

**TESTIMONY OF
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**BEFORE THE SENATE COMMITTEE
ON COMMERCE, SCIENCE AND TRANSPORTATION**

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Mr. Chairman and Members of the Committee:

I am pleased to have the opportunity to appear before you to outline both the challenges we face in working towards sustainable international fisheries, as well as the recent progress we have made.

Introduction and Overview

Managing the world's fisheries on a sustainable basis is a goal we all share, but it is also one that still proves elusive. Three challenges in particular stand in the way of achieving this goal:

- (1) Overcapacity of fishing fleets, which leads to overfishing;
- (2) Illegal, unreported and unregulated (IUU) fishing; and
- (3) Adverse environmental effects of certain fishing practices

We cannot successfully address these challenges by dealing with them in isolation from each other. Nor can we successfully address them without the cooperation of other nations, international organizations and key stakeholders. Flag States, coastal States, market States and port States each play a vital role in managing the conduct of fisheries and the progress of fisheries products through the marketplace. To achieve sustainable fisheries, we need to work with the governments of these States bilaterally and through Regional Fisheries Management Organizations (RFMOs) and other international organizations such as the United Nations and the UN Food and Agriculture Organization (FAO). At the international level and here at home, we also need to continue to engage industry groups, conservation organizations, scientists, consumers and the media on these issues. Last, but certainly not least, Congress and the Administration also need to continue to work together.

The overall picture is worrisome. The FAO, in its most recent survey of the state of the world's fisheries, estimates that almost three quarters of commercially exploited fish stocks for which adequate data exist are either fully exploited, overexploited, or rebuilding from a depleted state. This situation has not changed appreciably over the past two decades. But even as global capture fisheries production has leveled off, the demand for seafood has continued to increase. Much of this increased demand is driven by

developing countries whose citizens depend on fish and seafood as a critical source of low-cost protein.

Two things have changed over the past two decades or so, however, which give us a basis for hope. First, international fisheries issues, and the challenges noted above, have taken a much more prominent position on the policy agenda. Thanks in part to more extensive media coverage of these issues, we see much greater awareness of the problems at hand and more insistent calls for solutions to those problems. At both the international and domestic levels, we also see fisheries issues merging more and more with broader environmental issues.

Second, we have created an international governance structure for fisheries that is strong and growing stronger. The international community has forged a robust international law framework at both the global and regional levels and has developed a broad range of new tools for managing shared fisheries. The entirety of this framework rests on the 1982 Convention on the Law of the Sea, which established the overall structure for international fisheries management. I must note, however, that the status of the United States as a non-party to this vital treaty undermines our credibility with other major fishing nations, virtually all of which are parties to the Convention. As discussed by Deputy Secretary Negroponte's testimony, the Administration once again urges the Senate to provide its advice and consent to U.S. accession to this treaty.

Building on the Law of the Sea framework, we have a series of other treaties for the management of international fisheries to which the United States is party, including the 1993 FAO Compliance Agreement and the 1995 UN Fish Stocks Agreement. The United States is also a key member of more than 10 RFMOs and is leading international efforts to strengthen these organizations and to create new ones. Complementing these binding mechanisms are a number of voluntary instruments, including a the FAO Code of Conduct for Responsible Fisheries, international plans of action that address bycatch of sharks and seabirds, capacity management, and IUU fishing, and a number of other technical guidelines and model instruments to guide further cooperation, including one for improved data collection and sharing.

Overcapacity and Overfishing

Overcapacity and overfishing are proving the hardest problems to solve. Overcapacity in particular contributes to poor stock productivity, unsatisfactory economic performance, increased impacts on bycatch species and excessively contentious management debates. We are working with some success to establish capacity caps for some key fisheries. But it is clear that sustainable fisheries require in many instances a reduction in capacity and effort. There are simply too many fishing vessels operating with too much ability to catch fish. Through the RFMOs, we must keep pressing for effective capacity management – including monitoring and controlling both the level and use of fishing capacity – as part of their overall conservation and management regimes.

A key challenge is that many developing States are looking to *increase* their capacity to harvest fish within areas under their jurisdiction, as well as on the high seas. They argue, with some merit, that the developed States bear the lion's share of responsibility for the overcapacity problem. But we cannot accommodate the desires of developing States to increase their capacity to participate in fisheries that are already fully subscribed (or oversubscribed) unless the developed States with large fleets are willing to reduce their capacity concomitantly.

Reforms to World Trade Organization (WTO) disciplines on fisheries subsidies currently under negotiation as part of the Doha Round are a vital component of rationalizing fishing capacity. The goal is to eliminate subsidies that lead to overfishing and overcapacity, but allow the continuation of some subsidies that support sustainable fisheries management (such as properly designed buy-out programs). The United States presented a proposal for new subsidies rules in March 2007 that was very well-received. While the negotiations are far from complete, we are making substantial process. The United States is also working through other organizations, such as Organization for Economic Cooperation and Development, to find new ways to tackle these problems, particularly by identifying the economic drivers that lead to overfishing and IUU fishing.

IUU Fishing

IUU fishing continues to plague virtually all fisheries, in areas under national jurisdiction and on the high seas. The international community has recognized this, and has created a set of new tools to deal with this phenomenon, some of which seem to be helping. But more needs to be done.

The 2001 FAO International Plan of Action (IPOA) to Prevent, Deter, and Eliminate IUU Fishing lays out a suite of measures that individual States – whether acting as flag States, coastal States, port States or market States – and RFMOs can implement to reduce the incidence of IUU fishing.

In 2004, the United States became one of the first States to adopt a national plan of action to give operational effect to this IPOA. An increasing number of States have by now adopted their own National Plans of Action on IUU fishing. RFMOs have also adopted measures to address IUU fishing, including requirements to improve monitoring, control and surveillance (MCS) of vessels, restrictions on transshipment of fish at sea, catch and trade documentation schemes, lists of both authorized vessels and vessels identified as having engaged in IUU fishing, market-related measures and port State controls, to name some. We have also seen increasing cooperation between and among RFMOs, particularly those in adjacent areas (such as the Northwest Atlantic Fisheries Organization and the Northeast Atlantic Fisheries Commission) and those that deal with fisheries for similar species (such as the five RFMOs that manage tuna fisheries around the world).

For example, the five tuna RFMOs met jointly for the first time in Kobe, Japan in January 2007. The meeting agreed to four immediate areas of coordinated work:

harmonizing and improving trade tracking programs, creating a global IUU vessel list, harmonizing transshipment control measures, and standardizing the presentation of stock assessment results. Work on the first is well underway, the United States has also supported efforts among RFMOs to work towards a global IUU vessel list by contributing to a process that provides for inclusion of vessels identified by one RFMO on the lists of others, while taking into account any due process concerns that may arise.

We are also pursuing stronger port controls. Because fish must be landed before they can get to the market, controlling the landing point often presents the best and most effective chance to combat IUU fishing. Stronger agreed standards for port States to regulate the landing and transshipment of fish in port can complement the market-related measures already in place through several RFMOs. The United States strongly supported the development through the FAO of a voluntary model scheme to facilitate coordination and cooperation among port States to address IUU fishing. Last year, the FAO Committee on Fisheries agreed to create a new, binding agreement based on the Model Scheme. I was pleased to chair the initial expert consultation that developed a first draft of this agreement. This draft will form the basis of negotiations that will begin in earnest this coming June. Our goal is to complete the negotiations in time for the next meeting of the Committee on Fisheries to adopt an agreement in March 2009.

The United States continues to advocate for other measures to combat IUU fishing. Through FAO, we are pressing for the development of a global record of fishing vessels – including transport and support vessels – that would include unique vessel identifiers and comprehensive ownership information. At the RFMO level, we are seeking stronger MCS measures, including broader access to data from vessel monitoring systems, increased vessel observer programs, stronger documentation schemes, etc.

Cooperative mechanisms such as the International MCS Network, which facilitates cooperation and information-sharing between monitoring, control, and surveillance officials in different countries, are increasingly important. Recognizing the connections among vessels involved in or supporting IUU fishing, we have also strongly supported the FAO and the International Maritime Organization's joint working group on IUU fishing, and in particular efforts to create a global record of all fishing vessels.

The Administration understands very well that Congress shares our desire to crack down on IUU fishing. The 2006 Magnuson-Stevens Reauthorization Act has provided new tools in this regard. We also see other major markets moving towards stricter controls. The European Union, for example, is considering a sweeping set of new policies intended to prevent access of IUU-caught fish to its market and to strengthen internal information collection and enforcement within its member States.

Environmental Impacts

The United States and our international partners have become increasingly concerned by the impacts of certain fishing activities on the marine environment, including excessive bycatch and harm to vulnerable marine ecosystems. In 2006, the President charged the Secretaries of State and Commerce to work multilaterally to end unregulated destructive fishing practices on the high seas and to work to create effective, science-based conservation and management regimes for high seas fisheries more generally. The United States subsequently chaired negotiations on the 2006 UN General Assembly fisheries resolution (UNGA Resolution 61/105) that calls for specific actions by States, RFMOs, and the FAO to identify vulnerable marine ecosystems, assess whether certain fishing practices may significantly harm them, and to develop effective conservation and management measures for these fisheries to prevent such harm, or halt fishing in these areas.

The United States has been in the forefront of efforts to apply the provisions of UNGA Resolution 61/105 within existing RFMOs, and to develop interim management regimes for the Northwest Pacific and the South Pacific, where longer-term arrangements are still under negotiation. In addition, the United States is taking a leadership role at the FAO in the negotiations on technical guidelines for the management of deep sea fisheries. In these negotiations, the United States recently secured clear criteria and standards for identifying vulnerable marine ecosystems and assessing and determining significant adverse impacts to such ecosystems. We are now working within those RFMOs that have not yet adopted measures to implement Resolution 61/105 to ensure these criteria and standards are put into operation.

In addition, ensuring effective conservation and management of sharks is a high priority for the United States. Sharks are particularly susceptible to overexploitation because they are typically long-lived, slow-growing, and produce few young. Many shark species are apex predators and are vital to the health of the ecosystems they inhabit, so their conservation is an integral part of ecosystem-based fisheries management. Sharks are currently taken in fisheries directed for sharks, and are also caught incidentally in fisheries targeting other species. Sharks are also subject to the practice of “finning,” which is the removal and retention of shark fins and the discard of shark carcasses at sea. The United States has led efforts within RFMOs to adopt consistent shark finning bans and to reduce shark bycatch, but States and RFMOs now need to take stronger action to manage directed shark fisheries.

Once again, the United States led efforts at the UN General Assembly to adopt language in the 2007 fisheries Resolution that calls on States and RFMOs to take immediate and concerted actions to improve shark conservation and management and to better enforce existing rules on shark fishing. The Resolution calls for improved compliance with current bans on shark finning, which could include requirements that sharks be landed with fins attached. Perhaps more importantly, the Resolution calls for improved management of directed fisheries through establishing limits on shark catches, improving assessment of the health of shark stocks, and limiting shark fisheries until

management measures are adopted. We are now working within RFMOs to implement these provisions. The United States also participated in a first-ever meeting under the auspices of the Convention on Migratory Species (CMS) in December 2007 to identify and elaborate an option for international cooperation on migratory sharks under CMS.

The United States is continuing to press for stronger actions to mitigate the bycatch of other vulnerable marine species as well. We continue to enforce the prohibition on the importation of shrimp harvested in ways that harm endangered sea turtles and the importation of certain tuna that is caught in a manner that is inconsistent with agreed standards relating to dolphin safety. Through NOAA, we are working to reduce the bycatch of sea turtles in longline fisheries. We are also reviewing the Agreement on the Conservation of Albatrosses and Petrels for possible submission to the Senate.

Strengthening RFMOs

Though RFMOs are imperfect, they are currently the most practical way to manage shared international fisheries. As active participants in many RFMOs, we are committed to multilateral efforts to strengthen fisheries governance in order to ensure the sustainability of target stocks while also conserving associated and dependent species and the habitats on which they depend.

In many ways, we are at a crossroads. Many national and multilateral fora responsible for fishery management are under heavy criticism for failing to take decisions that the science tells us is necessary to ensure sustainability of fishery resources, or to take steps (many of which are widely acknowledged to be effective) to mitigate the impacts of fishing activities on non-target species and habitats. If RFMOs fail to fulfill their obligations, we can expect calls to continue for other organizations to step in and fill that void.

A key outcome of the joint tuna RFMO meeting in Kobe was a commitment among these organizations to undertake performance reviews to assess how each was meeting its mandate and to identify how each could strengthen its functioning. The first three of these reviews are under way, using a common approach and criteria developed through U.S. leadership. Other RFMOs have recently strengthened their mandates and charters to reflect the changes in international fisheries governance and better allow them to manage the full ecosystems under their purview. With new regimes coming on line to fill the gaps in international management, it is vital the United States gives these organizations its full support and participation.

In this regard, I should mention that the Inter-American Tropical Tuna Commission adopted a new treaty, known as the Antigua Convention, to provide it with a comprehensive mandate that incorporates modern standards for international fisheries management. In 2005, the Senate provided its advice and consent to U.S. ratification of the Antigua Convention. However, because Congress has yet to pass legislation to implement the Convention, we have not deposited our instrument of ratification. We

therefore urge Congress, and this Committee in particular, to take up this legislation at the earliest opportunity.

Capacity building

While the United States has been a leader in managing its own fisheries and in pressing for stronger international fisheries governance, success depends upon our building strong international partnerships. Effective international governance can only work if all parties have the will and the capacity to implement agreed rules. In some parts of the world, the problems facing fisheries – especially IUU fishing – are inextricably linked to other concerns such as transboundary crime, smuggling, human trafficking, human rights, and environmental degradation. Developing countries need help to build their capacities to effectively address these myriad and interlinked issues. The United States has strongly supported mechanisms like the UN Fish Stocks Agreement Part VII Fund, which provides assistance to developing States for implementing the Agreement, and other similar funds within RFMOs. Building capacity for sustainable fisheries management is important in the big picture, but it sometimes also has a very direct affect on U.S. fisheries. Small tunas born in the Gulf of Guinea, which are subject to tremendous fishing pressure there, form the backbone of U.S. fisheries for yellowfin and bigeye tuna off the East Coast and in the Gulf of Mexico.

Working with developing States to assist their efforts to build strong fisheries management and enforcement capabilities benefits all of us. Moreover, assistance to build capacity for ecosystem-based management in developing countries can also benefit valuable fish stocks and fisheries. The Coral Triangle region of the Indo-Pacific is another important tuna spawning and nursery ground that is under intense fishing pressure. Juvenile fish from this region eventually replenish adult yellowfin and bigeye stocks of the Pacific that are fished by vessels from many countries, including the United States. Recently, the United States committed \$4.35 million to the development of the Coral Triangle Initiative, a new cooperative framework to protect the world's richest area of marine biodiversity from overexploitation. By promoting regional cooperation (among the countries of Indonesia, Malaysia, Philippines, Papua New Guinea, Solomon Islands, and Timor Lest), the Initiative will develop mutual conservation and management solutions that ensure the sustainability of these commercially important tunas in their early life before they disperse across the Western Pacific, where they support large and important regional fisheries.

Thank you very much. I would be happy to take any questions.