Russian Far East Crab Fishery Improvement Project

(Last Update: August 2017)

Species: The two primary groups of Russian Far East commercial crab species are:

I. King crabs

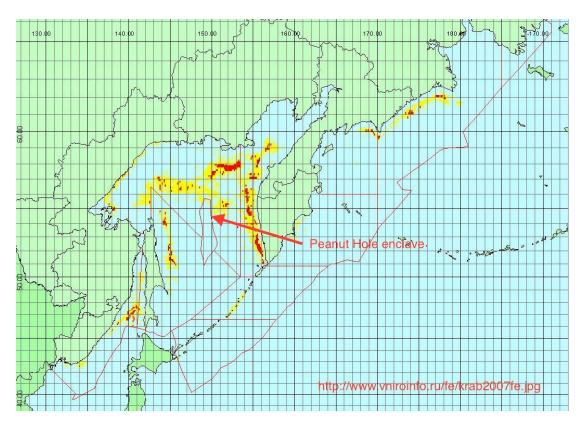
red (Kamchatka) king crab (*Paralithodes camtschatica*) blue king crab (*Paralithodes platypus*) spiny king crab (*Paralithodes brevipes*) golden king crab (*Lithodes aequispinus*)

II. Snow crabs

queen (opilio) snow crab (*Chionoecetes opilio*) triangle tanner crab (*Chionoecetes angulatus*) tanner (Bairdi) snow crab (*Chionoecetes bairdi*) red snow crab (*Chionoecetes japonicas*)

FIP Scope/Scale: Fishery level (Russian Far East pot/trap crab fisheries)

Fisheries Location: Russian EEZ area in FAO Statistical Area 61. Location of main crab fisheries is depicted on the map below.



Location of crab fisheries in the Russian Far East Fisheries Basin (2007).

FIP Contact: If you would like more information about the FIP or wish to support the FIP, please contact:

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FIP Participants:

• RFE Crab Catchers Association (CCA)

FIP Stakeholders:

- <u>Sustainable Fisheries Partnership</u>
- <u>WWF RU</u>
- Odyssey Enterprises
- Orca Bay Seafoods
- Aqua Star
- Marine Treasures International

Sustainability Information:

For sustainability information on FishSource see: <u>Red king crab – Western Kamchatka</u> <u>Queen (opilio) snow crab – Northern Sea of Okhotsk</u> <u>Queen (opilio) snow crab – West Bering Sea, Karaginsky subzone</u>

Monterey Bay Aquarium:

<u>Seafood Watch – King Crab – US, Russia (December 2007 as updated in August 2010)</u> <u>Seafood Watch – Commercially Important Crabs – Russian Far East (December 2015)</u>

Date Publicly Announced: Dec 2011

FIP Stage: 4 - Regulatory policy change and actions to improve the fishery undertaken (see FIP progress details).

CCA membership (as of 1 August 2017):

Company name (Russian)	Company name (English transliterated)
ООО «Курильский универсальный	"Kurilskyuniversalnyi complex" LLC
комплекс»	
ООО «Дальневосточное побережье»	"Dalnevostochnoye poberezhye" LLC
ОАО «Дальрыба»	"Dalryba" JSC

ООО «Север»	"Sever" LLC
ООО «Антей»	"Antey" LLC
ОАО «Феникс»	"Feniks" JSC
ОАО «Монерон»	"Moneron" JSC
"Рыболовецкий колхоз им. Ленина"	"Lenin rybolovetsky kolkhoz"
ООО «Интеррыбфлот»	"Interrybflot" LLC
ООО «Поларис»	"Polaris" LLC

FIP improvement requirements, objectives and strategy

Up until recently, a persistent high level of IUU activities in crab fisheries was of great concern to the fishing industry. The RFE Crab Catchers Association (CCA) was formed in December 2009. Its main and immediate objective was to fight IUU crab fishing and to strengthen the existing system of fisheries control and enforcement to ensure the legality of all crab catches and their export. It is staged to grow. At present, CCA has ten members representing a total crab catch of about 54% of all crabs harvested in the Russian Far East fisheries basin. A proportion in harvesting crab species of high value is even greater, over 65%.

SFP has initiated contact with CCA and later signed a memorandum of understanding (MOU). The MOU's general objective was to "work together toward the establishment a Fisheries Improvement Partnership (FIP) to improve Far East crab fisheries with participation of crab catchers and international major buyers of Russian Far East crab products." The MOU contains three groups of actions for which cooperation of both parties is required: (1) improve crab fisheries in order to eradicate IUU fishing, (2) consider long-term options for fisheries certification, and (3) develop FishSource crab fishery profiles and enhance crab data public availability.

In detail, main improvement needs initially identified were as follows:

- 1. Undertake performance evaluation of existing and, in particular, newly implemented measures aimed at eradication of IUU fishing.
 - Continue research to assess extent and nature of persistent IUU fishing, and identify specific Russian and international measures to reduce IUU fishing.
 - Support the process of signing intergovernmental agreements on IUU fishing with North Pacific States.
 - Introduce compulsory minimum crab catch size by crab species and vessel types.
 - Introduce prohibition of having bottom pots on board vessels not licensed to harvest crabs.
 - Based on agreement signed, cooperate with Russian government regulatory bodies in creation of an effective traceability system for the entire supply chain of Russian crabs "from sea to store."
 - Continue improving the system of fishery monitoring and control.

- Compile and maintain a list of vessels (based on fishing permits) that can legally harvest crab.
- Support elimination of seafood taxation discrepancies between fish and crab products.
- 2. Enhance public availability of crab data; assist FishSource in developing crab fisheries profiles.
- 3. Seek long-term options for crab fisheries certification.
- 4. Engage North Pacific and European buyers to participate in the FIP establishment and its work.
- 5. Encourage more Russian suppliers to join the Russian Far East Crab Catchers Association (CCA) and participate in the FIP establishment and its work.
- 6. Develop a CCA website with a special section highlighting FIP work progress and other developments.

The immediate FIP objectives were to systematically work on improving governance of crab resources and eradicating IUU crab fishing and export of illegally caught crabs and their products. The latter, in particular, will require joint efforts of all FIP stakeholders and cooperation with government fishery regulatory bodies. The immediate objectives also include enhancing public access to crab stock assessment and management data. In the long term, the FIP aimed to consider options for protecting fisheries through certification, which could be required to extend traceability of seafood beyond the scope covered by Russian bilateral agreements with North Pacific trade partners (see Background Information, below).

A list of crab species and fisheries of interest to FIP was identified. The list has been recently revised to include golden king crab and triangle tanner crab. Current preparation status of FIP fisheries for pre-assessment and follow up certification is illustrated in the table below:

Fishing zones/species	Red	Blue	Golden	Queen	Tanner	Triangle
	king	king	king crab	(opilio)	(Bairdi)	tanner
	crab	crab		snow crab	snow crab	snow crab
North Okhotsk Sea			~	~		v
North Okhotsk Sea			~			
(Peanut Hole enclave)						
West Kamchatka	v	v	v			
Kamchatka-Kurils	v				v	
Petropavlovsk-					v	
Komandor						
Karaginsky				>	~	
West Bering Sea		~		~	~	
North Kurils			v			
South Kurils			~			

Pre-assessed fisheries ready for entering full certification process

Getting prepared for pre-assessment New species/fisheries added recently

There is a large level of commonality in improvement requirements for different species and fisheries in relation to certification criteria of MSC Principles 1 and 3. There is one common stock assessment and TAC evaluation methodology. Fisheries governance is subject to one common set of crab fisheries regulations differing slightly in closed for fishing seasons and areas, commercial crab sizes and minimum mandatory daily catches. The latter is one of measures adopted to combat illegal crab fishing.

Of course, environmental fishery impact for different crab specie and fishing areas would be specific. Therefore, systematic collection and analysis of data is required to demonstrate for each of the FIP fisheries that they meet criteria of MSC Principle 2. For the reason, fishery improvements for different species and areas would require different effort and time for their accomplishment.

The first group of West Kamchatka fisheries for red king crab, blue king crab and tanner snow crab are getting prepared now for entering full certification. In May 2016 these fisheries successfully passed pre-assessment conducted by a Conformity Assessment Body, Marine Certification LLC. A sequence of preparing other fisheries for pre-assessment would be decided subject to accomplishment of fishery improvements required. For each of the groups selected there would be a special workplan prepared.

The FIP was publicly announced at the end of 2011. The initial 2012–2013 workplan and the follow up 2014–2016, jointly agreed by CCA and SFP, were completed.

From 1 October 2016 CCA has assumed full responsibility for the FIP implementation including, in particular, publication of FIP public reports. SFP remains to be a FIP stakeholder. Previous FIP reports are available via the SFP <u>archive section</u>.

Background information - Elimination of IUU crab fishing and trade

In the past, resources of red (Kamchatka) king crab (*Paralithodes camtschatica*) suffered seriously from overfishing, mainly due to large-scale IUU fishing. Until recently, fishing for the species was prohibited in most of the fishing areas. Most recent surveys of crab resources indicate that the process of rebuilding red king crab resources is in good shape in West Kamchatka, and in the Primorye fishing areas. There are indications that a population of red king crab in East Kamchatka is recovering as well. In 2013, fishing for king crab was open in West Kamchatka and Kamchatka-Kurils subzones. The trend continued in 2014 - 2017, with TACs' forecast for 2018 already available (see <u>TAC</u> <u>statistics</u> on the CCA website). The situation is the same for West Kamchatka blue king crab. At present, commercial fishing for red king crab also continues in inshore waters of the North Okhotsk Sea sub-zone.

Resources of snow crabs continue to be stable. In 2002–2007, a proportion of their catch in the total catch of all crabs increased and remains at a high level (42%). Queen (opilio) and tanner snow crabs are two species being sought after by fishermen. Their catches annually comprise about 87–92% of their TACs. Main fishing grounds for these species are North Okhotsk Sea, East and West coast of Kamchatka.

Most crab products are exported from Russia to Japan, Korea, the US, China, and Canada. Primary crab products for export are live, chilled, and frozen crabs.

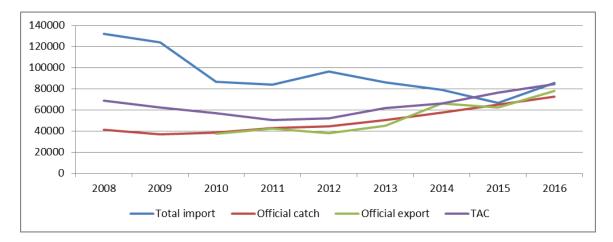
Despite the fact that levels of IUU crab fishing and trade were reduced substantially in recent years (see paragraphs below), official crab catch statistics are still somewhat lower than actual catches due to continued residual level of IUU fishing and exports bypassing mandatory delivery and declaration of crab shipments at Russian Customs territories. The situation remains to be of immediate concern to Russian fishery regulatory and control bodies. At present, their activities have been focused not only on strengthening a national system of fisheries control and enforcement, but also on cooperation with importing countries, particularly those of the North Pacific basin, on prevention of IUU fishing and trade in IUU-caught seafood.

The progress on bilateral agreements with North Pacific import states currently stands as follows:

- South Korea signed in October 2010, practical implementation February 2014.
- China signed in December 2012, practical implementation plan end of 2014.
- North Korea entered in force in February 2013.
- Japan signed in September 2013, practical implementation December 2014.
- Canada Memorandum of Understanding on Cooperation in Preventing, Deterring and Eliminating Illegal, Unreported, and Unregulated Fishing – signed in August 2012.
- United States agreement to prevent IUU fishing entered in force in December 2015.

In 2012, the RS1247 report of the Global Agriculture Information network (GAIN), in particular, noted the following: "Russia's stricter monitoring policies are noticeably impacting the fishery sector and especially crab. Prior to 2008, Russian Customs reported much lower crab export statistics when compared to the official data released by importing countries. Now that all Russian crab must be cleared by customs, this statistical gap has begun to narrow, indicating that illegal crab trade has diminished."

A reduction in the level of IUU crab catches and trade was also noted by <u>WWF in its</u> <u>latest report published in October 2014</u>: "Indeed, levels of illegal crab harvest have fallen from egregiously high amounts that were four times the legal limit in 2006 and 2007 to less than two times the legal limit in 2013. Despite these efforts, illegal crab continues to be harvested in Russian waters, with imports of Russian crab exceeding the official harvest volume by 1.7 times in 2013." CCA considers that the most appropriate approach to demonstrate a continued IUU reduction trend would be to consider the total import data with respect to official catch statistics, rather than TAC. The following graph prepared by CCA is based on catch statistics for all commercial RFE crab species and import data for Japan, South Korea, US, China, Canada and EU. In particular, it demonstrates continued reduction of IUU crab fishing and trade with the import/catch ratio down from 1.69 in 2014 to 1,04 in 2015 and 1.15 in 2016. That said, it seems that an apparent increase in the 2016 estimate most likely relates to problems in the analysis of foreign import data, e.g. when 2016 import, in fact, could include some catches taken in the previous 2015, and so on. It is clear now that, if levels of IUU catch and trade continue to be low, a potential bias in their estimates would require further improvements to the methodology used. As indicated at the end of the FIP report, CCA plans to get it done in cooperation with VNIRO and participation of fishery regulatory bodies.



In addition, <u>closing an enclave of international waters</u> in the center of the Sea of Okhotsk and Russia's adoption of its National Plan of Actions to Prevent, Deter, and Eliminate IUU Fishing (NPOA-IUU) would contribute further to the fight against IUU fishing, in particular for crabs.

Furthermore, Russian crab producers are getting ready to cooperate in the implementation of the <u>US Seafood Import Monitoring Program</u> requiring the importer to provide and report key data on an initial list of imported fish and fish products identified as particularly vulnerable to IUU fishing and/or seafood fraud.

From 2011-2014, after substantial reduction achieved in levels of IUU catch and trade, annual TACs for all species of cabs continue to grow from 59,5 thousand tons in 2009 to 73.5 thousand tons in 2017 (see <u>TAC statistics</u> and <u>Catch statistics</u> on the CCA website).

FIP Progress Update:

2012

Based on progress achieved at the March 2012 roundtable during the Boston Seafood Show, SFP and CCA continued their work on mapping a complete network of companies taking part in trading Russian crabs in order to exclude middleman traders and identify final buyers. The latter will be approached and invited to participate in the proposed FIP.

Most recently, CCA has become a full member of All-Russia Association of Fishery Enterprises and Exporters (VARPE).

The CCA website was launched in January 2014. The website has a special section on fisheries improvement and progress on the FIP work.

Since its establishment in December 2009, CCA has worked on a number of initially identified fishery improvement needs and offered means for the solution of the following:

- Introduction of compulsory minimum crab catch size by crab species and vessel types
- Maintenance of a list of vessels (based on fishing permits) that can legally harvest crab.

The first improvement was implemented by the Russia Fisheries Agency by means of establishing daily minimum catch limits for crab catches.

2013

In January 2013, CCA publicized its work on crab fisheries improvements with a reference to Walmart's policy on procuring seafood from sustainable sources and cooperation with SFP.

A second FIP roundtable meeting was hosted in Boston in March 2013. The meeting was attended by several companies sourcing and interested in sourcing Russian crab. The CCA President, Mr. Alexander Dupliakov, gave an update on Crab Catchers Association activities, an overview of IUU fishing concerns, a description of the Russian catch verification system, and an update on bilateral agreements around trade in illegal fish. The FIP decided to summarize catch verification information and provide recommendations for including this in procurement specs, and encourage its companies to support the conclusion of bilateral agreements on illegal fish.

In his 24 December 2013 interview with FISHNEWS, the main fisheries-oriented media holding in Russia, the CCA President presented the following summary of work accomplished in 2013 and immediate tasks for 2014:

Fishing for red king crab was open in West Kamchatka and Kamchatka-Kurils subzones. It has become possible mainly due to more thorough crab stock surveys implemented in close cooperation developed between CCA and TINRO research institute. Scientists conducted surveys on board five CCA vessels for the period of 50 vessel/days. The

surveys also included the West Bering Sea and Karaginsky fishing areas. The practice is going to be extended in future to other crab species and fishing areas.

A number of new measures proposed by CCA and aimed at the reduction of IUU fishing would be part of a new revised edition of fisheries regulations for the Far East Fisheries Basin to be adopted and published soon, possibly as early as in January 2014. These measures should:

- Prohibit fishing vessels not licensed to harvest crabs to use bottom (crab) pots while fishing for fish in West Kamchatka and Kamchatka-Kurils subzones;
- Increase of minimum mandatory daily crab catches per vessel adopted in 2011, in particular, for red and blue king crabs; and
- Prohibit fishing for tanner snow crabs in Kamchatka-Kurils subzone from 1 August to 31 December, i.e., to minimize the possibility of species substitution used to cover factual catches of red king crab.

Additional measures not yet approved would reduce possibilities of species substitution used to cover factual catches of red king crab by:

- Restriction of fishing grounds for spiny king crab in the West Kamchatka subzone to inshore waters along the coastline of Magadan District area; and
- Reduction of TACs for spiny king crab in North Okhotsk subzone.

On 23 December 2013, Russia adopted NPOA IUU. Article 2 of the Plan formally accepts the definition of IUU activities as defined in the FAO International Plan of Actions to Prevent, Deter, and Eliminate IUU Fishing. Article 3 of the Plan lists 17 principal measures. The first, and very important, measure is a request to analyze the current legislation and identify whether its provisions meet norms of international law aimed at the eradication of IUU fishing.

2014

In January, the CCA launched its website in January. The website has a special section on crab fisheries sustainability, the content of which is still under development.

On 21 January, the new <u>increased daily minimums</u> of crab catches per vessel came in force.

In February, the NPOA-IUU received further development with the adoption of a list of changes to the current domestic legislation required for effective implementation of the Plan.

On 11 April, a new version of fisheries regulations for the Far East Fisheries Basin came in force. New provisions include, in particular, removal of the fishing prohibition of red king crab in the West Kamchatka sub-zone and a number of changes on crab fishing seasons and areas.

On 27 August, a joint meeting with representatives of fishery regulatory bodies and fisheries research institutes was held in Moscow. Both CCA and SFP participated at the meeting. The meeting discussion of current fishery improvement projects (including the RFE Crab FIP) aimed at achieving their sustainability and needs for project support by fishery regulatory bodies and fisheries institutes. In particular, the Fishery Agency confirmed its support for fishery improvement projects and their final goal of ecological certification.

In September, the IX International Fisheries Congress was held in Vladivostok (Russia). Both CCA and SFP participated at the Congress. In particular, the Congress discussed further measures required to eliminate IUU fishing in the Russian Far East Fishery Basin and coordination of effort required to achieve it on both the domestic and the international level.

2015

In January, a <u>demarcation of fishing areas for queen and tanner snow crabs in the West</u> <u>Bering Sea zone and Karaginsky subzone</u> was introduced in order to protect their stocks from overfishing.

In March, CCA participated at the RFE Crab Supply Chain Roundtable meeting held in conjunction with the Seafood Expo North America (formerly Boston Seafood Show), and presented an update on current FIP work and future plans.

At the request of the Fisheries Agency, VNIRO research institute developed a new up-todate standard methodology for crab stock assessment, estimation of TAC, and management of crab fisheries. A <u>new methodology was expected to be published at the</u> <u>end of 2015</u>.

In April, CCA took part in <u>bilateral talks held in Moscow between China Aquatic</u> <u>Products Processing and Marketing Alliance (CAPPMA) and Russian fishing industry</u> <u>representatives</u>. Discussion included a joint effort requiring both parties to prevent Chinese markets access to illegal crab products from Russia, as well as planning for actions required.

<u>CCA</u>, together with the fishing industry, repeated its position in favor of transparency in the stock assessment process and publication of public hearings materials on recommended TACs.

<u>CCA unveiled its plans to undertake a pre-certification assessment</u> in 2016.

In September, <u>CCA published results of its evaluation of current IUU crab fishing and</u> <u>trade</u> and identified existing loopholes. A continued trend in the reduction of IUU fishing and trade was demonstrated.

CCA reported on its program of cooperation with scientific institutes on placing scientists onboard their vessels to collect data for crab stock assessment and monitoring fishery impact on bycatch species and habitat. The program started in 2013 and will continue in 2016.

In October, at the recent Asia-Pacific Economic Cooperation (APEC) forum in the Philippines, <u>Russia again proposed to introduce a standard certificate of legal origin of seafood</u> in order to prevent its IUU fishing and trade.

On 4 December, the <u>Russian and US bilateral agreement on prevention of IUU fishing</u> entered in force.

2016

In February, CCA initiated pre-certification assessment of fisheries for red king crab, blue king crab, and tanner snow crab in West Kamchatka and Kamchatka-Kurils subzones. A report is expected in May or June 2016.

In March, VNIRO research institute reported that it had developed <u>standard regulation</u> <u>rules for crab and craboid harvesting for 2016–2018</u>. These standard regulations appear to further develop a standard methodology for crab stock assessment announced in April 2015. The regulations are not yet published.

CCA participated at the RFE Crab Supply Chain Roundtable meeting held on 6 March in conjunction with the Seafood Expo North America (formerly Boston Seafood Show), and presented an update on current FIP work and future plans. In particular, CCA reported further reduction of IUU crab fishing and trade in 2015 with the import/catch ratio down to 1.04 from 1.69 reported last year. CCA also reported that it is about to start the MSC pre-assessment process in order to identify potential shortcomings before applying for MSC full assessment.

On 30 March, the <u>Fisheries Agency conducted open discussions of the scientific</u> recommendations for the TAC for 2017. Representative of the fishing industry, NGOs, and media participated. In particulkar, <u>quotas for crab fishing in Russia's Far East could</u> <u>jump 10 percent above the 2016 crab quota</u>, which is set at 68,485 metric tons. The change is due to the increases in red king crab stock off West Kamchatka, opilio snow crab in the North Okhotsk subzone, and Bairdi crab in Kamchatka-Kuril subzone.

In May-June 2016 CCA has successfully passed the preliminary Marine Stewardship Council assessment. Three types of crab off West Kamchatka – red king crab, blue king crab and Bairdi crab are part of the certification. Simplified Scoring sheet of preassessment report posted on the CCA website.

From 1 October 2016 the Crab Catchers Association of the Russian Far East has assumed full responsibility for the FIP implementation including, in particular, publication of FIP public reports. SFP continues to support the project in its role as a FIP stakeholder. Previous FIP reports are available via the FIP archive section on <u>SFP.org</u>

2017

January-June

Current levels of RFE IUU crab fusing and trade have been significantly reduced in recent years, mainly due to implementation of bilateral agreements with South Korea, Japan and China requiring Russia to issue certificates of catch origin and by agreement partners to check its present for each and every shipment of crabs. According to Mr. Shestakov, the Fisheries Agency Head, a high level proportion of controlled crab trade with these countries has already been reached in the past two years. However, it has not yet eliminated the residual IUU fishing and trade that is linked with difficulties in preventing vessels, once found involved in IUU fishing, to return to fishing grounds. In particular it relates to vessels that managed to discard their catch at-sea before inspection. The Fisheries Agency already started to work on legislation that would allow utilization of arrested IUU catches in time before the court legal proceedings concluded.

The so-called domestic (household) crab poaching also remains to be a problem, in particular, in Primorie region, where such crabs are sold on domestic markets. Until now, for a number of years there were no crab quotes auctioned and allocated for Primorie coastal crab fisheries but also there were no fishing bans imposed. It is expected that now, because crab quotas auctioned in May 2017 for Primorie coastal fisheries require all crab catches to be delivered ashore in Primorie region, it would be possible to eliminate that specific segment of IUU crab fishing and trade in Primorie.

An additional measure to prevent IUU fishing was proposed by the Coast Guard (FSB Border Service) and approved by the Fisheries Agency – make compulsory that fisheries logbook format included recording of a number of the fisheries license (permit) issue to the vessel. It will eliminate cases when a vessel conducts fishing according to two or more permits available onboard. CCA supported introduction on the measure.

<u>Yet another measure</u> supported by CCA is still in the making. It relates to methods and means for counting live crabs onboard during at-sea and port inspections. Fisheries institutes developed a number of proposals. One of the options includes the use of false bottom panels in hold tanks that could be hoisted and weighted with crabs taken out of water.

CCA currently evaluates time and means required for the preparation of materials for full certification. At first, the work will be focussed on materials related to Principle 2 (analysis of data collected by scientific observers during the first four years of work on board CCA fishing vessels, mapping of benthic communities and potential identification of VMEs on crab fishing grounds). CCA plans to sign a contract with KamchatNIRO for the work. The second most important work to be finalised is preparation of well-documented materials on current current small but remaining levels of IUU crab catches and trade. A case study might be required in order to select the most appropriate metodolody for doing it. CCA plans to get it done in cooperation with VNIRO and participation of fishery regulatory bodies.