

TESTIMONY OF JAMES SOUSA
PRESIDENT, AMERICAN TUNABOAT ASSOCIATION
BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE
APRIL 6, 2022

Chairman Menendez, Ranking Member Risch, Distinguished Members of the Committee:

I am Jim Sousa, President of the American Tunaboat Association (ATA). ATA represents the owners and operators of the large-scale tuna purse seine fleet that operates in the Pacific Ocean under the Treaty you are considering here today. The large majority of ATA Members are family-owned, multi-generational businesses that have a long and distinct history as a significant component of the US fishing industry. Speaking personally, my own family has been involved in the industry for over 90 years, starting with my grandfather who came to San Diego in 1931. Even before that, my family was a family of fishers dating back to their origins in Portugal generations ago. The same is true for many of my ATA colleagues whose families share that same fishing heritage, whether they came from Portugal, Italy, Croatia, Japan, or elsewhere.

Mr. Chairman, ATA strongly supports the South Pacific Tuna Treaty and the amendments to the Treaty you are considering here today. The industry's commitment to the Treaty is reflected in the fact that over the past decade, industry payments to the Pacific Islands for access under the Treaty total hundreds of millions of dollars. We urge this Committee and the full Senate to take the necessary steps to provide advice and consent to ratification, and for the Congress to pass corresponding amendments to the relevant implementing legislation to ensure that the benefits of these Treaty amendments can be fully realized by all parties.

Since its inception in 1987, the Treaty has provided the basis for the US purse seine fleet to fish across wide areas of the Pacific Ocean in close cooperation with the Pacific Island States that are parties to the Treaty. As a result, the Treaty has served as more than just a fisheries access agreement; it is a cornerstone of the economic and political relationship between the United States and the Pacific Island States that are parties to the Treaty. For the small island developing States across the Pacific, fisheries resources, and tuna in particular, are often the greatest, if not the only, natural resource available to support their economic development. As a result, engagement in the fisheries sector is often seen by the Pacific Island States as a litmus test for the commitment of other States to support their development aspirations. Through its history, the Treaty has been the single most important means of engagement between the United States and these Pacific Island States on a wide range of fisheries issues and related matters.

Swift action by this Committee and the full Senate will be a clear demonstration of the commitment of the United States to maintaining the relationships established under the Treaty framework during these last thirty-five years. This is particularly important now as China continues to expand its influence and presence across the Pacific, often using the fisheries sector as the opportunity for engagement. Because ATA vessels fish across wide swaths of the Pacific Ocean, we see the impact of China's activities in the region firsthand. China is actively implementing a specific set of policies, programs, subsidies, and investments focusing on the fisheries sector because they recognize the importance of this sector to the economic

development and food security of these small and vulnerable island States. Maintaining a strong and economically viable US fishing fleet, operating throughout the region, is vital in helping the United States' efforts to counter China's growing influence across the Pacific region.

Mr. Chairman, the amendments to the Treaty being considered by the Committee today were negotiated to address specific deficiencies in the Treaty that, just a few years ago, threatened not only the future of the Treaty, but the very future of the US fleet. In early 2016, due to what appeared to be an irreconcilable impasse in negotiations to extend the Treaty, the United States notified the Pacific Islands Parties of its intent to withdraw from the Treaty. In response, the Pacific Island States quickly reengaged in negotiations to resolve outstanding differences. Those negotiations, which were concluded in June of 2016, resulted in the amendments before the Committee today. In addition to a range of technical changes, these amendments resolve two fundamental problems of the Treaty that had previously put the US fleet in an increasingly untenable negotiating position.

First, the Amendments remove the requirement that the US industry payment be paid as a collective lump sum. Historically, the US fleet made a lump sum payment to the Pacific Island States for access to fish under the Treaty. In 2008, that sum began to increase dramatically as the Pacific Island States implemented a new "Vessel Day Scheme" to maximize their revenue from the fisheries in waters under their jurisdiction. In late 2015, some vessel owners were unable to pay their share of the collective licensing fees for the following year and, as a result, the *entire US fleet* was shut down.

The amendments resolve this problem by no longer requiring a lump sum payment from the industry. Instead, each vessel is responsible for a specific payment. If a vessel can't pay, it doesn't get a license, but the other vessels in the fleet will not be adversely affected.

Second, the amendments remove the provision that US vessels *must* have a Treaty license, issued by the Treaty Administrator at the Forum Fisheries Agency, in order to fish in vast portions of the Western and Central Pacific Ocean, including large areas of the high seas that previously fell within the defined Treaty "Licensing Area" (see map at Figure 1). These high seas areas have been important and productive fishing grounds for the US fleet, and they provide a critical alternative to the increasingly high cost of access to fish in waters under the jurisdiction of the Pacific Island States. The amendments modify the definition of "Licensing Area" so that US vessels no longer need a Treaty license to fish these areas of the high seas. Additionally, the amendments allow US vessels to fish with a Treaty license or to make separate commercial arrangements outside the Treaty with individual Pacific Island States for access in waters under their jurisdiction under agreed terms.

These two aspects in the original Treaty allowed the Pacific Island States to dictate negotiating terms on a "take it or leave it" basis, which often left the industry with no choice but to agree or be shut down. The amendments resolve these problems by providing US vessels with more options, greater flexibility, and the ability to negotiate for fishing access on more equitable terms.

Although some of the changes described above are being implemented on a provisional basis, action by the Senate for advice and consent to ratification remains vital. Without this action and appropriate amendments to the implementing legislation, the US fleet may never fully realize the benefits the US delegation worked so hard to obtain through the 2016 negotiations. Ensuring the full range of these benefits is critical to the future of the US fleet which, as a result of these and other issues, has seen the number of vessels decrease substantially in recent years.

Another key aspect of the Treaty, Mr. Chairman, is the relationship between the US tuna purse seine fleet and the US Pacific Territory of American Samoa, which serves as the home port for the large majority of the US fleet. The economy of American Samoa is overwhelmingly dependent on the tuna industry, which provides over 80 percent of the private sector employment and over 90 percent of exports from the territory. Without a viable US flag tuna fleet based in Pago Pago, the effect on American Samoa's tuna dependent economy would be devastating. Conversely, without a StarKist plant in American Samoa, the operation of the US fleet in the region would not be economically viable.

Mr. Chairman, let me also comment on the state of the conservation and management of the tuna resources in the Western and Central Pacific Ocean that are the target species for the US fleet operating under the Treaty. The press and popular media often highlight the depletion of fisheries resources due to overfishing and adverse impacts of fishing activities on non-target species such as marine mammals, sharks, rays, sea turtles, and other marine life. What never seems to make the press reports is the good news. And the good news here is that all species of tropical tunas being fished in the Western and Central Pacific Ocean (skipjack, yellowfin, and bigeye tunas) are rated as fully sustainable by the International Seafood Sustainability Foundation (ISSF). This means the level of fishing effort by vessels of all countries is below the level that would threaten sustainability of these stocks, and the biomass of the stocks is above the level that would put the stocks at risk. These stocks are managed under the authority of the Western and Central Pacific Fisheries Commission (WCPFC) of which the United States is a full member. In addition to strict fisheries management requirements, the WCPFC has a full range of requirements designed to minimize the impacts of the fishery on the non-target species listed above.

The US fleet is held to the highest standards of accountability and compliance, not only with the requirements of the WCPFC, but with the full range of US laws including the Magnuson-Stevens Fishery Conservation and Management Act, the Marine Mammal Protection Act, the Endangered Species Act, Coast Guard safety and environmental requirements, and other applicable US law and regulations. Moreover, ATA Members are actively engaged with conservation groups to trial new fishing gear and techniques to minimize fishing impacts on non-target species, including improved handling and release techniques for shark, rays, and other species. ATA Members have also adopted a comprehensive policy regarding "industry best practices" for labor standards and working conditions for vessels crews. The absence of a US fleet operating in the region, would simply mean that the United States would import more tuna from countries whose vessels operate at nothing approaching the standards of US vessels.

Finally, Mr. Chairman, I hope you will allow me to conclude with a personal observation. My first trip to the Pacific Islands was in 1989. At that time, the Pacific Island leaders were of an

older generation, that showed great respect for the United States due to the sacrifices of this country in liberating the Pacific Islands during World War II and in rebuilding from the destruction left behind in many places. Today, Mr. Chairman, the United States is viewed in a different way by a new generation. In many places, this generation sees China, rather than the United States, as more committed to the future of the Pacific Islands. This perception is something that must be addressed and reversed.

For all of these reasons, Mr. Chairman and Distinguished Members of this Committee, ATA and its member companies and vessels express once again our strong support for the Treaty amendments and urge quick action to bring them into full legal effect as soon as possible.

Thank you for the opportunity to testify before you today.

Figure 1. Previous delineation of the “Treaty Area,” prior to the 2016 Amendments.

South Pacific Tuna Treaty Boundary

