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**PREPARATORY CONFERENCE FOR THE COMMISSION  
FOR THE CONSERVATION AND MANAGEMENT OF  
HIGHLY MIGRATORY FISH STOCKS IN THE WESTERN  
AND CENTRAL PACIFIC**

Second session

Madang, Papua New Guinea

25 February – 1 March, 2002

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WCPFC/PrepCon/16

1 March 2002

**STATEMENT OF THE CHAIRMAN ON THE WORK OF THE PREPARATORY  
CONFERENCE DURING ITS SECOND SESSION**

1. The second session of the Preparatory Conference for the Establishment of the Commission on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean took place at Madang, Papua New Guinea, from 25 February to 1 March 2002. The Conference was attended by representatives from Australia, Canada, China, Cook Islands, European Community, Federated States of Micronesia, Fiji, France, Indonesia, Kiribati, Republic of Korea, Marshall Islands, Nauru, New Caledonia, New Zealand, Niue, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Chinese Taipei, Tonga, Tuvalu, United States of America, Vanuatu, and Wallis and Futuna. Observers from the South Pacific Forum Fisheries Agency (FFA), the Forum Secretariat, the Food and Agriculture Organisation of the United Nations (FAO), the Inter-American Tropical Tuna Organisation (IATTC), OLDEPESCA, the Pacific Community (PC), and the University of the South Pacific (USP) attended the Conference.

2. The session was opened by the Hon. Ron Ganarafo, Minister of Fisheries and Marine Resources of Papua New Guinea.

3. In his opening remarks, the Chairman of the Conference noted that in December 2001, the UN Fish Stocks Agreement had entered into force. This was a significant development, which should provide additional encouragement to all those who have not already done so to move expeditiously towards ratification of the Western Central Pacific Fisheries Convention. The Chairman reminded participating delegations that, while much of the work of the first session had been organizational in nature, the objective of the present session should be to start to make substantive progress in accordance with the work plan that had been adopted at the first session. To this end, most of the time available had been devoted to the work of the two open-ended working groups established to consider issues related to organizational and budget matters and the provision of scientific advice to the Commission respectively, in the hope that the working groups would at least be able to make some progress in identifying areas of agreement and disagreement and thus help to further clarify the issues to be discussed at future sessions.

4. Statements of a general nature were made by the representatives of Australia, Canada, China, Cook Islands on behalf of the Forum Fisheries Committee, European Community, Fiji, France, Republic of Korea, New Caledonia, New Zealand (including Tokelau), Chinese Taipei, Papua New Guinea, Philippines, United States of America, Vanuatu and Wallis and Futuna. A statement was also made by the representative of the Russian Federation.

5. The Conference recalled that the agenda adopted at its first session (WCPFC/PrepCon/2) would continue to serve as the basis of its work in future sessions, subject to such amendments as may be necessary as the Conference progressed. During the second session, the Conference dealt with the following matters:

- (a) the report of the Chairman on the outcomes of the informal consultations on agenda item XI, convened immediately prior to the session;
- (b) election of officers;
- (c) a second reading of the draft rules of procedure for the Commission;
- (d) the issue of the location of the headquarters of the Commission;
- (e) the status of the Preparatory Conference Organizational Fund and related matters;
- (f) the reports and recommendations of Working Group I and Working Group II;
- (g) the establishment and terms of reference of a Working Group on monitoring, control and surveillance; and
- (h) the date and place of the next session of the Preparatory Conference.

Report on the informal consultations on agenda item XI

6. The Chairman provided a report to the Conference on the outcomes of the informal consultations on agenda item XI, entitled 'Mechanisms to promote participation', convened on 21 and 22 February 2002. The Chairman's report is contained in document WCPFC/PrepCon/10. With respect to the issue of participation in the Preparatory Conference, the Conference adopted the draft resolution proposed by delegations participating in the informal consultations and contained in paragraph 7 of WCPFC/PrepCon/10. The decision of the Preparatory Conference relating to participation in the work of the Conference is contained in document WCPFC/PrepCon/12. The Conference agreed to the request by the Russian Federation to attend to observe the meeting in accordance with paragraph 2 of that decision.

7. With respect to the issue of duplication of management measures in areas of overlap with other fishery management organizations, the Preparatory Conference decided that it should undertake the necessary steps 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 particular, the Conference decided to:

- (a) direct the interim secretariat to work with the Secretariat of the CCSBT to draft an exchange of letters expressing the understanding between the two organizations that, because CCSBT has competence with respect to southern bluefin tuna throughout its migratory range, the

Western and Central Pacific Fisheries Commission recognizes that CCSBT is the appropriate body to develop and implement southern bluefin tuna conservation and management measures;

(b) appoint a group to work with the IATTC to develop guidelines to give full effect to article 22, paragraph 4, of the Convention, with respect to the need to avoid duplication of management measures in the area of overlap between the two organizations and to promote consistent management measures throughout the migratory range of stocks that occur in the areas covered by the two conventions. These guidelines could be presented for the consideration of the full Preparatory Conference at its next session; and

(c) give due consideration to the appropriate mechanism for cooperation between the Western and Central Pacific Fisheries Commission and the IOTC to avoid duplication of measures in the area of overlap between those two organizations.

8. It was noted that, while the informal consultations succeeded in addressing many of the issues raised by participating delegations with respect to agenda item XI, the item itself remained on the agenda of the Conference and delegations could return to it whenever there is the agreement of participants to do so.

#### Election of officers

9. Mr Liu, Xiaobing (China) was elected vice-chairman of the Preparatory Conference. Mr John Kalish (Australia) was appointed chairman of Working Group II.

#### Draft rules of procedure for the Commission

10. The Conference met in informal session on 25 and 27 February to review the revised draft Rules of Procedure for the Commission prepared by the interim secretariat on the basis of discussions during the first session (WCPFC/PrepCon/WP.1/Rev.1). The Conference completed a second reading of the draft rules 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.

#### Location of the headquarters of the Commission

11. The Chairman of the Forum Fisheries Committee informed the Preparatory Conference that, following deliberations within the Committee, the Committee nominated Federated States of Micronesia as the location for the permanent headquarters for the Commission. At the request of several delegations it was agreed to defer further consideration of the proposal until there had been time to review the proposal in more detail and to give more detailed thought to the matter. 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. These are contained in annex I to the present document, which also sets out a process for the submission of proposals to the Conference as a whole.

## Status of the Preparatory Conference Organizational Fund and related matters

12. The interim secretariat provided a report on the status of the Preparatory Conference Organizational Fund and related matters, including the agreed guidelines for the operation of the Fund (WCPFC/PrepCon/WP.5). A number of amendments were proposed to the agreed guidelines to reflect the need for the interim secretariat to develop a provisional annual budget for the use of the Fund. Following consideration of the report and the recommendations and proposals made in relation thereto, the Conference:

- (a) approved the guidelines for the administration of the Preparatory Conference Organizational Fund as amended and as contained in annex II to the present report;
- (b) expressed its appreciation to those participating governments that have contributed to the PCOF or otherwise contributed financially to the Preparatory Conference;
- (c) noted the status of the Fund as at 19 February 2002 (WCPFC/PrepCon/WP.5, Annex 2);
- (d) noted the existing arrangements with respect to the Preparatory Conference Secretariat;
- (e) invited those participants that have not already done so, as well as relevant intergovernmental organizations and agencies, national institutions, non-governmental organizations and international financial institutions to make voluntary contributions to the Preparatory Conference Organizational Fund.

13. In relation to the work of the interim secretariat, the Conference noted the need to further progress the work of the Preparatory Conference, in particular through the employment of consultants, and noted that additional resources might be allocated from the fund for this purpose. With respect to the level of compensation to be provided to the Chairman and head of interim secretariat for their services, the Conference agreed to request a small group, comprising the representatives of Australia, Canada, China, Cook Islands and Papua New Guinea to develop intersessionally appropriate guidelines and scales. This task is to be completed within two months of the end of the present session. Information on any decision reached will be notified to all participants in the Preparatory Conference.

## Working Group reports

14. Working Group 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. The summary report of the chair of WG.I, including the programme of work, is contained in document WCPFC/PrepCon/14.

15. Working Group 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.

16. 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, is contained in document WCPFC/PrepCon/15.

#### Establishment of a monitoring, control and surveillance working group

17. Taking into account the concerns raised by delegations with respect to monitoring, control and surveillance issues as set out in paragraphs 4 and 5 of the Report of the Chairman on the outcome of informal consultations on agenda item XI: 'Mechanisms to promote participation' (WCPFC/PrepCon/10), the Conference agreed to establish a working group on monitoring, control and surveillance. The terms of reference for the working group are contained in document WCPFC/PrepCon/13. Mr Bill Gibbons-Fly (United States) was appointed chairman of Working Group III.

#### Date and place of next session

18. The Conference accepted the offer of the Government of the Philippines to host the third session of the Preparatory Conference in Manila. The provisional dates of the session will be 18 to 22 November 2002. The Cook Islands indicated its interest in hosting the fourth session of the Conference.

19. The second session of the Preparatory Conference was adjourned on 1 March 2002.

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## Annex I

### **CRITERIA FOR ASSESSMENT OF BIDS FOR THE PERMANENT SECRETARIAT OF THE WESTERN AND CENTRAL PACIFIC FISHERIES COMMISSION**

#### Introduction

This paper addresses the broad criteria that countries will need to meet, including administrative and financial considerations, relating to the establishment of the headquarters for the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (the Commission). The paper provides guidance relating to the decisions to be made with respect to some of the more important issues.

#### General Principles

In establishing the Commission the selection of its headquarters will be critical in that this choice will affect the:

- overall cost of operating the Commission,
- ongoing participation costs to members, and
- operational efficiency of the Commission.

As a matter of principle, the Commission should be structured to be as cost-effective as possible. This is primarily because of the need to minimize the level of members' contributions.

With this consideration in mind, the following general principles should be taken in account in determining the location of the Commission's headquarters. These principles are that:

- The Commission headquarters should be located where the costs of supporting the operations of a Commission and the in-country costs are reasonable.
- In keeping with established international practice on the location of headquarters of fisheries Commissions, it should be located where the resources are located.
- The Commission headquarters should be easily accessible by members, consultants and staff who are required to travel to meetings or to undertake work on behalf of the Commission away from its headquarters. This accessibility pre-supposes that the headquarters is conveniently located and that it is well served by regional and international airlines.
- The recruitment and retention of staff is essential to the efficient operation of the Commission. In this context, the Commission headquarters should be well served by utilities including communications (telephone, fax, email and Internet connections), electricity, and potable water. Other services required include financial institutions, electricity, health services, good domestic transport and primary educational institutions to international standards. These utilities and services should be available at reasonable cost and not require, for example, the Commission to invest in stand-by facilities in order to have access to 24-hour services.
- The Commission headquarters should not be located in a country where the conditions, including security matters, unduly increase the cost to the Commission of doing business, for example, the need for security services, the recruitment and retention of staff, and the personal security of delegates attending meetings.

- The Commission headquarters will require the provision of office accommodation for around 20-25 staff including conference facilities and hotel accommodation for up to 300 meeting participants. The Commission will not be expected to meet any of the construction and fit out costs for office and conference facilities.
- The expected ongoing office costs of office and conference facilities to the Commission would be minimal.
- The Commission headquarters should be located in a country where staff accommodation is available at an acceptable standard.

### Process

The governments interested in hosting the Commission are requested to bring forward a detailed proposal that addresses each of the above criteria. This justification should include, among other things, the nature, scope and extent of facilities and services to be provided free of charge, to the Commission, that would ultimately be set out in a Headquarters Agreement with the Commission.

Countries applying to host the Commission should disclose full details of host country contributions and ongoing commitments, available facilities and services in their formal bid to the PrepCon Secretariat so that all bids can be fairly and transparently assessed.

Formal bids must be lodged with the Chairman of PrepCon no later than 1 September 2002

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## Annex II

### **GUIDELINES FOR OPERATION OF THE PREPARATORY CONFERENCE ORGANIZATIONAL FUND**

#### **Establishment:**

1. As authorized by the Decision of the Preparatory Conference on Arrangements for Future Sessions of the Preparatory Conference for the Establishment of the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific (WCPFC/PrepCon/8), the Forum Fisheries Agency (FFA) shall establish the Preparatory Conference Organization Fund (PCOF) as a separate account with its bankers. The Fund shall be maintained in U.S. dollars.
2. Contributions to the PCOF received by FFA from donors shall be paid to the PCOF account. FFA will promptly advise the Chairman of the Preparatory Conference (“the Chairman”) of such receipts.

#### **Purposes:**

3. The PCOF will be used solely for the purposes set out in paragraph 2 of document WCPFC/PrepCon/8, namely:
  - (a) In-country conference costs (where sessions hosted by a developing country);
  - (b) Chairman’s travel and associated costs;
  - (c) Preparatory Conference Secretariat travel and associated costs;
  - (d) appropriate retainer fees, consultancy fees and miscellaneous administrative expenses;
  - (e) FFA management and administrative costs; and
  - (f) Any other costs approved in writing by the Chairman or Head of the Interim Secretariat that are within the guidelines of the approved budget.

#### **Approved budget:**

4. The Head of the interim secretariat, in consultation with the Chairman, is responsible for drafting a provisional annual budget for the use of the PCOF. The funds contributed to the PCOF are to be expended in accordance with the purposes set out in paragraph 3 and the provisional budget.
5. Expenditures may be shifted between the items listed in the provisional budget, provided that no single category of costs is increased by more than 25 per cent without the express approval of the contributors to the PCOF and provided that the total actual expenditures for all categories does not exceed the funds available in the PCOF.
6. The Head of the interim secretariat will circulate the provisional budget to the contributors to the PCOF not less than 90 days in advance of the session of the Preparatory Conference in respect of which the funds are to be expended. The contributors to the PCOF shall approve the provisional budget in writing not less than 60 days in advance of the session.

#### **Expenditure:**



7. FFA's role in relation to the PCOF and Preparatory Conference is to collect and bank donor contributions and to make payments as requested or agreed in writing by the Chairman or Head of the Interim Secretariat.
8. The Director of FFA, or person designated by him, will be responsible for arranging disbursement transactions from the PCOF in accordance with these guidelines and subject to requests by the Chairman or the Head of the Interim Secretariat acting on the Chairman's behalf. As far as possible, such requests will be accompanied by relevant supporting documentation to justify the expenditure in the form of receipts, contracts, agreements, etc. Where payments of travel costs are requested, FFA will be advised of the approved allowance levels, class of travel, and itinerary that are within the guidelines of the proposed budget.
9. In the absence of supporting documentation the Chairman's written request or that of the Head of the Interim Secretariat will be sufficient authority for FFA to process the payment.
10. All expenditure from the PCOF must be specifically approved in writing by the Chairman or by the Head of the Interim Secretariat acting on the Chairman's behalf. As far as possible, the Chairman will provide FFA with an estimate of anticipated expenditure from the PCOF at each session of the Preparatory Conference.
11. The contracting principal in relation to any contracts for experts will be the Chairman, with FFA acting as the processor of consultancy payments. At all times during the period of these Agreed Guidelines, FFA is not the agent of the Chairman.
12. Where the PCOF is used to support in-country conference costs, the host country will be responsible for the prior submission to the Chairman, through FFA, of an estimated budget for costs associated with the hosting of the Preparatory Conference. The estimated budget must be approved by the Chairman before the expenditure of any funds from the PCOF for such purposes. FFA will not make any disbursement from the PCOF in respect of in-country conference costs unless such costs are specifically included in the approved budget.

**FFA responsibilities:**

13. FFA is responsible for the proper administration of the PCOF in accordance with these guidelines and good financial management practices.
14. FFA will not make any disbursement from the PCOF unless sufficient funds are deposited in the PCOF.
15. FFA will provide a current financial statement, including an income summary and a report on actual expenditures against the approved budget, on the PCOF for each session of the Preparatory Conference.
16. The PCOF will be subject to the annual auditing procedures of FFA.
17. Copies of the audit report, current financial statement, the approved budget, income summary and a report of actual costs will be provided to the Preparatory Conference each year.

**Preparatory Conference Chairman's responsibilities:**

18. The Chairman will take all reasonable measures to facilitate FFA's administration of the PCOF and to ensure that FFA receives payment of its administrative costs at the standard programme support rate of 10% in the manner agreed between FFA and the Chairman.

**Interest:**

19. All interest earned on the PCOF shall be returned to the fund.

**Completion of the PCOF:**

20. The PCOF shall continue to operate until determined by the Preparatory Conference or by the Commission. The Preparatory Conference or the Commission shall determine the disbursement of funds from the PCOF on completion.

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