

Agreement N°9762/REG

FINANCING AGREEMENT
between
THE EUROPEAN COMMISSION
and
PACIFIC ISLANDS FORUM SECRETARIAT
THE TERRITORY OF THE FRENCH POLYNESIA,
THE TERRITORY OF THE WALLIS AND FUTUNA ISLANDS,
NEW CALEDONIA

Scientific Support for Oceanic Fisheries Management
in the Western and Central Pacific Ocean (SCIFISH)
(RPA/001/06rev)
EDF IX

FINANCING AGREEMENT

Special Conditions

The European Community, hereinafter referred to as "the Community", represented by the Commission of the European Communities in its capacity as manager of the European Development Fund, hereinafter referred to as "**the Commission**",

of the one part, and

The Pacific Islands Forum Secretariat, represented by the Secretary General of the Forum Secretariat, Regional Authorising Officer,

The Territory of the French Polynesia, represented by the Territorial Authorising Officer of New Caledonia,

The Territory of the Wallis and Futuna Islands, represented by the Territorial Authorising Officer of New Caledonia,

New Caledonia, represented by its Territorial Authorising Officer,

hereinafter referred to as "**the Beneficiaries**",

of the other part,

HAVE AGREED AS FOLLOWS:

ARTICLE 1 - NATURE AND PURPOSE OF THE OPERATION

1.1. The Community shall contribute to the financing of the following project:

Title : Scientific Support for Oceanic Fisheries Management in the Western and Central Pacific Ocean (SCIFISH)

Accounting N°:	9 ACP RPA 013	4 000 000 €
	9 PTO REG 008	2 610 000 €

Identification N°: RPA/001/06rev

hereinafter referred to as "the project", which is described in the Technical and Administrative Provisions in Annex II.

1.2 This project will be implemented in accordance with the financing agreement and the annexes thereto: the General Conditions (Annex I) and the Technical and Administrative Provisions (Annex II).

ARTICLE 2 - THE COMMUNITY'S FINANCIAL CONTRIBUTION

2.1 The total cost of the project is estimated at 6 610 000 Euro.

2.2 The Community undertakes to finance a maximum of 6 610 000 Euro. The breakdown of the Community's financial contribution into budget headings is shown in the budget included in the Technical and Administrative Provisions in annex II.

ARTICLE 3 - THE BENEFICIARIES'S CONTRIBUTION

3.1 The Beneficiary shall contribute zero euro to the project.

3.2 Where there is a non-financial contribution by the Beneficiary, the detailed arrangements shall be set out in the Technical and Administrative Provisions in Annex II to the financing agreement.

ARTICLE 4 - PERIOD OF EXECUTION

The period of execution of the financing agreement shall commence on the entry into force of the financing agreement and end at 31 December 2013. This period of execution shall comprise two phases: an operational implementation phase, which shall commence on the entry into force of the financing agreement and end at 31 December 2011. As from this date shall commence the closure phase, which shall end at the end of the period of execution.

ARTICLE 5 - DEADLINE FOR THE SIGNATURE OF THE CONTRACTS AND PROGRAMME-ESTIMATES IMPLEMENTING THE FINANCING AGREEMENT

Contracts and programme-estimates implementing the financing agreement shall be signed by 23 October 2010 at the latest. That deadline may not be extended. This provision shall not apply to audit and evaluation contracts, which may be signed later.

ARTICLE 6 - PAYING AGENT

In order to effect the payments resulting from this financing agreement, the role of paying agent shall be performed by the financial institution chosen by the Commission.

ARTICLE 7 - ADDRESSES

All communications concerning the implementation of the financing agreement shall be in writing, refer expressly to the project and be sent to the following addresses:

a) for the Commission

The Head of the Delegation of the European Commission

Suva - Fiji

b) for the Beneficiaries

- The Regional Authorising Officer,
the Secretary General of the Forum Secretariat
Suva - Fiji
- The Territorial Authorising Officer
President of the Government of New Caledonia
Noumea - New Caledonia

ARTICLE 8 - ANNEXES

8.1 The following documents shall be annexed to this financing agreement and form an integral part thereof:

Annex I: General Conditions.

Annex II: Technical and Administrative Provisions.

8.2 Should a conflict arise between the provisions of the Annexes and those of the Special Conditions of the financing agreement, the provisions of the Special Conditions shall take precedence. Should a conflict arise between the provisions of annex I and those of annex II, the provisions of Annex I shall take precedence.

ARTICLE 9 - OTHER SPECIAL CONDITIONS APPLYING TO THE PROJECT

For the purpose of Article 3 of the General Conditions the authorities responsible for carrying out the project which is the subject of this Financing Agreement are the Secretary General of the Forum Secretariat, Regional Authorising Officer for the ACP component, and the President of the Government of New Caledonia for the French OCT component.

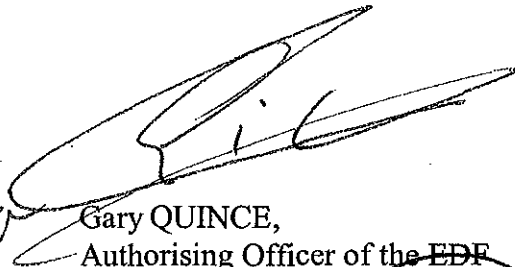
ARTICLE 10 – ENTRY INTO FORCE OF THE FINANCING AGREEMENT

The financing agreement shall enter into force on the date on which it is signed by the last party.

Done in three original copies in the English language, three copies in the French language one copy in each language being handed to the Commission and to the Beneficiaries. The English language version is deemed authentic.

Done at Brussels
FOR THE COMMISSION

Done at Suva
FOR THE BENEFICIARY


Gary QUINCE,
Authorising Officer of the EDF
by subdelegation

Date
24 OCT 2007




Date 19 NOV 2007



Done at Noumea
FOR THE BENEFICIARIES

The President of the Government of New
Caledonia,
Territorial Authorising Officer
Date

ANNEX I - GENERAL CONDITIONS

TITLE I - PROJECT/PROGRAMME FINANCING

ARTICLE 1 – GENERAL PRINCIPLE

1.1 The Community's financial contribution shall be limited to the amount specified in the financing agreement.

1.2 The provision of Community financing shall be subject to fulfilment of the Beneficiary's obligations under this financing agreement.

ARTICLE 2 - COST OVERRUNS AND COVERING THEM

2.1 Individual overruns of the budget headings of the financing agreement are dealt with by reallocating funds within this budget, in accordance with Article 20 of these General Conditions.

2.2 Wherever there is a risk of overrunning the global amount set in the financing agreement arises, the Beneficiary shall immediately inform the Commission and seek its prior approval for the corrective measures planned to cover the overrun, proposing either to scale down the project/programme or to draw on its own or other non-Community resources.

2.3 If the project/programme cannot be scaled down, or if the overrun cannot be covered either by the Beneficiary's own resources or other resources, the Commission may, exceptionally, at the Beneficiary's duly substantiated request, grant additional Community financing. Should it take such a decision, the excess costs shall be financed, without prejudice to the relevant Community rules and procedures, by the release of an additional financial contribution to be set by the Commission, up to a ceiling of 20% of the Community contribution laid down for the project/programme.

TITLE II - IMPLEMENTATION

ARTICLE 3 – GENERAL PRINCIPLE

3.1 The project/programme shall be implemented under the responsibility of the Beneficiary with the approval of the Commission.

3.2 The Commission is represented in the State of the Beneficiary by its Head of Delegation.

ARTICLE 4 - PERIOD OF EXECUTION

4.1 The financing agreement shall lay down an period of execution, which shall commence on the entry into force of the financing agreement and end on the date specified to this end in Article 4 of the Special Conditions.

4.2 This period of execution shall comprise two phases:

- an operational implementation phase, in which the principal activities are carried out. This phase shall commence on the entry into force of the financing agreement and end at the latest 24 months before the end of the period of execution;

- a closure phase, during which final audits and evaluation are carried out and contracts and work-estimates for the implementation of the financing agreement are technically and financially closed. This phase shall commence on the date of end of the operational implementation phase and end at the latest 24 months after this date.

4.3 Costs related to the principal activities shall be eligible for Community financing only if they have been incurred during the operational implementation phase. Costs related to final audits and evaluation and closure activities shall be eligible up to the end of the closure phase.

4.4 Any balance remaining from the Community contribution will be automatically cancelled six months after the end of the period of execution.

4.5 In exceptional and duly substantiated cases, a request may be made for the extension of the operational implementation phase and correlatively of the period of execution. If the extension is requested by the Beneficiary, the request must be made at least three months before the end of the operational implementation phase and approved by the Commission before that latter date.

4.6 In exceptional and duly substantiated cases, and after the end of the operational implementation phase, a request may be made for the extension of the closure phase and correlatively of the period of execution. If the extension is requested by the Beneficiary, the request must be made at least three months before the end of the closure phase and approved by the Commission before that date.

ARTICLE 5 – CURRENCIES AND PLACES OF PAYMENT

5.1 Where payments are made in the national currency of an ACP State, the accounts shall be held at a bank established in that country or in the country of the contractor's headquarters.

5.2 Where payments are made in euro or foreign exchange, the accounts shall be held at a bank or approved intermediary established in a Member State, an ACP State or in the country of the contractor's headquarters.

TITRE III – AWARD OF CONTRACTS AND GRANTS

ARTICLE 6 – GENERAL PRINCIPLE

All contracts implementing the financing agreement must be awarded and implemented in accordance with the General Regulations for works, supply and service contracts adopted by the ACP-EEC Council of Ministers, supplemented by the General Conditions for contracts financed by EDF and the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

ARTICLE 7 – DIRECT LABOUR OPERATIONS

7.1 All programme-estimates must respect the procedures and standard documents laid down by the Commission, in force at the time of the adoption of the programme-estimates in question.

7.2 In the case of direct labour operations, adequate provisions for the management and scrutiny of imprest accounts and for the definition of the responsibilities of the imprest administrator and the accounting officer shall be laid down. Moreover, where claims that the European Development Fund has on the Beneficiary via the public or semi-public bodies or departments of the State of the Beneficiary, the Commission shall take all the necessary measures to obtain actual repayment of the sums due, including, where appropriate, suspension by the Commission of that type of arrangement.

ARTICLE 8 - DEADLINE FOR THE SIGNATURE OF THE CONTRACTS AND PROGRAMME-ESTIMATES IMPLEMENTING THE FINANCING AGREEMENT

8.1 The contracts and programme-estimates implementing the financing agreement shall be signed by both parties within three years of the adoption of the financial commitment by the Commission, namely at the latest on the date referred to in Article 5 of the Special Conditions. That deadline may not be extended.

8.2 The above provision shall not apply to audit and evaluation contracts, which may be signed later.

8.3 On the date referred to in Article 5 of the Special Conditions, any balance for which contracts have not been signed will be cancelled.

8.4 A contract or programme-estimate which has not given rise to any payment within three years of its signature shall be automatically terminated and its funding cancelled.

ARTICLE 9 - ELIGIBILITY

9.1 Participation in invitations to tender for works, supply or service contracts shall be open on equal terms to all natural and legal persons of the Member States of

the Community and, in accordance with the specific provisions in the basic acts governing the cooperation sector concerned, to all natural and legal of the beneficiary third countries or of any other third country expressly mentioned in those acts.

9.2 Participation in calls for proposals shall be open on equal terms to all legal persons of the Member States of the Community and, in accordance with the specific provisions in the basic acts governing the cooperation sector concerned, to all natural and legal persons of the beneficiary third countries or of any other third country expressly mentioned in those instruments.

9.3 Exceptionally, in duly substantiated cases approved by the Commission, it may be decided, on the basis of the specific conditions laid down in the basic acts governing the cooperation sector concerned, to allow third-country nationals other than those referred to in paragraphs 1 and 2 to tender for contracts.

9.4 Goods and supplies financed by the Community and necessary for the performance of works, supply and service contracts and procurement procedures launched by the grant beneficiaries for the execution of the action financed must originate in countries eligible to participate on the terms laid down in the previous three paragraphs.

9.5 This nationality rule shall also apply to the experts proposed by service providers taking part in tender procedures or service contracts financed by the Community.

TITLE IV - RULES APPLICABLE TO THE PERFORMANCE OF CONTRACTS

ARTICLE 10 - ESTABLISHMENT AND RIGHT OF RESIDENCE

10.1 Where justified by the nature of the contract, natural and legal persons participating in invitations to tender for works, supply or service contracts shall enjoy a provisional right of establishment and residence in the Beneficiary's country. This right shall remain valid for one month after the contract is awarded.

10.2 Contractors (including the grant beneficiaries) and natural persons whose services are required for the performance of the contract and members of their family shall enjoy similar rights during the implementation of the project/programme.

ARTICLE 11 - TAX AND CUSTOMS PROVISIONS

11.1 Save where otherwise provided in the basic acts governing the cooperation sector concerned, taxes, duties or other charges (including value added tax - VAT - or equivalent taxes) shall be excluded from Community financing.

11.2 The State of the Beneficiary shall apply to procurement contracts and grants financed by the Community the most-favoured tax and customs arrangements applied to States or international development organisations with which it has relations. For the purpose of determining the most-favoured-State treatment, account shall not be

taken of arrangements applied by the Beneficiary concerned to the other ACP States or to other developing countries.

ARTICLE 12 - FOREIGN EXCHANGE ARRANGEMENTS

The State of the Beneficiary undertakes to authorise the import or purchase of the foreign currency necessary for the implementation of the project. It also undertakes to apply its national foreign exchange regulations in a non-discriminatory manner to the contractors allowed to participate referred to in Article 9 of these General Conditions.

ARTICLE 13 – USE OF DATA FROM STUDIES

Where the financing agreement involves the financing of a study, the contract related to this study, signed for the implementation of the financing agreement, shall govern the ownership of that study and the right for the Beneficiary and the Commission to use data in the study, to publish it or to disclose it to third parties.

ARTICLE 14 - ALLOCATIONS OF AMOUNTS RECOVERED UNDER CONTRACTS

Amounts recovered from payments effected or guarantees lodged under a contract financed under this financing agreement, together with any penalties arising from non-performance of a contract, shall be allocated to this project/programme.

ARTICLE 15 - FINANCIAL CLAIMS UNDER CONTRACTS

The Beneficiary undertakes to confer with the Commission before taking any decision concerning a request for compensation made by a contractor and considered by the Beneficiary to be justified in whole or in part. The financial consequences may be borne by the Community only where the Commission has given its prior approval. Such prior approval is also required for any use of funds committed under the present financing agreement to cover costs arising from disputes relating to contracts.

TITLE V - GENERAL AND FINAL PROVISIONS

ARTICLE 16 – VISIBILITY

16.1 Every project/programme financed by the Community shall be the subject of appropriate communication and information operations. These operations shall be defined under the responsibility of the Beneficiary with the approval of the Commission.

16.2 These communication and information operations must follow the rules laid down and published by the Commission for the visibility of external operations in force at the time of the operations.

ARTICLE 17 – PREVENTION OF IRREGULARITIES, FRAUD AND CORRUPTION

17.1 The Beneficiary undertakes to check regularly that the operations financed with the Community funds have been properly implemented. It shall take appropriate measures to prevent irregularities and fraud and, if necessary, bring prosecutions to recover funds wrongly paid.

17.2 "Irregularity" shall mean any infringement of the financing agreement, implementing contracts or work-estimates or Community law resulting from an act or omission by an economic operator, which has, or would have, the effect of prejudicing the general budget of the European Communities or budgets managed by them, either by reducing or losing revenue accruing from own resources collected directly on behalf of the European Communities, or by an unjustified item of expenditure.

"Fraud" shall mean any intentional act or omission concerning:

- the use or presentation of false, incorrect or incomplete, statements or documents which has as its effect the misappropriation or wrongful retention of funds from the general budget of the European Communities or budgets managed by them, or on their behalf;
- non-disclosure of information in violation of a specific obligation, with the same effect;
- the misapplication of such funds for purposes other than those for which they are originally granted.

The Beneficiary shall immediately inform the Commission of any element brought to its attention which arouses suspicions of irregularities or fraud and of any measure taken to deal with them.

17.3 The Beneficiary undertakes to take every appropriate measure to remedy any practices of active or passive corruption whatsoever at any stage of the procedure for the award of contracts or grants or in the implementation of the related contracts. "Passive corruption" shall mean the deliberate action of an official, who, directly or through an intermediary, requests or receives advantages of any kind whatsoever, for himself or for a third party, or accepts a promise of such an advantage, to act or refrain from acting in accordance with his duty or in the exercise of his functions in breach of his official duties, which has, or would have, the effect of harming the financial interests of the European Communities. "Active corruption" shall mean the deliberate action of whosoever promises or gives, directly or through an intermediary, an advantage of any kind whatsoever to an official, for himself or for a third party, to act or refrain from acting in accordance with his duty or in the exercise of his functions in breach of his official duties, which has, or would have, the effect of harming the financial interests of the European Communities.

ARTICLE 18 - VERIFICATIONS AND CHECKS BY THE COMMISSION, THE EUROPEAN ANTI-FRAUD OFFICE (OLAF) AND THE COURT OF AUDITORS OF THE EUROPEAN COMMUNITIES

18.1 The Beneficiary agrees to the Commission, OLAF and the Court of Auditors of the European Communities conducting documentary and on-the-spot checks on the use made of Community funding under the financing agreement (including

procedures for the award of contracts and grants) and carrying out a full audit, if necessary, on the basis of supporting documents of accounts and accounting documents and any other documents relating to the financing of the project/programme, throughout the duration of the agreement and for seven years after the date of the last payment.

18.2 The Beneficiary also agrees that OLAF may carry out on-the-spot checks and verifications in accordance with the procedures laid down by Community law for the protection of the financial interests of the European Communities against fraud and other irregularities.

18.3 To that end, the Beneficiary undertakes to grant officials of the Commission, OLAF and the Court of Auditors of the European Communities and their authorised agents access to sites and premises at which operations financed under the financing agreement are carried out, including their computer systems, and to any documents and computerised data concerning the technical and financial management of those operations, and to take every appropriate measure to facilitate their work. Access by authorised agents of the European Commission, OLAF and the Court of Auditors of the European Communities shall be granted on conditions of strict confidentiality with regard to third parties, without prejudice to public law obligations to which they are subject. Documents must be accessible and filed in a manner permitting easy inspection, the Beneficiary being bound to inform the Commission, OLAF or the Court of Auditors of the European Communities of the exact location at which they are kept.

18.4 The checks and audits described above shall also apply to contractors and subcontractors who have received Community funding.

18.5 The Beneficiary shall be notified of on-the-spot missions by agents appointed by the Commission, OLAF or the Court of Auditors.

ARTICLE 19 – CONSULTATION BETWEEN THE COMMISSION AND THE BENEFICIARY

19.1 The Beneficiary and the Commission shall consult each other before taking any dispute relating to the implementation or interpretation of this financing agreement further, in accordance with the relevant provisions of the ACP-EEC Partnership Agreement.

19.2 Where the Commission becomes aware of problems in carrying out procedures relating to management of European Development Fund resources, it shall establish all necessary contacts with the Beneficiary to remedy the situation and, take any steps that are necessary, including, where the Beneficiary does not, or is unable to, perform the duties incumbent on it under the ACP-EEC Partnership Agreement, temporarily taking the Beneficiary's place.

19.3 The consultation may lead to the amendment, suspension or termination of the financing agreement.

ARTICLE 20 – AMENDMENT OF THE FINANCING AGREEMENT

20.1 Any amendment to the Special Conditions and Annex II to the financing agreement shall be made in writing and be the subject of an addendum.

20.2 If the request for an amendment comes from the Beneficiary, the latter shall submit that request to the Commission at least three months before the amendment is intended to enter into force, except in cases which are duly substantiated by the Beneficiary and accepted by the Commission.

20.3 For technical adjustments, which do not affect the objectives and results of the project/programme and alterations in matters of detail which do not affect the technical solution adopted, and within the limit of the contingencies funds, the Beneficiary shall inform the Commission of the amendment and its justification in writing as soon as possible and apply that amendment.

20.4 The specific cases of the extension of the operational implementation phase or of the closure phase are governed by Article 4 (5) and (6) of these General Conditions.

ARTICLE 21 – SUSPENSION OF THE FINANCING AGREEMENT

21.1 The financing agreement may be suspended in the following cases:

(a) The Commission may suspend the implementation of the financing agreement if the Beneficiary breaches an obligation under the financing agreement.

(b) The Commission may suspend the financing agreement if the Beneficiary breaches an obligation relating to respect for human rights, democratic principles and the rule of law and in serious cases of corruption.

(c) The financing agreement may be suspended in cases of force majeure, as defined below. "Force majeure" shall mean any unforeseeable and exceptional situation or event beyond the partie's control which prevents either of them from fulfilling any of their obligations, is not attributable to error or negligence on their part (or the part of their contractors, agents or employees) and proves insurmountable in spite of all due diligence. Defects in equipment or material or delays in making them available, labour disputes, strikes or financial difficulties cannot be invoked as force majeure. A party shall not be held in breach of its obligations if it is prevented from fulfilling them by force majeure. A party faced with force majeure shall inform the other party without delay, stating the nature, probable duration and foreseeable effects of the problem, and take any measure to minimise possible damage.

21.2 No prior notice shall be given of the suspension decision.

21.3 When the suspension is notified, the consequences on the ongoing contracts or work-estimates or contracts or work-estimates to be signed will be indicated.

ARTICLE 22 – TERMINATION OF THE FINANCING AGREEMENT

22.1. If the issues which led to the suspension of the financing agreement have not been resolved within a maximum period of four months, the Commission or the Beneficiary may terminate the financing agreement at two months' notice.

22.2. Where a financing agreement has not given rise to any payment within three years of its signature or no implementing contract or programme-estimates has been signed by the date referred to in Article 5 of the Special Conditions, that financing agreement will automatically be terminated.

22.3 When the termination is notified, the consequences on the ongoing contracts or work-estimates or contracts or work-estimates to be signed will be indicated.

ARTICLE 23 - DISPUTE-SETTLEMENT ARRANGEMENTS

23.1 Any dispute concerning the financing agreement which cannot be settled within a six-month period by the consultations between the Commission and the Beneficiary provided for in Article 19 of these General Conditions shall be submitted to the Council of Ministers. Between meetings of the Council of Ministers, such disputes shall be submitted to the Committee of Ambassadors. If the Council does not succeed in settling the dispute, either Party may request settlement of the dispute by arbitration.

23.2 In this case the parties shall designate an arbitrator within 30 days of the request for arbitration. Failing that, either party may ask the Secretary-General of the Permanent Court of Arbitration (The Hague) to designate a second arbitrator. The two arbitrators shall in their turn designate a third arbitrator within 30 days. Failing that, either party may ask the Secretary-General of the Permanent Court of Arbitration to designate the third arbitrator.

23.3 Unless the arbitrators decide otherwise, the procedure laid down in the Permanent Court of Arbitration Optional Rules for Arbitration Involving International Organisations and States shall apply. The arbitrators' decisions shall be taken by a majority within a period of three months.

23.4 Each party shall be bound to take the measures necessary for the application of the arbitrators' decision.

ANNEX II

**TECHNICAL AND ADMINISTRATIVE PROVISIONS FOR
IMPLEMENTATION**

**PACIFIC ISLANDS FORUM SECRETARIAT
and
THE TERRITORY OF THE FRENCH POLYNESIA,
THE TERRITORY OF THE WALLIS AND FUTUNA ISLANDS,
NEW CALEDONIA**

Title : Scientific Support for Oceanic Fisheries Management in the
Western and Central Pacific Ocean (SCIFISH)

Accounting N°: 9 ACP RPA 013
9 PTO REG 008

Identification N°: RPA/001/06rev

1.0 Summary

Development of fisheries consistent with the region's poverty eradication targets and taking account of sustainable development criteria requires a strengthening of all regional institutions active in regional fisheries development. The specific objective of the Fisheries Focal Sector of the 9th EDF Pacific Regional Indicative Programme (PRIP) is the conservation and optimum exploitation of fish stocks in the Western and Central Pacific by promoting regional cooperation and coordination of policies aimed at eradicating poverty and securing maximum benefits for the people of the Region.

The overall objectives and purpose of the project directly address this regional strategy. The measures to be taken by the project will enhance scientific information on oceanic marine resources and their ecosystem (PRIP paragraph 144, dot point 4). The project will contribute to the effectiveness of the Western and Central Pacific Fisheries Commission (WCPFC) (PRIP paragraph 145) both through direct support of the Commission's science programme and by assisting Pacific ACPs and OCTs to meet their obligations to collect and provide relevant fisheries data and biological information. The project will ensure continuity of scientific data collection, analysis, scientific advice generation and capacity building until such time as the Tuna Commission is fully functional and in a position to take major financial responsibility for some or all of these programmes. It will also build regional and national capacity in Monitoring Control and Surveillance of regional tuna fisheries with the overall aim of eliminating illegal, unregulated and unreported (IUU) fishing. The major policy measures to be taken by the Region as a contribution to the implementation of the response strategy in this sector are:

- Ratification of the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean.
- Conclusion of negotiations for the establishment of a Commission for the implementation of the Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean.
- Promotion of the principles enshrined in the International Code of Conduct for Responsible Fisheries.

2. Intervention

2.1 Overall Objective

The overall objective of the project is the conservation and sustainable use of oceanic fish resources of the western and central Pacific Ocean.

2.2 Project Purpose

The project purpose is to provide a scientific basis for regional and national oceanic fisheries management decision-making by the Western and Central Pacific Fisheries Commission and by Pacific ACP and OCT Governments.

2.3 Results

The expected results of the project, which will achieve the project purpose, are enhanced oceanic fishery monitoring in Pacific ACPs, and OCTs and in the Commission Convention Area generally; enhanced assessments of the status of oceanic fish stocks and the impacts of fishing upon them; and enhanced understanding of the pelagic ecosystem that supports oceanic fish stocks, including the ecosystem impacts of fishing.

2.4 Activities

Result 1: Enhanced oceanic fisheries monitoring

- provide training programmes for scientific observers and port samplers in Pacific ACPs through regional, sub-regional and national workshops
- provide training attachments of national fishery monitoring staff at SPC headquarters
- provide operational support (provision of equipment, data forms, funding of observer trips and port sampling operations) for national scientific observer and port sampling programmes
- provide quality control of scientific observer and port sampling data through data audits, operational reviews of sampling activities, observer debriefing and generally enhancing national capacity in observer and port sampling programmes
- develop and trial new technologies for enhancing quality of data and timeliness of data collection
- develop harmonised fisheries monitoring systems and data sharing protocols
- undertake compliance audits and IUU risk assessments of ACPs
- develop and implement methodologies to verify fisheries data
- develop and trial new technologies, including satellite based technologies for the detection of IUU fishing activities

Result 2: Enhanced stock assessments

- conduct large-scale conventional and electronic tagging and associated biological studies of tunas in the WCPO, including both tropical tunas (skipjack, yellowfin and bigeye tuna) and South Pacific albacore
- conduct analyses of tagging, biological and fishery oceanographic data to obtain a better understanding of the population dynamics, behaviour and biology of oceanic fish stocks
- incorporate tagging and biological data and/or the results of supporting analyses into models used to assess the status of targeted oceanic fish stocks and the impacts of fishing

Result 3: Enhanced understanding of the pelagic ecosystem

- develop and enhance models of the pelagic ecosystem supporting oceanic fish stocks targeted by regional tuna fisheries
- use such models to provide scientific advice on ecosystem aspects of fishery management, including (i) the impacts of environmental variability on oceanic fish stocks and fisheries; (ii) the effects of fishing on the pelagic ecosystem; and (iii) the potential benefits and effectiveness of specific ecosystem management measures, such as marine protected areas

2.5 Indicators

The important indicator is to implement better policies at the national and regional level with improved management plans. The SCIFISH project will play an important part in determining the status of the tuna stocks. This information will be translated into the policy documents to control the harvest of the tuna resource. The important indicator at the project purpose level is to also monitor through improving data collection and surveillance the exploitation of the tuna resource.

The project aims to achieve this through improved observer and port sampling coverage and to ensure that the quality of data meet the required regional standards. It also aims to improve regional coordination and improve detection of IUU fishing activity.

Overall, the project aims to improve assessment of the tuna stocks by developing more accurate assessment models. This will provide more accurate estimates and assessment of the impact of exploitation in the EEZs (Exclusive Economic Zones).

2.6 Lessons from past experience

SCIFISH builds upon previous and current EC-funded projects implemented by the Oceanic Fisheries Programme (OFP) of the Secretariat of the Pacific Community (SPC), which is the regional focal point for tuna fisheries science and data acquisition. These previous projects – the Pacific ACP and French Pacific OCT Regional Oceanic and Coastal Fisheries Development Project (PROCFish – 8th EDF), the South Pacific Regional Tuna Resource Assessment and Monitoring Project (SPRTRAMP – 7th EDF) and the Regional Tuna Tagging Project (RTTP – 6th EDF) – have developed methodologies in various technical areas, including ecosystem modelling, fishery monitoring and tuna tagging, which are highly relevant to SCIFISH. There will also be close collaboration with the 9th EDF DEVFISH project which will develop fisheries management plans based on the scientific data made available through this project.

2.7 Linkage with other operations

In June 2004, the Convention for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (hereinafter referred to as the Tuna Convention, or more simply, the Convention) came into force. The Convention seeks “to ensure, through effective management, the long-term conservation and sustainable use of highly migratory fish stocks in the western and central Pacific Ocean, in accordance with the 1982 Convention [on the Law of the Sea] and the [UN Fish Stocks] Agreement”. As at December 2006, all eligible SPC members, with the exception of the United States (and its territories), had ratified the Convention. China, Chinese Taipei, the European Community, Japan, Korea and Philippines have also ratified or acceded to the Convention. The United States is expected to deposit its instrument of ratification early in 2007. The Convention has established the Western and Central Pacific Fisheries Commission, based in Pohnpei, Federated States of Micronesia, as its implementing organ.

The OFP has been providing scientific services relating to oceanic (primarily tuna) fisheries management to its membership. These services include fishery monitoring and data management, ecosystem and biological research relevant to the fisheries, and stock assessment and evaluation of management options. The most important programme outputs are information (e.g., reports on the status of fisheries, stocks and ecosystems), infrastructure (e.g., databases, monitoring programmes), advice (e.g., regarding appropriate levels of fishing), and national capacity building in Pacific ACPs and French Pacific OCTs. These services are provided at both the national and regional levels. At the regional level, the OFP provides scientific services (data summaries and analyses, stock assessments and management advice) to the FFA for its various regional tuna fisheries management initiatives, including the US Tuna Treaty, the Palau Arrangement and coordination of FFA inputs into the WCPFC. The OFP also provides services directly to the WCPFC in the areas of data management and stock assessment. Service provision to both the FFA and WCPFC is governed by inter-organisational memoranda of understanding.

The FFA Secretariat provides various MCS related services to FFA Members. These include maintaining the Vessel Monitoring System (VMS) and regional register of fishing vessels and providing in-country support to these systems. The FFA also assists in-country fisheries inspectors with investigations of offences and in providing legal workshops where national legislation and international obligations in terms of the WCPFC convention are reviewed. The FFA Secretariat also assists its members in planning of regional surveillance and maritime patrols and acts as liaison between donor countries of surveillance assets, such as Australia, France and New Zealand. The Secretariat provides software and hardware backup for these regional surveillance operations and provides personnel to assist member countries in the execution of regional maritime patrols.

2.8 Results of economic and cross-sectoral appraisals

Pacific ACP countries have a combined Exclusive Economic Zone (EEZ) area of some 20 million km², a total land area just over half a million km² and a total population of about 7 million. The Region attaches particular importance to the sustainable development of fisheries as this sector is considered to have the most potential for revenue generation and sustainable economic growth. Within the fisheries sector, tuna fisheries underpin the region's main hope for future economic self-sufficiency. Currently, the catch of tuna in the region is about ten times all other types of fish combined. In terms of value, the tuna catch is worth over seven times the value of all other Pacific Island fish catches combined.

The outputs of this project will provide much of the scientific basis for future management decision making concerning tuna and related stocks in the WCPFC Convention Area. Given the current precarious status of two important stocks (yellowfin and bigeye tuna), long-term economic returns from the fishery may well rely on such management decisions, and the quality of scientific information underpinning them, taken over the next 5–10 years. Therefore, one means of evaluating the economic impact of SCIFISH is to examine the economic importance of the fishery itself to Pacific ACP and French Pacific OCTs. The project is therefore economically and financially viable as it provides a very important service to the region in the management of the tuna fishery.

The environmental risks of implementing this project are minimal. The overall project objective is closely linked to the cross-cutting issue of environmental sustainability and a strongly positive impact of the project is expected in this area. The project should also have a positive impact on governance, to the extent that good governance is promoted by the availability of good scientific information for fisheries management decision making. The SPC gender policy will be applied throughout implementation giving everyone equal opportunity to participate in the programme.

3. Project Implementation

3.1 Physical and Non-Physical Means

The project will recruit the services of a Port Sampling and Observer Coordinator, Port Sampling and Observer Trainer, Tagging Technician and an Ecosystem Modeller. These will be permanent positions throughout the project. Administration support will be provided by the relevant section of SPC. The technical support by other staff in SPC will compliment the work of the project.

3.2 Organisational and implementation procedures

The Secretary General of the Forum Secretariat as Regional Authorising Officer (RAO), will be the 'contracting authority' for the ACP component of the project. The OCT RAO (Government of New Caledonia) will act as 'contracting authority' for the OCT component.

The Financing Agreement will be signed between both RAOs and the European Commission.

The project will be implemented through a Contribution Agreement with SPC. An institutional assessment of SPC - public body and international agency – has been carried out and found positive.

A Project **Steering Committee** (PSC) will be set up to decide and approve the orientation and the course of the Project. The Directors of Fisheries from each of the participating countries (or their delegated representatives) will form the PSC and will meet at least once per year, or on an ad hoc basis whenever necessary, in one of the eight participating countries or at the SPC in Noumea. The European Commission and the RAOs will attend as observers. SPC will act as Secretariat for the PSC.

3.3 Appropriate technology

Scientific equipment procured for the project must be consistent with what is currently operational in the region. An assessment will be made by the implementing agency on each equipment / material that is required to check whether they are compatible and affordable. Technology that is not sustainable in the long run will not be procured under the project.

3.4 Timetable, cost and financing plan

The project EU budget totals €6,610,000 - €4,000,000 (ACP) and €2,610,000 (OCT) - estimated over a four-year period covering technical assistance equipment, operations and administration.

	Budget Line	€ - ACP	€ - OCT
1	Contribution Agreement	3,947,000	2,565,000
2	Evaluation	33,000	30,000
3	Audit	20,000	15,000
4	Total	4,000,000	2,610,000

Calendar of activities

The Financing Agreement shall be signed by 31 December of the year following the year in which the global financial commitment was adopted. Failing this, the corresponding appropriations shall be cancelled.

For the purposes of Article 4 of the Special Conditions of the Financing Agreement, the date of the end of the operational implementation phase shall be 31 December 2011 and the date of the end of the period of execution of the Financing Agreement shall be 31 December 2013. Any balance of funds remaining under the EC grant shall be automatically cancelled 6 months after the end of the period of execution of the Financing Agreement. For the purposes of Article 5 of the Special Conditions of the Financing Agreement, contracts and programme estimates must be signed by both parties no later than three years from the date of the corresponding global financial commitment. The deadline cannot be extended. The above provision does not apply to contracts relating to audit and evaluation, which may be signed later.

Project activities will be undertaken over the four-year project timeframe, although some activities, e.g. tagging, will be scheduled primarily during the first two years to allow time for recovery data assimilation and analysis. A tentative timetable of results and activities is attached as Annex D.

3.5 Special Conditions

SPC commits in providing the required technical advice leadership and continuous support, beyond the project life to sustain the project outputs successfully. Recruitment of project personnel will be in accordance with SPC terms of conditions. SPC Heads of Fisheries and CRGA have made a commitment to support the project.

4. Monitoring, evaluation and audit

4.1 Monitoring arrangements and follow-up

A logical framework matrix (Annex C) identifies specific objectively verifiable indicators (OVI) of activities against which progress will be monitored. Monitoring will involve independent financial

audits and six monthly progress activity reports achievements measured against the OVI in the matrix of the logical framework. Provision for an independent mid term review and a final evaluation of the project is included in the budget. The RAO will be responsible to coordinate regular monitoring of the project. Results-oriented monitoring will also be conducted annually by independent reviewers contracted by the EC. The RAO will ensure that the recommendations of the monitoring exercise are implemented by the project.

SCIFISH indicators and milestones will be linked to personal objectives of staff for their ongoing performance assessments and to comply with results-based management policy of SPC.

4.2 Evaluation and audit

Audit and evaluation will be organised in application of the relevant rules and regulations of SPC. In conformity with its financial regulations, the EC may undertake, including on the spot, checks related to the actions financed by the EC

A provision for audit and evaluation is included in the budget. Audit, evaluation and framework contracts are always concluded by the Commission acting for and on behalf of the beneficiary countries.

A mid-term review and a final project evaluation will be carried out by an independent team of experts. Provision is also made for a general audit if needed. The project will be audited by independent auditors. The project will produce six monthly reports including a financial report.

List of Annexes

- A. Assumption
- B. Sustainability
- C. Logframe
- D. Indicative Timetable of Activities

Annex A – Assumptions

This annex contains information regarding external elements likely to be significant for a successful outcome of the project as well as regarding factors which may assure the viability of the project. It is provided for information only and does not form part of the financing agreement.

The future demand for tuna and related products will continue to be maintained at very high levels. It is therefore very important that effective management structures are in place to ensure sustainable harvest of the tuna stocks. In the event that demand in the world market drops it would still be important that stocks in the Pacific region are protected through the appropriate regional and national management plans. The management and conservation of the tuna fishery is a high priority at the regional and national level.

One of the means of assessing tuna stocks which will be implemented under the project is through tuna tagging. This activity will require good cooperation from the fishing industry in the return of recaptured tags. Experience with previous projects, including the recent PNG Tagging Project, has indicated that good cooperation can be expected and that a high proportion of recaptured tags will be returned. The project will also undertake ancillary studies (such as 'tag seeding' by observers) to help quantify the rate of tag reporting.

The region has the appropriate technology and monitoring systems in place to continue to monitor the status of the tuna stocks. This can also be accomplished through the port sampling programme, observer reports and other monitoring, control and surveillance capabilities. The project is willing to consider new technologies for surveillance provided they are compatible with the existing infrastructure and affordable.

There is a strong commitment by the national governments to address illegal, unreported and unregulated fishing. This is evident through the regional agreements that Forum member countries are signatories to.

Annex B - Sustainability

This annex contains information regarding external elements likely to be significant for a successful outcome of the project as well as regarding factors which may assure the viability of the project. It is provided for information only and does not form part of the financing agreement.

1. Ownership by beneficiaries

The sustainability of project results and outcomes beyond the life of the project is an issue that needs to be noted. Some of the proposed activities of SCIFISH are consolidating on the activities of previous EC-funded projects. In particular, the proposed fishery monitoring activities mostly involve the continuation, enhancement and extension (to the full, post-Cotonou Pacific ACP group) of fishery monitoring activities (mostly in the area of observer and port sampling programmes) initiated under PROCFish/Oceanic. The long-term sustainability of these activities is linked to the economic and technical capacity of ACPs and OCTs. While progress is being made, it will take some time. SCIFISH (like PROCFish/Oceanic and other OFP activities) will make a significant contribution to building the technical capacity of ACPs and OCTs to undertake these tasks. Having the economic capacity to fund them in the longer term is a different but equally important problem.

2. Cross-sectoral sustainability

The FFA is involved in institutional strengthening and reform of national fisheries administrations that will hopefully see the ongoing costs of fishery monitoring and management recovered from the revenue generated by commercial fishing activities. This has now occurred to a large extent in PNG, and will hopefully occur in other countries over time. However, until such time, there will be a need for external support through organisations such as SPC to ensure that there are no significant gaps in fishery monitoring activity.

For the other project activities involved in enhancement of understanding, sustainability is not such an issue. Enhanced stock assessments and understanding of the ecosystem are specific knowledge-building exercises that will continue to have value beyond the life of the project. The SPC, through the Oceanic Fisheries Programme, has an established structure to follow-up on and extract value from the results of SCIFISH. It is likely (and desirable) that these project activities will identify important questions and lines of further investigation required to enhance the quality of scientific advice for fisheries management. Future projects to pursue such questions will be considered and prioritized through the WCPFC Scientific Committee. It is quite possible that a follow-up proposal to the 10th EDF will be made for this purpose.

3. Regional policy measures

One of the strategic objectives of the Pacific Plan is to improve the management of natural resources and environment. The region has developed sustainable management agreements and treaties for conservation and sustainable development of the marine resources. There are a multiple number of regional arrangements effectively implemented by the Pacific island countries protecting our resources. At the national level there is therefore a commitment by the countries to implement policies that compliment regional arrangements.

4. Institutional and management capacity

As the implementing agency the Secretariat of the Pacific Community (Noumea) is very much capable in implementing this project. SPC has been given equivalent status as that of other international

organisations to implement EDF projects through Contribution Agreements. It is recognised through this mode of delivery that the rules and procedures of SPC meet international standards.

5. Complementarity and sectoral coordination between donors

Refer to section 2.7.

6. Economic and financial sustainability

It is difficult to measure the economic and financial sustainability of the project. The economic impact assessment of the tuna fishery provides some economic values of the importance of the fishery. The Pacific basically supplied 50% of the global tuna production over the past 25 years. The value of the landed catch is approximately USD3 billion annually. Some Pacific island countries are very dependent on the fishery resource for its revenue. It is therefore important that effective management plans are in place to protect this resource and scientific information is available to determine the status of the tuna stocks. Please refer to Annex D for more information. The activities of this project will be sustainable as the Tuna Commission will ensure that Pacific islands countries will continue to benefit from the scientific stock assessment work that SCIFISH project will provide. This will either be taken over by the Tuna Commission or continue to be provided by SPC's OFP programme.

Annex C : Logframe – Scientific Support for Oceanic Fisheries Management in the Western and Central Pacific

INTERVENTION LOGIC	OBJECTIVELY VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	ASSUMPTIONS
<p>Overall Objective: Conservation and sustainable use of oceanic fish resources of the western and central Pacific</p>	<p>Improved regional/national treaties and agreements promoting sustainable harvest of the fishery.</p>	<ul style="list-style-type: none"> - Treaties and Agreements. - National/Regional Sector Plans. - Regional and National reports and database. 	<p>World demand for tuna and related products of the Central and Western Pacific maintained at high levels.</p>
<p>Project Purpose: Improved policy and scientific information for better management of the regional and national oceanic fisheries.</p>	<p>Improved management plans and policy frameworks through enhanced scientific and monitoring information for better management of the fishery.</p>	<ul style="list-style-type: none"> - Management Plans. - National and Regional reports. - Project reports. - Policy papers. 	<p>The tuna fishery remains a priority area for management and conservation by regional and national administrations.</p>
<p>Results: 1) Enhanced oceanic fisheries monitoring. 2) Enhanced stock assessments.</p>	<p>1.1 Improvement in the observer and port sampling coverage and quality of data to meet the required regional standards. 1.2 More comprehensive IUU compliance assessments undertaken. 1.3 Improved regional coordination of national databases to track and monitor fisheries data for compliance with management requirements. 1.4 Improve detection of IUU fishing through strengthening existing technologies and trial of new technologies. 2.1 Tagging of tropical tunas using conventional and electronic archival tags. 2.2 Improved assessment on status of tuna stocks by developing more</p>	<ul style="list-style-type: none"> - Observer reports & training reports. - Regional and national databases. - MOUs signed. - IUU compliance audits. - FFA and SPC reports. - Evaluation reports. - Stock assessment data and reports. - Stock assessment models. - Tagging data. - WCPFC reports. - Publications. - Update SEAPODYM. - Project reports. 	<p>Appropriate and compatible technologies available to strengthen existing monitoring, control and surveillance infrastructure. Sufficient number of observers available for observer and port sampling missions. Commitment by governments to seriously address IUU fishing. ACO and OCT governments will commit to implementing fishery monitoring methods as recommended by the project. Availability of vessel to be chartered for tuna tagging exercise.</p>

<p>3) Enhanced understanding of the pelagic ecosystems.</p>	<p>accurate stock assessment models.</p> <p>3.1 Produce better management policies through further development and application of the Spatial Ecosystem and Population Dynamics Model (SEAPODYM).</p> <p>3.2 More accurate estimates and assessment of impact of exploitation in EEZs.</p>																															
<p>Activities:</p> <p>1.1 Training programmes for scientific observers & port samplers.</p> <p>1.2 Provide quality control for scientific and port sampling data.</p> <p>1.3 Develop and trial new technologies for enhancing quality of data and timeliness of data collection.</p> <p>1.4 Develop harmonised fisheries monitoring systems and data sharing protocols.</p> <p>1.5 Undertake compliance audits and IUU risk assessments.</p> <p>1.6 Develop and implement methodologies to verify fisheries data.</p> <p>1.7 Develop and trial new technologies including satellite based technologies for detection of IUU fishing activities.</p> <p>2.1 Conduct large-scale conventional and electronic tagging and associated biological studies of tuna.</p> <p>2.2 Conduct analyses of tagging, biological and fishery oceanographic data to better understand population dynamics, behaviour & biology of</p>	<p>Total Cost Estimate</p> <p>Cost Estimate (Euro)</p> <table border="0"> <thead> <tr> <th></th> <th>ACP</th> <th>OCT</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Contribution Agreement</td> <td>3,947,000</td> <td>2,565,000</td> <td></td> <td></td> </tr> <tr> <td>Evaluation</td> <td></td> <td>33,000</td> <td>30,000</td> <td></td> </tr> <tr> <td>Audit</td> <td></td> <td>20,000</td> <td>15,000</td> <td></td> </tr> <tr> <td>TOTAL ACP</td> <td>4,000,000</td> <td></td> <td>TOTAL OCT'S</td> <td>2,610,000</td> </tr> <tr> <td>TOTAL</td> <td>6,610,000</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		ACP	OCT			Contribution Agreement	3,947,000	2,565,000			Evaluation		33,000	30,000		Audit		20,000	15,000		TOTAL ACP	4,000,000		TOTAL OCT'S	2,610,000	TOTAL	6,610,000				<p>Availability of technical expertise for long and short term engagement.</p> <p>New technologies for surveillance and data management affordable.</p> <p>Commitment from the countries to trial new technologies.</p> <p>Status of tuna stocks at good levels to undertake scientific work covering targeted species.</p>
	ACP	OCT																														
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<p>tuna.</p> <p>2.3 Develop models to assess status of targeted tuna stocks and impacts of fishing.</p> <p>3.1 Develop and enhance models of the pelagic ecosystem supporting targeted oceanic fish stocks.</p> <p>3.2 Provide scientific advise on ecosystems aspects of fishery management including:</p> <ul style="list-style-type: none">i) impacts of environment variability on oceanic fish stocks and fisheries;ii) the effects of fishing on the pelagic ecosystem; andiii) potential benefits and effectiveness of specific ecosystem management measures such as marine protected areas.		
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ANNEX D SCIFISH: TENTATIVE TIMETABLE

Project Results and Activities	2008	2009	2010	2011	2012	2013
Result 1: Enhanced Oceanic Fishery Monitoring						
1.1 Observer/port sampling training workshops	X	X	X	X		
1.2 Training attachments	X	X	X	X		
1.3 Operational support for observer/port sampling programmes	X	X	X	X		
1.4 Quality control of observer/port sampling data	X	X	X	X		
1.5 Develop and trial new technologies for enhancing quality of data and timeliness of data collection		X	X			
1.6 Develop harmonised fisheries monitoring / data sharing protocols		X				
1.7 Undertake compliance audits and IUU risk assessments	X	X				
1.8 Develop and implement methodologies to verify fisheries data		X				
1.9 Develop and trial new technologies, including satellite based technologies for the detection of IUU fishing activities		X				
Result 2: Enhanced Stock Assessments						
2.1 Large-scale conventional and electronic tagging / biological studies	X	X	X			
2.2 Analysis of tagging, biological and fishery oceanographic data		X	X	X		
2.3 Incorporate data / analytical results into stock assessment models			X	X		
Result 3: Enhanced Understanding of the Pelagic Ecosystem						
3.1 Ecosystem model development and enhancement	X	X	X	X		
3.2 Use of models for research / management applications		X	X	X		
4. Closure Period					X	X