



Intra-Industry Warranty to Eliminate IUU on Mediterranean bluefin tuna

In March 2010 a meeting will be held in Doha, Qatar, to determine whether or not the trade of Atlantic bluefin tuna (East Atlantic/Mediterranean stock, abbreviated BFTE) shall be banned by a listing on the CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) Appendix 1. The possible outcomes of the meeting are (1) a listing on Appendix I banning export trade, (2) a listing on Appendix II specifying catch verification requirements at export, or (3) no change. BFTE are being considered for listing on CITES as an endangered species because the stock has very rapidly been depleted by over-fishing. Not only is the level of the legal catch too high and far in excess of the precautionary principle, but an illegal catch of equal magnitude is suspected.

A CITES listing will eliminate the legal export trade of BFTE products. However, a CITES listing whether Appendix I or II will not apply to domestic or to IUU trade. Spain, France, Italy and the other countries of the Mediterranean have operated domestic fisheries for bluefin tuna since ancient times and are today heavily invested in farm infrastructure. Some of this serves domestic markets as bluefin trade within Mediterranean countries is known to be large and unrecorded. Banning exports will cause abrupt shifts in supply and demand patterns, notably to Japan, but the Mediterranean industry should not be expected to disappear. Some fishing pressure will inevitably be transferred to other tuna stocks but record high prices for BFTE this year suggests at least some IUU fishing is likely to continue.

East Atlantic/Mediterranean bluefin tuna stocks are likely to collapse unless the illegal, unreported and unregulated (IUU) catch is eliminated. Getting it 'right' on BFTE—as icon for tunas globally—means finding solutions that shore up all legal supplies and eliminate IUU from the trade. Part of the solution is already being implemented. ICCAT (the International Commission for the Conservation of Atlantic Tunas) launched the BCD (Bluefin Catch Documentation) program in 2008 precisely to require that exported BFTE products are accompanied by documents of legal provenance. However, participation in BCD by ICCAT member countries (contracting parties or CPs) was reported to be just 43% in February 2010, clearly not good enough in face of the public outcry over BFTE's fate, symbolized by Monaco's plea for global help to protect this tuna as a CITES-listed endangered species.

Tuna traders have a major role to play in boosting ICCAT's ability to shore up legal supplies and eliminating IUU. First, they can press import countries to demand BCDs on all imports, as Japan has done, and to lobby ICCAT to close loopholes in the BCD program (see "Effectiveness of the Catch Documentation Program for Atlantic Bluefin" in this series). Second, major buyers of BFTE can verify they do not handle IUU products. The most effective way to guarantee, and to prove, that only legal products are traded is with an Intra-Industry Warranty arrangement among major buyers.



Recommendation: **SFP strongly encourages global buyers of bluefin tuna to demand the following measures to eliminate IUU:**

1. Bluefin catch documentation on all imports, and validation of the BCDs back to ICCAT by the import countries
2. Warranties of legal provenance beyond those required by the BCD (vessels, quotas, areas)
3. Producer participation in ICCAT's ROP (Regional Observer Program) for farm monitoring
4. Refusal of products from blacklisted vessels
5. Internal alert for countries with ICCAT compliance issues
6. Random audit of their suppliers to ensure 100% traceability of BFT

Catch Documentation Schemes (CDS) were developed collaboratively by SFP and industry partners and adopted by the supply chain to successfully eliminate IUU in other depleted and contentious fisheries with multi-national stakeholders and complex supply chains, like Baltic Sea cod and Barents Sea cod and haddock.

A CDS is a private guarantee applicable to the trade of all products from a particular fishery that is taken up voluntarily by major buyers and suppliers in the sector who collectively purchase a significant volume of supply. The CDS is comprised of a major buyers joint agreement and control documents enforced by third party auditing.

By participating in a major CDS, buyers warrant that they will not buy products from any supplier that (1) fails a third party audit; (2) refuses a third party audit; or (3) is discovered to have supplied illegal product. When the majority of significant buyers participate in the agreement, those engaged in IUU are excluded from the supply chain being unable sell ANY product to ANY participating buyer where one of the three conditions occurs.

Further, buyers agree to abide in their businesses by a set of control instructions, and to open up their purchasing records to third party audit at any time. The buyers warrant that every delivery of product from the fishery of concern came from legal vessels and supplies traceable to the fishery, and that this can be proven on demand for all incoming products from their suppliers. If impossible to prove this during an audit, then the supplier providing that product will be deleted as a supplier of fresh fish to the buyer.

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Example: **Eliminating IUU on Barents Sea Cod & Haddock**

- 2005 The catch of IUU cod from the Barents Sea was estimated at 100,000 tonnes with a value of €225 million (U.S.\$350 million).
- 2006 SFP started work with seven major international buyers to send a joint letter to the Norwegian government seeking more effective ways to identify vessels fishing illegally and advised on the design of an industry-wide standard supplier contract.
- 2007 The supply contract was fully in place through the major European whitefish processors' organization (AIPCE) and IUU cod and haddock were reduced by 23% and 55% respectively.
- Total reduction in illegal cod between 2005 and 2007 is estimated at 60,000 tonnes with a value estimated at €124 million (U.S.\$196 million) in first-hand value to Norway)
- 2008 Segments of the fleet enter full assessment for certification by the Marine Stewardship Council
- 2008 IUU = < 6%

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