

After four years of negotiations between the coastal States of the Western and Central Pacific and States fishing in that region, the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean was opened for signature at Honolulu on 5 September 2000.

As at 19 December 2003 thirteen States situated south of the 20° parallel of north latitude had deposited instruments of ratification, acceptance, approval or accession with the New Zealand Government. These States are: Australia, Cook Islands, Federated States of Micronesia, Fiji Islands, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Palau, Papua New Guinea, Samoa, Solomon Islands and Tonga. In accordance with paragraph 2 of article 36, the Convention will therefore enter into force 30 days after the deposit of instruments of ratification, acceptance, approval or accession by three of the States situated north of the 20° parallel of north latitude, or on **19 June 2004**, being six months after the deposit of the thirteenth instrument of ratification, acceptance, approval or accession, whichever is the earlier.

Simultaneously with the adoption of the Convention, the participants in the Multilateral High-Level Conference (MHLC) also adopted a resolution establishing a Preparatory Conference for the Establishment of the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean. The task of the Preparatory Conference, which will continue until the Convention enters into force, is to lay the groundwork for the establishment of the Commission and to ensure that no vacuum exists in the period between adoption of the Convention and its entry into force. Specifically the Preparatory Conference is to establish the organizational and financial framework for the new Commission and its subsidiary bodies, as well as facilitate the future work of the Commission. It is to begin the process of collecting and analyzing data on the status of the fish stocks and, if necessary, recommend conservation and management measures.

PrepCon I, Christchurch, New Zealand, April 2001

The first session of the Preparatory Conference (PrepCon I) was convened by the Government of New Zealand, as depositary of the Convention, at Christchurch, New Zealand from 23 to 28 April 2001. All delegations that had participated in the MHLC participated in PrepCon I, with the exception of Japan, which chose not to attend. To guide the Preparatory Conference in its work, a number of background papers had been prepared, based upon the considerations contained in resolution I. Nevertheless, as PrepCon I represented the beginning of a new process, much of its work was organizational in nature. Among the main achievements and decisions of PrepCon I were:

- The adoption of an agenda (WCPFC/PrepCon/2) which would also serve as the basis of the work of the PrepCon in future sessions, subject to such amendments as may be necessary as the PrepCon progresses;
- The appointment of Ambassador Michael Powles (New Zealand) as Chairman of the Preparatory Conference;
- The establishment of two open-ended working groups to consider issues related to organizational and budget matters and the provision of scientific advice to the Commission respectively; agreement on the terms of reference of the two working groups and adoption of a plan of work for each working group;
- Agreement to establish a Preparatory Conference organization fund to finance future sessions of the Conference and an interim secretariat;
- A first reading of the draft rules of procedure for the Commission;

- Agreement to the convening of an informal consultation, immediately prior to the next session of the Conference, to discuss mechanisms to promote participation in the Convention;
- Tabling of a paper by New Zealand on the participation of territories in the future Commission with a view to further discussion of this issue at future sessions of the Preparatory Conference.

The agenda basically lists the matters set out in resolution I and requires the Preparatory Conference to prepare, *inter alia*, draft rules of procedure for the Commission; draft rules and regulations concerning the financial management and internal administration of the Commission; a draft organizational structure for the Commission; a draft budget for the first financial period of the Commission and a draft scheme of contributions to the budget; and a draft provisional agenda for the first meeting of the Commission. In addition, the Conference is to make recommendations concerning the establishment of the headquarters of the Commission and relating to the provision of interim scientific advice. In response to the concerns of a number of delegations, PrepCon I agreed to the addition of an additional agenda item on mechanisms to promote participation in the Convention.

To facilitate its work, PrepCon I established two open-ended working groups to consider matters related to organizational and budget matters and the provision of scientific advice to the Commission. The terms of reference of the working groups are contained in documents WCPFC/PrepCon/3 and WCPFC/PrepCon/4 respectively. Ambassador Lucy Bogari (Papua New Guinea) was appointed to chair Working Group I (WG.I) on issues relating to the organizational structure of the Commission, its budget and financial contributions. Peter Ward (Australia) was appointed as the chairman of Working Group II (WG.II) on the scientific structure of the Commission and the provision of interim scientific advice. Liu, Xiaobing (China) was appointed as vice-chairman of the working group.

WG.I identified an open-ended list of the possible needs of the Commission and agreed that working papers should be developed that would provide information on appropriate options for delivering the identified service needs of the Commission. WG.II concentrated its discussions during PrepCon I on designing a work plan to obtain the necessary information to enable later decisions to be taken on the development of recommendations for the implementation of articles 12 and 13 of the Convention and paragraph 10 of resolution I. The group recommended that a number of working papers be prepared that would seek to gather information regarding science needs, existing providers of regional science and their activities, and any existing information on the status of tuna stocks in the Convention Area.

One of the first matters to be taken up during PrepCon I was the draft rules of procedure for the Commission. To facilitate discussion of this matter, the secretariat had prepared a set of draft rules in the form of a working paper (WCPFC/PrepCon/WP.1), which was considered by the Conference in informal session. A number of proposals for revisions emerged from the discussion of the draft and written suggestions were circulated by the delegation of the United States. The delegation of New Zealand also submitted a paper relating to rules of procedure for the participation of territories (WCPFC/PrepCon/DP.5). The informal session agreed that the paper submitted by New Zealand formed a useful basis for further discussion of the issue of participation by territories and that the matter would be taken up at future sessions of the Conference. With respect to the rules of procedure for the Preparatory Conference itself, it was noted that the rules of procedure used during MHLC offered an informal basis for proceeding until such time as the Preparatory Conference decided otherwise.

In order to facilitate the work of the Preparatory Conference in future, it was agreed to establish a Preparatory Conference Organizational Fund (PCOF), to be financed through voluntary contributions or funding in kind, to offset the costs of future sessions of the

Conference as well as the costs associated with the establishment of an interim secretariat to service the meetings of the Preparatory Conference (WCPFC/PrepCon/8).

PrepCon II, Madang, Papua New Guinea, February 2002

The second session of the Preparatory Conference (PrepCon II) took place in Madang, Papua New Guinea from 25 February to 1 March 2002. As agreed at the first session, PrepCon II was preceded by two days of informal consultations around agenda item XI: 'Mechanisms to promote participation'. Most of the delegations that had participated in MHLC took part in the informal consultations, although once again Japan chose not to attend either the informal consultations or PrepCon II. French Polynesia also failed to attend and Indonesia was unable to participate in the informal consultations.

The informal consultations proceeded on the basis of a framework for discussions proposed by the Chairman (WCPFC/PrepCon/BP.10) and on the understanding that all discussions or outcomes from the informal consultations would be without prejudice to the position of delegations. The outcomes from the meeting, including any recommendations relating to effective ways of moving forward, would be provided to the Preparatory Conference by way of a written report by the Chairman.

The major outcome of the informal consultations was a carefully-worded draft resolution on participation in the Preparatory Conference which would allow the Conference to allow States and other entities (such as the European Community) that participated as observers in MHLC and that wish to participate more actively in the work of the Preparatory Conference to apply to the Chairman of the Preparatory Conference by providing a formal written statement of commitment to the Convention. In considering the application, which may be granted by consensus, and without prejudice to the provisions of article 43 of the Convention, the Conference will have regard to a range of relevant factors, including the applicant's fishing activities in the Convention Area, its demonstrated and sustained contribution to domestic and regional fisheries research, management and development in the region, and its demonstrated responsible fishing practices, including effective exercise of responsibility for its vessels and nationals and compliance with regional and national conservation and management measures.

In adopting the draft resolution on participation, PrepCon II decided to allocate a seat amongst the participating delegations to the European Community, which had submitted an appropriate application, enabling it to take a more active role in the discussions than previously, whilst at the same time maintaining its status as an observer delegation pursuant to resolution I. The resolution also permitted the Conference to make a decision to permit the delegation of the Russian Federation, which had not been a participant or observer in MHLC, "to attend to observe the meeting in accordance with paragraph 2 of [the decision]."

Other outcomes from the informal consultations, in the form of proposals which were subsequently adopted by PrepCon II, included an agreement to establish a third working group (WG.III) on monitoring, control and surveillance, as well as agreement on certain specific measures to give full effect to the provisions of article 22 of the Convention related to cooperation with other regional fishery management bodies, in particular the Convention for the Conservation of Southern Bluefin Tuna (CCSBT), the Inter-American Tropical Tuna Commission (IATTC) and the Indian Ocean Tuna Commission (IOTC), to avoid duplication of management measures between these organizations.

In addition to these matters, PrepCon II continued to make progress on the issues identified during PrepCon I and the method of work was substantially the same as that adopted during the first session, i.e. most of the substantive work was carried out by the two open-ended working groups with a report to plenary at the end of the session. At the commencement of the session it was agreed to elect Mr. Liu, Xiaobing (China) as vice-chairman of the Preparatory Conference and to appoint Mr. John Kalish (Australia) as

chairman of WG.II in place of Mr. Peter Ward. Mr. Bill Gibbons-Fly (United States) was appointed chairman of the new WG.III (that group did not meet during PrepCon II although agreement was reached on its terms of reference, contained in document WCPFC/PrepCon/13).

PrepCon II was able to complete a second reading of the draft rules of procedure for the Commission and it was agreed that the interim secretariat would produce a further revision of the document which could be taken up during the next session of the Conference. The delegation of France submitted a paper entitled 'draft rules of procedure on the participation of territories.' The informal session took note of the paper and agreed that the matter would be taken up at future sessions of the Conference. In the meantime, interested delegations would continue to consult informally on the issue of participation by territories.

WG.I held two meetings during the session. In accordance with its Terms of Reference, WG.I recognized three main tasks: (a) to further clarify the service needs of the Commission; (b) to elaborate the possible options for the delivery of the identified service needs, including an appropriate secretariat structure; and (c) to begin to identify some of the general issues associated with the development of a future budget structure for the Commission. Taking account of the need to structure its future in a coherent and effective manner, WG.I adopted a programme of work to guide the work of the group through the next two sessions of the Preparatory Conference (WCPFC/PrepCon/14).

In accordance with the request made by WG.II at PrepCon I, the interim secretariat provided WG.II with a study containing: (a) a review of the WCPFC Convention to identify science needs; data requirements; priority-setting, planning and co-ordination of research; and the review of scientific work; (b) an analysis of information from regional organizations and arrangements (including SCTB, SPC, IATTC and ISC) on the processes used by those organizations to identify their [scientific] requirements; and (c) an analysis of information from such organizations and arrangements on their current activities, including species covered, membership, staffing levels, sources of funding, budgets, sources of data and methods used to collect data; and potential overlap with the WCPFC Commission's scientific activities.

WG.II held five meetings during the session. Its work during the session included a review of the Commission's needs with respect to data requirements, including gaps in data coverage and standards for data collection and maintenance; science, and in particular stock assessment and advice on stock status in the short term and ongoing; research priorities and research planning and coordination; and review of assessments, analyses and other scientific work. As an outcome of its work, WG.II developed, on a provisional basis, a revised alternative structure for scientific functions. While there was some convergence of views on the overall level of scientific services to be provided to the Commission, some delegations expressed reservations about the revised alternative structure and further discussions on this matter will be required. WG.II also identified a number of tasks to be carried out prior to the next meeting.

In order to assist WG.II in carrying out those parts of its terms of reference which require special scientific and technical considerations, WG.II recommended to the Conference that it establish a scientific coordinating group as a sub-group of WG.II which would report to both WG.II and the Conference. The Conference decided to establish such a group and emphasized the importance of funding to ensure the involvement of developing states in the process. The summary report of the chair of WG.II, including the terms of reference for the scientific coordinating group (SCG), is contained in document WCPFC/PrepCon/15.

One of the matters taken up by PrepCon II for the first time was the matter of the establishment of the headquarters for the Commission, which appears as item VIII on the agenda of the Preparatory Conference. At PrepCon I, it had been agreed that this matter would be taken up at a later stage at the request of the members of the Forum Fisheries

Committee, who wished for more time to consider the matter and to nominate a single candidate from amongst their number. PrepCon II was informed that the Federated States of Micronesia had been selected by the Committee and was formally proposed as the location for the headquarters of the Commission. No substantive discussion of this proposal took place at PrepCon II and indeed no details of the proposal were submitted to the Conference as a whole. At the request of several non-FFA delegations it was agreed to defer further consideration of the proposal until there had been time to review it in more detail. In response to the concerns of some delegations, the Conference adopted a set of general principles and criteria to be taken into account in determining the location of the Commission's headquarters as well as a process for the submission of proposals to the Conference as a whole. In accordance with the agreed process, proposals, including accompanying details and documentation, were to be submitted by 1 September 2002.

It was also necessary for PrepCon II to deal with a number of administrative matters in connection with the arrangements that had been adopted at Christchurch with respect to the establishment of an interim secretariat and a voluntary fund to support the work of the Conference. PrepCon II was informed that such a fund had been established and that contributions had been made by a number of participating governments. Shortly after the Christchurch meeting, a head of the interim secretariat had been appointed by the Chairman and draft guidelines on the use and management of the voluntary fund had been prepared in the form of an exchange of letters between the Chairman of the Conference and the Director of the Forum Fisheries Agency. PrepCon II reviewed the draft guidelines and adopted them, with minor amendments. The meeting was also provided with a report on the status of the fund and noted the need for the interim secretariat to continue to rely on the use of consultants to further progress the work of the Conference.

PrepCon III, Manila, Philippines, November 2002

The third session of the Preparatory Conference (PrepCon III) took place in Manila, Philippines from 18 to 22 November 2002. Having chosen not to attend the first two sessions of the PrepCon, Japan participated for the first time at PrepCon III. At the beginning of the session, PrepCon III agreed to a request for observer status by Permanent Commission for the South Pacific, in accordance with paragraph 2 of its decision of 25 February 2002 relating to participation in the work of the Conference (WCPFC/PrepCon/12).

The substantive matters discussed at PrepCon III and the outcomes of discussions on those matters are set out in full in the statement of the Chairman on the work of the Conference during its third session (WCPFC/PrepCon/23). The main substantive matters dealt with by plenary at PrepCon III were the question of the location of the headquarters of the Commission, the draft rules of procedure, and a proposed draft resolution, put forward by the delegation of Japan, relating to illegal, unreported and unregulated (IUU) fishing and limits on fishing capacity.

In considering the issue of the location of the headquarters of the Commission, the Conference recalled that three bids to host the Commission were received within the time-frame agreed at PrepCon II. Those bids were from the Federated States of Micronesia, Papua New Guinea and Tonga. After the deadline expired, additional bids were received from the Philippines, Fiji, and Samoa. A proposal to waive the time requirement in order to allow consideration of the late bids was defeated by a vote and the Conference therefore proceeded to consider the bids from Federated States of Micronesia, Papua New Guinea and Tonga. As it was not possible to reach a consensus, it was decided to proceed to a vote, which took place on 21 and 22 November, by secret ballot. On the seventh round of voting, Federated States of Micronesia gained a three-quarters majority of the vote. The Conference therefore decided to recommend to the Commission that the headquarters of the Commission be located in the Federated States of Micronesia, noting that, pursuant to article 9, paragraph 7, of the Convention, the final decision would be taken by the Contracting Parties to the Convention.

PrepCon III completed a third reading of the draft rules of procedure for the Commission (WCPFC/PrepCon/WP.1/Rev.2). The delegations of France, New Zealand and the United States of America introduced a proposal for draft rules of procedure on the participation of territories pursuant to article 43 of the Convention. As there was insufficient time to discuss the proposal, the Conference agreed to consider it in more detail at its next session. Following consideration of the draft, the delegation of Japan introduced two further proposals relating to the rules of procedure. As there was insufficient time to discuss the proposals by Japan, the Conference took note of the proposals and agreed to consider them in more detail at its next session. It was agreed that the interim secretariat would produce a further revision of the document for consideration at a later time.

The delegation of Japan introduced a draft resolution relating to IUU fishing and limits on fishing capacity. The resolution, which, in its operative paragraphs urges all States and other entities to exercise reasonable restraint in respect of any expansion of fishing effort and capacity in the Convention Area and to apply the precautionary approach and also urges all States and other entities concerned to take every appropriate measure, in accordance with their international obligations and with the FAO international plan of action on IUU fishing and other relevant international instruments, to prevent, deter and eliminate IUU fishing in the Convention Area, was adopted by consensus (WCPFC/PrepCon/22).

With respect to the Preparatory Conference Organizational Fund (PCOF), PrepCon III took note of the status of the Fund as at 31 October 2002 and also took note of and confirmed the existing arrangements with respect to the interim secretariat and Chairman.

Other work at PrepCon III took place in the main working groups of the Conference, which were able to make substantive progress on a number of important matters. The key outcomes of the discussions in the working groups are contained in the summary reports by the chairman of each working group issued at the conclusion of PrepCon III.

In accordance with the plan of work it had adopted at PrepCon II, WG.I began consideration of the costs of a Commission secretariat to deliver core functions and science, the costs associated with the various options for providing additional Commission services and the application of cost recovery principles for the provision of specified Commission services. WG.I also considered possible mechanisms for funding participation in the work of the Commission by developing States consistent with article 30, paragraph 3, of the Convention.

WG.I considered that, in general, the structure for a Commission secretariat outlined in the working paper prepared by the Secretariat (WCPFC/PrepCon/WP.7) reflected the basic principles that had been agreed at earlier sessions in terms of size, efficiency and cost-effectiveness. That structure implied an overall staffing level, after three years, of 17 (eight Professional and nine General Service). Comments were made on specific aspects of the structure, which it was noted would continue to evolve. It was noted that the issue of a fund to facilitate the participation of developing States Parties, particularly small island developing States, and where appropriate, territories and possessions, as provided for in article 30, paragraph 3, of the Convention, was critical to many participants in the Preparatory Conference. With respect to the proposal contained in the working paper for a special fund of US\$ 60,000, there was a suggestion that this amount was too low and that a figure of US\$ 250,000 would be a more accurate estimate of the costs associated with participation in up to four weeks of meetings per year, including meetings of the Commission and its subsidiary bodies. It was also suggested that the fund should be used for training and staff development in order to ensure effective participation. The need to develop guidelines and criteria for eligibility for assistance from the fund, as required by the Convention, was noted.

WG.I was unable to reach agreement on the mechanisms for financing such a fund. Although several delegations strongly emphasized the need to incorporate the fund as an element of the core budget of the Commission, financed out of assessed contributions, others pointed to the fact that no other international fisheries organization had established such a practice and that any fund should be a voluntary fund.

With respect to the provisional indicative budget of the Commission, WG.I considered that, while all components of the provisional indicative budget would be subject to further refinement and detailed discussion, the budgetary estimates provided in the working paper prepared by the Secretariat were a useful indication for participants in the Preparatory Conference of the likely costs associated with the Commission. That working paper outlined a provisional indicative budget in the first full year of operations of US\$1 m for administrative expenses and US\$1.2 m in respect of science and data services and the operation of a vessel register.

WG.II reviewed the report of the first meeting of the SCG, held in July 2002, recalling that the Group had been established to assist WG.II in carrying out those terms of reference which require special scientific and technical consideration. WG.II took note of summary statements on the status of stocks in the Convention Area prepared by the SCG (WCPFC/PrepCon/15/Annex II), noting in particular that (a) the skipjack stock appears to be capable of sustaining the current catch without adverse effects to the overall stock, (b) the assessment for yellowfin tuna indicates that the stock is likely to be nearing full exploitation; (c) the assessment for bigeye tuna indicates that the stock is nearing full exploitation. The catches and fishing mortality of juveniles have increased greatly over the past decade, due primarily to increased catches in Indonesia, Philippines and the international purse seine fishery. In respect of the purse seine fishery, the increased use of drifting fish aggregating devices (FADs) has increased juvenile mortality of bigeye tuna, and (d) the Multifan-CL assessment indicates that albacore appear to be only lightly exploited and this conclusion is not affected by different model assumptions considered by the SCTB. WG.II also made a number of recommendations for improvements to the format and content of the summary statements of stock status prepared by the SCG, including recommendations for strengthening of data collection and sampling mechanisms.

WG.II agreed that the detailed technical work in relation to the data requirements of the PrepCon and the Commission, including current gaps in data coverage and standards for data collection and management, data security, and data confidentiality, should be handled by the next meeting of the SCG (scheduled for June 2003). In accordance with the recommendation of WG.II, PrepCon III decided that, subject to funding availability, the second meeting of the SCG should take place from 17 to 19 July 2003, in Mooloolaba, Australia, immediately following the 16th Meeting of the Standing Committee on Tuna and Billfish. The Conference also decided to appoint Dr. Yuji Uozumi (Japan) as chairman of the SCG.

WG.II also discussed the special requirements of small island developing States in relation to data needs and scientific research. As a result, the interim secretariat was requested to prepare a paper, in conjunction with interested parties, on the special requirements of developing States in regard to data requirements and technical capacity. No agreement was reached in WG.II on a model for meeting the science and data needs of the Commission. It was considered that further work would be required to progress this issue and it was suggested that some elements of this work proceed intersessionally under the guidance of the chairman of WG.II with the assistance of the interim secretariat.

Working Group III met for the first time during PrepCon III. It considered the needs of the Commission with respect to monitoring, control and surveillance, identified by reference to the articles of the Convention, as well as the principal elements of a boarding and inspection scheme and the monitoring, control and surveillance component of the Commission's observer programme. During the consideration of these elements, it was noted that the boarding and inspection scheme is one part of a comprehensive

programme for compliance and enforcement that will also include such matters as the observer programme, port state controls, a vessel monitoring system and other components. Several delegations expressed the view that, while there is a general need to ensure that the elaboration of any scheme is closely linked to the broader provisions of article 25 of the Convention, relating to compliance and enforcement, the elaboration of a boarding and inspection scheme should also take into account the provisions of article 21, paragraph 18, of the UN Fish Stocks Agreement. It was felt that an important aspect in the elaboration of the scheme would be guidelines governing the use of force. In particular, there was a general sense that the use of force be limited to situations where the safety of the vessel and members of the boarding and inspection party is threatened.

WG.III also adopted an indicative programme of work for future sessions. According to that programme of work, at its second meeting WG.III would aim to hold substantive discussions on a draft boarding and inspection plan, establish procedures for the Commission's vessels record and, begin discussions on the observer programme, VMS and vessel and gear markings. At its third meeting it would aim to conclude discussions on the boarding and inspection scheme and adopt, if possible, a draft boarding and inspection scheme to recommend to the Commission.

PrepCon IV, Nadi, Fiji Islands, May 2003

The fourth session of the Preparatory Conference took place at Nadi, Fiji Islands, from 5 to 9 May 2003. Most of the work of the session took place in WG.I and WG.III

WG.I held four meetings during the session. As agreed at the third session, the Working Group focused its attention on the development of a formula for assessment of contributions to the budget of the Commission and on the development of financial regulations for the Commission, including regulations to govern the administration of the fund established under article 30, paragraph 3, of the Convention.

WG.I made substantial progress on consideration of the issues associated with the scheme for assessment of contributions to the budget of the Commission, to be established in accordance with article 18(2) of the Convention on the basis of a fixed base fee, a component reflecting the national wealth and state of development of the member concerned, and a fish production fee. Following its deliberations, WG.I requested the Secretariat to prepare a revision of its working paper (WCPFC/PrepCon/WP.13), for further consideration at the fifth session, taking into account the discussions that had taken place. WG.I particularly emphasized the need to take full account in any formula the ability to pay of potential members, in particular small island developing States.

WG.I also had a first reading of the draft financial regulations for the Commission contained in document WCPFC/PrepCon/WP.2. It was agreed to take this matter up again at its next session.

In accordance with the programme of work adopted at PrepCon III, WG.III held three meetings during the session. WG.III discussed in particular draft procedures for boarding and inspection prepared by the Chairman of the Working Group (WCPFC/PrepCon/WP.14). Following discussion of the procedures, the Working Group requested the chairman, with the assistance of the interim secretariat, to revise the draft for further consideration at the fifth session. The Working Group also held a preliminary discussion of the MCS component of the Commission's observer programme and agreed that the next step would be to build on the elements of the observer programme identified by the Group at the third session. The Chairman of WG.III was requested to prepare a discussion document on proposed guidelines for the rights, duties and responsibilities for observers, captains and crew, using similar guidelines adopted by other regional organizations and national governments as a starting point. In order to facilitate progress on other matters that had not been covered in the present session, the Working Group requested the Secretariat to prepare an information paper on vessel and gear markings. A

paper would also be prepared on VMS, if possible. These information papers, together with the draft guidelines on rights and responsibilities of observers would serve as the basis for substantive discussions at the next meeting of WG.III.

WG.II met informally in order to receive a briefing and have an exchange of views on the progress of intersessional work required for the second meeting of the Scientific Coordinating Group (scheduled for July 2003) and the fifth session of the Conference and to review its work plan for future meetings. The Working Group agreed on a draft work plan for WG.II and for the SCG, including necessary intersessional activities, to be circulated to all participants through the chairman of the Working Group and the secretariat. It was noted that the work plan was intended to be flexible and would be subject to periodic review and adjustment.

According to that work plan, the second meeting of the Scientific Coordinating Group would focus on developing the long-term data needs of the Commission, identifying research priorities and research planning and coordination and on updating the summary stock status statements for the major target species (bigeye, yellowfin, skipjack, South Pacific albacore). At PrepCon V, WG.II would aim to finalize the structure for the scientific functions of the Commission, review the role of existing regional organizations in obtaining the best available scientific and other fisheries-related information and consider the special requirements of developing States in relation to data requirements and technical capacity. In addition, if time permits, WG.II would consider approaches to ecosystem and bycatch issues based on the study contained in WCPFC/PrepCon/WP.9.

PrepCon IV met in informal session on 7 May to review the further revised draft Rules of Procedure for the Commission prepared by the Interim Secretariat on the basis of discussions during the third session and contained in document WCPFC/PrepCon/WP.1/Rev.3*. In considering the draft, the Conference focused its attention on those rules where specific problems had been identified, namely rules 1, 14, 15, 23, 24, 30, 31, 34 and 35. While it was possible to resolve the outstanding issues in relation to a number of these provisions, it was noted that considerable differences remained on other provisions. In particular, with respect to the proposal by Japan relating to the Northern Committee, it was agreed to defer further discussion on this issue until the next session of the Conference in order to achieve a consensus consistent with the Convention.

PrepCon IV therefore agreed to return to the draft rules of procedure at its next session with a view to consideration of the remaining issues. In further revising the draft, the Secretariat was requested to include in its explanatory memorandum a note of the issues raised in relation to these outstanding issues. The Conference took note of the proposals made in relation to the participation of territories and mail voting procedures, but delegations expressed the wish for more time to study the proposals before more detailed consideration at PrepCon V.

With respect to the PCOF, as at previous sessions, the Conference took note of the status of the Fund and confirmed the existing arrangements with respect to the interim secretariat and Chairman. PrepCon IV also received an audit report on the Fund to 31 December 2003.

In addition to the above, the delegation of Japan introduced papers on fishing capacity and IUU fishing on which there was considerable discussion (see documents WCPFC/PrepCon/DP.11 – DP.15). The Conference agreed that the chairman of WG.II and the chairman of the Scientific Coordinating Group (SCG) would develop a report for the fifth session that would include an assessment of:

- Area;
- (a) the status of the major highly migratory tuna stocks in the Convention Area;
 - (b) the impact of FADs on juvenile stocks in the Convention Area;
 - (c) any gaps in current data that need to be improved; and
 - (d) implications for sustainability.

This approach should provide the basis for future management action. Notwithstanding this decision, certain delegations considered that further steps should be taken in the near term with a view to restraining any further increase in the capacity in the region.

With respect to the programme of work for the fifth session, the Conference recalled that it had agreed at its first session in April 2001 that its objective should be to complete the work of the Preparatory Conference within an overall time-frame of three years; that is, by early 2004. With that in mind, and in light of the possibility that the Convention could enter into force in 2004, the Conference decided that it should take the opportunity at the fifth session to take stock of progress on its agenda to date and to review and prioritize the future work of the Conference. In allocating scarce conference time, it was agreed that priority would need to be given to consideration of the key organizational issues on which the establishment of the Commission depended. It was also recognized that, to the extent possible, it would be necessary to continue the valuable work agreed on in Working Groups II and III.

PrepCon V, Rarotonga, Cook Islands, September 2003

The fifth session of the Conference took place at Rarotonga, Cook Islands, from 29 September to 3 October 2003. The session was preceded by a one-day retreat for heads of delegations on the island of Aitutaki. With 10 ratifications in place, PrepCon V was perceived as a critical session at which tangible progress on key issues, including the Northern Committee and the scheme of assessed contributions to the budget, needed to be made.

PrepCon V began with discussion of a document prepared by the Chairman as a basis for a review of progress achieved to date in the Conference and identification of priority issues prior to entry into force of the Convention (WCPFC/PrepCon/30). On the basis that it appeared highly likely that the Convention would enter into force by the middle of 2004, the Conference endorsed the suggestion made by the Chairman that two further sessions should be held in 2004. PrepCon VI, would, *inter alia*:

- (a) Finalize recommendations relating to the organizational structure of the Commission Secretariat;
- (b) Finalize the budget for the early years of the Commission and the way in which it will be financed;
- (c) Draw up the agenda for the first session of the Commission; and
- (d) Make recommendations on the procedure for selection of an Executive Director.

PrepCon VI would also provide the opportunity to consider arrangements for the hosting of the Commission.

PrepCon VII, which would be expected to be the final session of the Preparatory Conference would, if practicable, be held back to back with the inaugural session of the

Commission at a time to be determined in due course. The main purpose of PrepCon VII would be to formally adopt the final report and recommendations of the Preparatory Conference, conclude the business of the Conference and deal with any unfinished business.

In terms of the immediate priorities for PrepCon V, it was agreed that the objective of the informal plenary should be to conclude its consideration of outstanding issues with respect to the draft rules of procedure, so that they could be adopted at the first session of the Commission itself. Working Group I would consider the revised draft scheme of contributions to the budget of the Commission and the draft financial regulations. Working Group II would consider the scientific structure of the Commission (which was recognized as the most urgent task for Working Group II), the role of existing regional organizations in obtaining information and the special requirements of developing States and territories with respect to data requirements and technical capacities. In addition, if time allowed, Working Group II would also consider approaches to ecosystem and bycatch issues on the basis of a paper prepared by the interim secretariat at the third session (WCPFC/PrepCon/WP.9). Meanwhile, Working Group III would continue its work on the elaboration of a draft scheme for boarding and inspection and would also consider proposed guidelines for the rights, duties and responsibilities for observers, captains and crew and a proposed scheme for vessel and gear markings.

Nevertheless, as well as dealing with the above priority issues, the Preparatory Conference also had to consider a draft resolution relating to control of fishing effort and capacity tabled by the delegation of Japan, apparently as a follow-up to the resolution adopted by PrepCon IV and in response to the concerns expressed by the SCG meeting of July 2003 in relation to the status of yellowfin and bigeye stocks in the Convention Area (WCPFC/PrepCon/DP.16). Following intensive discussions throughout the course of PrepCon V, PrepCon participants reached agreement on a revised draft resolution "in response to the recommendations of the [SCG] on sustainable fisheries management" which was adopted by consensus on the final day of the session (WCPFC/PrepCon/34). That resolution, *inter alia*, requested the interim secretariat to prepare a paper on management options as a response to the sustainability concerns identified by SCG in respect of yellowfin and bigeye stocks and in the meantime urged all participants to fully implement previous resolutions of MHLG and the Preparatory Conference calling for the exercise of reasonable restraint in respect of any expansion of fishing effort and capacity in the Convention Area.

Working Group I focused its attention during PrepCon V on the development of a formula for the assessment of contributions to the budget of the Commission and on the draft financial regulations for the Commission. The working group considered various options for the budget funding formula taking into account the discussions on this matter at PrepCon IV, including a revised methodology for the calculation of the "national wealth" component of the budget of the Commission. In discussing such methodology, various suggestions and proposals were put forward and the group noted the considerable difficulty involved in finding a formula that could satisfy all potential members of the Commission. Following a proposal by the delegation of Korea, WG.I considered a revised formula for the national wealth component based upon an equal weighting of gross national income (GNI) per capita and GNI. It became apparent that the main area of difficulty was the relative weighting of the three components set out in article 18 of the Convention. Although a preference was expressed for a relative weighting of 10 per cent (base fee), 20 per cent (national wealth component) and 70 per cent (fish production component), some participants considered that the relative weighting should be 10 per cent (base fee), 45 per cent (national wealth component) and 45 per cent (fish production component). In both cases, a discount factor of 0.4 was applied to the catches taken within the exclusive economic zone of a developing State or territory by vessels flying the flag of that developing State or territory. Following extensive discussions, including discussion of a possible compromise between the differing positions, it became clear that there was a preponderance of views in favour of a relative weighting of 10/20/70. The delegation of Korea noted that its proposal for a relative weighting of 10/45/45 remained

on the table and reserved its position with respect to any possible compromise. Several participants emphasized the need to reach finality on the scheme of contributions, at least for an interim period, so that WG.I could begin to address the other matters on its agenda. The Chair of WG.I therefore proposed that, for the time being, the Conference should proceed on the basis of a relative weighting of 10/20/70, but that the matter of the relative weighting could be revisited should any compromise proposal emerge from further consideration by delegations before the next session of the PrepCon (WCPFC/PrepCon/31).

Working Group I was also able to carry out a second reading of the draft financial regulations for the Commission and was able to reach agreement on most aspects of the draft, including a new proposal relating to the establishment of a special requirements fund for the purposes identified in article 30 of the Convention.

The principal achievement of Working Group II at PrepCon V was to reach agreement on a science structure for the Commission during its transitional period (WCPFC/PrepCon/32, Annex III). This structure would be reviewed two years after entry into force of the Convention. It was also recommended that the SPC/OFP should play a key role in the scientific work of the Commission during the transitional period and should undertake the stock assessments for the four main tuna species during that period. Working Group II also recommended that PrepCon should include in its final report to the Commission a long term strategy for building fisheries data collection and analytical capacity in developing States and territories. Working Group II reviewed the report of the second meeting of the Scientific Coordinating Group, which took place in July 2003, and made a number of recommendations concerning stock assessments and data coverage.

Owing to time constraints, Working Group III held only two meetings during PrepCon V. The Working Group discussed the revised draft boarding and inspection scheme contained in document WCPFC/PrepCon/WP.14/Rev1) and requested the Chairman of the Working Group, with the assistance of the interim secretariat, to further revise the draft scheme in light of the proposals and suggestions that had been made. The Working Group also considered its future work programme and priorities for PrepCon VI, noting that it had not had time to discuss draft guidelines on the rights, duties and responsibilities for observers captains and crew, vessel and gear marking systems and the Commission's vessel monitoring system. The Working Group agreed that the issues of the Commission's record for vessels and authorisation to fish and Port State control should also be discussed at PrepCon VI in accordance with its agreed work priorities.

The Conference met in informal session to review the further revised draft Rules of Procedure for the Commission (WCPFC/PrepCon/WP.1/Rev.4). In considering the draft, the Conference focused its attention on outstanding complex issues, including the rules of procedure relating to the Northern Committee, the proposals made in relation to the participation of territories and proposals relating to intersessional voting procedures. Following intensive discussions, including informal consultations between delegations, it was possible to resolve the outstanding issues in relation to these provisions. The Conference agreed to request the Interim Secretariat to prepare a revised version of the document, taking into account the discussions during the session and noting any remaining issues which would require consideration. It was further agreed that the revised draft of the rules would be taken up at the final session of the Conference with a view to finalizing a recommendation for adoption by the Commission at its first session.

PrepCon VI, Bali, Indonesia, April 2004

PrepCon VI will be held in Bali, Indonesia, from 19 to 23 April 2004. The anticipated programme of work for PrepCon VI, will be, *inter alia*, to:

- (a) Finalise recommendations relating to the organizational structure of the Commission Secretariat;

- (b) Finalise the budget for the early years of the Commission and the way in which it will be financed;
- (c) Draw up the agenda for the first session of the Commission;
- (d) Make recommendations on the procedure for selection of an Executive Director; and
- (e) Decide on the venue and timing for the final session of the Preparatory Conference and the inaugural session of the Commission.

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