



Fisheries
Transparency
Initiative

21st meeting of the FiTI International Board

29 June 2023, Conference Call

Meeting Minutes

ID: BM-21_2023_MM

Provided by: FiTI International Secretariat

Date: 31.08.2023

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Date	29 June 2023
Time	Noon – 3.15 p.m. Universal Coordinated Time (UTC)
Venue	Conference Call (Zoom)
Supporting document(s)	<ul style="list-style-type: none"> ▪ Annual Financial Statement 2021 of the FiTI, including Audit Report by Pool & Patel Chartered Accountant (dated: 16 June 2023)

Outcomes of meeting

1. Welcome and administration

The Chair of the FiTI International Board, Valeria MERINO, opened the 21st International Board meeting by welcoming all participating Members and Observers.

Apologies were noted prior to the meeting from Board Member Hugh GOVAN (stakeholder group: Business Sector) as well as Observers Marcio CASTRO DE SOUZA (UN FAO) and Julien MILLION (World Bank). Hugh delegated his voting power to Keith ANDRE, as Appendix I shows.

After all eligible participants joined, Mr Sven BIERMANN, Executive Director (ED) of the FiTI International Secretariat, determined that a quorum for this meeting was reached¹:

Pro-rated attendance of Board Members ² :	At least two Board Members per stakeholder group?	Attendance of Observers:
14.8 out of 18 votes	Yes	0 out of 3

The FiTI Chair emphasised that Board Members were requested to voice to her their concerns or anticipated contentious issues about any of the points included in this agenda before this meeting. This way, such aspects could be incorporated into the discussion, additional information could be gathered, and time in the agenda could be allocated if needed. Board Members communicated no such concerns or feedback before this meeting.

¹ In accordance with article 14 (7) of the constitution of the association of the Fisheries Transparency Initiative (as of 13 May 2021): *‘No binding decision shall be made in an FiTI International Board meeting unless a quorum is present at the time of making the decision. Half of the total number of members (including proxies), with at least two members from each stakeholder group, forms a quorum.*

² In accordance with article 14 (13) of the constitution of the association of the Fisheries Transparency Initiative (as of 13 May 2021). *‘Every member has one vote, unless the current total number of members is not equally distributed among the stakeholder groups stated in Article 8. In such a case, voting power shall be determined on a pro-rated system, ensuring that all stakeholder groups have equal voting power.’*

As not all 18 seats have been filled for this Board meeting, the pro-rated voting powers for this FiTI International Board meeting were determined as follows:

- **Government sector:** Currently four Board Members → each Board Member carries 1.5 votes.
- **Business sector:** Currently five Board Members → each Board Member carries 1.2 votes.
- **Social sector:** Currently three Board Members → each Board Member carries 2 votes.

2. Election of new International Board Members

The FiTI Chair recalled that as of 29 June 2023, the FiTI International Board comprises the FiTI Chair, 12 voting Board members (distributed among three stakeholder groups, as outlined below), and three permanent observer organisations.

Stakeholder group	Current Board Members	Vacant membership seats
Government sector	4	2
Business sector	2 (Large-scale)	1
	3 (Small-scale)	0
Social sector	3	3
	<u>12</u>	<u>6</u>

Following the 2022 membership election procedures for the FiTI association³, the FiTI Chair received the following three additional applications (all for the Social sector stakeholder group) between March and May 2023:

- Mr Umair Shahid, nominated by the World Wide Fund for Nature (WWF);
- Mr Zacari Edwards, nominated by the International Pole & Line Foundation; and
- Dr Ketakandriana Rafitoson, nominated by Transparency International.

All three applications were submitted to the International Board by the Board Election Committee for shortlisting via Board Circular No. 13 and approved by the Board on June 21st, 2023.⁴

After the shortlisting, the Election Committee (comprising of Annie Tourette, Alfredo Sfeir, and the FiTI Chair) interviewed the candidates. Each interview was conducted by two members of the Committee and lasted one hour.

³ The FiTI International Secretariat launched the global call for the 2022 membership election to the FiTI association on the 15th of June, 2022, which culminated in the election of seven new members of the FiTI association for the term 1st of January 2023 to 31st of December 2025.

Through Board Circular decision BC-10_2022_D-03, the FiTI International Board approved the adoption of the procedure for the 2021 membership election to the FiTI association as the general procedure for future elections of members until the FiTI International Board deems it appropriate to amend such procedures. Given that in the 2021 procedure the timeframe for receiving applications was extended by five months into the next year, the timeframe for the 2022 membership election process is therefore from 1st of June 2022 until 31st of May 2023.

⁴ Approved via FiTI Board Circular No. 13 [ID: BC-13_2023]. Information about all the candidates was shared with the FiTI International Board during the shortlisting phase of the process.

During the interviews, candidates had the opportunity to speak about their track record, commitment to our mission and vision, how they could contribute to our work, previous experience, time availability, etc. The Election Committee also responded to questions about the FiTI and International Board responsibilities.

After the interview phase was concluded, the Election Committee discussed their impressions about each candidate and decided to recommend all three candidates to the International Board for their final decision.

During this Board meeting, the Election Committee presented the recommended candidates to the International Board and clarified questions from the participants. After a thorough discussion, the participating Board Members reached the following decisions by consensus:

Decision [BM-21_2023_D-01]:

The International Board approved the nominations of the Election Committee for the election of the following three new members of the FiTI association for the term starting on the 1st of August, 2023, and ending on the 31st of July, 2026:

- **Mr Umair SHAHID, nominated by the World Wide Fund for Nature (WWF); stakeholder group: Social sector; first-term election;**
- **Mr Zacari (Zac) Edwards, nominated by the International Pole & Line Foundation; stakeholder group: Social sector; first-term election; and**
- **Dr Ketakandriana (Ke) Rafitoson, nominated by Transparency International; stakeholder group: Social sector; first-term election.**

If the feedback from the candidates' referees does not dispute a candidate's suitability, the election process will be considered complete by the Board, and the results will be publicly announced.⁵

In addition, the following aspects concerning FiTI membership elections were raised by the participants:

- It was emphasised that membership in the FiTI International Board is personal and not institutional, and therefore, all members should obtain regular feedback from other individuals and organisations within their stakeholder group to ensure the FiTI benefits from the broadest representation of interests, positions, and experiences possible.

⁵ Before formally taking office, all new Board Members will be appraised on the content of FiTI's core governance documents, the FiTI Standard, and other information about the FiTI's current and future programmatic goals.

- It was noted that the composition of the FiTI International Board should not be too focused on particular fisheries (e.g. tuna) and that it would be highly recommended that the final vacancy for the Business stakeholder group (Industrial fishing) should be filled with a candidate from a non-tuna fishery or other groups involved more broadly in the fishing sector.
- Similarly, it was emphasised that attention should continue to be paid to gender diversity within the FiTI International Board.

After the election, the FiTI Chair stated her delight to welcome this group of emerging global leaders, who will bring to FiTI's work different perspectives from within social sector organisations committed to marine fisheries sustainability.

3. Approval of Audited Annual Financial Statement 2021

The FiTI Chair recalled that during the 18th meeting in September 2022, the FiTI International Board made the following decision [BM-18_2022_D-7]: *'The International Board approved the appointment of the Seychelles-based audit company Pool & Patel Chartered Accountants to conduct an independent audit on the FiTI's 2021 annual financial statement.'*

The Audit Report for the FiTI's Annual Financial Statement for 2021 has now been finalised by the engaged Seychelles-based auditor Pool & Patel Chartered Accountants, stating that *'In our opinion, the accompanying financial statements of the Association are prepared, in all material respects, in accordance with the requirements of the Seychelles Association Act.'*

The audit was conducted in accordance with International Standards on Auditing (ISAs).⁶

The FiTI Chair asked the ED to present the key parameters of the FiTI's Annual Financial Statement for 2021 to the participants. The ED offered the following opening remarks:

- The responsibility to prepare annual financial statements lies with the Executive Committee of the FiTI association (which is part of the FiTI International Secretariat).
- The approval of annual financial statements by the FiTI International Board is required by the FiTI constitution as well as the Seychelles' Registers Office.

⁶ The Annual Financial Statement for 2021, including the Audit Report from Pool & Patel Chartered Accountants has been shared with all FiTI International Board Members prior to this meeting.

- The reporting currency of the financial statement is Seychelles Rupees (SCR), whereas the operating currencies of the FiTI are Seychelles Rupees (SCR), US Dollars (USD), and Euros (EUR).
- In compliance with donor requirements, the financial statement includes an overview of expenses by type of costs and grants.

After a brief overview of key financial indicators and supporting notes by the ED, several questions from the participants were answered. Particular attention was given to the currency fluctuation during fiscal years 2020 and 2021 (caused by the COVID-19 pandemic). Furthermore, the ED emphasised that the currency fluctuation of the EURO and the USD against the SCR in the fiscal year 2022 was more stable than in the previous two years.

The participating Board Members reached the following decision by consensus:

Decision [BM-21_2023_D-02]:

The International Board approved the FiTI's Annual Financial Statement for 2021 (including the Audit Report, as provided by Pool & Patel Chartered Accountants of Seychelles) with a total equity, deferred grants and liabilities sum of SCR 2,134,844.

The ED stated that the approved statement will be made publicly available on the FiTI's website and submitted to the Registrar General's Office Seychelles.

Furthermore, the FiTI International Board stated its expectations that the FiTI's Annual Financial Statement for 2022, including an Audit Report, should be completed and presented to the Board for approval by the end of 2023.

In addition, the FiTI Chair recalled that per article 23 (1) of the constitution of the association of the Fisheries Transparency Initiative (as of 13 May 2021): the '*FiTI International Board shall appoint an external, independent auditor to audit the finances of the FiTI annually, and to present a written audit report to the FiTI International Board, subject to funding availability.*'

The FiTI International Secretariat proposed reappointing the Seychelles-based audit firm Pool & Patel Chartered Accountants to audit FiTI's 2022 Annual Financial Statement timely.

The participating Board Members reached the following decision by consensus:

Decision [BM-21_2023_D-03]:

The International Board approved the appointment of the Seychelles-based audit company Pool & Patel Chartered Accountants to conduct an independent audit of FiTI's 2022 Annual Financial Statement.

The FiTI International Board emphasised that after the 2022 audit of the FiTI's Annual Financial Statement, a new audit company should be engaged in order to follow generally accepted management practices.

4. Presentation of an eco-label study

The FiTI Chair informed the participants that over recent months, the Swedish Agency for Marine and Water Management (SwAM) has contracted two fisheries consultants⁷ to prepare a study on the benefits of governments transparency in marine fisheries according to the FiTI Standard related to eco-certification efforts for fisheries. This study includes and is the result of the following:

- Desktop research, e.g. comparing two major fisheries certification standards, the Marine Stewardship Council (MSC) and Friend of the Sea (FoS), with the FiTI Standard;
- Consultations with key stakeholders to verify and supplement the information gathered during desktop research (including Conformity Assessment Bodies (CABs), MSC experts, and FIP participants);
- Summary of key findings and recommendations.

The FiTI International Secretariat collaborated in this study and provided input for the methodology and the final deliverable (under the FiTI's 'beneFiTIng' programme).

Both consultants – Mr Carlos SONDERBLOHM and Mr Jose PEIRO CRESPO – as well as former Board Member Ylva MATTSSON from SwAM were invited to this meeting to present the key findings from this study:

- 94% of the interviewed/surveyed stakeholders viewed a more transparent fishing management body as beneficial for eco-certification initiatives.
- 70% of the interviewed/surveyed stakeholders indicated that they consider the level of transparency of the management body when calculating the cost of the fisheries assessment process. Furthermore, 100% of the interviewed/surveyed stakeholders agreed that the lack of data would increase the budget for a Fisheries Improvement Project.
- Another key finding of this study suggests that implementing the FiTI Standard could help improve evaluations of specific performance indicators within the MSC Standard, particularly those associated with Principles 1 (Stock status) and Principle 3 (Management system). Furthermore, the FiTI Standard's transparency

⁷ Carlos Pombo Sonderblohm and José Peiró Crespo

requirements appear to impact at least four requirements of FoS: stock status, legal conformity, fishery management, and social accountability. Furthermore, there are opportunities for integrating FiTI's transparency requirements into the fisheries certification process, particularly in the pre-assessment phase (e.g. during the development of Fishery Improvement Projects (FIPs)).

- Under the MSC Standard 3.0 a new innovative tool, the Evidence-Based Framework (ERF), has been incorporated to assess the accuracy and quality of information for various performance indicators. Initiatives like the FiTI could, therefore, clearly strengthen the certification process by supporting national authorities in ensuring the timely provision of accurate, comprehensive, and accessible data.
- Knowledge about the FiTI Standard among relevant certification stakeholders, such as Conformity Assessment Bodies (CABs), MSC experts, and FIP participants, is still limited.

Furthermore, the study also analysed ongoing MSC certification processes in the Seychelles (i.e. three full assessments for certification and four comprehensive FIPs). Evidence gathered for this study revealed an increasing utilisation of FiTI Reports, particularly in the scoring of MSC Principle 3 (P3), specifically Sub-Indicators (SI) 3.1.2 and 3.2.3. FiTI Reports are frequently cited to support the scoring rationale, directly influencing the scoring process.⁸ In other cases, the FiTI Reports are recognised as strengthening Seychelles' national fisheries management system.



Case Study: ongoing MSC certification processes in Seychelles

<p>Fishery: Indian Ocean Longline Tuna Fue Shin Fishery FIP CAB: Ocean Outcomes Co. Ltd. Status: FIP April 2023-2028 Client: FSF (Fue Shin Fishery) Co. Ltd. Source: https://fisheryprogress.org/fip_profile/pacific-ocean-tuna-longline-fue-shin</p>	<p>From pre-assessment report:</p> <p>3.2.2 Accountability and transparency of management system and decision-making process</p> <p>Seychelles: "Details of the amount of vessels engaged in the industrial longline fishery are available on the SFA website (SFA 2021). Elsewhere on the website the SFA Annual Fisheries Statistic Report gives an excellent picture of the pattern of catches within the EEZ including by the international long-line fleet (SFA 2019). This excellent level of transparency is driven by Seychelles pioneering involvement in the Fisheries Transparency Initiative (FTI), although their 2019 report notes that further improvements in transparency are still required, including making fishery access agreements publicly available (FTI MSC, 2021). S2B is met."</p> <p>3.2.3 Monitoring and management performance evaluation</p> <p>It is possible the current work being undertaken by the Blue Economy with the input of independent consultants and the advice from such as the World Bank and FTI (FTI MSG, 2022) contribute to an excellent external review of the Seychelles management system.</p>
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Opportunities for Linking Standards

Capacity Building and Training : Foster capacity building initiatives to educate fisheries management bodies, auditors, and certification assessors on the principles and requirements of both certification standards and FTI



Fisheries transparency on the agenda of SWIO countries as regional workshop gathers governments, businesses and civil society in Seychelles

30 March 2023 • By Will May

⁸ For example, the pre-assessment of the Indian Ocean Longline Tuna Fue Shin Fishery FIP stated under '3.2.2.2 Accountability and transparency of management system and decision-making process' that "Details of the amount of vessels engaged in the industrial longline fishery are available on the SFA website (SFA 2021). Elsewhere on the website the SFA Annual Fisheries Statistic Report gives an excellent picture of the pattern of catches within the EEZ including by the international long-line fleet (SFA 2019). This excellent level of transparency is driven by Seychelles pioneering involvement in the Fisheries Transparency Initiative (FiTI), although their 2019 report notes that further improvements in transparency are still required, including making fishery access agreements publicly available."

The FiTI Chair thanked both consultants as well as the Swedish Agency for Marine and Water Management (SwAM) for producing this study, which can serve as a starting point for discussing the positive contribution of transparency and, more specifically, the implementation of the FiTI Standard, for fisheries eco-certification efforts.

It was noted that the study will be made publicly available at the beginning of September 2023. The FiTI International Secretariat and SwAM are also discussing a global webinar on this topic to raise more attention to the benefits of government transparency.

5. Re-appointment of the FiTI Executive Director

The FiTI Chair explained that the ongoing appointment of the FiTI International Secretariat's Executive Director, Mr Sven BIERMANN, ends on December 31st, 2023. Before this meeting, the FiTI Chair consulted with Sven if he was willing to continue in his current position, and he expressed his serious interest and desire to serve for another four years as the Executive Director.

The FiTI Chair asked Sven to briefly reflect on past accomplishments and outline his plans for the FiTI. As part of this, the ED emphasised his high motivation to continue working for the FiTI and leading the International Secretariat.

Afterwards, Sven recused himself from the meeting to allow the Board members to discuss and decide on this issue. The Board discussed and analysed the contributions made by the ED to the organisation, its steady growth under his leadership, its impact, and the ED's vision for the future. Taking into consideration Sven's motivation, past performance, and future ideas to lead the International Secretariat, the Board Members reached the following decisions unanimously:

Decision [BM-21_2023_D-04]:

The FiTI International Board approved the reappointment of Mr Sven BIERMANN as the Executive Director of the FiTI International Secretariat starting on January 1st of 2024, when his current appointment ends, until December 31st, 2027.

Once a decision was taken, Sven was asked to rejoin the meeting and was informed about his re-appointment. The FiTI Chair expressed her satisfaction with the Board's decision, congratulated the ED on his re-appointment, and conveyed that the Board considers Sven the right leader for the FiTI in this current phase, which demands institutional expansion. Dr Merino also expressed her expectation that Sven will continue ensuring that the FiTI remains focused, strategic, nimble, and true to its mandate to make the FiTI Standard the most broadly accepted standard for transparency in marine fisheries management worldwide.

6. Status of African Development Bank as Observer

The FiTI Chair emphasised briefly that the African Development Bank (AfDB) has been a long-standing supporter of the FiTI from its beginning, initially serving as an observer to the Advisory Group that was tasked with drafting and approving the FiTI Standard (2015 to 2017) and since April 2017, served as a permanent observer organisation to the FiTI International Board.

The AfDB is represented by its African Natural Resources Management and Investment Centre (ANRC), a non-lending department of the AfDB with a mandate to assist African countries in maximizing development outcomes derived from natural resources (including fisheries).

In September 2022, the FiTI Chair was informed in writing about the intention of the AfDB to designate a new representative of the AfDB for the FiTI International Board⁹. As part of this proposed change, the FiTI Chair and the FiTI Executive Director engaged in several online conversations and email exchanges with representatives from the ANRC to explore a more robust cooperation agenda with the AfDB. The FiTI's desire to develop a relationship with the AfDB comparable to that with other international financial entities, such as the World Bank, was expressed. This relationship would include, among other things, a more explicit AfDB mandate to support the implementation of the FiTI at the country level across Africa, among other things.

During these exchanges, the ANRC confirmed that the Centre is currently facing resource and staffing constraints and is not able to allocate significant resources or time to the activities of the FiTI for the time being. Furthermore, while the colleagues of the ANRC expressed their commitment to exploring opportunities for incorporating transparency into Bank investments in the fisheries sector, the fact that the Centre's status is that of a non-lending department means that it is not always part of investment discussions between the Bank and partner countries (which could help them to advocate for the FiTI in case of fisheries investment opportunities).

The FiTI Chair expressed the desire for a continued partnership between the AfDB and the FiTI, exploring a possible new counterpart at the AfDB and stressing the desire to have a mutually complementary and beneficial collaboration. Therefore, the FiTI Chair informed the colleagues of the ANRC that the AfDB's status as an observer organisation in the FiTI International Board would be discussed at the next Board meeting.

As there was insufficient time to discuss this matter in detail during this meeting, the participating Board Members reached the following decision by consensus:

⁹ Proposed change: Ms Salimata Soumare (outgoing) – Mr Philippe Tous (incoming)

Decision [BM-21_2023_D-05]:

The FiTI International approved the establishment of a short-term Working Group to discuss further the role, expectations, and collaboration parameters for observer organisations, particularly the relationship with the African Development Bank. The FiTI Chair was tasked to organize a Working Group comprised of Board members and Observers, if appropriate.

7. Status of Senegal as a committed country

Finally, the FiTI Chair briefly recalled that during the 18th meeting in September 2022, the FiTI International Board stated that the level of progress demonstrated by Senegal's national authorities over the last years was highly unsatisfactory – despite recent advancements, such as the inclusion of the FiTI commitment in the country's National Action Plan of the Open Government Partnership.

The International Board instructed the International Secretariat to publish an article¹⁰ on its website to summarise the current situation, stating the Board's discontent. The statement was then disseminated to stakeholders in Senegal and through social media, urging the Senegalese authorities to complete the remaining sign-up steps expeditiously and submit the country's FiTI candidacy within the timeframe agreed under its OGP National Action Plan (i.e. August 2023).

Since then – and despite several attempts to engage national authorities in Senegal, e.g. through a country visit of the FiTI Chair in November 2022 and discussions with partner organisations, both national and international with a presence in Senegal– no progress has been demonstrated. In particular, the Senegalese's government still has not appointed a FiTI Lead Ministry, more than six years after its initial public commitment announced by the country's President.

The deadline for action expressed in the FiTI's article last year and communications to the government is approaching (i.e. August 2023). Therefore, the FiTI International Board is requested to determine the most suitable action to address the situation.

As there was insufficient time to discuss this matter in detail during this meeting, the participating Board Members reached the following decisions by consensus:

¹⁰ <https://www.fiti.global/fiti-international-board-urges-senegal-authorities-to-complete-signupsteps>

Decision [BM-21_2023_D-01]:

The FiTI International approved the establishment of a short-term Working Group to discuss further the situation in Senegal. The FiTI Chair was tasked to organize a Working Group comprised of Board members and Observers, if appropriate.

8. Closing

The 21st International Board Meeting ended.

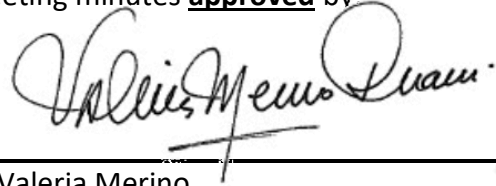
Meeting minutes **provided** by:



Mr Sven Bielmann

Secretary of the meeting; Executive Director of the
FiTI International Secretariat

Meeting minutes **approved** by:



Dr Valeria Merino

Chair of the FiTI International Board.

APPENDIX I: List of Participants

Chair

Valeria MERINO

Stakeholder group: Government sector

Andres ARENS	[Voting power for this meeting: 1.5 votes]
Roy CLARISSE	[Voting power for this meeting: 1.5 votes] ¹¹
Joacim JOHANNESON	[Voting power for this meeting: 1.5 votes]
Annika MACKENSEN	[Voting power for this meeting: 1.5 votes]

Stakeholder group: Business sector

Keith ANDRE	[Voting power for this meeting: 2.4 votes] ¹²
Tony LAZAZZARA	[Voting power for this meeting: 1.2 votes] ¹³
Alfredo SFEIR	[Voting power for this meeting: 1.2 votes]

Excused:

Hugh GOVAN

Not excused:

Dawda Foday SAINÉ

Stakeholder group: Social sector

Maisie PIGEON	[Voting power for this meeting: 2.0 votes]
Annie TOURETTE	[Voting power for this meeting: 2.0 votes]

¹¹ Roy CLARISSE communicated prior to the meeting that he will be unable to attend the first two hours of the meeting but provided his decisions for the relevant agenda items via email to the FiTI International Secretariat on 27 June 2023.

¹² Hugh GOVAN assigned his voting power (1.2 votes) to Keith ANDRE as his proxy in an email to the FiTI International Secretariat on 29 June 2023.

¹³ Tony LAZAZZARA communicated prior to the meeting that he will be unable to attend the last hour of the meeting but provided his decisions for the relevant agenda item via email to the FiTI Chair on 28 June 2023.

Not excused:

Ahmed SENHOURY

Observers

Excused:

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

Julien MILLION, The World Bank Group

FiTI International Secretariat

Sven BIERMANN

Guests

Ylva MATTSSON, Swedish Agency for Marine and Water Management (only partially)

Jose PEIRO CRESPO, Naunet Consultants (only partially)

Carlos Pombo SONDERBLOHM, Naunet Consultants (only partially)