
**CHAIR'S EXPLANATORY NOTE FOR
THE 6TH MEETING OF THE TECHNICAL COMMITTEE ON ALLOCATION CRITERIA**

Prepared by: The TCAC Chairperson

Dear Heads of delegation and Delegates,

Thank you for your confidence in electing me as Chair of the Technical Committee on Allocation Criteria (TCAC) of the Indian Ocean Tuna Commission (IOTC). I look forward to meeting all of you at the TCAC 06 meeting in Bangkok, March 16-20, 2020.

In preparation for the meeting in Bangkok, I read previous reports of the TCAC and those of the IOTC Commission relevant to the topic of allocations, I read the previous Chair's reports and documents including his 3 column comparative analysis ([IOTC-2019-TCAC05 Chair's 3-column document](#)), and all written submissions from delegations in the past years since the TCAC was established. I reviewed in detail the numerous proposals submitted to the Committee, including the latest proposals submitted by the European Union ([IOTC-2019-S23-PropM](#)), and submitted by a number of coastal States ([IOTC-2019-S23-PropA](#)). Finally, I have also reviewed the simulation work conducted by the consultant hired by the Secretariat.

On November 21, 2019, I wrote to all of you welcoming views and input, and following this, I spoke to a number of you and your delegations. I recognize I was not able to connect with all of you. In this respect, I continue to be available prior to the TCAC 06 meeting, and will make myself available to delegations throughout out the week while in Bangkok, and following the TCAC 06 meeting, in your preparations for the following Commission meeting.

It is apparent that a lot of work and discussions have occurred to date on the topic of allocation criteria in the IOTC. And, from the beginning, these discussions have occurred in the context of reviewing proposals submitted by various members throughout the years, and indeed benefitted from this. The two proposals currently on the table and referenced above differ significantly on a few key issues: how to attribute historical catches in Exclusive Economic Zones of Coastal States to the Indian Ocean caught by vessels of other States; and the timeframe for implementing an approach that sees a transfer of fishing opportunities from distant water fishing States to coastal developing States to the IOTC. Of course, other outstanding issues also remain, but these two complex issues were flagged by the previous chair as difficult to negotiate and achieve consensus in his 3 column document. However, the proposals also present similarities in approaches and concepts, which provide an opportunity for developing consensus on many issues to be addressed in the context of developing allocation criteria.

With a view to enabling a dialogue that seeks to achieve consensus on an allocation regime for the IOTC, I believe the discussions would benefit from an agenda with a broader scope, based on themes that are key for any allocation regime. Most of these themes can be found in both proposals currently on the table and are outlined in the attached draft Agenda for the meeting in Bangkok.

I wish to reassure participants that I am not proposing an approach that steps away from any proposals currently before the TCAC or from past work conducted by the Committee. I am hoping that such an approach to the meeting will enable all participants to express and listen to views and positions on each theme, and to determine how these could be accommodated in text that reflects a consensus view of the Committee. States can continue to reference proposals on the table or text contained therein, and these documents will form part of the relevant material for the TCAC 06 meeting.

In your preparations for our discussion, I would encourage you to consider the following elements under each theme. Please note that I have flagged specific passed discussions where consensus appears to have been reached in open ended working groups, but it is not clear to me whether they have been endorsed by the broader committee. Our discussions in Bangkok can help to reach consensus and endorse these topics and approaches, and help to make concrete progress on our overall task.

Theme 1: GENERAL PRINCIPLES FOR ALLOCATION REGIME

- Whether general principles are required;
- Scope of principles, including: Establishment of TAC; Support Sustainability; Non-prejudice to rights and legal obligations; Social and economic dependency of Developing Coastal States (DCS) and Small Island Developing States (SIDS); and Special requirements of DCS and SIDS.

Theme 2: ELIGIBILITY TO ALLOCATIONS

- Who should be eligible to IOTC allocations: Contracting Parties; Cooperating Non-Contracting Parties; New Entrants; Non Contracting Parties
- Whether and what conditions should be imposed to be eligible to receive allocations from IOTC, such as Commission fees paid in full; Nominal catch data reported

Theme 3: SCOPE OF ALLOCATION REGIME

- Geographical Area;
- Species and Gear-types

Theme 4: ALLOCATION STRUCTURE:

- What should be included in the structure of the allocation regime, which, based on current proposals could include an historical catch component, a component for supplementary allocations for Coastal States, and a component that covers other factors.
- I would encourage delegations to consider the nature and complexity of the allocation structure, and whether the IOTC has the available data and information to support the determination of the respective allocations.
- Subthemes below have been outlined on the basis of current proposals. However, this does not preclude delegations from raising alternative approaches or structures.

A. HISTORICAL CATCH ALLOCATION

- Historical Catch Period;
- Impacts of past non-compliance on catch history used to establish historical catch allocation;
- Spatial distribution of Catch; Mixed Areas and Apportioning Method
 - Views and Endorsement of Open Ended Working Group ([IOTC-2019-TCAC05-R](#), Para. 37-38)
- Catches in EEZ of IOTC Coastal States:
 - Attribution;
 - Phased Implementation
- Catch data requirements and availability
- Alternative Approaches

B. SUPPLEMENTARY ALLOCATION

- Factors:
 - Coastal State status to IOTC & Relative Abundance of stocks in National jurisdictions
 - Coastal State dependence and needs (imports; exports);
 - Coastal State development and social status (HDI; GNI; SIDS)

- Coastal State interests and aspirations (active fleet; Fleet Development Program/Utilisation Plan)
- Eligibility: Coastal States; Coastal Developing States; Coastal States with catch history
- Data and information requirements and availability

C. OTHER ALLOCATION FACTORS

- Contributions to conservation and management of the stocks, collection and provision of accurate data, if not addressed as eligibility criteria
- CPC Contribution to scientific research
- Setting aside an allocation for science survey purposes
- Others

Theme 5: ADJUSTMENTS & IMPLEMENTATION

- Current proposals and examples of other RFMOs provide for other factors to be considered in adjusting allocations, and to implement an allocation regime. Delegations should come prepared not only to discuss these other factors, but also to consider what other areas of work the TCAC and the Commission may wish to consider, to fully implement an allocation regime.

ADJUSTMENTS

A. NON-COMPLIANCE ADJUSTMENTS

- Views and endorsement of draft text of Open Ended Working Group
 - Ref [IOTC-2019-TCAC05-R](#), para 30-31, and Appendix 5
- Work that the Commission may wish to consider assigning to the Compliance Committee

B. ADJUSTMENTS FOR STOCK DECLINES

- Phased implementation;
- Role of Science Committee and the Commission, and work that the Commission may wish to consider assigning to another body of the IOTC
- Threshold for Developing Coastal States

IMPLEMENTATION

C. CATCH RECONCILIATION MECHANISM

- General views on linkages to the Allocation Regime
- Work that the Commission may wish to consider assigning to the Compliance Committee

D. TRANSFERABILITY OF ALLOCATIONS

- Whether to allow transfers of allocations and under what Terms and Conditions

E. TERM OF ALLOCATIONS

- Annual allocations or terms aligned with stock assessments for each stock

Theme 6: WEIGHTING & TRANSITION

- There does not appear to have been a lot of discussions in the past TCAC meetings on the weighting scheme for the allocation regime and the different components of the allocation structure. While a discussion on this prior to locking in a structure may seem premature, a general discussion on the topic may help tease out the views of delegations and perhaps identify some paths forward.

- Under this theme, discussions should focus on the nature of the different components, the concept of a transition as provided in the proposals from the current state of play to the proposed new allocation regime, and the percentage to attribute to each component.

A. % of TAC FOR EACH COMPONENT OF ALLOCATION STRUCTURE:

- Current proposals suggest the possibility of 4 components for the allocation structure. Of course, the discussion may lead to different or additional components, but at a minimum, delegations should come prepared to discuss weighting through the form of a percentage of the overall TAC attributed to the following components:
 - Historical Catch;
 - Supplementary Allocation;
 - Set aside for Science
 - New Entrants

B. TRANSITION

- Phased transfer from DWFNs to Coastal States

Theme 7: FINAL CLAUSES

- An allocation regime will normally have final clauses that provide for its duration, the ability to review and amend it, and the various roles of implementation bodies.
- These clauses may also include provisions to safeguard Parties' legal positions, particularly in respect of ongoing disputes (territorial or others).
- Delegations should come prepared to discuss all these topics.

In considering the above themes, I may choose to structure the discussions in Bangkok with interventions in plenary, while enabling smaller group discussions in Open Ended Working Groups on certain themes or subthemes, to help to advance and make progress. In doing so, I will strive to structure these discussions to enable all delegations who wish to participate, to do so.

Following the discussion on the themes, I expect relevant delegations to come prepared to brief others on any updates to their current proposals. It is my hope that those who have the pen on these proposals will factor the discussions during the week in Bangkok and suggest adjustments to their texts as appropriate. This can also be an opportunity for delegations to submit new text or proposals for the group's consideration.

I recognize that delegations may not be in a position to formally support new text or proposals at the meeting in Bangkok. Moreover, new ideas and concepts may require delegations to check back with capitals. However, it will be important for delegations to come prepared to discuss next steps and a way forward for the TCAC, for this to be reflected in the meeting report and any recommendations made to the Commission for its consideration at its next annual meeting.

Such next steps should also include any work that the TCAC may wish to recommend that the Commission consider assigning to other relevant bodies of the IOTC, including the Science Committee, the Compliance Committee, the Commission itself and/or the Secretariat. These next steps could be formulated in a road map appended to the TCAC report, for the Commission's consideration.

As you can see, our agenda for the Bangkok meeting is full. You will also note that I have structured the agenda in 5 full days of work. I will strive to follow this structure, but changes may occur during the week based on the discussions. I remain in the Committee's hands and will be as flexible as possible to achieve our collective objective.

I have no doubt that we are all up for the task ahead, and I look forward to working with you in Bangkok in March.

With kind regards,
Nadia Bouffard