

**DISCUSSION WITH INDONESIA – 19 FEBRUARY 2004
REPORT**

General Discussion

A delegation from the CCSBT visited Indonesia on 19 February 2004 to discuss Indonesia's intentions in regard to the SBT fishery and the CCSBT's invitation to Indonesia to accede to the Convention or become a cooperating non-member.

The CCSBT delegation comprised:

- Glenn Hurry – Australian Head of Delegation to CCSBT
- Tomofumi Kume – Japanese Head of Delegation to CCSBT
- Takashi Koya – International Affairs Division, Fisheries Agency of Japan
- Kiichirou Miyazawa – Far Seas Fishery Division, Fisheries Agency of Japan
- Takeo Kaminaga – Secretary, Embassy of Japan in Indonesia
- Brian Macdonald – Executive Secretary, CCSBT

The Indonesian delegation comprised:

- Husni Mangga Barani – Director General of Capture Fisheries
- Aji Sularso – Secretary to Directorate General of Capture Fisheries
- Parlin Tambunan – Director of Fisheries Resources, Directorate of Capture Fisheries
- Nilanto Perbowo – Head of Planning and International Cooperation Division, Directorate General of capture Fisheries
- Purwanto – Director of Fishing Enterprise Services, Directorate General of Capture Fisheries
- Subhat Nurhakim – Director, Research Centre for Capture Fisheries, Directorate General of Capture Fisheries
- Gellwyn Jusuf – Advisor for Economic, Social and Cultural Affairs, Ministry of Marine Affairs and Fisheries
- Meri Binsar Simorangkir - Head of Section, Directorate General of Multilateral Affairs, Department of Foreign Affairs
- Andi Soesmono – Directorate General of Capture Fisheries
- Kaoru Kurosawa – JICA Expert on Fisheries Planning, Ministry of Marine Affairs and Fisheries

Mr Mangga Barani welcomed the CCSBT delegation. A copy of his opening remarks is attached. The main points made in Indonesia's opening remarks were:

- Indonesia's wish to become a cooperating non-member
- the difficulties for Indonesia in monitoring and fishery management
- current catches are estimated at around 2,000 tonnes compared to the catch limit of 800 tonnes proposed by the CCSBT
- action to combat IUU fishing is necessary for the health of the SBT stock

The Executive Secretary responded on behalf of the Commission highlighting:

- Indonesia is a significant fisher of SBT with catch accelerating after 1990 due to the influence of foreign registered vessels entering the fishery
- Indonesia is fishing the only known spawning ground of the SBT fishery
- combined, these issues are of concern to the CCSBT and as a consequence the CCSBT has been seeking Indonesia's active participation in its activities since 1995
- the CCSBT is aware of the difficulties facing Indonesia and this in part motivated the CCSBT to establish the status of cooperating non-member, which will allow Indonesia to become fully engaged without the financial commitment required for full membership.
- the CCSBT sees cooperating non-member status as a transitional arrangement to full membership
- the proposed catch limit of 800 tonnes is reasonable given the reductions in catch taken by existing members to conserve the fishery and recent evidence that the Indonesian catch may be declining for long term structural reasons
- the CCSBT is very serious in wanting cooperation from Indonesia

At the request of Indonesian officials the Executive Secretary also outlined the rights and responsibilities of a cooperating non-member as set down in the CCSBT resolution. It was explained to Indonesia that it was the CCSBT's wish for cooperating non-members to be fully included in the activities of the CCSBT and that the status did this with the exception of the right to vote on decisions. The CCSBT delegation indicated that cooperating non-member status did not require a financial contribution and that the CCSBT would consider continuing support for the cost of attending CCSBT meetings so that Indonesia could participate on an equal footing.

In the following general discussion Indonesia indicated its policy was to be a responsible member of the international fishing community and with the assistance of the IOTC, Australia and Japan was developing a monitoring capacity for the fishery. They indicated, however that further skill development, technology transfer and database expertise was required if the monitoring activity was to progress.

Proposed catch limit of 800 tonnes

Indonesian officials also advised that they would assess the benefits of accession to the Convention after two/three years' experience with cooperating non-member status. In this context, the Indonesian officials indicated that the proposed catch limit of 800 tonnes was too low and that, in the light of recent catch history, a catch limit of 2000 tonnes is more appropriate.

Indonesian officials also emphasised at this point in the discussions that it would be very difficult/impossible for Indonesia to manage to an 800 tonne catch limit. The reasons cited for this were:

- there are 931 vessels registered by the national government to fish for tuna
- provincial governments also register vessels which may fish for tuna
- SBT is a small bycatch of total tuna landings – 3.6% to 6.8%
- limiting the size of the bycatch would require the whole tuna fishery to contract when there are no internationally supported controls on these other tunas in the Indian Ocean
- this would be contrary to Indonesia's policy of maximising the catch of tunas for the socio-economic development of their community
- while the catch may be down in 2003 to around 500 tonnes, this is because the price/cost equation for a number of vessels does not warrant fishing currently – the vessels, which are not fishing, are still in Indonesia with permits to fish
- if the economics of fishing improves there is the potential for the SBT catch to increase to a range of 2,045 to 3,862 tonnes calculated by interpolating the approved tuna longline catch limit of 56,796 tonnes for the 931 registered vessels by the CSIRO's estimated range for SBT bycatch of 3.6% to 6.8% ie:

$$56,796 \times 0.036 = 2,045$$

$$56,796 \times 0.068 = 3,862$$

The CCSBT delegation presented the view that the IOTC's estimate of catch in 2003 of 515 tonnes probably reflected a long term structural change and that, while catches may improve, a return to historical levels appeared unlikely. This made the proposed catch limit of 800 tonnes reasonable and achievable without too much hardship. A catch of 3,862 tonnes was seen to be improbable. A catch as high as 2000 tonnes was regarded by the CCSBT as a serious danger to the SBT fishery.

Foreign operated boats

The CCSBT delegation asked Indonesia if it would act to revoke fishing permits for vessels, which are foreign-owned even though they are registered in Indonesia and operated by an Indonesian company.

Indonesia officials advised that this would be contrary to Indonesia's universal foreign investment rules, which encourage joint ventures to provide skill and technology transfers. The current arrangements provide for:

- joint ventures with varying foreign/Indonesian shares – all vessels must be registered in Indonesia
- purchase on instalment arrangements where the vessel becomes fully owned by Indonesian interests after a specified time – all vessels must be registered in Indonesia
- licencing to fish in EEZ - these vessels are foreign flagged and pay a fee in \$US. Indonesia gives a quota to the country involved, which then allocates the quota to vessels registered under their flag. These arrangements are only in place for China, Thailand and the Philippines.

The CCSBT delegation acknowledged the Indonesian position on foreign investment but repeated its concern that the arrangements enable countries to fish for SBT outside the conservation and management objectives of the CCSBT. For members it meant, effectively, that their nationals could fish above the catch limit agreed by the CCSBT.

Outcomes

To resolve the issues of the catch limit and restriction on foreign owned vessels, the CCSBT delegation suggested:

- if Indonesia becomes a cooperating non-member, an estimate of catch of 800 tonnes for 2004 will be regarded as the catch limit for the purposes of the CCSBT resolution
- considering the practical difficulties Indonesia will face in actually administering the fishery to this estimate of catch, the CCSBT will not specify the amount of 800 tonnes in correspondence relating to Indonesia's cooperating non-member status
- Indonesia would continue with its current practices in managing the fishery over 2004 and 2005 and the CCSBT would monitor the catch. The catch in these two years would be used as the basis for decisions on the catch limit for Indonesia that reflect the catch history of Indonesia but also the reductions, which have been made by CCSBT members in the past to conserve and manage the fishery
- Indonesia will agree to a specified catch limit to be decided after two years' monitoring
- the CCSBT will deal with the issue of vessels owned by nationals of members within the CCSBT framework

Indonesia agreed with these proposals and will formally apply to become a cooperating non-member. The draft letter attached to this record will be used for this purpose. The date of application will depend on clearance by the Indonesian Ministry of Foreign Affairs but Indonesia expects this process to be completed within two months.

Next steps

Indonesia will begin the process of arranging approval of the application to become a cooperating non-member through its domestic requirements

The CCSBT will resolve the issue of its members' nationals owning vessels and catching SBT above the catch limits agreed by the CCSBT. This will need to be discussed at either the Special Meeting in April, or intersessionally. Indonesia will provide details of the ownership of the relevant companies operating in Indonesia.

Other matters

On several occasions during the discussions Indonesia raised the issue of continuing support for monitoring the Indonesian catch. The CCSBT delegation indicated that this would continue to be supported to build capacity in Indonesia.

Indonesia advised that knowing where SBT actually spawned was vital to managing the fishery to reduce the SBT bycatch. Area closures were seen as the only effective control available to Indonesia. Research was needed. The CCSBT delegation agreed to consider this issue.

**Opening Remarks by Director General of Capture Fisheries of
the Republic of Indonesia
in CCSBT meeting on 19th February 2004**

Good morning, distinguish guests, ladies and gentlemen.

First of all, I would like to say welcome to Jakarta, and also I would like to express my gratitude and appreciation to the Secretariat of CCSBT for the sustained cooperation, mainly in promoting the fisheries development in the region.

I would like also, to take this opportunity to point out that the CCSBT has performed an important role and has provided the highest example of conservation and management of Tuna especially Southern Blue Fin Tuna, as one of the leading regional fisheries management organization in the world.

On the basis of the sustainable fisheries resources management, Indonesia has asked to the committee to be accepted as a cooperating non-member party of the CCSBT.

In this meeting, there are a number of issues that we are all concerned in fisheries data of statistics, IUU Fishing / Overcapacity, and the West and Central of Pacific Fisheries Convention (WCPFC).

We have to admit that it is not easy for Indonesia to conduct a continuous monitoring activity. In this era of decentralization, in which the regional autonomy law was just launched in 1999, we would like to inform the meeting that it seems to be more difficult for the central government to get series of data from the local government.

However, we have been taken some necessary actions to implement a better fisheries management which was conducted through the socialization of the *Code of Conduct for Responsible Fisheries*, application of tuna statistic and also fisheries statistics improvement. Considering the importance of fisheries statistic for the fisheries development policy, Indonesia has been improving the statistic methodology and data collection mechanism, that will be implemented throughout the nation, since couple of years ago. Indonesia is also fully aware of the importance of tuna landing data collected consistently. In this regard, the data collection mechanism has been modified by the inclusion of more detail fish species, such as southern blue fin tuna (SBT), big eye tuna and others.

Indonesian government also want to raise an international attention that control of IUU fishing vessels remains a major constraint on the management of Tuna resources. We believe that concrete action, will be the most efficient way to address IUU fishing in the CCSBT area. Unless more determined efforts are made to speed it up, the IUU elimination targets of the Convention will not be attained. In this context, we believe that immediate action is urgent and imperative to prevent stock collapse.

In addition, in combating the IUU fishing practices, our government committed to alleviate the illegal fishing practices in Indonesian waters by imposing re-registration fishing vessels policy to any fishing operator entities and enforcing the said fisheries regulation.

Currently, Indonesia is implementing VMS (Vessel Monitoring System) starting from the end of 2003 and targeted 1500 monitoring systems are installed in 2004. The priority of the VMS are foreign fishing vessels, Tuna long line and the fishing vessels that more than 100 GT.

In this meeting also, I would like to inform you that on 19 to 24 April 2004, Indonesian government is appointed to organize the 6th Preparatory Conference for the Establishment of the West and Central Pacific Fisheries Commission (WCPFC), which will be held in Bali. There will be about 300 participants from pacific countries joint this conference.

Distinguished Guests, Ladies and Gentlemen.

We also would like to thank you that at the annual meeting on CCSBT in October 2003, observers from Indonesia were advised that the Extended Commission considered an annual catch limit of 800 tonnes per annum was appropriate for Indonesia. However, we do hope that in this meeting we can explore more detail as according our estimation, the appropriate catch limit should be more than 2000 tonnes per annum.

Furthermore, I would like to inform the meeting that Indonesia now is in a process of revising our fisheries law and would cover for instance, the regional cooperation matter, fisheries management plan and other important issues related to the important of local and regional cooperation towards fisheries management.

Finally, I do hope this meeting will generate a very fruitful result for Tuna management in this region.

Thank you

Husni Mangga Barani
Director General of Capture Fisheries

June XX, 2004

Mr. Brian Macdonald
Executive Secretary
Convention for the Conservation of Southern Bluefin Tuna (CCSBT)

Dear Mr. Macdonald,

**ON BECOMING A CO-OPERATING NON-MEMBER OF THE EXTENDED COMMISSION
AND THE EXTENDED SCIENTIFIC COMMITTEE FOR THE CONVENTION FOR THE
CONSERVATION OF SOUTHERN BLUEFIN TUNA (CCSBT)**

The Government of Indonesia presents its compliments to the Executive Secretary for the Convention for the Conservation of Southern Bluefin Tuna (CCSBT), and acknowledges receipt of your invitation to become a Co-operating Non-member to the CCSBT. The Government of Indonesia recognizes the Commission's authority for the management of Southern Bluefin Tuna (SBT).

Your letter of invitation is regarded as a positive and encouraging signal on the part of the Commission, and the Government of Indonesia therefore wishes to respond positively by submitting this application for CCSBT Co-operating Non-Member status with a formal statement in which our commitment to the specific requirements of paragraph 4 and 5 of the RESOLUTION TO ESTABLISH THE STATUS OF CO-OPERATING NON-MEMBER OF THE EXTENDED COMMISSION AND THE EXTENDED SCIENTIFIC COMMITTEE (the Resolution) are described.

The Government of Indonesia looks forward to your favorable consideration of our application for Co-operating Non-member status.

Kindly accept our highest regards.

Yours sincerely

(ATTACHMENT)

**STATEMENT TO THE EXTENDED COMMISSION OF THE CCSBT OF INDONESIA'S
COMMITMENT TO RELEVANT PROVISIONS PRESCRIBED IN THE RESOLUTION**

The Government of Indonesia wishes to confirm its commitment with respect to relevant provisions in Paragraph 4 and 5 of the Resolution, emphasizing the following specific matters:

1. Catch Limits

The Government of Indonesia will manage the relevant fisheries to endeavor to ensure that the annual catch volume of SBT does not exceed the catch limit agreed with the CCSBT

2. Conservation and Management Measures

The Government of Indonesia, taking account of the fact that the only known spawning ground of SBT is in the Indonesian EEZ and its adjacent waters and protection of spawning stock is critical for conservation and management of SBT, will utilize or establish domestic regulations which facilitate protection of spawning stock such as area and time closures, subject to scientific evidence.

3. Data Provision

The Government of Indonesia will, with assistance from members of the CCSBT and other RFMOs, enhance the capability of data collection and analysis systems regarding SBT fisheries.

4. Scientific Research and Studies

The Government of Indonesia will independently and jointly conduct scientific research and studies on SBT. In this regard, when receiving applications for SBT research to be conducted within Indonesian EEZ from other members of the CCSBT, the government of Indonesia will, through consultations with the members concerned, take positive measures for prompt and effective implementation of the research.

5. IUU Fishing

The Government of Indonesia will implement including whatever domestic regulations are required to support the CCSBT's measures to combat IUU fishing.