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THE FUTURE OF SPC SMALL-SCALE FISHERIES DEVELOPMENT ACTIVITIES
(Paper prepared by the Secretariat)

Introduction

1 The development of small-scale fisheries is considered a priority activity in the national development plans of the majority of SPC Pacific Island member countries. Small-scale fisheries have the potential to contribute to increased employment, especially in rural areas, as well as improved nutrition, import substitution, and export production. In some countries, alternative resources are limited and fisheries represent the most important renewable commodity on which to base economic activity. However, in most areas, fishery development is constrained by remoteness, lack of infrastructure, and an inadequate human resource base. These constraints are, by definition, greatest in rural areas.

2 As a result, many countries have fishery resources that they cannot exploit themselves, for a variety of reasons. In some cases the resources may only have been discovered relatively recently, and appropriate fishing techniques or skills may not be locally known. Locally used fishing vessels may not be adequate to venture offshore, or may not be equipped to catch or deliver fish in the condition or product form required by the market. Shoreside infrastructure may not be adequate to allow transport of fish products from producing areas to areas of consumption.

3 These constraints mean that in many cases the exploitation of their own resources is beyond the capacity of Pacific Island countries and their national fishing fleets and post-harvest industries. In order to derive some benefit from these resources, some countries have licensed foreign fishermen to harvest them, especially in the case of offshore fisheries for tuna and related species. However, it is the aim of most governments in the region that local fishing fleets should take a progressively larger share of the catch.

4 Because of the priority placed on this development area by member countries, small-scale fisheries development activities have been a major feature of the SPC Fisheries Programme since 1974. These activities are changing in nature but are still in strong demand. However, funding considerations are threatening the Programme's ability to deliver services in this area.

5 This paper examines the history of SPC's involvement in this technical field and makes suggestions to ensure that the future requirements of PI countries continue to be met.

ORAFDP Project

6 SPC's work in promoting the development of small-scale fisheries in the region dates back to 1974. The Outer Reef Artisanal Fisheries Development Project (ORAFDP), established in that year, began its work with a year-long assessment of the potential for establishing a deep-bottom fishery at Malekula, Vanuatu. The project employed 7 full-time staff, including a Project Manager, two Master Fishermen, a mechanic, a refrigeration engineer and a biologist, and made use of an impressive array of equipment, including portable generators, ice machines and freezers, two jet-boats, and electric fishing reels.

7 In the next three years the ORAFD Project made four further visits to assess the deep-bottom fishing potential in Cook Islands (Aitutaki), Solomon Islands (Western Province), Tuvalu (Funafuti), and American Samoa. In each case, visits were long, the settings were relatively rural, and the project work included aspects of resource assessment and the economic feasibility of fishing, as well as demonstration of fishing methods and training in various aspects of small fishing vessel operation.

8 In 1978 a review of the project concluded that, while it had demonstrated the existence of exploitable stocks of deep-bottom fish in the areas visited, local infrastructure was usually inadequate to enable continued exploitation once the project had left. The review recommended a scaling-down of the project and a lower-technology approach to small-scale fisheries development by the Commission.

DSFD Project

9 As a result of this review, the project was restructured and re-titled the Deep Sea Fisheries Development (DSFD) Project. Rather than using a team of specialists, three project Master Fishermen operated as individuals, working alongside national counterparts in projects aimed principally at deep-bottom resource assessment, fishing method demonstration and more extensive training in vessel management. Emphasis was placed on simple, low-technology equipment such as the FAO wooden handreel, which is now in widespread use throughout the Pacific Islands region.

10 This project proved to be immensely popular with member countries, with the number of requests for the services of the Master Fishermen regularly exceeding the capacity of the project to address. The project has retained its popularity and is still running today, 14 years later, having completed 72 country assignments during that time in all SPC Pacific Island member countries except Pitcairn.

11 From the commencement of the project in 1978, until 1985, almost all assignments were connected with the development of deep-bottom fisheries, and focussed on providing the requisite demonstration and training to fishermen in rural areas. Most countries of the region were keen to promote commercial deep-bottom fishing during the first half of the '80's and this was reflected in the nature of the project's work during that period. As a result of project activities, commercial deep-bottom fisheries became established in a number of locations.

12 Although requests for assistance in deep-bottom fishery development continued during the second half of the 80's, these declined and now constitute only a small proportion of the DSFDP work. At the same time, country interest began to grow in other areas, in particular the development of fisheries based on fish aggregation devices (FADs). A number of countries deployed FADs during this period, and this was paralleled by increasing numbers of requests for DSFDP assistance that focussed on the capture of surface and deep-swimming tunas around FADs.

13 During this period country interest also began to develop in "non-traditional" fisheries development, using unfamiliar gears or based on previously unexploited resources. During the late 1980's, DSFDP Master Fishermen were involved in a wide range of innovative fishery development projects, from demersal and pelagic fish trapping to shark and tuna gillnetting. This interest ultimately led to the development of a gear development sub-project within the DSFDP.

Gear Development Project

14 The Gear Development Project (GDP) was established in 1986 and ran for a period of four years. The project involved the creation of an extra Master Fisherman position, as well as some training, consultancy and publication costs, funded by an extra-budgetary donor (USAID). The GDP involved the project Master Fisherman spending much longer periods in the same location than was normal during routine DSFD assignments. The rationale for this approach was that gear development work could be evaluated more effectively when the annual variation in fishing seasonality could be averaged over more than one year.

15 The GDP involved MF assignments in two locations (Tonga and Kiribati) during which major advances were made in adapting the techniques of vertical and horizontal longlining for use from very small vessels. In addition, work was also done on improved methods of bottom longlining, on the use of FADs to aggregate inshore baitfish species, and on various methods of bait capture. This work is the subject of several technical documents that are currently in preparation.

16 Funding for the GDP concluded in December 1991. The project MF position remains on SPC's establishment list in the interim until renewed funding is obtained for the post, or it is re-designated to another area within the work programme. If neither of these occurs within 3 years, the position will be removed from the establishment list and be lost.

Offshore Fishery Development Project

17 The OFDP is the name that has now been given to a project that was presented to RTMF 23 and has now been approved for extra-budgetary funding support by UNDP under the 5th regional funding cycle. The project is expected to become fully operational early in 1993, subject to formal approval and disbursement of funds by UNDP.

18 The project aims to supplement the work of the DSFDP, specifically by increasing the Commission's ability to support the development of offshore fishing capacity by local fishing fleets in PI countries. The project was devised specifically in response to the stated objective of many PI countries to see local fishermen take a larger share of the offshore fish catch that is presently being taken by distant-water fishing fleets. Project activity will focus particularly on the development of FAD-based fisheries, and will include components of FAD research, design, engineering and deployment, fishing gear research and development, and trial fishing, as well as a major training component. There are also several supplementary aims, many to be carried out in cooperation with other branches of the SPC Fisheries Programme or with other regional fisheries agencies, especially the FAO Regional Fishery Support Project. These include supporting the development of FAD catch monitoring systems, export market development, and improved fishing vessel design.

19 Overall, the project aims to promote fishing activity based on larger, more complex vessels and fishing operations than those typically targeted by the DSFD. The focus will remain on techniques and technology that can be used effectively in Pacific Island countries. However, the target group will be local commercial fishing enterprises rather than rural communities, and emphasis will be placed on promoting the use of larger, seaworthy, offshore craft and semi-mechanised fishing gears. The ultimate goal is to assist in the establishment of a local fishing industry based on tunas and pelagic species, and, in some countries, the resources of offshore banks and seamounts.

20 Like the DSFDP, the OFDP will operate in response to country request but will be better equipped to provide longer-term assignments and a greater range of specialised skills through the use of consultant expertise. Several activities are already envisaged for the project, including a major longline fishery development initiative in West New Britain Province, Papua New Guinea, that the Commission has been asked to support.

Purse Seine Fishery Development Project

21 In 1989, a project was approved under which SPC would commission a commercial fishing enterprise to carry out small-scale purse-seining trials in the region. The project aimed to establish the feasibility of PI countries establishing their own fleets of small purse-seine vessels and was based on the concept of "proximate fisheries", whereby the fishing vessel operated within range of, and under contract to, a cannery or fish processing operation within the region. The project was valued at over US\$ 4 million and was on a much larger scale than any fishery development activity previously carried out by the Commission.

22 The SPC Purse Seine project was not, in fact, original. A similar project had earlier been proposed to, and approved by, the Forum Fisheries Committee. FFA were required to develop the project further and submit it to the European Community for funding consideration under the Lomé III agreement. However, the project was not approved and ultimately lapsed due to lack of finance. The SPC project shared several features with the earlier FFA proposal, although there was a much greater degree of private sector involvement from the outset of the SPC project.

23 SPC's proposal was submitted to the EC for Lomé IV funding consideration as early as 1989. Continued delays occurred in the EC project approval process which, as indicated in WP 1, is still not complete. During this period, several developments occurred which now leave the Purse Seine Project open to question. In particular, the type of vessel to be used by the project no longer exists, all examples having been decommissioned and superseded by vessels with quite different operating characteristics. In addition, SE Asian fishing enterprises have carried out purse seining trials in a number of Western Pacific locations, largely pre-empting the purpose of the project.

24 For these and perhaps other reasons, during a prioritisation exercise carried out at the instruction of RTMF 23 in late 1991, the Purse Seine Project was ranked third out of the three SPC fishery projects to be submitted for EC consideration. As a result, there seems little chance that the project will be funded under the Lomé IV agreement. Even if this were possible, it is the Secretariat's view that the project needs a major examination and reformulation because of the developments that have occurred in the years since it was first conceived.

Funding considerations

25 Since its establishment in 1978, the DSFD Project has been providing support to PI countries in small-scale fisheries development. Judging by the number of requests received for assistance under this project, its services have been highly valued and remain so today.

26 The establishment of the GDP in 1986 added to the capacity of the DSFD in the important area of fishing gear research and development. Unfortunately, the expiry in December 1991 of the extra-budgetary arrangement under which this component was funded has effectively led to a suspension of gear development work, other than that carried out incidentally as part of routine country assignments.

27 The original project submission for the OFDP was made to UNDP in November 1990, with the intention that the project would become operational early in 1992. This would have allowed the gear development work of the GDP to continue essentially unbroken within the framework of the OFDP. Unfortunately, delays in the approval procedure mean that the OFDP is now unlikely to commence operation before 1993.

28 In the interim, SPC itself has suffered something of a financial crisis, with a major overrun during 1991 and 1992 of the Commission's core budget. In response to the budgetary problems experienced, the Commission's management proposed a number of cuts in core budget allocations, to be implemented in 1993 and beyond. The revised budget allocations were accepted by the 16th Committee of Representatives of Governments and Administrations (CRGA) in May 1992. They will be submitted for final consideration by the 17th CRGA and formal approval by the 32nd South Pacific Conference, both of which will be held in October 1992.

29 One of these cuts is in the DSFDP core budget allocation. The amount approved in the 1992 budget was 249,300 CFP units (1 CFP unit = 100 CFP), which was reduced to 233,900 units as an initial cost-cutting measure during the year. This allocation supports the positions of Fisheries Development Officer (FDO) and the three core-funded MF posts, as well as all routine operational costs to enable the MFs to undertake country assignments. In 1993 the allocation will be cut to 121,900 units, i.e. about half of the 1992 vote. The results of the cut will be that funds will only be available to support the FDO and one MF post. In 1994, the core allocation will be cut further, to zero.

30 The net result is that, instead of complementing the work of the DSFDP, as matters stand the OFDP will come to replace it. By 1994, when the core budget cuts become fully effective, the Commission's ability to provide support to national small-scale fisheries development activities will be less than it has been at any time up to the present, despite the injection of a substantial amount of extra-budgetary funding. The OFDP is scheduled to run over a four-year period. Assuming that this commences in January 1993, it will conclude in December 1996. Under present circumstances, this will mean the end of SPC's programme of field fisheries development assistance, since there is no assured funding for the FDO or any of the MF positions beyond that time.

Future options

31 As noted, the Commission has for many years been involved in assisting SPC PI member countries in various aspects of small-scale fisheries development work. The popularity of this service, and the fact that recent RTMF's have recommended major new initiatives in this area, suggest that this component of the fisheries programme continues to be highly valued.

32 Assuming that a continuation of the Commission's work in small-scale fisheries development is desirable over the long term, then two options may be considered: representation to the South Pacific Conference with the aim of reinstating the proposed cuts in core budget allocations; and identification of further extra-budgetary funding for those elements cut from the core budget.

33 As regards the first option, it should be underlined that the budget cuts have already been accepted in principle by the CRGA. For this decision to be reversed will require both a recommendation from this meeting and, more importantly, intervention by Pacific Island country representatives at CRGA and the SP Conference.

34 In relation to the second option, it should be stressed that reliance on extra-budgetary funding can easily result in projects becoming the victims of changes in priorities by funding donors, and makes the medium- to long-term planning of development strategies and activities difficult or impossible. It is also worth noting that most donors are more inclined to finance activities that complement core-funded projects. The fact that core funds are being used to support an activity indicates to donors that Pacific Island countries attach a higher value to it than they do to an activity that is entirely XB-funded. In the present climate of generally increasing difficulty in attracting extra-budgetary funds, a core funding commitment to a project significantly increases the likelihood of obtaining extra-budgetary support.

35 In view of these considerations, it would appear that reinstatement of at least a significant part of the core budget allocation to the DSFDP will be essential to the long-term continuation of this part of the CFP work programme. However, effecting this reinstatement is now beyond the control of the Secretariat and requires action by representatives to this meeting and by Pacific Island Governments.

36 In the event that complete funding reinstatement proves impossible, it will be necessary to identify extra-budgetary funds to make up the shortfall in core allocations if programme activity is to continue at the levels envisaged. Even if a full reinstatement of funds occurs, it will still be necessary to seek extra-budgetary funding to enable offshore fishery development work to continue beyond 1996. With the approval of this meeting, attempts can be made by the Secretariat to raise these funds. However, without a core budget commitment to the project, this task will be made significantly more difficult.

Conclusions

37 This meeting is invited to consider the past role of the Commission in supporting small-scale fishery development initiatives, and to discuss the level at which these services are deemed to be necessary in future. If continuation of this part of the work programme is required, concerted action by meeting delegates is required at the national level to encourage CRGA and Conference representatives to reinstate the budget cuts planned this year.
