



Fisheries
Transparency
Initiative

10th meeting of the FiTI International Board

24 September 2020, Conference Call

Meeting Minutes

ID: BM-10_2020_MM

Provided by: FiTI International Secretariat

Date: 20.10.2020

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Date	24 September 2020
Time	11.00 a.m. – 2 p.m. (Greenwich Mean Time)
Venue	Global Conference Call (Zoom)
Supporting document(s)	<ul style="list-style-type: none"> ▪ Baker Tilly company profile 2020 ▪ Letter from Mr. Mohamed Salem Nany, FiTI National Lead for Mauritania, dated 14 September 2020 (<i>in French</i>) ▪ “Towards a decade of transparency in fisheries - Roadmap 2030” – PowerPoint presentation

Outcomes of meeting

1. Welcome and Administration

The Chair of the FiTI International Board, Valeria MERINO, opened the 10th International Board meeting by welcoming all participating members.

Apologies were noted prior to the meeting from Mohamed Salem NANY (Government stakeholder group) and Francisco LEOTTE (Business stakeholder group). Francisco assigned Philippe MICHAUD as his proxy. Ms. Nedwa NECH was unable to join the meeting due to technical difficulties.

After the participants joined the call, it was identified that a quorum was not reached, as not enough members (incl. proxies) attended the call.¹

Current total size of Board:	2/3 of total Board:	Actual attendance ² :	At least two Board Members per stakeholder group
13	8,67	7	No

It was determined that provisional decisions should be made during this call and that the absent Board Members are able to object to the decisions recorded in these meeting minutes afterwards.³

The Board agreed on the Agenda.

In her opening remarks, the Chair reemphasised the message of the International Secretariat that general updates by the Secretariat will no longer be provided as part of Board meetings. Instead, the Secretariat will inform the International Board about country status, funding, outreach & communication, new initiatives etc. as part of its quarterly updates.⁴

Nevertheless, the Chair highlighted three particular aspects to demonstrate that despite these challenging times, the FiTI is making progress on a number of topics:

¹ “Two-thirds of the total number of Board Members (including proxies), with at least two Board Members from each stakeholder group, forms a quorum.” Constitution of the association of the Fisheries Transparency Initiative (as of 23 January 2020), Article 14 (8).

² Including proxy votes.

³ No objections from Board members were received during the review period from 7 -16 October 2020.

⁴ The next quarterly update will be provided by beginning of October 2020 via email.

- **Very positive developments in three target countries:** Mexico, Ecuador and Guinea-Bissau are among the current target countries that have expressed a sincere interest to engage in discussions with the FiTI regarding the submission of an official public commitment to join the FiTI.
- **Taking Stock – Baseline Transparency Assessment:** Under this new exciting research programme, the FiTI will start assessing the level of baseline information that is provided on government websites regarding fisheries management. This will not only reveal which information is already publicly available (in accordance with the FiTI Standard), and which one is not. The assessment is also intended to provide a sound information basis to spark interest among various non-governmental stakeholders and serve as a foundation for capacity-building and communication endeavours. Valeria highlighted further that this assessment will be done solely as desktop studies, but governments will be given the opportunity to comment on findings prior to publication. She stated that she is convinced that these assessments will be seen as beneficial to a number of stakeholders, raising the interest in fisheries transparency and their country's status quo significantly. But the potential “game changing” effect is that such assessments can be applied to all coastal countries globally (including the large fishing countries, like China, Russia, South Korea etc. that are unlikely to join FiTI any time soon, if at all). The programme is currently in the final stages of a proof of concept phase and it is expected to start in 2021, subject to financing. She thanked Ylva MATTSSON and her colleague from the Swedish Agency for Marine and Water Management for collaborating closely with the International Secretariat.
- **Headquarters Agreement:** The Cabinet of Seychelles just approved a 10-year Headquarter Agreement between the government and the FiTI, ensuring not only a long-term provision of office space and office support (1x full-time employee), but also the provision of an enabling environment regarding administrative and taxation procedures. Valeria thanked Philippe MICHAUD for this contribution and persistence in getting this important agreement approved.

Mr. Sven BIERMANN, Executive Director of the FiTI International Secretariat, informed the members of the Board that the Secretariat just received information that its grant request to the Embassy of Ireland in Tanzania has been approved. With this two year (1 October 2020 - 30 September 2022) and 200k EUR project, the FiTI is going to increase transparency and multi-stakeholder collaboration in fisheries management among four Small Island Developing States (SIDS) in Africa: Cabo Verde, Comoros, Mauritius, Sao Tomé and Principe. Sven further highlighted that this application process started in October 2019, based on an introduction of the International Secretariat to the Embassy of Ireland from various ministries of the Seychelles. He also thanked Philippe for this engagement.

2. Housekeeping

I. Review of participation status of International Board Members

Article 18 (6) and (7) of the constitution of the FiTI association state that in case a “Board Member or Alternate does not comply with key responsibilities, such as attending regularly Board Meetings, the FiTI International Board may decide to suspend a Board Member/Alternate for a period of six month. During the period of suspension, a Board Member/Alternate may keep her/his status as a Board Member, but shall not engage in any Board activities during this period.”

Sven stated that a review of attendance of the last 9 meetings and 4 Board Circulars showed the repeated absence of Mr. Marthin HADIWINATA, Small-Scale Fishing Representative, participating only in 33% of all Board meetings and in none of the 4 Board Circulars.

The Chair then asked the International Board regarding possible aspects to assess Marthin’s commitment and availability to remain a Board member. Francisco MARI stated that Marthin is currently very active in the World Forum of Fisher Peoples (WFFP) and that he would reach out to him to confirm his commitment.

The participating Board members reached the following decision by consensus:

Decision [BM-10_2020_D-01]:

The Board approved that Francisco MARI will reach out to Martin HADIWINATA to clarify his commitment and availability to remain a Board member and

- a) in case Marthin cannot be reached or negates a future commitment to the FiTI International Board, his membership in the FiTI International Board will be revoked immediately, or**
- b) in case Marthin confirms his ongoing commitment to the FiTI International Board, the International Board will initiate a six-month evaluation period to allow him to demonstrate his commitment.**

II. Appointment of auditor for financial closing 2020

Sven emphasised that the International Secretariat has the legal and fiduciary responsibility of the association. As of today, the Secretariat is conducting its monthly financial bookkeeping and controlling procedures on its own. This is done by the Executive Director who, given the current size and physical distribution of the FiTI International Secretariat, also acts as the FiTI’s Interim Treasurer.

He further outlined that the International Secretariat has engaged the Seychelles-based company Baker Tilly Seychelles⁵ as their supporting accountant. The company was chosen after a thorough review of potential accounting & advisory companies based in the Seychelles⁶.

Baker Tilly Seychelles does not conduct any transactional activities for the Secretariat, but only reviews the Secretariat's bookkeeping on a quarterly basis (i.e. to propose adjustments and corrections throughout the year). Further, the company processes the association's payroll, ensuring that accurate records are maintained to comply with the applicable employment laws as well as internal regulations.

The Chair highlighted that in accordance with Article 24 (1) of its constitution, the "FiTI International Board shall appoint an external, independent auditor to annually audit the finances of the FiTI, and to present a written audit report to the FiTI International Board". However, it was noted that the Secretariat's operations in Seychelles have started only recently and that an audit by a second, independent audit company (in addition to the financial statement that will be provided by Baker Tilly Seychelles for 2020) is currently not covered by the Secretariat's unrestricted funding – due to the recent waiver of annual contributions from participating countries. Sven stated that the closure of the association's fiscal year 2020 will be done by Baker Tilly Seychelles in the form of an official financial statement. This process will not only include a review of the FiTI's accounting on a transactional level, but also ensuring that its bookings are in compliance with national accounting and tax regulations.

The participating Board members reached the following decision by consensus:

Decision [BM-10_2020_D-02]:

The Board approved that Baker Tilly Seychelles will be mandated to provide the financial statement of the FiTI association's fiscal year 2020, no later than 31 March 2021. This financial statement, including any accompanying notes to improve the association's internal procedures, will be made publicly available on the FiTI's website. A dedicated, additional financial audit will not be conducted for fiscal year 2020 in 2021. Instead, such audit will be conducted in 2022 in conjunction with the 2021 fiscal year audit.

⁵ Baker Tilly Seychelles (https://www.bakertillyjfc.com/Seychelles_Offices.php). More information on the company was provided through a company profile presentation.

⁶ Companies were analysed according to their expertise in advising and auditing non-profit organisations and international (donor) transactions, their access to an international network, and their fee structure. Furthermore, brief due diligence (based on Google web search regarding allegations of corruption and money laundering) were conducted. A total of 3 companies were contacted, of which 2 responded. Both organisations (Baker Tilly Seychelles and ACM & Associates) were personally interviewed by the Executive Director. Based on the criteria listed above, a clear decision towards Baker Tilly was made.

3. Mauritania's extension requests for FiTI Reports 2019 and 2020

In absence of both Board Members from Mauritania, Sven recalled that in accordance with the FiTI Standard (section B.2.2), a country's National Multi-Stakeholder Group "*must publish their first FiTI Report within the subsequent year of becoming a FiTI Candidate country*". In Mauritania's case, their first report, containing information from 2018, was due by 31 December 2019. An initial extension request, submitted by H.E. Cheikh El Kebir Moulaye TAHER, then Minister of Economy and Industry to the FiTI Chair on 17 January 2020, asking for an extension of this deadline until 31 December 2020, failed to meet the submission deadline, as stated in the FiTI Standard. Therefore, the initial extension request was not granted to Mauritania, and in accordance with section E.2.1 of the FiTI Standard, the maximum deadline for submitting the late FiTI Report for 2019 was determined for no later than 30 September 2020. This decision was communicated by the FiTI Chair to H.E. Abdel Aziz DAHI, new Minister of Economy and Industry, on 20 February 2020.

Sven highlighted further that in accordance with section E.1.1. of the FiTI Standard, Mauritania can be fully delisted from the initiative in case the country misses the 30 September 2020 deadline. Furthermore, it was mentioned that countries must publish FiTI Reports on an annual basis. Therefore, in addition to the outstanding first FiTI Report (originally due within 2019), containing data from 2018, Mauritania must also submit their second FiTI Report within 2020, containing data from 2019.

On 15 September 2020 the FiTI International Secretariat received a letter from Mr. Mohamed Salem NANY, FiTI National Lead for Mauritania and FiTI International Board Member, requesting an additional extension for the submissions of the FiTI Reports for 2019 as well as for 2020, due to delays caused by the global COVID-19 pandemic.

Sven highlighted that this particular case is currently not fully covered by the FiTI Standard. The Standard does foresee the possibility of country's requesting a hiatus "*in cases where political instability, conflict, or natural disaster manifestly prevent a FiTI implementing country from adhering to a significant aspect of the FiTI Principles or requirements*" (section C.1.3). However, a global pandemic is currently not covered under this section. Furthermore, Mauritania's request does not address an implementation pause, which is currently the defined consequence for requesting a hiatus – but instead is requesting an extension of the reporting deadlines for its two FiTI Reports.

The FiTI Chair asked Sven regarding the Secretariat's current knowledge about the status in Mauritania. Sven emphasised two aspects: First, the International Secretariat perceives that the FiTI process in Mauritania is lacking political priority and authority. Discussions are underway to move the responsibility for the FiTI from the current National Lead ministry (Economy and Industry) to another governmental body (e.g. the Prime Minister's office). However, this aspect has already been identified by the Mauritanian counterparts at the

beginning of this year and so far, progress has been slow. Second, the reporting process in Mauritania is progressing. Sven stated that Mauritania was able to secure financial support for the 2019 Report from the Regional Partnership for Coastal and Marine Conservation (PRCM)⁷, a public tender was issued in May 2020 to engage a Report Compiler (based on the Terms of References, approved by Mauritania's National Multi-Stakeholder Group at the end of 2019) and a consortium of two Report Compilers have now been official selected and announced. However, as the engaged Compilers are based in Senegal, COVID-19 induced travel restrictions have so far prevented the consultants to conduct the necessary country missions to Mauritania. Yet, to the Secretariat's knowledge, the first country mission is planned for beginning of October 2020.

Various Board Members recognised the slow progress in Mauritania over the last 12-15 months, and at the same time acknowledging a positive trend towards the country's first report. It was also highlighted that COVID-19 presents unprecedented challenges for many organisations, which need to be taken into account.

The participating Board members reached the following decision by consensus:

Decision [BM-10_2020_D-03]:

The Board approved the additional extension request from Mauritania to submit its 2019 FiTI Report (based on 2018 data) no later than 31 December 2020, and the country's 2020 FiTI Report (based on 2019 data) no later than 30 June 2021. The Board further emphasised that failure to meet this extended deadline for the 2019 FiTI Report may trigger the public delisting of Mauritania from the initiative.

Decision [BM-10_2020_D-04]:

The Board instructed the FiTI International Board to propose changes to the FiTI Standard to ensure that events such as a global pandemic are covered; and that the Board can either grant an extension or a hiatus Such a proposal needs to be presented to the International Board no later than the end of 2020, and can be presented as a Board Circular.

Marcio CASTRO DE SOUZA stated further that the International Secretariat may consider adding a separate section for these kinds of force majeure extension requests, instead of applying this to the existing hiatus section. The Secretariat will consider this proposal in order to prepare the amendment to the FiTI Standard.

⁷ But so far not for the 2020 FiTI Report.

4. Roadmap 2030

The FiTI Chair started the main agenda point for this Board meeting by informing the participations that with the relocation of the FiTI International Secretariat from Germany to the Seychelles⁸, and its subsequent transformation from a hosted initiative to a legally institutionalised entity, she and the Executive Director of the FiTI International Secretariat initiated a process to engage the Board, during the first half of this year, to:

- reflect on our strengths, differentiators, and value proposition;
- discuss current trends, future opportunities and possible challenges; and
- start to define a compelling Roadmap 2030, grounded in a vision and mission for the FiTI, and informed by opportunities and challenges to promote transparency in fisheries management and sustainability of global fisheries.

The FiTI Chair emphasised that this Roadmap is paramount to the long-term success of the FiTI, setting not only a clear and ambitious long-term goal and mid-term operational targets, but also giving guidance when prioritising future implementation activities and extension considerations (e.g. additional countries, projects, stakeholders). It will also become a key communication tool when reaching out to new donors, members, staff and the public.

The Members welcomed this approach. A number of aspects were discussed, including future opportunities and challenges for the FiTI, ideas for a long-term vision, a tangible mission and a goal for the FiTI for the next ten years. All participants emphasised that the need for more transparency in fisheries remains a key instrument to achieve sustainable fisheries. It was further noted that all stakeholders that appreciate the enormous value of marine fisheries, in terms of food & nutrition security, employment, the value to national economies, as well as the cultural significance of fishing share this need and can unite behind the concept of transparency. At the same time, fisheries is still one of the most untransparent natural resources sectors globally; addressing corruption or beneficial ownership opacity were given as examples to demonstrate that fisheries is clearly lacking behind other sectors.

Several key ideas resulted from our conversation, which will inform the preparation of our 2030 Roadmap, as explained later in this document:

⁸ Based on the commitment made by Vice-President Vincent Meriton on behalf of the government of Seychelles at the “Our Ocean Conference 2018” in Bali, Indonesia.

Achieving transparency in fisheries is the FiTI's core mission: Board Members confirmed that goal of achieving transparency in the fisheries sector, through different ways of applying and utilizing the FiTI Standard, is the core of the FiTI's mission. Also, there was a general consensus about not strutting far beyond that sphere, at least for the time being.

Participation is the means to achieve credible transparency: It was emphasised that while the FiTI advocates inclusive participation, it is primarily focussing on achieving credible and widely accepted transparency (through the involvement of all relevant stakeholders in National Multi-stakeholder Groups (NMSG)). Participation is therefore a way to ensure trusted information in the public domain. The FiTI's core mission is not to request or advocate for inclusive decision making in fisheries management (e.g. in the negotiation of foreign fishing access agreement). Nevertheless, the FiTI does make the lack of inclusive decision-making processes transparent, e.g. Requirement B.1.3 of the FiTI Standard: *"Documentation derived from any national stakeholder consultation undertaken with respect to the preparation, negotiation or monitoring of the agreements must be published, if available."*

Sustainability is not a direct goal, but it will be achieved among other means by transparency and therefore the FiTI will contribute to the sustainability of the fisheries sector indirectly.

All constituencies must benefit from transparency: Some Board Members explained the benefit for their own work of achieving more transparency in the fisheries sector. Also, the possible benefit for other constituencies were discussed. It was suggested that the FiTI needs to understand even better how others can use the information produced by the implementation of the FiTI Standard, and use that knowledge to make the case for transparency and the initiative. It needs to be ensured that all the different constituencies understand the benefit of transparency for them and how transparency in fisheries could help them to have more impact.

The FiTI needs to strengthen the supply and the demand side to make transparency possible and useful. While the responsibility to provide information on the country's fisheries management lies with the government, it was clearly stated that transparency endeavours must not only ensure the supply side of information, but also continuously strengthen the active involvement of businesses and civil society, demanding and protecting transparency and taking ownership of fishing resources.

Society in general is not fully aware of the problem facing global fisheries. A Board Member explained that "the public in general is happily consuming fish without being too worried about national overfishing and often contented to believe that foreign entities are to be blamed for the irresponsible use of the resource." It was agreed that the FiTI might need to explore further how the initiative could play a role in helping the public understand

better the situation from the transparency point of view, e.g. supporting local partners to promote that society demands transparency and sustainability of fisheries.

Additionally, the following topics were discussed:

- Incentives and incentive providers (e.g. retailers, investors) for motivating governments to make transparency in fisheries the global norm;
- Impacts of a perceived “reverse wave” against democratic values (including transparency) on the FiTI;
- Inclusion of major fishing countries that lack a record of joining voluntary initiatives (e.g. through transparency assessments, regulatory instruments);
- Convening power of the FiTI’s multi-stakeholder principle (e.g. engaging all bona fide stakeholders in regular discussions, and not just in ad-hoc (often crisis-triggered) consultations);
- Endorsement of the FiTI Standard by influential governmental and non-governmental organisations;
- Strengthening the capacity to understand and utilise publicly available information to promote sustainability in marine fisheries.

The Board also emphasised that it is crucial for the FiTI to set ambitious, yet realistic expectations when formulating its vision, mission and concrete target for 2030.

The FiTI Chair informed all participants that based on these initial discussions, two key documents will be prepared on the Vision, Mission and Goal for the next 10 years as well as a reviewed Theory of Change. These documents will be sent to all Board members over the next couple of weeks. This input will then be used to formulate a compelling Roadmap 2030 for the FiTI, to be approved by the FiTI International Board. It is expected that this process will be completed by the end of 2020.

5. Next Board meeting(s)

Sven reminded the Board Members that based on the financial support from the World Bank’s Multi Donor Trust Fund PROBLUE, the FiTI International Board is still able to conduct three face-to-face meetings until June 2021. As the COVID-19 induced global travel restrictions and delays in activities will continue to impact the FiTI, the International Secretariat is currently discussing with PROBLUE to extend this timeframe on a no-cost extension basis until June 2022.

Various Board Members stated that a physical Board Meeting is very unlikely to happen within 2020, due to ongoing travel restrictions from countries as well as their own organisations. It was further noted that COVID-19 already has an impact on scheduled events for early 2021. For example, the Annual Meeting of the World Economic Forum in Davos has already been rescheduled to early next summer. The Committee on Fisheries (COFI), originally scheduled for July 2020, is now being scheduled for February 2021, including the possibility of a virtual gathering.

Decision [BM-10_2020_D-05]:

The Board agreed that the next (11th) International Board meeting will not be conducted as a 2-day onsite meeting, but instead as a global conference call.

The Board Members stated further that given the current volatility and insecurity, a longer-term schedule for upcoming meetings cannot be determined and schedules for subsequent meetings need to be discussed during each upcoming Board meeting.

6. Closing

The Chair thanked the Members of the Board for their participation in the 10th meeting.

10th International Board Meeting ended

APPENDIX I: List of Participants

Chair

Valeria MERINO

Stakeholder Group of Governments

Ylva MATTSSON

Philippe MICHAUD

Excused:

Mohamed Salem NANY

Not excused:

Mamadou GOUDIABY

Stakeholder Group of Business

Excused:

Francisco LEOTTE (proxy: Philippe Michaud)

Not excused:

Alexander BIRYUKOV

Gaoussou GUEYE

Marthin HADIWINATA

Stakeholder Group of Civil Society

Sebastián LOSADA

Eduardo ROLÓN

Alfred SCHUMM

Francisco MARI

Excused:

Nedwa NECH

Observers

Marcio CASTRO DE SOUZA, Food and Agriculture Organization of the United Nations (FAO)

FiTI International Secretariat

Sven BIERMANN

Guests

None