.

Option 4 – Repeat full QAR process

Advantages

Repeating the full QAR process would allow for an in-depth review against the standard of the CCSBT Minimum Performance Requirements policy. The review would include (and could take into consideration) the deficiencies identified in the last QAR process. Repeating this process would remove the risk that deficiencies in adherence to some CMMs would go unnoticed or unaddressed.

Disadvantages

There is a high cost associated with this option, both to the CCSBT budget and also to individual Members who would be required to provide time and resourcing towards the project. The estimated cost to CCSBT based on the original QAR budget (including the additional funds the Secretariat was authorised to allocate to the project) was approximately \$130,000. Given the current projected budget shortfalls (see description under *Option 1*) CCSBT Members will likely be required to re-examine current prioritisation in the budget, as well as increase their Member contribution to cover the cost.

Conclusion

The options identified above are intended to generate discussion among Members but are not meant to be comprehensive. There may be alternatives that members wish to raise but ultimately the objective of the CC discussion is to recommend a course of action to the EC on the future of the QAR Programme at CCSBT.

APPENDIX 1 – Timeline and process for QARs

Timeline of QARs



QAR Process

All QARs were completed in two phases: a desktop review and a site visit. All reviews were focused on government systems and processes and did not involve reviews of industry systems nor consultation with Member's industry unless the Member provided discretion to do so.

Phase one

Phase one consisted of an independent desktop review conducted through remote consultation with Member authorities. The goal of phase one was to gather evidence, and to seek clarification and verification of performance against the Minimum Performance Requirements of the CCSBT Compliance Policy. The review method was undertaken in four steps:

1. Management system reviews
2. Process and implementation review
3. Management system effectiveness
4. Recommendations for improvement

Phase two

Phase two consisted of a site visit designed to verify the extent that systems and processes described in phase one were fully implemented and consistent with the procedure described by the Member. During the visit reviewers assessed to what extent the processes and activities were effective in ensuring that Members met their obligations.

Where weaknesses were identified the QAR process provided recommendations to improve Members' performance.