

Target 75 Sector Update: Fresh and Frozen Tuna



Target 75 Sector Update: Fresh and Frozen Tuna

SFP's [Target 75 \(T75\) initiative](#) has set a goal to see that 75 percent of the world's seafood production is considered sustainable or making regular, verifiable improvements by 2020. To simplify achieving and measuring progress toward this goal, SFP has divided the world's fisheries and farmed seafood production into various "sectors," defined by groups of species. While the sectors as a whole do not cover the entirety of the global seafood industry (e.g., some high-volume species groups such as carp, milk fish, and some shellfish are not included), those included represent a substantial proportion of the commercial seafood production of importance to markets currently demanding sustainability.

For the purposes of this analysis, we define a fishery as "sustainable" if it is Marine Stewardship Council (MSC) certified or green-listed in SFP's Metrics tool. We define a fishery as "improving" if it is certified by one of the following programs: IFFO RS, ASMI RFM, Iceland Responsible Fisheries, Fair Trade USA; if it is under full assessment in the MSC program; or if it is in a fishery improvement project (FIP) that is making good progress (i.e., with a progress rating of A, B, or C using SFP's FIP evaluation tool).

In this report, SFP provides information on the current status of the sector in terms of volumes coming from sustainable and improving fisheries, and, most importantly, we map out a path to close the gap to Target 75. We base the analysis on a blend of data and expert opinion on priority fisheries. SFP obtained production volumes and additional information relevant to this analysis from the RFMO catch data, relevant countries' national statistics, and the respective certification programs' websites, FIP websites, and FIP reports along with certification reports (e.g., MSC). Trade data provide a guide to how much of the production goes to markets that are highly engaged in sustainability (e.g., EU, US), markets with activities that engage in improvements (e.g., Brazil, China, Indonesia, Japan), and markets with little evidence of engagement in sustainability or immediate plans to engage in improvements (e.g., Nigeria, Vietnam). Such trade data provide some insights to the likely influence key markets have, but is combined with expert opinion and information on the structure of production in each country, in order to determine whether a fishery is a candidate to contribute to the Target 75 initiative's goal.

Fresh and Frozen Tuna Sector

SFP includes the following within this category:

- Yellowfin (*Thunnus albacares*) and bigeye (*Thunnus obesus*) as fresh and frozen (FF) tuna when captured by the following gear methods as per tuna RFMO catch datasets:
 - longline (LL)
 - coastal longline (LLCO)
 - Longline targeting swordfish (ELL)
 - longline fresh (FLL)
- Yellowfin and bigeye tuna from Indonesia, Vietnam, the Philippines, and Oman captured with handlines (HL)
- Yellowfin captured with rod and reel (RR) in India and the Maldives
- Albacore and skipjack captured with fresh longline (FLL)
- Albacore from longline targeting swordfish (ELL) as fresh and frozen tuna

Commodity names include:

- Bigeye tuna, fresh or chilled
- Bigeye tuna, frozen, nei
- Yellowfin tuna, fresh or chilled
- Yellowfin tuna, frozen, nei
- Yellowfin tuna, heads-off, etc., frozen

SFP has not included bluefin tunas in this sector because SFP recognizes that interventions to improve bluefin tuna fisheries require a different approach, given considerably smaller volumes in very specialist markets that may be out of reach.

Global Supply and Patterns of Trade

- Total global production of fresh and frozen tuna is approximately 478,000 tonnes, based on application of our sector definition applied to regional fishery management organization (RFMO) catch reports from 2014. Thus, fresh and frozen tuna account for fewer than 10 percent of total tuna landings worldwide (4.9 million tonnes in 2014, according to RFMO reported catch data). The breakdown of fresh and frozen tuna by species is as follows:
 - Yellowfin - 248,000 mt
 - Bigeye - 206,000 mt
 - Albacore – 23,000 mt
 - Skipjack – 1,000 mt

- The top 10 producing countries harvest 414,00 tonnes, or 86 percent of global production for fresh-frozen tuna (Figure 1).
- According to a recent analysis, around 26 percent of global production is estimated to be exported to markets engaged in sustainability, with a further 44 percent exported to countries with some engagement efforts underway (Figure 2).¹ Yet, it is also worth noting that the domestic markets of some key producer countries are important consumers (principally for lower-quality grades, and coastal/neritic tunas).
- Japan is the dominant end-market (importing 20 percent of internationally traded fresh/frozen yellowfin and bigeye), which may limit the influence of market pressure at this time (Figure 3). Within Europe, Spain and Italy are the major importers, but have relatively undeveloped sustainable seafood demand. The US is perhaps the market with the most advanced sustainability commitments, but imports just 3 percent of internationally traded fresh/frozen yellowfin and bigeye tuna.
 - Note, the above information includes the fresh/frozen product destined for the canned market (e.g. frozen loin). Other sources estimate Japan is the primary market for fresh/frozen yellowfin and bigeye tuna, and consumes 80 percent of the sashimi market tuna, importing around half of the sashimi tuna it consumes².
- Foodservice is the main outlet of fresh/frozen tuna in most markets.

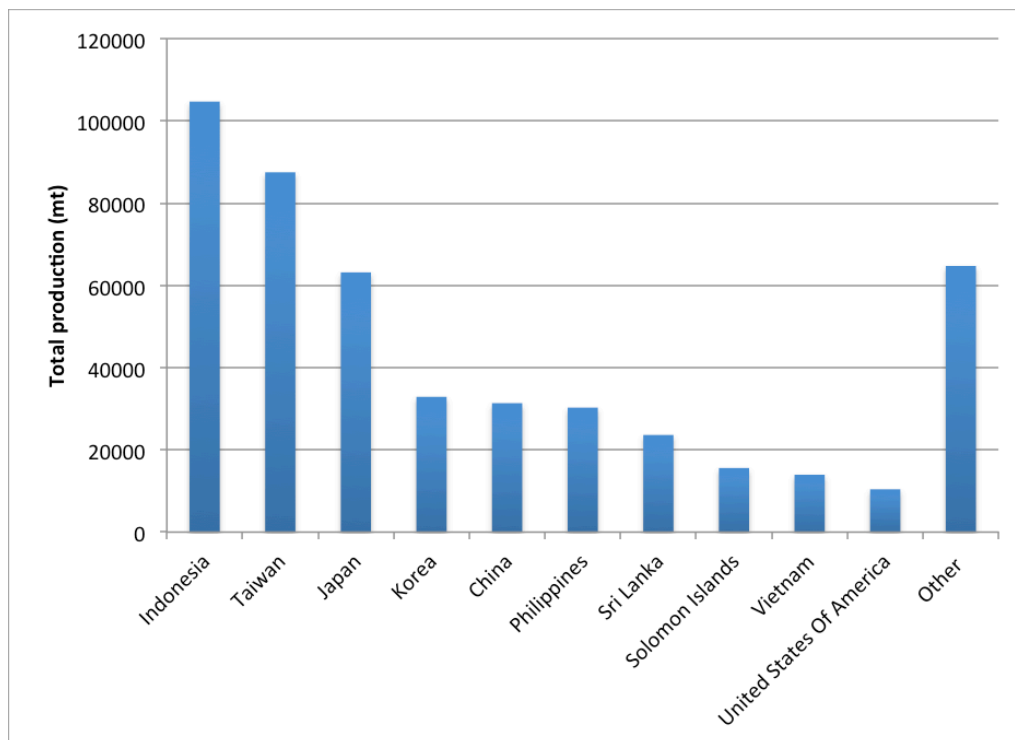


Figure 1. Top 10 fresh and frozen tuna-producing countries (Source 2014 RFMO [IATTC, ICCAT, IOTC, WCPFC] data)

¹ California Environmental Associates. "OSMI Outcome 1.1 - The Sector Map Data Compendium." Unpublished report, 9 March 2017, pages 50 to 51.

² Hamilton, A. Lewis, M.A. McCoy, E. Havice, L. Campling; Market and Industry Dynamics in the Global Tuna Supply Chain 2011. Forum Fisheries Agency, Honiara, Solomon Islands (2011)

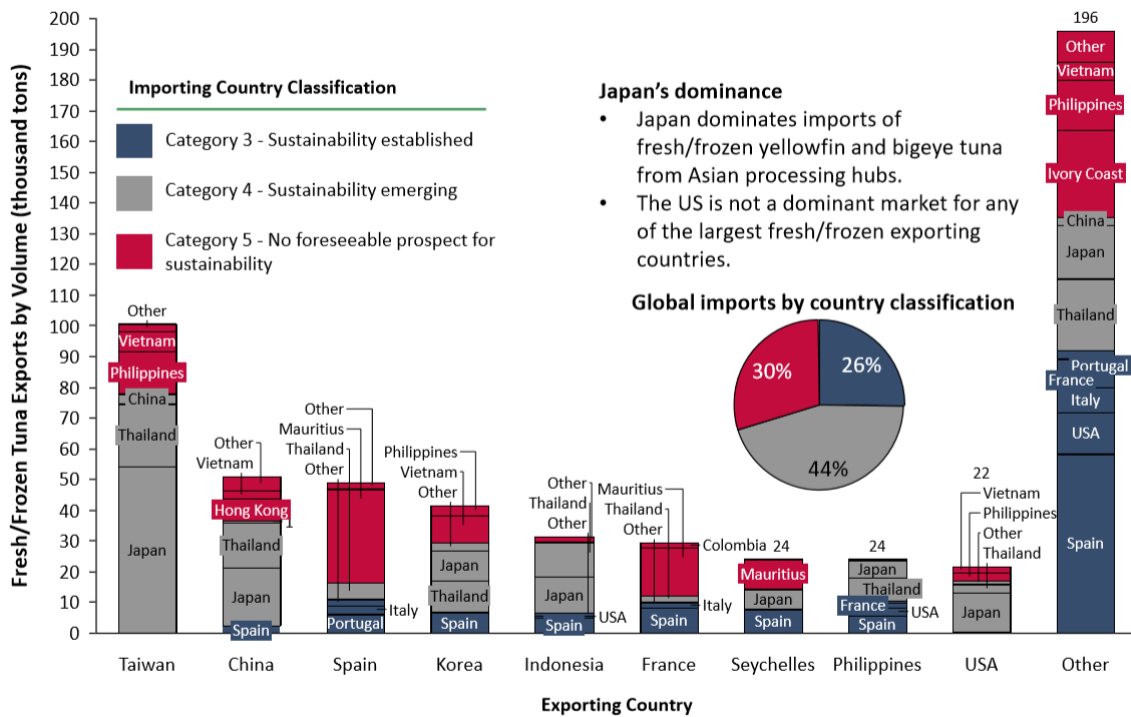


Figure 2. Top exporters of fresh/frozen tuna and their bilateral trade partners including classification by level of engagement in sustainability (Source: California Environmental Associates)

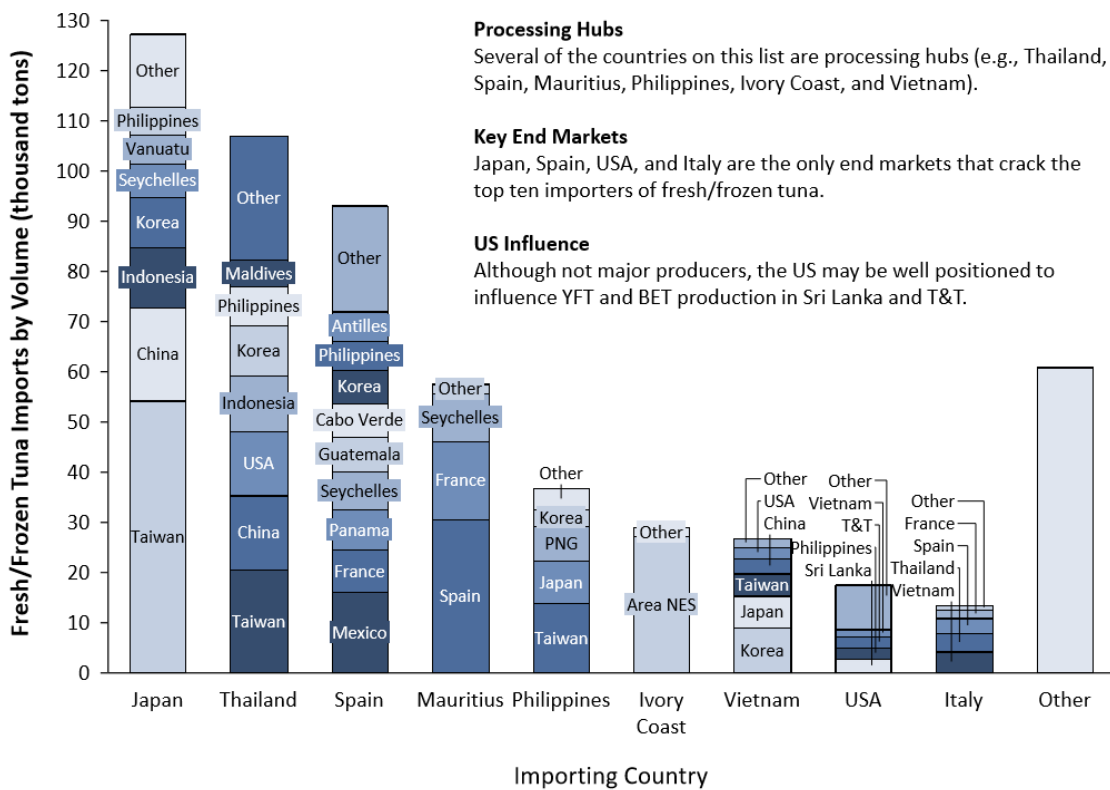


Figure 3. Production sources of top importing countries (Source: California Environmental Associates)

Based on 2014 data, 73,000 tonnes, or 15 percent of global production, are considered to be from sustainable or improving fisheries³ (Annex: Table 1).

- MSC Certified Fisheries
 - [Walker Seafood Australian albacore, yellowfin tuna, and swordfish longline](#)
 - [SZLC, CSFC & FZLC Cook Islands EEZ South Pacific albacore & yellowfin longline](#)
- MSC Full Assessment
 - [American Samoa EEZ albacore and yellowfin longline fishery](#)
 - [French Polynesia albacore and yellowfin longline fishery](#)
- FIPs with A-C rated progress
 - [Federated States of Micronesia yellowfin and bigeye tuna \(LTFV\)](#)
 - [Indonesia pole and line and handline \(IPNLF\)](#)
 - [Eastern Indonesia yellowfin tuna \(MDPI\)](#)
 - [Indonesia/Indian Ocean tuna and large pelagics \(PT Intimas Surya\)](#)
 - [Longline tuna and large pelagics \(PT Permata Marindo Jaya\)](#)
 - [Marshall Islands bigeye/yellowfin \(Norpac\)](#)
 - [Panama yellowfin tuna and mahi-mahi \(Panalang/CeDePesca\)](#)
 - [Vietnam longline/handline yellowfin tuna \(WWF/VinaTuna\)](#)
 - [Yellowfin handline Banda Sea \(PT Intimas Surya\)](#)⁴
 - [Yellowfin tuna Philippines handline \(BlueYou\)](#)
 - [Hawaii tuna and large pelagics \(Hawaii Seafood Council\)](#)
 - [Cooks Islands bigeye \(LTFV\)](#)

Closing the Gap to Target 75

Existing Supply Chain Leverage and Interest

The primary target fisheries for improvement are those in FIPs not making good progress, those that existing supply chain roundtable (SR) participants have already identified as of-interest, and those that SFP believes are likely candidates for improvement projects. These fisheries account for 94,000 tonnes of production, 20 percent of the global total (see Annex: Table 2).

- FIPs with D-E rated progress
 - [Yellowfin tuna fishery Indonesia \(Sea Delight\)](#) – D progress
- Supply Chain Roundtables
 - The Global Fresh/Frozen Tuna SR is SFP's primary mechanism for enacting the T75 strategy. This SR is currently comprised of importers to the US and EU

³ MSC status and FIP progress ratings reflect information publicly available in October 2017.

⁴ No FIP volume available; not included in the values shown in Table 1

markets. To succeed in achieving T75 the SR must expand to include Japanese importers and suppliers.

- The Indonesian Tuna and Large Pelagics SR provides more immediate oversight for the numerous Indonesia tuna FIPs, but is not limited to the fresh and frozen tuna sector or the species and gear types associated with it.
- The Eastern Pacific Ocean Tuna and Large Pelagics SR also is not limited to the fresh and frozen tuna sector or the species and gear types associated with it, and currently focuses a great deal on other large pelagic species such as mahi-mahi and swordfish.
- Candidates for national fishery improvement projects
 - SFP recently determined that the Indonesia National Tuna FIP (WWF) does not meet the criteria to be publicly recognized as a FIP (WWF was the lead and only participant; there was no public industry participation). With supply chain pressure it may be possible to reinvigorate this FIP.
 - Participants of the Global Fresh/Frozen Tuna SR are working to fully launch a national Sri Lankan Tuna FIP.

Urgent Additions Requiring New Supply Chain Leverage

Fisheries that are already sustainable or improving and FIPs that SFP believes the existing SRs will be able to initiate account for only 35 percent of global production (sum of totals from Tables 1 and 2).

To determine where best to target new FIPs in terms of cost-benefit, RMFO catch data were evaluated to identify the highest volume fisheries. This is important as approximately the same level of effort is required to initiate a FIP regardless of size; three FIPs at 10,000 tonnes are much better than 15 at 2,000 tonnes. Thus, SFP is recommending that the T75 strategy focus on starting or implementing national-level FIPs (i.e. exporters collaborating to engage all the local fisheries management units) in the fisheries targeted by the longline fleets of four primary production countries: Taiwan, Japan, Korea, and China (Annex: Table 3). This approach has been used successfully for blue swimming crab in Indonesia (<http://www.apri.or.id/fip/>).

Improvement Opportunities and Challenges

Though many of the FIPs in this sector account for small volumes of improving fisheries, it is important to ensure these FIPs continue to make good progress and eventually extend to the national level to maximize the likelihood of achieving T75.

The key to closing the gap to T75 is the Japanese market. Japan is classified as a country with some sustainability engagement efforts underway, thus efforts must be focused on collaborating with NGOs already working in Japan and on engaging the Japanese retail/food service sector. The Global Fresh/Frozen Tuna SR must expand to include suppliers to Japan.

With Japanese importers on board there is moderate confidence that satisfactory progress can be made toward the target. It is highly doubtful we can reach T75 without them.

Summary

Only 15 percent of global production is considered sustainable or improving, the vast majority due to FIPs making A-C progress. It is important to maintain good progress in these FIPs, further replicate their success, and expand the scope of the FIPs.

There is room for improvement, especially in three countries — An additional 19.5 percent of global production could shift to the improving category if national level FIPs in Indonesia and Sri Lanka can be fully launched through existing supply engagement. Also, new supply chain engagement in Japan will be required to close the gap to T75 by supporting or starting national fleet FIPs in Taiwan, Japan, Korea, and China.

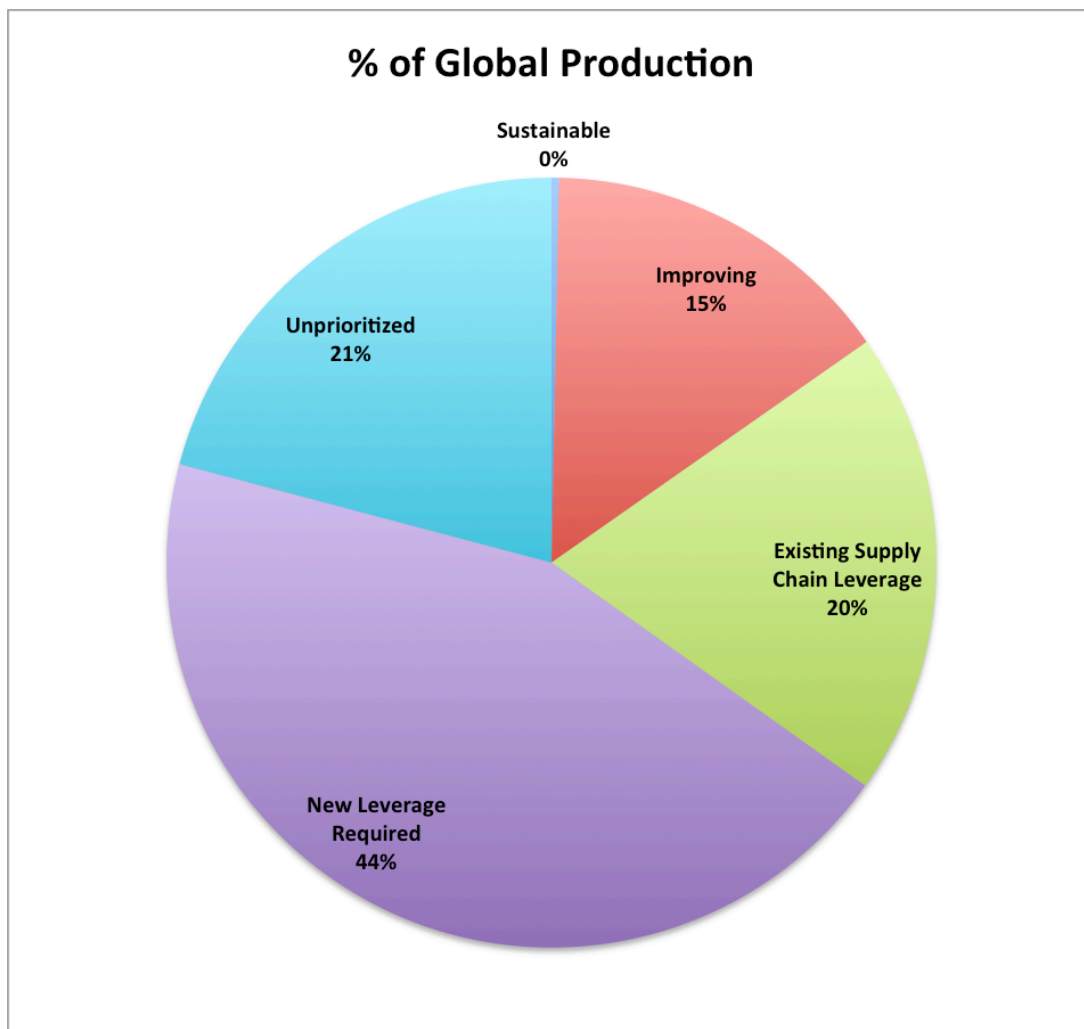


Figure 4. Strategy to reach Target 75 for the Fresh and Frozen Tuna Sector

Annex

The following tables show key figures in gauging the progress of global fresh/frozen tuna production toward the Target 75 goal. The table format will be reprised in future reports with updated figures.

Table 1: Volume considered sustainable or improving

T75 Category	Volume (mt)	% of Global Production
Sustainable: MSC-C	1,520	0.3%
Improving: MSC-FA	1,180	0.3%
Improving: FIPs (rated A-C)	70,360	14.7%
Total	73,060	15.3%

Table 2: Target fresh and frozen tuna fisheries using existing supply chain leverage

Production Source	2014 Landings (mt)	% Global Production	Improvement Outlook
Sea Delight Indonesia Tuna FIP, yellowfin	No FIP volume available	Unknown	D FIP progress rating – no reported impacts in past 24 months
Indonesia, albacore/bigeye/skipjack /yellowfin (non-FIP volume)	69,910	14.6%	Strong supply chain leverage needed
Sri Lanka, bigeye/skipjack/ yellowfin	23,630	4.9%	Supply chain actively pursuing fully launched FIP
Total	93,540	19.5%	

Table 3: Additional National Fleets that must be engaged to close the gap to T75

Production Source	2014 Harvest (mt)	% Global Production
Taiwan, albacore/bigeye/skipjack/yellowfin	87,390	18.3%
Japan, bigeye/yellowfin	63,170	13.2%
Korea, bigeye/yellowfin	32,900	6.9%
China, albacore/bigeye/yellowfin	28,350	5.9%
Total	211,810	44.3%