

Options Papers #2 and #3 – Criteria for Addressing the Special Requirements of Developing States, and Baseline Options

**TCAC16, 3 - 6 February 2026
Perth Australia**

Background

TCAC15 tasked the chair to prepare four papers for TCAC16:

1. Options to address artisanal fisheries within the allocation framework.
2. Options for the allocation criteria to address the special requirements of developing States, including the various components that could be included.
3. Options on the different baselines that could be included in the allocation framework
4. Options for assessing and addressing compliance with quota, including guidance on how this is addressed in other RFMOs, and previous discussions held at TCAC.

As advised in TCAC16-03, the chair circulated a draft agenda and recommended deferral of compliance discussion to ensure sufficient time to resolve key discussions on artisanal fisheries, catch attribution and criteria weightings. Options paper #4 will therefore be deferred to TCAC17. Due to overlaps between options #2 and #3, the chair has merged these two requests into one paper that can discuss them together.

Introduction

TCAC15 instructed the chair to prepare a paper to address the special requirements of developing States, including the various components that could be included. TCAC has previously agreed to develop three allocation criteria:

1. Baseline (everyone gets a share)
2. Special requirements of developing States (developing States get a share)
3. Fishing interest/catch history/biomass proxy (States with an interest get a share)

Given that the TCAC has previously agreed to develop a specific criteria to address the special requirements of developing States, it must now decide on the weighting that is given to this criteria, and how this portion of the allocation is distributed among developing States. The TCAC also similarly needs to decide on the weighting that is given to the baseline criteria and define who is eligible to access this quota. This paper will focus on these four questions:

1. What weighting or percentage of the total TAC should be assigned to the baseline criteria #1 to engage all CPs and new entrants?
2. What weighting or percentage of the total TAC should be assigned to criteria #2 to address the special requirements of developing States?
3. Who should be eligible to access quota from the baseline criteria #1?
4. How should the quota that is derived from criteria #2 be distributed among developing States?

I have discussed these matters during some of the recent consultations and note the recent letter from Somalia that presented their view. I also recognise that the TCAC has been negotiating socio-economic indicators and formulas for years but is yet to reach consensus. Development indices and socio-economic indicators can clearly inform the distribution of this quota, but this negotiation has proven complex, subjective and dependent on data that may not exist in a consistent form.

As Chair, my suggestion is to keep things simple and avoid complex formula that require extensive negotiations, but I will be guided by members if there is a strong view. My intention is to narrow down options at TCAC16 and call for a **decision** on a way forward.

In the meantime, given that there is no agreement on how to distribute the special requirements criteria among developing States, I have requested that the secretariat update the simulation tool to allow for this criterion to be evenly distributed among all developing States. This is a temporary approach until TCAC decides otherwise and simply reflects the current lack of agreement.

Precedents

There are few precedents to cite in this regard. I note that the Somalia letter refers to the vessel day scheme established by the Parties to Nauru Agreement to cooperatively manage their purse seine and longline fisheries. This is a good example of a successfully negotiated allocation but only applies to their EEZs and all members are small island developing States (SIDS). Given that they are all SIDS, the PNA do not differentiate between their varying levels of development and only utilise two criteria to allocate their party allowable effort (PAE):

- fishing effort history
- biomass/EEZ size.

The PNA do not publicly release information relating to their internal allocations and keep their allocation formula confidential. The formula has varied over the years since it was established and is regularly discussed. Nevertheless, in this context, it is important to note that the VDS allocation formula does not consider the special requirements of developing States because they are all developing States. Instead, this requirement is addressed in the WCPFC tropical tuna conservation and management measure.

The WCPFC integrates the PNA VDS as the agreed mechanism to manage purse seine fisheries in the PNA EEZs, while applying compatible measures for the high seas. However, while the WCPFC applies hard limits to the EEZs, consistent with the PNA VDS, it currently exempts purse seine vessels flagged to SIDS from high seas limits to avoid applying a disproportionate burden. This exemption undermines the integrity and

effectiveness of the conservation measure but is likely to continue until the WCPFC resolves the allocation of high seas fisheries and ensures that there is no disproportionate burden on small island developing States.

Another precedent is the recent agreement by the Pacific Islands Forum Fisheries Agency (FFFA) members to internally allocate quota for south Pacific albacore. The details are still in development, but in summary, the annual FFA ministerial meeting in July 2025 agreed to adopt a percentage formula that would allocate the EEZ portion of the WCPFC TAC among their members. While initial negotiations did include complex formula that recognised catch history, EEZ size/biomass and indicators of dependency - ultimately, the FFA agreed on the actual numbers after negotiating percentages rather than criteria. The formula and internal percentages are still confidential while the WCPFC now considers broader allocation questions relating to the ratio of TAC to be divided between high seas and EEZs. The FFA have declared that they expect the WCPFC to consider the special requirements of developing States and territories in regard to the EEZ/high seas ratio and the distribution of high seas quotas.

Finally, one precedent to consider is that all tuna RFMOs except CCSBT consider the special requirements of developing States through funding contributions formula that consider 'ability to pay'. For example, IOTC discounts funding contributions according to World Bank income classifications, while the WCPFC partly determines funding contributions based on an equal weighting of gross national income and per capita GNI (WCPFC also caps SIDS contributions). ICCAT similarly discounts contributions for developing States through the application of a funding formula based on the Madrid Protocol which divides contracting parties into four groups (based on classification of market economies and per capita GNP, and on tuna catch and canned production).

Weighting Options

Consultations and previous discussions have identified general support for a small percentage to be assigned to the baseline criteria. This criteria flowed on from the previous chair's draft resolution and is intended to ensure that all CPs are engaged in the fishery and have an interest. This criteria also potentially provides an incentive for new entrants to join the IOTC and comply with IOTC conservation and management. Feedback from consultations indicates that this baseline criteria could be assigned 5% to 10% of the total TAC. There has been little support for a large percentage as this would harm both developed and developing States that have extensive fishing interests.

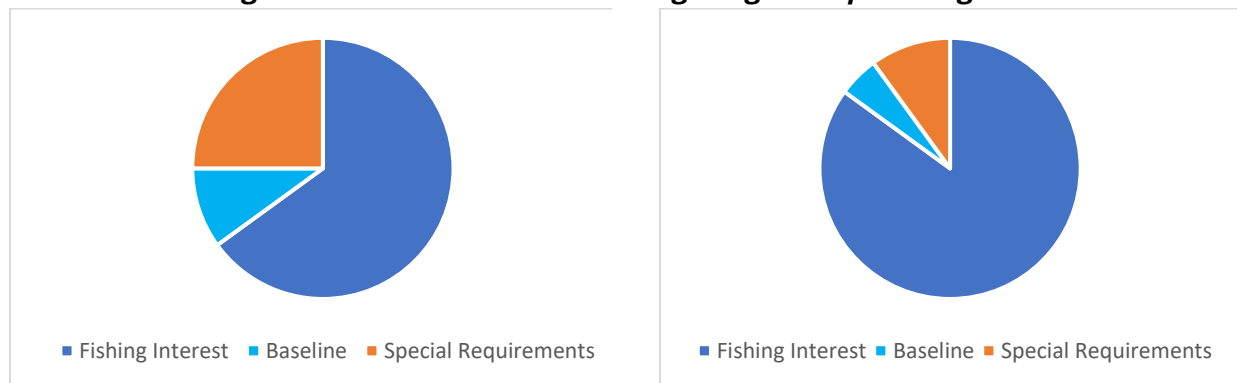
When considering the weighting for the special requirements criteria, TCAC will need to carefully consider and balance the diverse interests of developing States in the IOTC. If TCAC16 assigns a high percentage of the TAC to the development criteria, then it will logically have to assign a lower percentage to the fishing interest criteria that recognises catch history and potentially EEZ size/biomass. This could harm developing coastal States with highly productive EEZs that would otherwise receive a significant quota in recognition of their fishing interest.

Feedback from consultations indicates that this development criteria could be assigned 10% to 25% of the total TAC. While some members have argued for a higher weighting,

most members with fishing interests, either determined through catch history or EEZ/biomass, have expressed concern at the potential harm to their fishing interests.

Its also important to consider the percentage assigned to the criteria for fishing interest/catch history/biomass. If 15% to 35% is assigned to the combined baseline and special requirements criteria, this will leave 65% to 85% for fishing interests.

Figure 1: Allocation Criteria Weighting Example Ranges



TCAC16 will need to **decide** on the weightings for the three criteria as a package, or at least provide clear guidance on a range of options.

Distribution Options

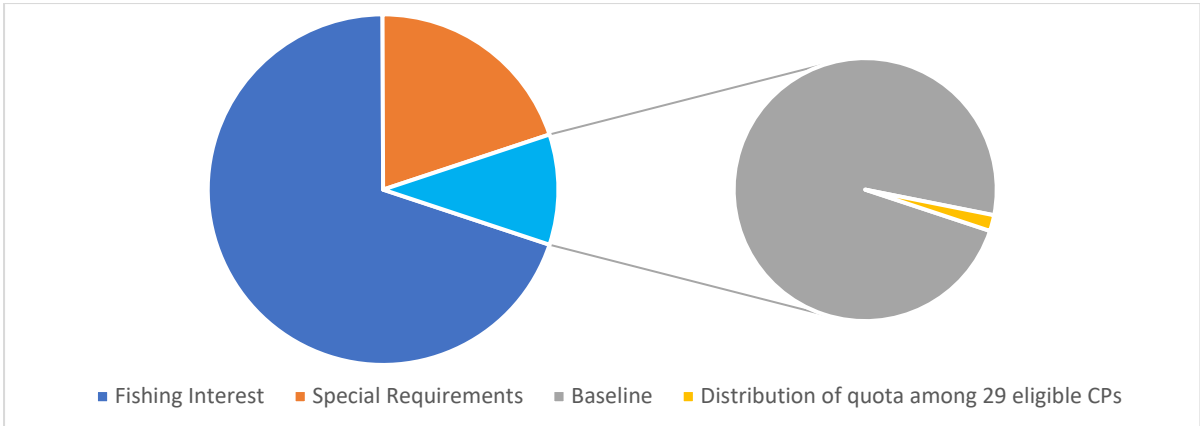
The TCAC must also consider how the quota from these two criteria would then be distributed among CPs. In order to consider this, its helpful to be clear about the purpose of these two criteria.

1. The baseline criteria engages all IOTC CPs and provides an interest for all CPs and potential new entrants to implement IOTC resolutions. Transferability ensures that any unused surplus quota can be transferred or traded to other CPs with fishing capacity, thereby minimising negative impacts on fishing operations.
2. The development criteria recognises the special requirements of developing States and implements international commitments and obligations in the IOTC Agreement, UN Fish Stocks Agreement and the Sustainable Development Goals. This criteria should enable the sustainable development of reasonable fishing aspirations within a science-based management framework. Similarly, Transferability ensures that any unused surplus quota can be transferred or traded to other CPs, thereby minimising negative impacts on fishing operations.

Baseline criteria distribution

In regard to the baseline criteria, the TCAC needs to consider who is eligible to access this quota. Previous discussions and feedback have suggested that only CPs would be eligible. This is an important question as some non-CPs fish within the region and have expressed interest in quota.

Figure 2: Allocation Baseline Criteria Distribution

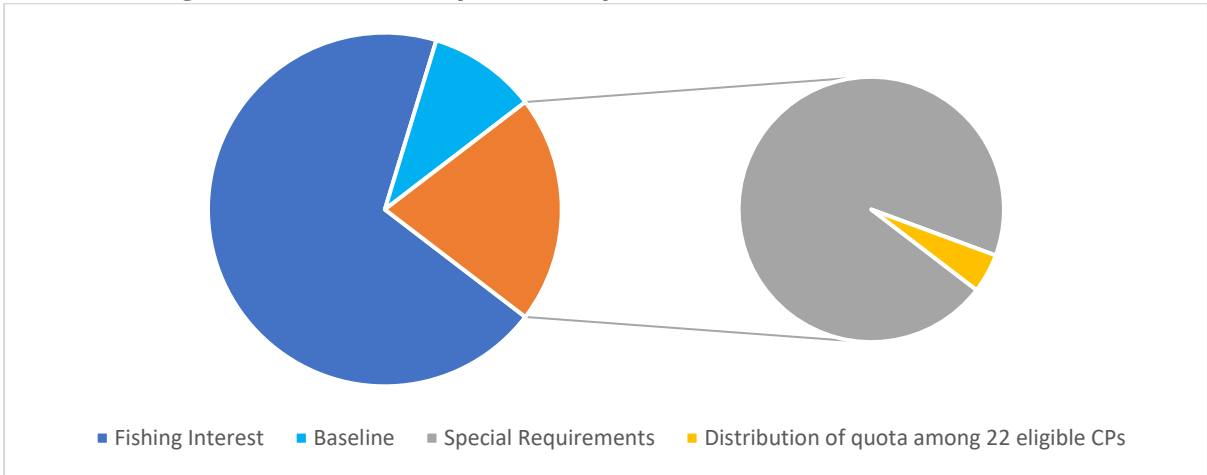


The TCAC then needs to consider whether new entrants would be eligible to access this quota after becoming CPs, or whether the IOTC would determine that all fisheries are full and there are no further participatory rights available. If the TCAC decided to limit this quota only to existing CPs, then it would need to demonstrate that this is non-discriminatory to ensure consistency with the UN Fish Stocks Agreement. Allowing new entrants to access this quota would slightly diminish the quota available to existing CPs, but also provide a small incentive to new entrants to implement IOTC measures.

Special requirements criteria distribution

In regard to the special requirements criteria, the previous chair’s draft resolution included various potential socio-economic indicators and potential formulae to address special requirements concerns. However, there was no consensus for these indicators, and some indicators lacked consistent data that would enable their application. On a comparative note, funding formula for RFMO budgets have extensively recognised special requirements through comparatively simple indicators based on globally recognised indicators such as GNI. Meanwhile, allocation precedents have largely focused on fishing interest, whether recognised through catch history or EEZ biomass.

Figure 3: Allocation Special Requirements Criteria Distribution



In order to guide this discussion, I suggest that the TCAC16 consider the following three options to distribute the quota derived from this criteria and **decide** on one option:

1. Equal distribution of quota among all CPs who qualify as either low to middle income developing State CPs or SIDS or LDCs (see table 1 below):
 - 100% of quota is distributed evenly among 22 eligible CPs
 - For example, if the criteria was assigned 60,000mt of yellowfin, then each eligible CP would receive = 2,727mt (60,000mt divided by 22).
2. Equal distribution of quota plus additional quota for SIDS and LDCs (see table 1):
 - 75% is distributed evenly to 21 low to middle income CPs.
 - 25% is distributed evenly to 11 SIDS and LDCs in addition to 1st round.
 - For example, if the criteria was assigned 60,000mt of yellowfin quota, then a low to middle income CP would receive 2,142mt while a low to middle income LDC or SIDS would receive 3,505mt (2,142mt + 1,363mt). In this scenario, Seychelles would receive 1,363mt as it only qualifies as a SIDS.
3. Distribution of quota evenly across some or all of the socio-economic indicators identified in the previous chair's draft resolution (noting concerns that there may not be consistent data available for some of these indicators):
 - Per capita fish consumption
 - Commonwealth universal vulnerability index
 - Proportion of fish workers employed in small-scale and artisanal fisheries
 - Small Island Developing State (SIDS) status
 - Fisheries contribution to GDP
 - Proportion of the total export value made up of fisheries exports
 - Human Development Index (HDI) status:
 - World Bank Gross National Income (GNI)

Table 1: Development Index.

Contracting Party	World Bank Income Group	UN Classification
Australia	High	
1. Bangladesh	Lower-Middle	LDC
2. China	Upper-Middle	
3. Comoros	Lower-Middle	LDC + SIDS
European Union	High	
France (OT)	High	
4. India	Lower-Middle	
5. Indonesia	Upper-Middle	
6. Iran, Islamic Rep	Upper-Middle	
Japan	High	
7. Kenya	Lower-Middle	
Korea, Rep of	High	
8. Madagascar	Low	LDC
9. Malaysia	Upper-Middle	
10. Maldives	Upper-Middle	SIDS
11. Mauritius	Upper-Middle	SIDS
12. Mozambique	Low	LDC
Oman	High	
13. Pakistan	Lower-Middle	
14. Philippines	Lower-Middle	
15. Seychelles	High	SIDS
16. Somalia	Low	LDC
17. South Africa	Upper-Middle	
18. Sri Lanka	Lower-Middle	
19. Sudan	Low	LDC
20. Tanzania	Lower-Middle	LDC
21. Thailand	Upper-Middle	
United Kingdom	High	
22. Yemen	Low	LDC

Table identifies 21 CPs as lower-middle income, 13 CPs as lower income, 11 CPs as LDCs or SIDS