

Annual Report

2020



**FISHING INDUSTRY ASSOCIATION
PAPUA NEW GUINEA**



Foreword

The Papua New Guinea Fishing Industry Association (PNG FIA) has come a long way from a humble beginning since 1987 to where it is today. As the current President/Chairman, I am honoured and proud to say that we have achieved a lot in a short period of time since I took over office from my predecessor in late 2017 to date.

Prior to taking over as President/Chairman of PNGFIA, I was the Managing Director of the Papua New Guinea National Fisheries Authority for ten years (2004 – 2014). During my tenure, I was at the forefront representing PNG in a lot of international fisheries meetings and negotiations where I fought hard to protect and ensure the long-term sustainability of our tuna stocks whilst ensuring economic benefits accrued to the country. So, coming from that background put me in a good stead to lead the Association forward in promoting our industry to meet international standards through good governance, traceability, transparency and accountability.

Let me introduce you to our organisation. The PNG FIA is a non-profit organisation with membership comprising of the fishing companies and seafood processors of Papua New Guinea (PNG). I am delighted to say that the FIA has grown over the years whilst undertaking its primary functions in representing and facilitating for its memberships' common goals. The Association exist to; i. provide a united voice of the Fishing and Associated Industries in Papua New Guinea and; ii. facilitate and encourage the promotion of the Fishing and Associated Industries in Papua New Guinea and elsewhere and; iii. undertake, coordinate and promote liaison and negotiations with the Papua New Guinea National Fisheries Authority, and the Minister responsible for fisheries and with any other persons or bodies. The PNG Fishing Industry Association (PNG FIA) pursues and facilitates for its members to enjoy the highest levels of sustainable economic benefits through the sustainable development of fisheries resources. Responding to commitment, PNG FIA is promoting and supporting policy and programs that guide and instils responsible best practice in its members fishing and processing operations. Hence, PNG FIA has adopted and implementing a Responsible Sourcing Policy (RSP).

A stylized, handwritten signature in black ink, which appears to be 'Sylvester Pokajam'.

Sylvester Pokajam
President and Chairman



About FIA

The Fishing Industry Association (FIA) was founded in Port Moresby, Papua New Guinea (PNG) in 1991, by companies and operators in the tuna industry (both the fishing and shorebased processors), prawn operators, the beche-de-mer buyers and exporters, associated industries such as crew recruitment and placement agencies, fisheries consultancies services; and provincial umbrella artisanal fishing cooperatives.

While FIA PNG enjoys of a diversity of fisheries company members, the tuna members are involved in all aspects of the tuna supply chain – fishing, trading, logistics, processing, sales and marketing. The core business of FIA PNG fishing and processing are selling whole round frozen tuna, pre-cooked frozen tuna loins, raw packed canned tuna, and canned tuna.

PNG FIA processors are mainly foreigners investors that also have processing sites in Philippines and in Thailand, enabling to also sale tuna glass jars and tuna pouches that are produced in the associated tuna canneries overseas.

The PNG FIA pursuit is also only fulfilling the NFA and sector's export driven strategy. The joint fisheries trade lobby committee through the NFA Board had recommended as part of the fisheries trade pursuit to immediately work and implement a national MSC fishery certification for PNG.

The PNG MSC scheme should also be seen as policy initiative that will create an incentive for the PNG based tuna processors and their fishing fleets and an alternative revenue scheme for the State through the National Fisheries Authority. It's a win-win initiative for PNG.

Impact on national Resource Management regime

The FIA PNG national fisheries management would only be improved and enhanced through vigorous compliance and enforcement by fishing operations in their drive to meeting the certification requirements and standards.

In 2018 FIA PNG committed to develop and implement the Responsible Sourcing Policy or RSP that content 4 pillars looking at MSC certification of PNG species, Marine litter & Fishing gear mitigation, Crew welfare and labour conditions implementation, and traceability. FIA PNG RSP aims to increase the level of transparency of the fishing operation and be a leader in fishery management.

These pillars, the most rigorous in the tuna industry, drive improvements across a range of fishing operation and help to safeguard the social rights, crew welfare, and safety of those who work on board and communities depending on the resources. Amongst other things FIA PNG RSP policy and procedures help protect marine ecosystems, sensitive habitats and biodiversity, control the use of fishing gear and mitigation of marine litter and labor conditions.

We are contributing to the Sustainable Development Goals set up by the United Nations and also to comply with the Tuna 2020 traceability declaration.

Our Pillars

The RSP was developed in 2017 and launched officially in 2018 together with the announcement of the FIA PNG tuna fishery entering for the full assessment. RSP pillars of PNG FIA is focused on undertaking policy, strategies, audit tools, and work programs.

- 1 Marine Stewardship Certification (MSC)**
- 2 Fishery Traceability**
- 3 Marine Litter and Fishing Gear**
- 4 Social Accountability**

The implementation started in 2019 setting up a base line after carrying out gap analysis for Crew Welfare & labor conditions onboard, and Marine litter and fishing gear. Our pathway to Responsible Sourcing Policy objectives is focused on these specific pillars. The PNG FIA and its members' value them and aim to achieve and maintain.

PNG FIA's aim is to become the world's best industry advocate for fisheries management and reputable

business, social welfare and sustainable resources. Have a strong governance and management in place to implement our strategies;

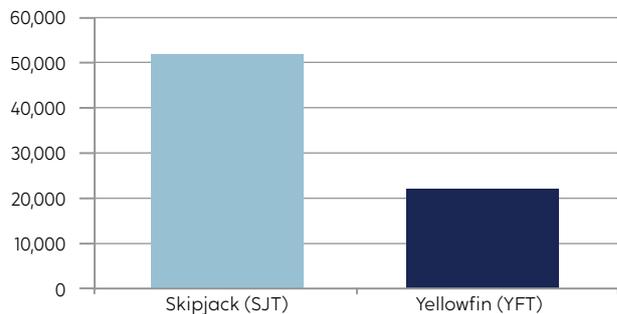
- + Adopt and promote sustainable fishing practices.
- + Minimize environmental impact.
- + Ensure our members develop their employees' wellbeing and a positive social impact along the supply chain.
- + Produce high quality products for a healthy nutrition.

1 Marine Stewardship Certification (MSC)

Our fishery that includes the PNG Economic Exclusive Zone & Archipelagic Waters, setting on associated tuna sets & unassociated tuna sets (Free School), and includes 86 tuna purse seiners.

Between 2013 and 2017, 74% of the catches were sets done in free schools within the PNG EEZ and PNG AW. According to landing done from June to December 2020, 91% of the catches were sets done in free schools. This improvement is due to several factors like increase technology on fishing, and current oceanic conditions. As a remark the three tuna species *Thunnus obesus*, *Thunnus albacares* and *Katsuwonus pelamis* are in a healthy status in the WCPFO (Kobe plot from the WCPFC).

Tuna caught in 2020 (Metric tonnes)



2 Fishery Traceability

Traceability goes hand-in-hand with PNG fishery transparency: a traceability system is the best method to prevent fraud and illegal products from entering the supply chain as certified products. It protects consumers and the efforts of everyone working to keep our oceans healthy.

A traceable supply chain is key to delivering the MSC's vision of healthy oceans and providing its consumers with sustainable seafood they can trust.

The MSC program is the only certification program of its kind to offer ocean-to-plate traceability through supply chain certification. The MSC Chain of Custody Standard requires that MSC certified seafood is kept separate from other seafood, and can be traced through the entire supply chain, thereby ensuring its certified sustainable origin

Our tuna fleet is aligned with the National Fishery Authority (NFA) track, monitor, control and record online system (Fishery Integrated Management System – FIMS) which ensure highly transparency on real time for fishing operation.



86 Tuna purse seine vessels

- 100% Observer onboard coverage and reporting.
- 100% Vessel Monitoring System (VMS).
- 100% Catch Documentation Scheme track (CDS).
- 100% Traceable catches from fishing ground to market.
- 100% MSC fishing trips tracking.
- 100% FADs location, tracing, and reporting.

3 Marine Litter and Fishing Gear

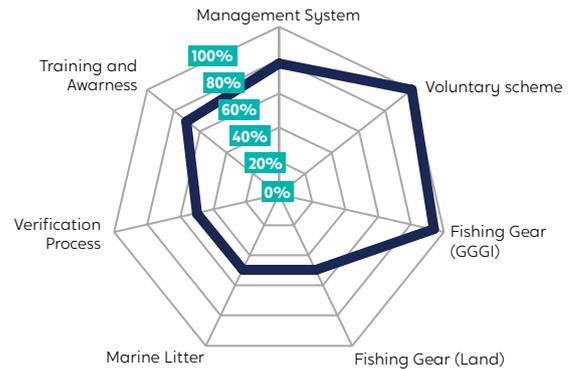
This pillar's purpose is to mitigate effects of ghost gears from derelict FAD and fishing gear materials catastrophic impact on oceans and our industry's urgent efforts and actions to addressing these threats on the natural marine resource and environment.

Under this pillar of FIA RSP, the objective is to define, support and promote comprehensive and science-based approaches to bycatch mitigation in gear use with emphasis on FAD and fishing gear management. PNG FIA will assess the risks of different types of fishing gear when lost or abandoned and to support the development of policies and strategies to prevent and remedy the problem throughout the supply chain.



The FIA PNG Marine Litter and Fishing Gear procedure and audit tool is collecting data from onboard and also in Port fishing companies. This procedure and tool is grounded and rooted in MARPOL, EU single used plastic, FADs best management practices, FAO, NFA FAD management plan and 12 more public guidance, regulations and standards.

Marine Litter & Fishing Gear (2020) on-board indicators



4 Social Accountability

In acknowledgement of this growing expectation of social accountability compliance, PNG FIA is ensuring all its members in the tuna industry, both the fishing operation and shore-based processing operations in Papua New Guinea implemented social accountability assessment process (action plans /per company).

This comprised an independent initial assessment of industry performance against the ILO convention 188 and the SA 8000 standard (which is applicable for a fishing operation) and training of local capacity to undertake self-assessment following gap identification by the independent assessment.

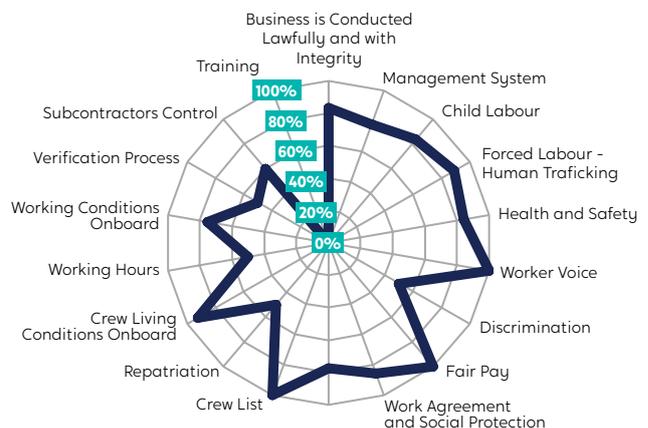


During the assessment process onboard, where it is apparent that the FIA members operations lacked documentation of systems and procedures in place against ILO convention 188 and the SA 8000 standards, then FIA is following up programs/activity to document systems,

produce manuals and development compliance and monitoring strategies according to the action plans to achieve and adhere to these guidance and standards.

The FIA PNG Crew welfare and labor conditions onboard procedure and audit tool has assessed 45% of the FIA members fleet. This procedure and tool is grounded and rooted in ILO convention 188, FFA FFC106 on crew employment conditions, SA8000 what is applicable for at Sea operation and 30 more public guidance, regulations and standards related.

Crew welfare and Labour (2020) on-board indicators



Fishery

86 Tuna purse seine vessels
(100% observer coverage onboard)



2268 Crew
(Onboard direct jobs)



3 Tuna species targeted

* Bigeye within the scope by April 2021



Skipjack (SJT)

Yellowfin (YFT)

Bigeye*

Tuna caught in 2020
(000 Metric tonnes)

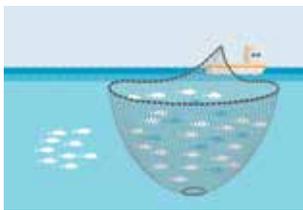


Yellowfin (YFT)

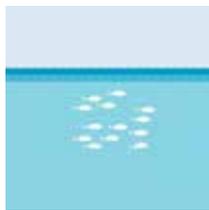
Skipjack (SJT)

Total Catch

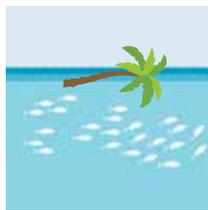
Tuna fishing gear used



Purse Seine



Free School



Natural FADs



Anchored FADs



Drifting FADs

Processing

6 Tuna canneries in PNG



15,000 Workers PNG local worker force



Processors: International Food Corporation Ltd / Majestic Seafood Corporation Ltd / Nambawan Seafoods PNG Ltd
RD Tuna canners Ltd / South Seas Tuna Corporation Ltd / Frabelle PNG Ltd

254 Million MSC tuna cans produced for global markets in 2020



Global Reporting Standard (GRS) – Quality of reporting

The GRI Standards create a common language for organizations – large or small, private or public – to report on their sustainability impacts in a consistent and credible way. This enhances global comparability and enables organizations to be transparent and accountable.

The Standards help organizations understand and disclose their impacts in a way that meets the needs of multiple stakeholders.

FIA members have always been transparent with their clients, NGOs and authorities, and recognizes the need to

share FIA work particularly on FIA PNG Responsible Sourcing Policy pillars Traceability, Crew welfare & Labor conditions, Marine litter & Fishing gear, and Marine Stewardship Council fishery certification.

This first FIA PNG report aims to set up a baseline for improving our annual report following the GRI standards that includes, increase the transparency of our RSP implementation and progress, adding clarity, accuracy and data reliability (GRI standard).

SDGs and United Nations 2030

The SDGs provide a shared vision on the future, including a framework to guide governments, industry, non-profit organizations and the entire community in working together for a better world.

The global challenges we face, from climate disaster to unsustainable food supply chains, are interconnected and affect all of us.

The private sector has an huge potential to drive change. FIA PNG Responsible Sourcing Policy (RSP) aims to pursue, to contribute and deliver on the Sustainable Development Goals (SDGs) under the United Nations 2030 Agenda.

FIA PNG RSP strategy plan ensures improvement in lives and employment in our tuna supply chain; it includes the fishing operation and also the tuna factories processing operations in PNG. We consider that we have a high responsibility in looking after the people, natural resources and the future of next generation. To produce this base line and track it annually, will allow FIA PNG RSP and FIA members to progress on contributing to these SDGs.

THE GLOBAL GOALS

For Sustainable Development



Our Partnerships



www.ourgssi.org



www.msc.org



www.solutionsforseafood.org



NATIONAL FISHERIES AUTHORITY
Papua New Guinea

www.fisheries.gov.pg

Report Summary

The PNG FIA will continuously provide the appropriate training and specific technical skills that will promote the capacity building in the FIA team and the FIA members.

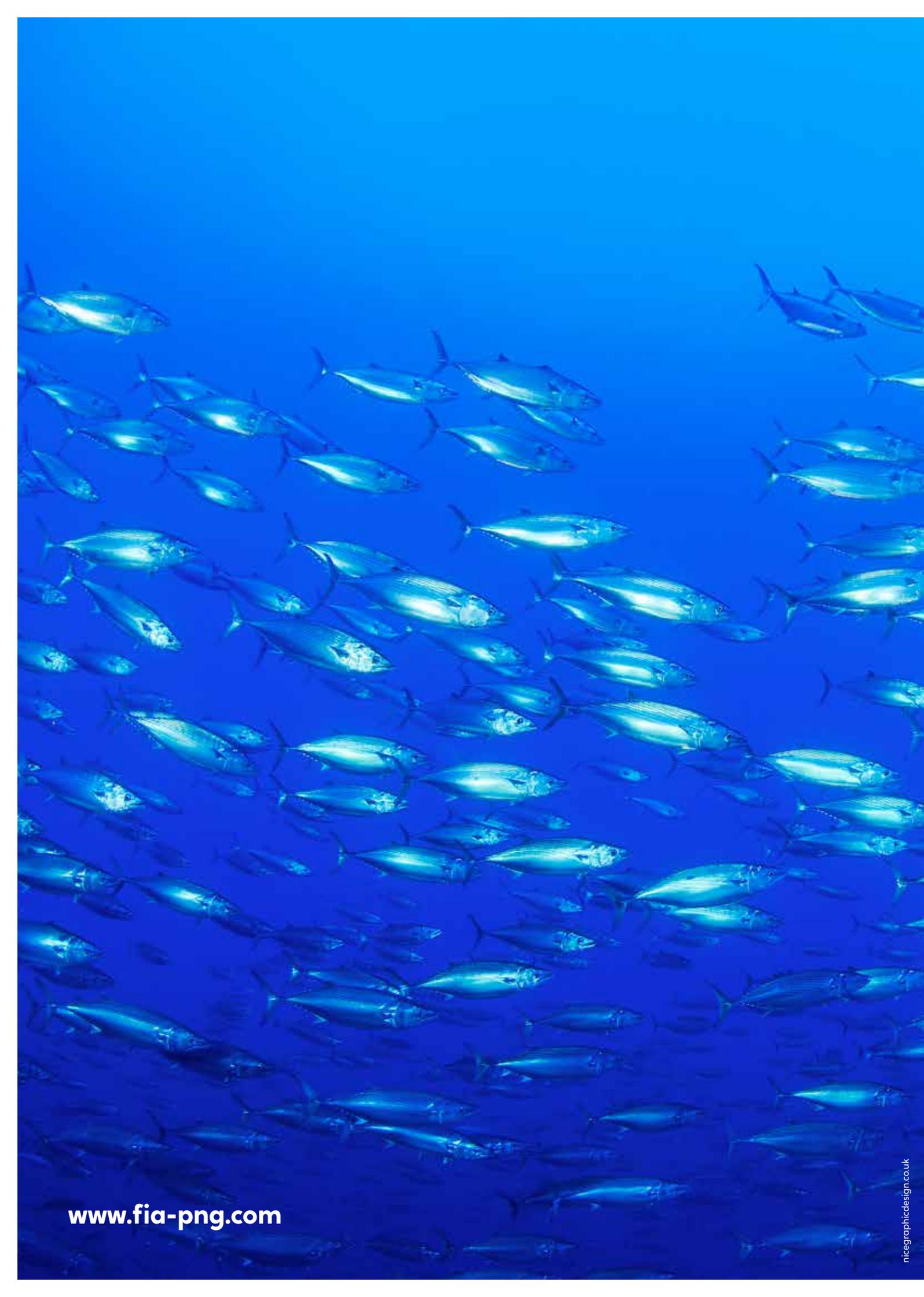
In closing, the objectives of PNG FIA RSP:

- + Support our national commercialized fisheries to achieve the best practice and sustainable resource utilization and marketing,
- + Support our domestic fisheries development aspirations, its resources, and business sustainability,
- + Support our fishing industries' efforts to ascertain improvement in sustainability of tuna stock within Papua New Guinea (PNG) and the Western Central Pacific Fisheries Convention area, and,
- + Work in alignment and cooperation with National Fisheries Authority (NFA) and regional partners in developing and implementing verifiable, science-based practices, commitments, and international management measures that result in tuna fisheries meeting management and sustainable goals.
- + Implementation by the FIA PNG fishing company members of the FIA Responsible Sourcing Policy (RSP) that includes 4 pillars and support 11 Sustainable Developments Goals SDGs set up by the United Nations.

The Fishing Industry Association of Papua New Guinea sustainability efforts started in 2010 when it was a leader member of the Parties to the Nauru Agreement (PNA) for getting the Marine Stewardship Council Fishery Certification (MSC) and participate actively in setting the fishery management fishery plans. In 2016, FIA PNG started its own journey in the PNG tuna fishery certification than includes the development and implementation of the RSP.

Looking to the future, FIA PNG will continue with the collaborative with stakeholders, in the tuna supply chain, labor & social programs, and environmental organizations, in which currently participates and further will engage. FIA PNG will standardize sustainability reporting with key data elements in 2021 and set improvements targets for the future for both at Land and at Sea operations.

Finally, I would like to express our gratitude to everyone in our industry (fishing and processing) including my predecessors, the National Fisheries Authority and its national observer programme & Catch documentation scheme, and all our stakeholders both international and domestic for supporting our vision to ensuring the long-term sustainability of our tuna fishery for our generation now and into the future.



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