

**FLEET REDUCTION PROGRAMS FOR
ASIAN LARGE-SCALE TUNA LONGLINERS
1999-2005**

*Combat against IUU fishing and
reduction of fishing capacity*

PROGRAM ELEMENTS

1. **Japanese fleet reduction program by JFA**
2. **Buy-back and scrapping program for IUU (FOC) vessels by OPRT**
3. **Taiwanese fleet reduction program by Taiwan Gov. and Industry**
4. **Legalizing IUU vessels by JFA, OPRT and Taiwan ind.**

1. Japanese fleet reduction program

- Subject: Licensed far seas deep freezing tuna longliners
- Target: 20% (132) reduction
660 vessels \Rightarrow 528 vessels
- Approximately 70% value compensation
- Payment and cancellation of license made only after validating scrapping
- Voluntary applications
- Reduction is by enterprise but not by boats.
- Boat replacement is permitted.

COMPENSATION SCHEME

- Total expense = 350 million dollars
 - Central Government 300 million
 - Prefectures 50 million
 - Real cost was about \$250 M
- Actual cost was about \$250 M + 43M
- Compensation base calculated:
GRT x Unit price (based on Insurance base)
- Besides, license was compensated by \$500K+250K
- Average of about \$2.4M paid per vessel

2 Buy-back and scrapping program for IUU (FOC) vessels (OPRT program)

A 3-year step by step program promoted by Japan and supported by Taiwan

Subject:

- **FOC-IUU large scale deep freezing tuna longliners,**
- **built in Japan and owned by Taiwanese capital.**

Concept:

- **Buy back and scrap IUU longliners, with compensations to be paid by the rest of the Japanese and Taiwanese longliner owners (by industry).**
- **Those expected to be scrapped are taken out of IUU list**

Reduction scheme

- In three years, target was 62 longliners. Actually 39 were scrapped and 4 sank.
 - 2000 3 vessels scrapped \$2.5 million spent
 - 2001 23 scrapped \$18 million spent
 - 2002 8 scrapped \$3.5 million spent
 - 2003 5 scrapped \$1 million spent
- The following compensation were paid per vessel:
 - 2000-2001 (May) \$800 K
 - 2001-2002 \$ 500 K
 - 2002-2003 \$ 200 K

COMPENSATIONS

- In principle, Japanese and Taiwanese longline industry is paying
- The total of \$33 million dollars, a 20 years loan with 0 interest from the Japanese Government, via OFCF and then OPRT.
- Real cost was 25 million dollars and 9 millions were returned to the government.
- OPRT was established as the manager of the loan and at present 13 million dollars are left as the balance.

FUNDING SOURCES

- IUU boats taken out of the IUU listing for scrapping would pay
 - 1st year (until May 2001) \$10 K / vessel
 - 2nd year (until May 2002) \$30 / mt landed in Japan
 - 3rd year (until May 2003) \$20 / mt landed in Japan
- Ex IUU boats obtained Taiwanese flag and license
 - \$20 / mt landed in Japan (later reduced to
- Ex IUU boats obtained 3rd country flag and license
 - \$20 / mt landed in Japan

FUNDING SOURCES

■ Japanese longliners

- >200GRT tuna only \$3300 / year (reduced later to \$1400)
- <200GRT tuna only \$2300 / year
- <200 GRT multi purpose \$1300 / year

■ Taiwanese longliners:

- \$10 / mt landed in Japan (later reduced to \$4.5)

3. FLEET REDUCTION BY TAIWAN

- Bring back IUU (FOC) vessels to Taiwan flag and gives fishing license.
- Among those, 160 boats were scrapped in 2005-2006
- Further 23 boats were scrapped in 2007
- \$1.5 M were paid per vessel for scrapping
- 3/7 of the cost paid by the Government and 4/7 paid by industry

4. LEGALIZATION OF IUU

- 69 IUU boats re-flagged to Vanuati and Seychelles and obtained their licences
- Those boats paid \$2M to the Japanese OPRT for scrapping fund and cancelled 300GRT Japanese fishing license.
- They were removed from IUU list and controlled by flag countries.

Registered number of longliners with OPRT

	2001/11	2002/3	2003/3	2004/3	2005/3	2006/3	2007/3	
Japan Far Seas	433	428	431	413	377	335	298	*
Japan Dist. Wat	34	34	38	37	34	34	54	*
Japan Offshore	28	28	26	23	23	12	11	
Taiwan	562	562	599	597	600	526	428	
Korean		183	176	174	172	172	160	
Philippines		6	17	17	18	26	26	
Indonesia			14	14	14	14	17	
China				105	113	113	117	
Ecuador				5	5	4	4	
Vanuatu/Seyshelles				69	69	69	69	*
Total	1057	1241	1301	1454	1425	1305	1184	

* including 46 foreign vessels ** including 9 foreign vessels Seychelles 21 longliners

*** Vanuatu include 43 albacore 5 bigeye longliners

Problems

Many boat owners think that

- **Compensations helped only loaners but not owners.**
- **They developed tuna fisheries according to the national policy. Why they sacrifice**
- **The second hand boats were exported by Shosha and added fishing capacity**
- **Generally old and inefficient boats are candidates for buy-back and scrapping**
- **Mitigation of incidental catches alone reduced the fishing capacity already.**
- **Why longliners alone suffer and sacrifice. The major responsibility is on seiners.**