

## TCAC Chair's Thematic Comparative Table and Suggestions

Themes	EU Proposal <sup>i</sup>	Coastal States Proposal <sup>ii</sup>	Chair's Comments <sup>iii</sup> and Suggestions <small>(Includes comments of current Chair and those of previous Chair)</small>
<b>PREAMBLE</b>	<p>EU Proposal contains a preamble [pages 2-3]</p> <p>Objectives of IOTC Rights and Duties of Coastal States under UNCLOS, UNFSA, etc. Rights and Duties of all States KOB recommendations regarding by-catch; scientific efforts, reduced capacity, decision-making and compliance and enforcement Ref to IOTC Resolution 15/10 for ending overfishing and rebuilding biomass of stocks in red quadrant</p>	<p>Coastal States' Proposal contains a preamble [pages 3-4]</p> <p>IOTC Objectives Ref to IOTC Agreement Rights and Duties of Coastal States under UNCLOS, UNFSA, etc. Rights and Duties of all States UNGA Resolution 70/75 (2015) para 140 KOB EII and III on freezing fishing capacity and transfer of capacity from developed fishing members to developing coastal fishing members Special requirements of developing States, in particular least-developed and SIDS in UNCLOS, UNFSA, FAO Code of Conduct, FAO Compliance Agreement, FAO IPOAs, and UNGA Resolutions</p>	<p>A preamble is not necessary and may be superfluous with content of general principles</p> <p>Generally, a preamble should speak to the (historic) context for the text, and provide the general purpose and objectives</p> <p>Previous Chair Comment: Normal treaty drafting practice is to draft the Preamble last, since it will need to take account of the agreement reached on the substantive articles. Medium degree of difficulty</p>
<b>DEFINITIONS</b>	<p>No definition section, but terms are defined throughout the text of the proposal</p>	<p>Pages 4-5 contains definitions for:</p> <p>Allocation period Coastal fisheries Contracting Party Cooperating Non-Contracting Party (CNCP) CPC Distant Water Fishing (DWF) CPC Coastal State CPC Developing Coastal State (DCS) CPC</p>	<p>Definitions are only required if uncommon or unclear terms are used, and if used more than once, throughout the text of the Allocation regime – or else specific definition(s) can be inserted where such terms are used</p> <p>Where definitions are already provided by IOTC Treaty or CMM, it is not necessary to include them in the Allocation regime text</p>

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		New Entrant Small Island Developing States (SIDS) CPC Temporary transfer Global Total Allowable Catch (GTAC) Conservation and Management Measures (CMM)	Some proposed definitions actually contain substantive principles or rules, and should be removed from the definition section and moved to the appropriate substantive section
<b>PURPOSE</b>	Clause 1 (page 3) appears to include a purpose	Purpose clause included in Allocation Principles section II, clause 14 chapeau (page 5), and in page 6, section III Allocation Criteria, clause 15(a)	A Purpose clause is not essential and normally better suited for the preamble section.  But if included, it should reflect the mandate provided by the Commission to the TCAC
<b>Theme 1: GENERAL PRINCIPLES</b>  <i>Whether general principles are required</i>  <i>Scope of principles</i>	Section on Main Principles on pages 3-4, clauses 1 to 7	Section II Allocation Principles on pages 5-6	Some ideas in principles sections of both proposals are repetitive of clauses in preambles of both proposals May wish to consider what should figure in preamble section and what should be contained in principles section  Principles should be high level. Some are too detailed or specific to be considered principles  Some principles contained in both proposals are more suited to eligibility, scope or substantive provisions of the proposal  Scope of principles could include the following core elements: - Fair, equitable and transparent allocation process and outcomes

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-			<ul style="list-style-type: none"> <li>- Establishment of TAC as basis for Allocation regime</li> <li>- Allocation regime supporting effective management of fishing capacity and supporting sustainable management of IOTC stocks and ecosystem</li> <li>- Non-prejudice to rights and legal obligations under various instruments</li> <li>- Recognition of social and economic dependency of Developing Coastal States (DCS) and Small Island Developing States SIDs</li> <li>- Addressing special requirements of DCS and SIDs</li> </ul> <p>Previous Chair Comments: Elements contained in both Proposals are reasonably similar, and should be relatively easy to negotiate [Straightforward degree of difficulty]</p>

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<p><b>Theme 2: ELIGIBILITY</b></p> <p><i>Who should be eligible to IOTC allocations</i></p> <p><i>Whether and what conditions should be imposed to be eligible to receive allocations from IOTC</i></p> <ul style="list-style-type: none"> <li>- Contracting Parties</li> <li>- Cooperating Non-Contracting Parties</li> <li>- New Entrants</li> <li>- Non Contracting Parties</li> <li>- Commission fees paid in full</li> <li>- Nominal catch data reported</li> </ul>	<p>Page 3, Main Principles section, clause 3 Eligibility restricted to Members, Cooperating Non-Members and long term participating non-Contracting Parties</p> <p>Page 5, Clause 14 provides for specific eligibility for a set aside of 1% of the TAC for <u>New Entrants</u> by requiring that they have an (undefined) real interest in the fishery</p> <p>Page 6, clause 18 limits the eligibility of <u>Cooperating Non-Contracting Parties</u> to 80% of their allocation</p> <p>Nothing provided</p> <p>Page 3, Main principles section, clause 4, renders ineligible to an allocation for a year, a CPC that fails to report nominal catch data for that year</p>	<p>Page 5, section II, clause 14(a) and Page 6, section III, clause 16: Eligibility restricted to IOTC Contracting Parties and Cooperating Non-Contracting Parties in a manner to encourage them to become Contracting Parties</p> <p>Page 9, section III, clause 23(a) and (b) provide for specific rules for New Entrants that have become new Coastal States Contracting Parties, and those that have become new Distant Water Fishing Contracting Parties. Both groups are required to apply for and obtain authorization from the Commission to obtain an allocation.</p> <p>Nothing provided</p> <p>Nothing provided</p>	<p>Coastal States Proposal suggests creating an incentive for CNCPs to become Contracting Parties. EU Proposal embeds such an incentive by allocating only 80% of their allocations.</p> <p>Considered by other RFMOs, though challenging for CNCPs</p>

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<p><b>Theme 3:</b> <b>SCOPE</b></p> <p><i>Geographical Area</i></p> <p><i>Species</i></p> <p><i>Gear-types</i></p>	<p>Page 3, Main Principles section, clause 1: Allocation for stocks covered by the IOTC Agreement on a stock by stock basis, applied in a gradual manner, starting with stocks in the upper left quadrant (red) of the KOBE Plot</p> <p>Clause 2 specifies that the allocation regime shall apply to all fishing gears</p>	<p>Page 6, Section III, clause 15(b) geographical scope IOTC Area of Competence</p> <p>Clause 17(a) Allocation by species - species limited to albacore, bigeye tuna, skipjack tuna, yellowfin tuna and swordfish</p>	<p>The terms “stocks” and “species” are used interchangeably in both proposals. IOTC species are managed throughout their range, so either term could work, though typically, stock would be the better term. May wish to consider term used elsewhere in IOTC documents.</p> <p>Should allocations be set on a limited number of IOTC species/stocks, or for all IOTC regulated species/stocks? Are there practical, information related or legal reasons for limiting the species/stocks subject to the Allocation regime?</p> <p>Members could consider a gradual or phased implementation approach for establishing allocations (see suggestions under Theme 8)</p>
<p><b>Theme 4:</b> <b>ALLOCATION STRUCTURE</b></p>	<p>Page 3, Main principles, clause 3 describes the general structure proposed for the allocation regime:</p> <ol style="list-style-type: none"> <li>1) Initial baseline allocation for all CPCs; and</li> <li>2) A complementary and new entrants allocations to be adjusted by certain corrections factors</li> </ol>	<p>Page 6, Section III Allocation criteria, Clause 16 Eligibility, paragraph (b) describes the general structure proposed for the allocation regime:</p> <ol style="list-style-type: none"> <li>1) A baseline allocation with 2 components: a baseline Coastal State allocation and a baseline historical catch allocation;</li> <li>2) A supplementary allocation; and,</li> <li>3) A correction factor allocation with multiple components</li> </ol>	<p>Both proposals and discussions to date seem to favour an allocation structure divided in 3 groups: Historical Catch Allocation; Supplementary/Complementary Allocation and Corrections for Developing States Allocations. What is included in each group varies by proposal, especially where and how Coastal States’ aspirations are treated, but most generally recognized allocation factors are included overall in both proposals</p> <p>Both proposals contain some similar elements in their allocation structures. They both contain historical catches as part of their baseline</p>

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			<p>allocations. The Coastal States Proposal defines Baseline Allocations beyond historical catch and assigns a percentage of the TAC to Coastal States based on specific criteria. The EU Proposal restricts Baseline Allocations to historical catches, but brings in added criteria under a Supplementary Allocation. Both Proposals contain a basic allocation to be shared by all CPCs. And both provide for adjustments and corrections based on specific Factors, though how this is done, and eligibility varies.</p> <p>The most important difference between the two proposals is how they treat historical catches within EEZs. The Coastal States' proposal gives 100% attribution of such catches to Coastal States, irrespective of the flag of the catching vessels, and the EU proposes to attribute a percentage [10%] of the current catch history to the Coastal States, with the balance [90%] attributed to the flag States of the catching vessels.</p> <p>Previous Chair Comments: These different concepts and approaches make negotiation on the elements quite difficult and complex, and this is exacerbated by the level of complexity involved in some elements of the proposals. [Very Difficult degree of difficulty]</p>

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<p><b>A. BASELINE/ HISTORICAL CATCH ALLOCATION</b></p>	<p>The EU Proposal defines an <u>Initial Baseline Allocation</u> based on historical catch within EEZ and on the high seas and comprises [80%] of the TAC Page 3, Section Main Principles, clause 3, and clause 8</p>	<p>The Coastal States’ proposal defines Its baseline allocation comprising 2 components [Page 6, Section 16(b)(i)]:</p> <ol style="list-style-type: none"> <li>1) a Baseline Coastal State Allocation [25%-45% of TAC] [Page 7, Section III Allocation Criteria, Clause 19]; and</li> <li>2) a Baseline Historical Catch Allocation [60%-80% of TAC] [Page 8, Section III, Clause 20]</li> </ol> <p>The <u>Baseline Coastal State Allocation</u> (BCSA) [Page 7, Clause 19] is defined by criteria:</p> <p>Each Coastal State CPC with catch history is to receive an entitlement (“status weighting”) based on:</p> <ul style="list-style-type: none"> <li>- [35%] of BCSA shared equally amongst Coastal State CPCs;</li> <li>- [47.5%] of BCSA shared amongst Developing Coastal State CPCs based on development status – Details are fleshed out for HDI, GNI, SIDs status and associated weighting;</li> <li>- [17.5%] of BCSA shared based on sizes</li> </ul>	

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<p>- <b>Catch Reference Period</b></p>	<p>Catch period 2000-2016</p>	<p>of EEZs in IOTC Area – Details are fleshed out for weighting to be attributed to various sizes of EEZs. This criteria may eventually be replaced by one that shares a % of the BCSA based on relative abundance of species being allocated, in individual Coastal States' waters, when such abundance is (can be) estimated by the Scientific Committee (see IOTC-2018-S22-PropK Rev1)</p> <p>*Coastal State CPCs without species catch history may request Baseline Coastal State Allocation [clause 19(b)]</p> <p>*A Cap of no more than 50% of the lowest Baseline allocation for any Coastal State Contracting Party is set for Coastal State Cooperating Non-Contracting Parties [clause 19(c)]</p> <p><u>Baseline Historical Catch Allocation</u> is based on catch within the EEZ and on the high seas [Page 8, Section III Allocation Criteria, clause 20]</p> <p>2 options are proposed: 5 year average (2012-16), or 15 year average (2002-16)</p>	<p>While recognizing this may result in a more complex regime, would identifying different periods for each stock resolve some of the issues raised by some delegations?</p>



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<ul style="list-style-type: none"> <li>- <i>Impacts of past non-compliance on catch history</i></li>   <li><i>Attribution:</i></li> <ul style="list-style-type: none"> <li>- <i>Spatial distribution of Catch; Mixed Areas and -Apportioning Method</i></li> </ul>   <li>- <i>Foreign Catches in EEZ of IOTC Coastal States</i> <ul style="list-style-type: none"> <li>- <i>Attribution</i></li> <li>- <i>Phased Implementation</i></li> </ul> </li> </ul>	<p>Nothing provided</p> <p>Page 4, Section Main Principles, Clause 8 provides for a calculation of the initial baseline allocation Historical catches taken within the Jurisdiction of Coastal States on the Basis of a reallocation of [10%] of such catches taken by flag States other than the Coastal States to these Coastal States, over a period of [10 years]</p>	<p>Nothing provided</p> <p>Page 5, Section II Allocation Principles, clause 14(e), and Page 8 Section III Allocation Criteria, clause 20(b) provide detailed rules on attribution of catches. A role is provided for the IOTC Secretariat to work with a small working group to determine finer scale spatial attribution of catch history for CPCs.</p> <p>The Compliance Committee is assigned a role to resolve disagreements on catches in overlapping areas</p> <p>Page 5, Section II Allocation Principles, clause 14(e), and Page 8 Section III Allocation Criteria, clause 20(b) chapeau attribute all catches taken within the jurisdiction of a Coastal State, to that Coastal State</p>	<p>Considered by other RFMOs Consider whether past overfishing or illegally caught catches should be counted for historical catch allocation</p> <p>Consider endorsement of IOTC-2019-TCAC05-R, Para, 37-38</p>

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<p><b>B. SUPPLEMENTARY/ COMPLEMENTRY ALLOCATION</b></p> <p><i>Allocation Factors:</i></p> <ul style="list-style-type: none"> <li>- <b>Eligibility: Coastal States; Coastal Developing States; Coastal States with catch history</b></li> <li>- <b>CS dependence and needs (imports and exports)</b></li> <li>- <b>CS development and social status (WDI, GNI, SIDs)</b></li> </ul>	<p>In addition to the Baseline Historical Catch Allocation, Page 4, Clauses 9, 10 and 11 of the EU Proposal provide for a Complementary Allocation.</p> <p>The Complementary allocation is to be provided to developing States, specifically Least Developed Countries, SIDS and Coastal Developing States, with a view to accommodate their special requirements and special interests</p> <p>Developing States that hold allocations for particular species corresponding to more than [5-10%] are not eligible to this complementary allocation for that species.</p>	<p>Page 9, clause 21 provides for a supplementary allocation to be shared equally by all Contracting Parties and Cooperating non-Contracting Parties that have catch history for the species being allocated.</p> <p>Distant Water Fishing New Entrants are excluded from this eligibility (clause 21(a)), and Cooperating non-Contracting Parties shall only receive 50% of that allocated to others (clause 21(b))</p> <p>A CPC that doesn’t have catch history may seek a Supplementary Allocation according to a process set out in clause 28</p>	<p>Both Proposals suggest an allocation structure that contains consideration of more than catch history</p> <p>The Coastal States’ Proposal includes a specific portion of the TAC to be shared equally by all CPCs (Supplementary Allocation)</p> <p>Both Proposals include a specific portion of the TAC to be dedicated to Coastal States, in recognition of their status, needs, interests and aspirations</p> <p>And Both Proposals suggest a portion of the catch history by non-Coastal States to be transferred to Coastal States in recognition of, and to address, their status, needs, interests and aspirations</p> <p>The EU Proposal embeds the Developing Coastal State factor for an allocation dedicated to Coastal States to address their status, needs and dependency under their proposed Complementary Allocation, while the Coastal States’ proposal has addressed this issue under their Baseline Coastal State Allocation and Correction Factor. While the manner in which the concept is treated in both proposals is different and details vary, there appears to be recognition of, and agreement on, the need to accommodate Developing Coastal States’ aspirations and needs in both Proposals.</p>

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<ul style="list-style-type: none"> <li>- <b><i>CS interests and aspirations (active fleet; Fleet Development Program/Utilisation Plan)</i></b></li>   <li>- <b><i>Coastal State status in the IOTC Area of Competence &amp; Relative Abundance of stocks in National jurisdictions</i></b></li> </ul>	<p>To access the Complementary Allocation, Developing CPCs must confirm that their fishing opportunities and efforts are consistent with their Fleet Development Plan submitted under IOTC Resolution 15/11</p>	<p>Under the Baseline Coastal State Allocation in the Coastal States Proposal Page 7, clause 19(a)(i) and (iii), it is proposed that Coastal States to the IOTC that have catch history would be entitled to receive Baseline Coastal State Allocations calculated on the basis of their status as a Coastal States, and the portion of their EEZ in the IOTC area of competence</p> <p>The EEZ portion criteria may eventually be replaced by one that shares a % of the Baseline Coastal State Allocation based on relative abundance of species being allocated, in individual Coastal States’ waters, when such abundance is (can be) estimated by the Scientific Committee (see IOTC-2018-S22-PropK Rev1)</p>	<p>Note: IOTC Resolution 15/11 expired. Members would need to adopt a new resolution on this subject to put the requirement in the EU proposal into effect.</p> <p>The EU Proposal appears to restrict the complementary allocation to developing States – whether Coastal or not, while the Coastal States’ Proposal suggests a Baseline Coastal State Allocations for both developed and developing Coastal States</p> <p>Whether under the auspices of a baseline allocation or a complementary allocation, TCAC members will need to agree on which group of Coastal States are being targeted in support of accommodating the needs, interests and aspirations, beyond the expectations addressed through an allocation based on historical catches</p> <p>A request was made to Scientific Committee in IOTC 2018-S22-PropK Rev1. The Commission requested the IOTC Scientific Committee to provide advice as to how an index of relative abundance of each allocated species</p>

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<p><b>Corrections for Developing Coastal States</b></p>	<p>Pages 4-5, Clauses 12-13 provide for Correction Factors, which are to be applied to the sum of allocations to increase such allocations to CPCs where appropriate, to address:</p> <ul style="list-style-type: none"> <li>- Development and social factors, such as:               <ul style="list-style-type: none"> <li>- subsistence, small scale and artisanal fishers dependent on fishing,</li> <li>- the needs of Coastal States whose economies are overwhelmingly dependent the exploitation of marine living resources (jobs/GDP), and</li> <li>- the vulnerability of this dependence on meeting nutritional requirements of their population;</li> </ul> </li> <li>- Fishery-related issues and trade factors, such as               <ul style="list-style-type: none"> <li>- Real fishing interests evidenced by fishing patters, practices and existence</li> </ul> </li> </ul>	<p>Page 9, clause 22 provides for 2 types of Correction Factors in the form of additional allocation to be provided to a Developing Coastal State:</p> <ul style="list-style-type: none"> <li>(a) whose total allocation for a species is less than 95% of its average catch for the reference period;</li> <li>(b) In recognition of development needs. In this instance, the additional future fishing opportunities would be facilitated by the gradual reallocation of % of allocation from distant water fishing CPCs whose total allocation for that species exceeds 4% of the GTAC</li> </ul> <p>The reallocation would start 1 year after the adoption of the Allocation Regime and be completed within 5 years, with 20% of the reallocation to occur annually during this period. Eligibility</p>	<p>(as detailed in IOTC-2018-S22-Prop K Rev1) might be constructed, within the area under national jurisdiction of each CPC. Currently the data available is not sufficient to be able to develop the indices of abundance requested.</p> <p>TCAC05 Report, para 42-43 reflects support for Correction Factors as relevant, but recognizes a need to elaborate on how they would be quantified and operationalized</p> <p>*The EU Proposal is linked and dependent on a scoping study. This Study was conducted by a IOTC consultant in 2019. While indicators were provided, implementation results were inconclusive due to lack of data.</p> <p>The Coastal States’ Proposal contains a detailed Developing Coastal State allocation as part of the Baseline Coastal State Allocation, based on a combination of internationally recognized indicators provided by:</p> <ul style="list-style-type: none"> <li>- the UN Department of Economic and Social Affairs;</li> <li>- OECD</li> <li>- UNDP; and</li> <li>- World Bank</li> </ul>

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	<p>of an active domestic fleet or a Fishery Development Plan under implementation;</p> <ul style="list-style-type: none"> <li>- The weight of imports of raw tuna products for transformation on the State’s economy; and</li> <li>- % of GDP depends on exports of products from the exploitation of marine living resources</li> </ul>	<p>and distribution details are to be developed by the TCAC following the adoption of the Allocation Regime.</p>	<p>Including a simulation in Appendix I of their Proposal.</p> <p>Members may wish to consider the internationally accepted GNI (World Bank) indicator used by the IOTC in its Financial Regulations.</p> <p>It is not clear how the Coastal States’ second proposed correction factor in this section related to “development needs” differs from the development factors laid out in their Baseline Coastal State Allocation</p> <p>Clarification needed: The EU proposal appears to require that CPCs hold an initial Baseline Allocation (hence catch history) to be entitled to a Complementary Allocation and Correction Factor, however, this is not clear from the wording of the proposal.</p>
<p><b>C. OTHER ALLOCATION FACTORS</b></p> <ul style="list-style-type: none"> <li>- <i>Contributions to conservation and management of stocks and provision of accurate data, if not addressed as eligibility criteria</i></li> </ul>	<p>None provided</p>	<p>None provided</p>	<p>None of these factors were included in the proposals currently on the table, though the EU proposal did include, in a previous iteration, consideration of the contributions by CPCs to the conservation and management of IOTC stocks.</p> <p>These are suggested by the Chair, for consideration by TCAC Members, recognizing that these are often considered in allocation regime discussions in RFMOs, though not all are retained.</p>

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<ul style="list-style-type: none"> <li>- <i>CPC Contribution to scientific research</i></li> <li>- <i>Setting aside an allocation for science survey purpose</i></li> </ul>			<p>Setting aside a % of the GTAC addresses the sustainability of GTAC</p>
<p><b>Theme 5: ADJUSTMENTS</b></p>			
<p><b>A. OVERCATCH &amp; NON-COMPLIANCE ADJUSTMENTS</b></p> <ul style="list-style-type: none"> <li>- <b>Adjustments for non-compliance</b></li> <li>- <i>Work that the Commission may wish to refer to the Compliance Committee</i></li> </ul>	<p>Page 3, Section Main Principles, clause 5</p> <p>Lose eligibility if compliance score of less than 60% over 2 consecutive years without indication of real progress (10% improved compliance) Page 5, clause 15, specifies that such losses are temporary and that the allocation may be reacquired as soon as the conditions that led to the loss have ceased to exist</p> <p>Refers to mechanism to be developed by the IOTC Compliance Committee</p>	<p>Page 10, Section III Allocation Criteria, Clause 25:</p> <p>Deduction Ratios 1:2:1; or 1:5:1 if deferral requested; and 2:1 for subsequent consecutive over-catch with no deferral</p> <p>Refers to mechanism to be developed by the IOTC Secretariat</p>	<p>Consider endorsement of IOTC-2019-TCAC05-R, para 30-31, and Appendix 5</p> <p>These two proposals treat non-compliance differently. The EU Proposal affects eligibility to the entire allocation, whereas the Coastal States’ Proposal proposes to proportionally impact the amount of allocation to be received in a given year.</p> <p>Chair suggests Members consider making a specific recommendation from TCAC to the Commission to assign work to the Compliance Committee/Secretariat on developing a mechanism for this purpose</p>

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<p><b>B. ADJUSTMENTS FOR STOCK DECLINES</b></p> <ul style="list-style-type: none"> <li>- <b>Phased Implementation</b></li> <li>- <i>Threshold for Developing Coastal States</i></li> </ul>	<p>Page 4, clause 7 provides for a gradual adjustment over a period of [5-10] years to adjust to reductions in allocations in excess of [10%]</p>	<p>Page 11, clause 27 in the Implementation Section provides for a proportional reduction [1/4-1/3] in allocation for Developing Coastal States and SIDS, when a GTAC decreases from previous allocation periods</p>	<p>Would a gradual implementation of an allocation reduction due to stock declines as proposed by the EU not be better suited for Harvest Control Rules implementing a precautionary approach for the given stock?</p>
<p><b>Theme 6: WEIGHTING</b></p> <p><i>Consider whether weighting is necessary or feasible at this time</i></p> <p><i>% of TAC to be attributed to each component of the allocation components</i></p>	<p>Page 3, Main Principles Section, Clause 3 provides for the GTAC proportions for allocation criteria in the EU proposal:</p> <ul style="list-style-type: none"> <li>- Initial Baseline allocation: 80%</li> <li>- Complementary allocation: 12%</li> <li>- New Entrants: 1%</li> <li>- Correction Factors: 7%</li> </ul> <p>Page 6, clause 19 contains a commitment to reaching agreement on a weighting scheme for correction factors within 2 years of adoption of the Allocation Regime</p>	<p>Weighting percentages are spread out in the Coastal States proposal. Pages 10-11, Section IV, clause 26 provide for GTAC Proportions for allocation criteria. Pages Page7, clause 19 provides more details on the % weight to be attributed to each factor and subcomponent of the Baseline allocation for Coastal States:</p> <ul style="list-style-type: none"> <li>-Baseline allocations :80% <ul style="list-style-type: none"> <li>- Baseline Coastal State: 20%</li> <li>- Baseline historical catch: 65%</li> </ul> </li> <li>-Supplementary allocation: 5%</li> <li>-Correction factor allocation: 15%, increasing over time <ul style="list-style-type: none"> <li>- CFI: 15%</li> <li>- CF2: this would not be coming from the GTAC, but instead from a reallocation from DWF CPCs, increased over time</li> </ul> </li> </ul>	<p>In both proposals, weighting is accomplished by assigning notional [bracketed] percentages of the Global Total Allowable Catch for a given species to each allocation criteria/component, and to each factor within each allocation component.</p> <p>A question arises as to whether it is necessary or useful to consider these weighting % at this time, or whether consideration of this should wait until after the allocation structure, its components and the factors are agreed upon?</p> <p>The Chair suggests that Members consider the timing of developing and agreeing to this: whether this needs to be fleshed out now or whether it can be done in a second phase to the work of the TCAC, after the allocation structure has been agreed to</p> <p>Although this may make things more complex, TCAC members may wish to consider whether weighting could be different by species</p>

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<p><b>Theme 7: IMPLEMENTATION</b></p> <ul style="list-style-type: none"> <li>- <i>Phased implementation</i></li>   <li>- <i>Role of Science Committee, Compliance Committee, the Secretariat, other IOTC bodies</i></li>   <li>- <i>Work for assignment to other IOTC body</i></li> </ul>		<p>Process for establishing Historical Catch</p> <p>Page 6, section II Allocation Principles, clause 14(e): Estimates by the Secretariat, approved by the Scientific Committee and endorsed by the Commission</p> <p>Page 11, clause 27 proposes that the Secretariat establish an administrative process for developing catch reports for the purpose of establishing baseline historical catch, supplementary allocation and baseline coastal state allocations</p>	<p>It may be challenging to implement the Allocation Regime on all IOTC stocks at once. Rather than delay the implementation of the regime, the Commission could consider a phased implementation by prioritizing the stocks to which it will apply first. Or, alternatively, it could establish criteria for creating this priority list. TCAC Members could make recommendations on this to the Commission</p> <p>The Chair suggests that it would be useful to identify the roles of various bodies of the IOTC in the implementation of the Allocation regime in the body of the Allocation Regime, and ensure that recommendations are made by the TCAC to the Commission for assigning the necessary work to these bodies</p>
<p><b>A. CATCH RECONCILIATION MECHANISM</b></p> <p><i>General views on linkages to the Allocation Regime</i></p>	<p>Page 3, Section Main Principles, clause 5 Refers to the Compliance Committee to develop a mechanism for addressing the implications of non-compliance on allocations</p>	<p>Page 10, clause 25, proposes that the Secretariat propose a mechanism to reconcile reported catch against CPC allocations and submit this for the Commission’s recommendation</p>	<p>Most RFMOs who have put in place allocations have established a catch reconciliation regime, to enable the relevant Commission bodies and its members to review catch reports and proposed allocations, adjust these based on factual</p>



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<p><i>Work that the Commission may wish to consider assigning to the Compliance Committee</i></p>			<p>representations by Members and the scientific bodies, and any other adjustments required by the regime, including for compliance, unused allocations and transfer requests.</p> <p>TCAC members may wish to consider proposing such a mechanism in their proposed Allocation Regime, that could involve more than one committee of the IOTC, and make recommendations to the Commission on roles for the appropriate IOTC bodies</p>
<p><b>B. TRANSFERABILITY OF ALLOCATIONS</b></p> <p><i>- Whether to allow transfers of allocations</i></p> <p><i>- Terms and Conditions</i></p>	<p>Page 6, Clause 20:</p> <p>No transfers unless authorized by Commission Access agreements with Coastal States exempted from this process requirement</p>	<p>Page 6, Allocation Principles Section, Clause 14(g) and Page 10, clause 24:</p> <p>Allowed Notification requirement to the Secretariat, which must circulate to members CNCPs not eligible</p>	<p>Common ground reached at TCAC04 (para 17(iii)), that some provision on transferability should be contained in the final resolution and the process should be transparent.</p> <p>Both proposals support allocation transfers, though the approval/notification requirements differ. TCAC members may wish to consider the operational needs related to transfers and the most appropriate timeframe for decision-making by the IOTC on these matters.</p>
<p><b>C. TERM OF ALLOCATIONS</b></p> <p><i>5 years or terms aligned with stock assessments for each stock</i></p>	<p>Page 5, clause 15 Final allocation valid for 5 years Adjustments made for non-compliance or not reporting nominal catch are temporary</p> <p>Clause 17 Final allocation is not a precedent for future allocations decisions or revisions.</p>	<p>Page 4, Definitions Section, Clause 1, and Page 11, Implementation Section V, Clause 29</p> <p>Period set by species, aligned with stock assessment and GTAC Default: 1 calendar year</p>	<p>If the term of the GTAC and allocations are based on a stock assessment cycle as proposed by the Coastal States’ Proposal, TCAC Members should consider recommending to the Commission and the Scientific Committee a rotational stock assessment calendar, which would avoid the Commission having to address setting GTACs for</p>

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			all stocks at the same annual meeting. Other RFMOs have implemented this.
<p><b>D. AVAILABILITY OF DATA AND INFORMATION</b></p> <p><i>- Data and Information requirements for proposals and current availability.</i></p> <p><i>- If not currently available, consider feasibility, costs, and phased implementation</i></p>			<p>While the issue of data availability for establishing TACs has been discussed in detail during previous TCAC meetings, and referred to the Commission and its committees, the TCAC may wish to consider this issue in the context of a phased implementation of the Allocation Regime (see Theme 8), starting on the basis of stocks for which data is available</p> <p>Recommendations to the Commission from the TCAC could include addressing data gaps, as appropriate, so that additional stocks may be implemented under the Allocation Regime</p>
<p><b>Theme 8: TRANSITION</b></p> <p><i>- Need to ensure viable, sustainable and manageable regime</i></p> <p><i>- Need to mitigate destabilizing effects, including on economies, jobs, markets and market access, etc.</i></p> <p><i>- Phased transfer from DWFNs to Coastal States, as</i></p>	<p>Pages 3-4, clauses 7 and 8, and Page 5, clause 16 provide for transitional implementation of</p>	<p>Nothing on this topic</p>	<p>Consider how to move from the current state of play to a Commission with an allocation regime.</p> <p>It may be advisable to put in place an implementation plan to transition from the current state to the new regime, and ensure that the first set of allocations is subject to thorough review before their full implementation.</p> <p>Factor in time required to:</p>

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<p><b><i>a transition to attributing foreign catch to Coastal States’ for historical catch allocations</i></b></p>	<p>allocation setting and adjustments, to ensure stability of the sector</p>		<ul style="list-style-type: none"> <li>- put in place the tools (data sets, draft allocation tables, etc)</li> <li>- the governance (subcommittees) to operationalize the regime</li> <li>- review process for Members to review the first set of Allocation tables prior to officially putting in place the regime</li> </ul> <p>In addition to considering gradual steps for the first application of the Allocation Regime, as suggested earlier in this Table, Members may wish to consider a phased approach for the full implementation of the Allocation Regime, once adopted. A species-by-species approach may provide for an easier transition, especially if data and information is lacking to fully implement the regime for certain stocks.</p>
<p><b>Theme 9: FINAL CLAUSES</b></p> <ul style="list-style-type: none"> <li>- <b><i>Duration of Allocation Regime</i></b></li> <li>- <b><i>Review and Amendments</i></b></li> </ul>	<p>Nothing provided</p>	<p>Page 11, clause 30 provides for a 5 year term for the Allocation Regime, starting after it is adopted, and a review and revisions brought to incorporate latest scientific information on areas including species biological distribution and spawning grounds as well as biological-ecological significance provided in the baseline coastal state allocation provision</p>	<p>Recognizing that the Allocation Regime text would not stand on its own, but rather be read in conjunction with the overarching IOTC Agreement and other relevant instruments, TCAC members may nevertheless wish to include specific final clauses regarding the status of the regime</p> <p>Specifically, TCAC members may wish to set a term for reviewing the Allocation regime, balancing the need for stability and recognizing the time it is taking to develop this first iteration</p>

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<ul style="list-style-type: none"> <li>- <i>Safeguards for legal positions regarding ongoing disputes</i></li> <li>- <i>Others</i></li> </ul>			<p>It may also be possible to address concerns expressed in TCAC meetings with respect to boundary disputes and other international disputes, by safeguarding members' legal positions in this regard</p>

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<sup>i</sup> IOTC-2019-S23-PropM[E]

<sup>ii</sup> IOTC-2020-TCAC06-PropA[E]

<sup>iii</sup> Includes comments of current Chair, and those of previous Chair of TCAC from his Three Column Document submitted to the Commission after TCAC05 in April 2019, after completion of his work as Chair.