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HEARING ON NORTH PACIFIC AND SOUTH PACIFIC FISHERIES CONVENTIONS

**BEFORE THE HOUSE NATURAL RESOURCES COMMITTEE
SUBCOMMITTEE ON WATER, POWER, OCEANS**

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Introduction

Good morning Mr. Chairman and Members of the Committee. I am Russell Smith, Deputy Assistant Secretary for International Fisheries at the National Oceanic and Atmospheric Administration (NOAA) Fisheries at the U.S. Department of Commerce. Thank you very much for the opportunity to come before you today to discuss two international fisheries agreements intended to improve the conservation and management of international fisheries in the North and South Pacific Oceans.

The North Pacific and South Pacific Fisheries Conventions are important to U.S. national interests. Marine fish and fisheries, such as salmon in the Pacific Northwest and cod in New England, have been vital to the prosperity and cultural identity of coastal communities in the United States. U.S. fisheries play an important role in the U.S. economy. Commercial fishing supports fishers and fishing communities, and provides Americans with a sustainable, healthy food source. The seafood industry in the U.S.—harvesters, seafood processors and dealers, seafood wholesalers and seafood retailers, including imports and multiplier effects—generated \$129 billion in sales impacts and \$37 billion in income impacts, and supported 1.2 million jobs in 2011.^[1] Recreational fishing also makes significant contributions to employment and the economy in the United States. Recreational fishing generated an estimated \$56 billion in sales impacts, \$18 billion in income impacts, and supported 364,000 jobs in 2011.^[2] Subsistence fishing provides an essential food source and is culturally significant for indigenous peoples.

To ensure the long-term benefits of these resources to the American people, NOAA relies on clear, science-based rules, fair, effective and consistent enforcement, and a shared commitment to sustainable management. Much of this work occurs under the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), which was first signed into law on April 13, 1976 and has, for the past forty years, served as the nation's road map to sustainably managed fisheries. The Magnuson-Stevens Act sets forth standards for the conservation, management and sustainable use of our Nation's fisheries resources. The application of these standards has resulted in a federal fishery management system that has made very significant progress in ending overfishing and rebuilding our Nation's fisheries.

The United States is also one of the world's largest importers and consumers of seafood. In 2011, seafood imports contributed 176,000 jobs, \$48.4 billion in sales impacts, and \$14.8 billion in value added impacts.^[3] As such, the United States is in a unique position to promote the sustainable management of fisheries around the world. Working in collaboration with the Department of State and the U.S. Coast Guard, NOAA engages in international fisheries fora, such as Regional Fisheries Management Organizations (RFMOs), to ensure that global fish stocks are sustainably managed, including by ensuring that management is based on the best available science. NOAA seeks to draw from its experience and convince RFMOs to apply, in the waters under their jurisdiction, management measures comparable to those applied in U.S. federal waters, the best managed fisheries in the world.

One of the greatest challenges to our international efforts to ensure the sustainable management of global fisheries is combating illegal, unreported, or unregulated (IUU) fishing. IUU fishing is a global problem that threatens ocean ecosystems and impacts fisheries, food security, and coastal communities around the world. Although the economic losses from IUU fishing are difficult to calculate they are clearly in the billions of dollars per year.^[4] By circumventing conservation and management measures, companies and individuals engaging in IUU fishing cut corners and lower their operating costs. As a result, they eliminate benefits contemplated by the adoption of the conservation and management measures, and can undercut the sustainability of international and U.S. fisheries. In addition, illegally caught products provide unfair competition to the product of law-abiding fishers and seafood industries in the marketplace.^[5]

The release of the Action Plan for the President's Task Force (Task Force) on Illegal Fishing and Seafood Fraud was a historic commitment of the U.S. Government in working to level the playing field for law abiding fisherman domestically and around the world, and breaks new ground in ensuring the sustainable fisheries for current and future generations.

A critical step toward successful implementation of the Task Force's recommendations is enhancing NOAA's ability to prevent IUU fish and fish product from entering U.S. commerce by strengthening domestic enforcement authorities. Currently, there are crucial gaps in federal authorities that prevent agencies from monitoring the entirety of the seafood supply chain and fully protecting law-abiding U.S. fishermen and consumers. U.S. accession to the two agreements before you today would greatly strengthen our ability to sustainably manage fisheries resources globally and combat IUU fishing, in fulfillment of Task Force recommendations, while NOAA continues to work to secure the necessary enforcement authorities to prevent illegally harvested or falsely labeled fish from being sold in the United States.

NOAA also urges the Committee, at its earliest convenience, to take up implementing legislation for the Amendment of the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries. These amendments update this important convention so that it will reflect current practices in managing international fisheries while reforming the fee structure of members and reducing the contribution required from the United States.

The two agreements that are the subject of today's hearing are: the Convention on the Conservation and Management of High Seas Fisheries Resources in the North Pacific Ocean (or North Pacific Convention)

and the Convention on the Conservation and Management of High Seas Fishery Resources in the South Pacific Ocean (or South Pacific Convention).

These two treaties will directly benefit U.S. interests. The new RFMOs in the North and South Pacific, the North Pacific Fisheries Commission (NPFC) and the South Pacific Regional Fisheries Management Organization (SPRFMO) will have management authority for target stocks and bycatch species that straddle U.S. waters. By joining these organizations and strengthening their management regimes, the United States can promote the use of our strong fishery management principles internationally so that foreign fishing fleets abide by the same standards that our industry uses in managing these important shared stocks. In joining NPFC and SPRFMO, NOAA is also ensuring future economic opportunities for our domestic fishing interests. Although there is currently no U.S. industry operating within the treaty areas of either the North or South Pacific RFMOs, there was at one time, and, our Nations' membership will allow for the possibility of future engagement. It will also provide opportunities for the U.S. to influence the management and compliance monitoring measures adopted by these organizations.

The treaties also support the U.S. seafood industry and consumers by keeping illegal fisheries product out of U.S. and global markets. The North and South Pacific RFMOs will implement new and strengthen existing management tools, such as by implementing uniform requirements for data collection, observers, high seas boarding and inspection, and vessel monitoring systems that will replace or complement domestic requirements already in force in member nations, in order to combat IUU fishing within their treaty areas.

Lastly, these treaties will support international sustainable fisheries management and thereby improve food security globally. Seafood is a significant source of protein for nearly 3 billion people and is the planet's most highly traded food commodity, contributing to the livelihoods of more than 560 million people.^[6] IUU fishing threatens food security and socio-economic stability in many parts of the world by reducing the productivity and profitability of legitimate fisheries, including artisanal fisheries in coastal areas. By improving the management of fisheries through these new RFMOs, coupled with the IUU fishing-combating *Port States Agreement*, the two treaties address food security in developing coastal states, in the United States and globally; and thereby support the political stability of U.S. interests worldwide.

Below, please find descriptions of each agreement and the benefits they would provide in more detail.

North Pacific and South Pacific Fisheries Conventions

The United States has worked for many years with other nations to improve the management of fisheries at the international level and to protect vulnerable marine ecosystems from the impacts of certain fishing practices on the high seas. The North Pacific and South Pacific Conventions will advance U.S. interests in the effective management of high seas fisheries. U.S. participation in the Commissions established under the North Pacific and South Pacific Conventions will facilitate development of measures adopted for fisheries on the high seas of the Pacific Ocean that are compatible with measures adopted by the United States with respect to fisheries in adjacent waters under the fisheries jurisdiction of the United States. In addition, U.S. participation will ensure that future U.S. fishing interests subject to the North

Pacific and South Pacific Conventions can be factored into allocation decisions. Furthermore, as both the South Pacific Convention areas and the North Pacific Convention areas overlap with that of other Pacific RFMOs in which the United States is a party, U.S. participation will help to ensure a consistent approach to conservation and management among these RFMOs and across the Pacific.

North Pacific Convention

The North Pacific Convention entered into force on July 19, 2015, and established a new regional fisheries management organization, the NPFC, through which Parties will cooperate to ensure the long-term conservation and sustainable use of covered fisheries resources in the Convention Area while protecting the marine ecosystems of the North Pacific Ocean in which these resources occur. The North Pacific Convention Area is the high seas area (i.e., outside of 200-mile EEZs) roughly north of 20-degrees North latitude and south of the Aleutians. The specific geographic coordinates of the North Pacific Convention Area are delineated in Article 4 of the Convention. Cooperation under the North Pacific Convention will address fisheries resources not covered under pre-existing international fisheries management instruments and will help to prevent significant adverse impacts on vulnerable marine ecosystems on the high seas that may have impacts on fisheries resources in areas subject to U.S. jurisdiction. One of the general principles of the North Pacific Convention is that conservation and management measures established for straddling fish stocks on the high seas and those adopted for the same stocks in areas under national jurisdiction should be compatible to ensure conservation and management of these fisheries resources throughout their range.

The North Pacific Convention calls for a science-based, precautionary approach to the management of fisheries resources and a strong monitoring, control, and surveillance regime. It also establishes two committees, a Scientific Committee and a Technical and Compliance Committee, to carry out its functions. The North Pacific Convention also allows for the meaningful participation of Taiwan as a fishing entity in the NPFC.

Of particular concern to the NPFC are bottom fisheries over seamounts that could have significant adverse impacts on vulnerable marine ecosystems. The participants to the negotiations of the North Pacific Convention, including the United States, agreed to interim measures to protect vulnerable marine ecosystems and sustainably manage the high seas bottom fisheries in the North Pacific Convention Area. The interim measures include requiring assessments prior to any fishing that demonstrate that contemplated fishing activities would not have significant adverse impacts on vulnerable marine ecosystems and the sustainability of extant fishery resources.

While there are presently no U.S. vessels fishing whose activities would be covered by the North Pacific Convention, there have been in the past and may be in the future. The United States is a coastal State with fisheries and marine habitats adjacent to the North Pacific Convention Area. Those fisheries can be impacted by management measures adopted by the NPFC.

For example, since 1986, the National Marine Fisheries Service (NMFS) has prohibited fishing in the U.S. EEZ for Pacific armorhead, one of the groundfish species that will be managed in the Convention area. Armorhead are overfished as a result of past over-exploitation by foreign vessels in international

waters dating back to the 1970s or earlier. NMFS believes that continued exploitation outside our EEZ by foreign fleets has kept the stock in an overfished condition. The Hancock Seamounts are the only known armorhead habitat within our EEZ. These seamounts lie west of 180° W. and north of 28° N., to the northwest of Kure Atoll in the Northwestern Hawaiian Islands. The Western Pacific Fishery Management Council and NMFS have responded to the overfished condition of armorhead by implementing a moratorium on catching armorhead and related seamount groundfish. The Council and NMFS recognize that, because less than five percent of the armorhead habitat lies within U.S. jurisdiction, rebuilding of the stock must be accomplished through coordinated international management. The North Pacific Convention is an important vehicle to achieve such coordinated international management.

The United States also has fleets operating in the North Pacific Convention Area that are fishing for tunas, swordfish and other species that are subject to the jurisdiction of other RFMOs which could cooperate with the NPFC.

South Pacific Convention

The South Pacific Convention entered into force on August 24, 2012, and established a new regional fisheries management organization, the South Pacific Regional Fisheries Management Organization (SPRFMO) through which Parties cooperate in the conservation and sustainable use of the high seas fishery resources in the South Pacific Ocean and safeguard the marine ecosystems in which these resources occur.

The South Pacific Convention applies to areas of the South Pacific outside national jurisdiction from Australia to South America. Some of these areas abut the U.S. EEZ. The initial objectives of the negotiators were to develop a management framework to control bottom fishing in the western Pacific, primarily by New Zealand, Australia, and Taiwan, and the jack mackerel fishery in the eastern Pacific, primarily by Chile, Peru, and the European Union. The United States was a primary participant in the negotiation of the South Pacific Convention. SPRFMO will address fisheries resources not currently under management through existing agreements, such as new pelagic fisheries or expanded fisheries for stocks that straddle one or more exclusive economic zones and high seas areas beyond them.

The South Pacific Convention requires Parties to apply specific conservation and management principles and approaches in giving effect to the objective of the South Pacific Convention. These principles and approaches are also enshrined in other international instruments to which the United States is a party, such as the 1995 Fish Stocks Agreement. These standards highlight the importance of using the best-available science and applying an ecosystem approach to fisheries management. In addition, the South Pacific Convention requires that Parties design and adopt specific conservation and management measures such as limitations on catch or effort, time or area closures, and gear restrictions.

While there are presently no U.S. vessels fishing in the high seas areas of the South Pacific whose activities would be covered by the South Pacific Convention, U.S. membership within the Commission would allow for potential future participation of U.S. fishing interests and enable the U.S. to influence the development of new and amended conservation and management measures. While the U.S. has been able

to contribute to the work of the Commission as a cooperating non-contracting party (CNCP), events at the recent Commission meeting in January made it clear that continuing to participate as a CNCP over the long term is not a viable strategy. The lack of domestic authority to make certain commitments absent membership in SPRFMO almost led to the rejection of the U.S. application for CNCP status this year. In the end, because members believed in the importance of the U.S. presence in Commission work, a compromise was reached to allow the U.S. CNCP application to be accepted and the members expressed support for U.S. membership as soon as possible.

Administration Implementing Legislation

The Administration transmitted implementing legislation for the North and South Pacific Conventions. It provides the United States, primarily through the Department of Commerce, with authority to administer the North Pacific Fisheries Resources Convention Act and the South Pacific Fishery Resources Convention Implementation Act and associated regulations. The implementing legislation also provides for one U.S. Commissioner for each RFMO, who is an employee of the Department of Commerce. As the United States does not currently have fisheries operating under the North and South Pacific Conventions one U.S. Commissioner for each RFMO from the Department of Commerce, will provide for the most efficient, knowledgeable, and cost-effective representation for the U.S. Government. Other sections of the legislation have been drafted with the goal of achieving consistency in international fisheries management across various U.S. statutes, including the Magnuson-Stevens Fishery Conservation and Management Act and the Western and Central Pacific Fisheries Convention Implementation Act.

In particular, the rulemaking authority section allows the Secretary of Commerce the maximum flexibility to carry out the obligations of the United States under the Convention and consult with all appropriate stakeholders, including Fishery Management Councils, industry, and non-governmental organizations, as appropriate, as well as apply any rules developed broadly to ensure appropriate enforcement action can be taken. The legislation does not include a prescribed process for public participation and consultation, such as by inclusion of a specific Advisory Committee, but rather allows the U.S. Government the flexibility to determine the appropriate approach for public participation on a case-by-case basis. This will allow the U.S. Government to conduct greater public outreach and consultation in situations where such input is needed, rather than being limited by a specific procedural process, or having to expend considerable time and resources searching for expertise to serve on an Advisory Committee when such expertise may be unavailable, due to lack of active U.S. fisheries managed by these RFMOs.

H.R. 4576, Implementation Bill for the Conventions on the Conservation and Management of High Seas Fisheries Resources in the North and South Pacific Oceans

The Administration's draft implementation legislation was crafted to address several issues that the Administration has encountered in implementing the Western and Central Pacific Fisheries Convention Implementation Act, such as problems with complying with requirements to submit historic confidential data to the Western and Central Pacific Fisheries Commission (WCPFC) and lack of appropriate authority to provide funds to the WCPFC Secretariat for projects in U.S. interests even though adequate funding was available. These issues have not been adequately addressed in H.R. 4576. NOAA believes that revisions to address these issues are necessary for effective implementation. A few priority issues include

some of the definitions in the bill, the number of Commissioners and Advisory Committee members, the authority of the Secretary of Commerce to promulgate regulations, and the enforcement provisions. While all of the technical drafting differences are too lengthy to mention here, NOAA invites the members of Congress to take note of these differences. NOAA would also be happy to discuss them in greater detail and provide technical assistance as needed.

Conclusion

The Administration and U.S. stakeholders strongly support these two international fisheries agreements. Both of these agreements will contribute to the sustainable management of internationally shared fisheries resources and directly impact U.S. interests. The two agreements promote U.S. interests by promoting sustainable fisheries internationally which supports food security and political stability globally. The United States remains committed to the future success of the North Pacific Fisheries Commission and the South Pacific Regional Fisheries Management Organization. U.S. accession will allow us to be at the table to further those interests and will also help ensure that measures adopted by the NPFC and SPRFMO will be compatible with domestic measures adopted by the United States for fisheries in our EEZ adjacent to the Convention areas. Ratifying will also ensure that future U.S. fishing interests in the NPFC and SPRFMO Convention areas will be factored into any allocation decisions made by the Commissions, while at the same time providing the U.S. with another outlet to ensure consistent approaches to combatting IUU fishing are incorporated in these areas.

Thank you very much for the opportunity to testify on these important agreements. I would be happy to answer any questions.

^[1] See Fisheries Economics of the U.S. 2011. NMFS Office of Science & Technology, available at: http://www.st.nmfs.noaa.gov/economics/publications/feus/fisheries_economics_2011.

^[2] Sabrina J. Lovell, Scott Steinback, and James Hilger. 2013. The Economic Contribution of Marine Angler Expenditures in the United States, 2011. U.S. Dep. Commerce, NOAA Tech. Memo. NMFS-F/SPO-134, 188 p.

^[3] See Fisheries Economics of the U.S. 2011, at 7.

^[4] Agnew DJ, J. Pearce, G. Pramod, T. Peatman, R. Watson, et al. (2009). Estimating the worldwide extent of illegal fishing. PLoS ONE, 4(2): e4570.

^[5] United Nations Office of Drugs and Crime. *Issue Paper - Transnational Organized Crime in the Fishing Industry* http://www.unodc.org/documents/human-trafficking/Issue_Paper_-_TOC_in_the_Fishing_Industry.pdf. 2011

^[6] United Nations Interagency Framework Team for Preventive Action. *Renewable Resources and Conflict*. http://www.un.org/en/events/environmentconflictday/pdf/GN_Renewable_Consultation.pdf. 2012