

ASIA-PACIFIC ECONOMIC COOPERATION 2012

1st OCEAN AND FISHERIES WORKING GROUP MEETING

Kazan, Russian Federation

24-26 May 2012

DRAFT SUMMARY REPORT

Day 1: 24 May 2012

15 APEC member economies attended: Australia; Chile; People's Republic of China; Hong Kong, China; Indonesia; Japan; Republic of Korea; Malaysia; Papua New Guinea; Peru; the Russian Federation; Chinese Taipei; Thailand; United States; and Viet Nam. The meeting was chaired by the OFWG Lead Shepherd Ms. Kalen Su of Peru.

I. Opening Session

- A. Official Opening of 1st OFWG Meeting: Ms. Nadezhda V. Shebina (Head of Delegation and Deputy Head of the Federal Agency for Fisheries of the Russian Federation) welcomed OFWG economies to Kazan and noted the importance of OFWG activities for sustainable and long-term use of living marine resources, strengthening food security, combatting IUU fishing, and promoting innovative growth.
- B. Welcome and Opening Remarks: OFWG Lead Shepherd Daphne Kalen Su made opening remarks and welcomed economies to the first meeting of the OFWG.
- C. Adoption of Agenda: The draft OFWG meeting Agenda was adopted.
- D. Appointment of rapporteur: China, Peru, Russia, and the United States volunteered to serve on a drafting committee to ensure the development of the meeting report.
- E. Core Agenda of APEC Leaders' Meeting 2011 and implication on OFWG: The United States reported on the Core Agenda of the 2011 APEC Leaders' Meeting and implications on the OFWG. Leaders focused on the importance of strengthening regional economic integration, green growth, and trade facilitation. In addition, Ministers welcomed the establishment of the OFWG and instructed officials to ensure that discussion regarding oceans and fisheries reflect their important roles in climate change and food security.
- F. APEC Priorities for 2012 and Implications for APEC OFWG: The Russian Federation summarized four priority areas for APEC 2012. These included: trade and investment liberalization, regional economic integration, strengthening food security, establishing reliable supply chains, and intensive cooperation to foster innovative growth.

G. Objectives of Ministerial Meeting on Food Security: Via an e-mail from the Secretariat, economies were provided with the draft text relating to ensuring sustainable management of marine ecosystems and combatting illegal, unreported, and unregulated fishing and associated trade, which was prepared by the Russian Federation, for possible insertion in the Food Security Ministerial Statement. The delegate urged representatives from OFWG economies to attend the drafting session to take place on May 29th. It was agreed that the OFWG Lead Shepherd should attend this meeting to act as a resource person on the workings and basic texts of the OFWG. Some economies requested that the Lead Shepherd should attend only as an advisor on ocean and fisheries and should not attempt to represent the views of the working group or its membership relative to the Ministerial statement text, since this text was not discussed in detail by the OFWG.

H. Report of SCE1 Outcomes: Indonesia provided a summary of the deliberations of the SCE1 that took place in Moscow in February 2012, which included a discussion of cross-cutting issues in APEC, such as the Travel Facilitation Initiative, and advancing sustainable development of oceans; and which also reported that there are four groups, including OFWG, that have not yet submitted a work plan for 2012.

I. APEC Secretariat Report: Ms. Natalie Nii (APEC Secretariat) provided a brief report. She indicated that the APEC Ocean-related Activities Mapping Exercise requested by Senior Officials can be found in document 2012/SOM2/OFWG/003; and that the APEC Secretariat report on developments in APEC can be found in document 2012/SOM2/OFWG/012.

II. Information Sharing

- Delegates around the table spoke briefly on key issues facing their economies and region and what this means for the OFWG. Members' reports highlighted efforts to implement initiatives on sustainable fisheries and aquaculture, marine conservation, and aquaculture development, among others. They also provided some input relative to their expectations for this meeting. It was noted that a number of written Economy reports on domestic progress to advance the implementation of the Bali Plan of Action and the Paracas Action Agenda had been submitted to the Secretariat and distributed to economies.

III. Capacity Building

A. Completed and Ongoing Projects

1. Peru provided a summary of the progress of FWG 01/2010 "A Potential Contribution of Small Pelagic Fish to Food Security within the Asia-Pacific Region." The presentation can be found in document 2012/SOM2/OFWG/029.

2. Russia provided a summary of the outcomes and recommendations of FWG 01/2011S "Application of Satellite Data for Sustainable Fishery Support in APEC". The Project Report (Publication Number APEC#212-OF-04.1) is available on the APEC Publications Database at <http://publications.apec.org/publication-detail.php?pub_id=1270>.

3. The United States provided a summary of the outcomes and recommendations of S OFWG 11/2011 "Marine Ecosystem Assessment and Management in the Asia-Pacific Region Phase III – Pilot APEC Large Marine Ecosystem (LME) Projects. The Project Report (Publication Number: APEC#212-OF-01.1) is available on the APEC Publications Database at http://publications.apec.org/publication-detail.php?pub_id=1274. Additionally, the Russian Federation provided a brief outline of the beginning GEF project, "Integrated adaptive management of the West Bering Sea Large Marine Ecosystem in a changing climate."

4. China provided a summary of the outcomes and recommendations of 2011 APEC Marine Protected Area Management Capacity Building Training; and APEC Blue Economy Forum. This work was self-funded by China and carried out with the co-sponsorship of the United States by the APEC Marine Sustainable Development Center.

B. New Project Proposals

1. China spoke briefly on its proposal for an APEC Workshop on Marine Spatial Planning (China) (2012/SOM2/OFWG/014).

China noted the funding outcomes of the recent SCE meeting and thought it may affect economies' proactivity if no OFWG projects are funded. There followed a general discussion on SCE and BMC decision making relative to project funding and the need to ensure that future project proposals take into consideration the importance of alignment with APEC Leaders' and Ministers' priorities as expressed in the Funding Criteria and ranking guidance.

2. China provided a brief summary on their self-funded APEC 2012 Blue Economic Forum proposal (2012/SOM2/OFWG/015).

3. Indonesia provided details relating to its project proposal entitled "Coral Reef Monitoring for Sustainable Economic Utilization using Innovative Observation and Satellite Information" (2012/SOM2/OFWG/032).

4. The United States noted that the SCE ranking and prioritization outcome presented serious challenges to the work envisioned in its proposal "Reducing Derelict Fishing Gear in the Asia Pacific Region" (2012/SOM2/OFWG/005). Both the United States and Australia stated that they face domestic spending deadlines that necessitate immediate action to secure alternative funding due to the BMC decision. It was agreed that the co-sponsors would work to examine ways that the project might be self-funded by downsizing to reduce costs or drawing in new OFWG co-sponsors. Project co-sponsor Indonesia also expressed interest in attempting to move forward using alternate funding mechanisms.

5. The United States provided a brief summary of its Session 3 proposal entitled "Marine Ecosystem Assessment and Management in the Asia-Pacific Region."

6. Chinese Taipei provided a summary of its work to launch the Fourteenth APEC Roundtable Meeting on the Involvement of the Business/Private Sector in the Sustainability of the Marine Environment, a self-funded project (2012/SOM2/OFWG/024), and reported the outcomes of the 12th

Meeting, and also welcomed members to attend the 13th Meeting to be held in Taipei in September 2012.

Day 2

IV. Discussion of OFWG Terms of Reference, Strategic Plan and Annual Work Plan for Submittal to SCE:

Mr. Jim Waller, Nathan and Associates and the APEC Technical Assistance and Training Facility (APEC TATF) gave a presentation on the SCE Strategic Planning process and the development of a strategic plan for the OFWG. Mr. Waller explained the importance of strategic planning, and how the elements of a strategic plan work together to help guide the work of the WG toward achieving the overarching vision and objectives. He used the OFWG's draft strategic plan to highlight several areas that would bear further consideration by the Working Group, including aligning the Mission Statement more directly with that of APEC, identifying "who, with, aim, and how," and connecting critical issues, objectives and performance indicators. Member economies expressed their appreciation for Mr. Waller's presentation and commended his familiarity with the work of the OFWG.

The Secretariat then provided an overview of the status of the OFWG's basic planning documents, as follows: the OFWG Terms of Reference, including the duties of the Lead Shepherd and Deputy Lead Shepherd were adopted by the WG; the OFWG Strategic Plan remains in draft form; and the Annual Work Plan remains to be developed by the WG.

Member economies discussed the draft Strategic Plan, walking through the document by sections. The WG accepted the draft vision statement, noting that it mirrored that contained in the OFWG Terms of Reference. Member economies expressed their views on the mission statement, and a drafting group was formed to produce a revised draft incorporating those views. The U.S. volunteered to coordinate the Strategic Plan drafting group and China and Russia also volunteered to join the drafting group.

Member economies then made presentations on their Priority Areas with the expectation that the presentations would provide further opportunity to identify key elements that should be addressed in the operational sections of the draft Strategic Plan.

V. A. Priority Areas – Advance Sustainable Growth

Peru gave a presentation on "Sustainable Growth Importance in the Fishery and Aquaculture Sector." The presentation outlined several areas for action in order to achieve sustainable growth in the fishery and aquaculture sectors, highlighting the economic importance of the oceans, the need to protect marine ecosystems in order to maintain viable fishery and aquaculture production, and to effectively manage fishery and aquaculture efforts, including through regulation and combatting IUU fishing.

V. B. Priority Areas – Advance on Green Growth: Climate Change

Chinese Taipei gave a presentation on the outcomes of the "APEC Seminar on Sharing the Experiences of Mitigating the Impact of Extreme Climate on Aquaculture and Fisheries" (self-funded project). The

presentation highlighted the importance of understanding and preparing for the impacts of climate change, particularly extreme weather events, on living marine resources (2012/SOM2/OFWG/009).

V. C. Promote Free and Open Trade and Investment

1. Draft initiative of the Russian Federation on Combating Illegal Fisheries and Illegal Trade in Biological Resources:

The Russian Federation gave a presentation on combating illegal, unreported and unregulated (IUU) fishing and trade in products produced from such resources (2012/SOM2/OFWG/007).

The presentation highlighted the need of further cooperation of APEC economies in issues related to combating IUU fishing and related trade, which undermines sustainable management of living marine resources and thus impacts adversely sustainable livelihoods and economic prosperity worldwide.

In order to combat more effectively IUU fishing of living marine resources and illegal trade in products produced from such resources, the Russian Federation identified several areas of joint activities on combating IUU fishing and related trade, which can be addressed by the APEC economies more closely.

The OFWG members commended the Russian Federation for their efforts, expressed their views on the draft Initiative, and confirmed their intention to combat IUU fishing and to look forward to further discussion.

2. Peru gave a presentation on "Promotion of free and open trade and investment." The presentation outlined the contributions of fisheries and aquaculture to food security, economic growth, poverty alleviation and job creation, and trade. It further identified the impact of IUU fishing on trade, the need to address fisheries subsidies, and to establish a reliable supply chain.

3. The Russian Federation presented their proposal for text to be included in the draft declaration of the upcoming meeting of the APEC Ministers Responsible for Trade, and invited OFWG member economies to provide their comments through their respective representatives to that process. Member economies expressed their appreciation to the Russian Federation for sharing their views and inviting the OFWG to contribute. They commended the Russian Federation for their foresight and initiative in identifying this important opportunity to highlight the priorities of the OFWG in the work of the Ministers Responsible for Trade process.

4. Presentation on APEC Marine Sustainable Development Report:

China presented their proposal for focusing future reporting contributions by OFWG member economies. Recognizing that the OFWG members are required to provide a report on their progress toward achieving the OFWG objectives annually at the OFWG meetings, China proposed that there would be value in focusing these reports on marine sustainable development with guidance provided in the Seoul Declaration (2002) and the Bali Plan of Action (2005), to be agreed by the WG, and compiling these reports into a consolidated report on the collected progress toward these objectives. China suggested input from all economies to form an expert group to formulate the report structure and focus areas.

China offered that the APEC Marine Sustainable Development Center would like to undertake the coordination work the expert group and could prepare the consolidated report.

VII. C. Date and venue of 2nd OFWG meeting:

Indonesia indicated their plans to host the 2nd meeting of the OFWG, back-to-back with SOM2. Economy members welcomed the invitation by the representative from Indonesia.

VII. D. Document classification (to be continued)

Day 3: 26 May 2012

V. Priority areas

D. Strengthening food security (USA):

The USA presented on the "Importance of Fisheries and Sustainable Aquaculture to Food Security and Sustainable Livelihoods and Economic Prosperity: An APEC Perspective," and noted that the OFWG should consider near-term action relative to this topic. Economies voiced their interest in this issue and some provided brief descriptions of their domestic efforts and priorities relative to food security. Among other issues, this discussion touched on food safety, food accessibility and availability, the roles of aquaculture and small scale fisheries in food security, the importance of ecosystem services, and on marine spatial planning. Japan explained that, in follow-up the First APEC Food Security Ministerial Meeting, held in Niigata in 2010, they had established a new food security information platform that includes a web-based resource designed to share regional information on food security. They urged economies to respond to an up-coming communication relative to the food security platform, and to provide data to increase the effectiveness of this tool. The US thanked participants and volunteered to draft and distribute short project ideas intersessionally taking into account economy interests. He expressed the hope that a project might be moved forward on this topic in the next funding cycle.

E. Cross cutting Issues and Intensive Cooperation:

1. Russia provided an overview of their plans for the Ministers Responsible for the Environment meeting to be held in Khabarovsk, Russia on 16–17 July 2012. Economies requested that more information be provided on this meeting to Senior Officials as well as OFWG.

2. Discussion of Cross-Cutting Issues and Intensive Cooperation:

The Lead Shepherd led a discussion on the value of cross-cutting collaboration within APEC and cooperation with external partners. Economies provided numerous examples of successful collaborations with partners and agreed to continue to emphasize the inclusion of partners in the work of the working group.

3. Trans-Pacific Partnership Negotiations:

The USA provided a summary update of the Trans-Pacific Partnership negotiation highlighting that this so called "21st century" free trade agreement specifically addresses aspects of marine capture fisheries of potential interest to OFWG economies. It was further pointed out that there is a clear link to APEC with the expectation that should negotiations conclude, as expected this summer, the APEC ministerial in September could be used to announce outcomes.

VI. Other issues and Initiatives

A. Blue Economy Initiative (Indonesia):

Indonesia presented a concept paper on Blue Economy highlighting the alignment of the concept and the priorities of the OFWG. Indonesia encouraged each APEC member economy to begin considering blue economy activities in the future. Member economies agreed that the concept deserved further development and definition by the working group. The working group thanked Indonesia for their leadership on this important issue and looked forward to further discussion in 2013.

China welcomed economies to attend the APEC 2012 Blue Economy Forum to be held in November.

B. OFWG Agenda for 2013 *(note, this topic held pending completion of Strategic Plan.)*

C. Discussion of AOMM4:

The Lead Shepherd introduced the question of another Oceans-related Ministerial Meeting. China indicated its interest in hosting AOMM4 in 2014. In ensuing discussion economies expressed both support and concern over the timing of such a meeting. China indicated it will provide a formal announcement on this idea and send it to the APEC Secretariat for distribution to OFWG members.

IV. Discussion of OFWG Terms of Reference, Strategic Plan and Annual Work Plan for Submittal to SCE:

A. OFWG Discussion of Draft Strategic Plan: Following extensive discussions, a revised Mission Statement was presented by the Lead Shepherd. OFWG economies agreed to insert the newly modified Mission Statement into the draft document. In discussions relating to the section of the document detailing OFWG objectives, several economies provided suggested changes and additions. Following further discussion on the Draft Strategic Plan, it was agreed that work should continue intersessionally to finalize the document before the 2013 SCE meeting deadline. The USA volunteered to coordinate this effort.

B. OFWG Annual Work Plan: The Secretariat noted that the OFWG had already missed the deadline for submission of its 2012 Annual Work Plan. It was then agreed that, although the Annual Work Plan could not be completed until the Draft Strategic Plan is finalized, discussions at this OFWG meeting had demonstrated a number of activities to be undertaken by the OFWG in the remainder of 2012 and the LS volunteered to draft and circulate a Work Plan for consideration by the economies intersessionally. Work on this document should begin as soon as possible.

It was later agreed that it was important for the Lead Shepherd to attend the SCE2 in Kazan with an OFWG 2012 Work Plan in hand, and the Lead Shepherd agreed to draft the Work Plan and circulate it quickly to the OFWG members for consideration with the aim of submitting it to the SCE2 meeting taking place on 31 May 2012.

C. Duties of Lead Shepherd and Deputy Lead Shepherd:

The Lead Shepherd reminded the OFWG of the need to appoint a Deputy Lead Shepherd and invited nominations. The US nominated Mr. Greg Schneider to serve as DLS, which was seconded by Chinese Taipei. Member economies welcomed and supported the appointment of Mr. Schneider to this position. Mr. Schneider expressed his appreciation and accepted this position.

VII. Closing session

A. Summary report (drafting committee): The OFWG considered and commented on the draft summary report developed by the drafting committee.

B. Adoption of 1st OFWG Summary report: The draft report was adopted.

D. Document Classification (APEC Secretariat)

E. Closing Remarks (Host Economy)

F. Concluding Remarks (OFWG LS).