



Request for Quotations

Consultancy on development of a domestic tuna longline fishery

The Tuvalu Fisheries Department (TFD), implementing the New Zealand funded Tuvalu Fisheries Support Programme Phase 2 (TFSP2), is seeking quotations from suitably qualified and experienced consultants to advise on the options for development of a domestic tuna longline fishery operating mainly in the Tuvalu EEZ. Details are provided in the terms of reference at www.tuvalufisheries.tv

Timing and delivery

It is expected that inputs of around 70 working days will be required, but these can be spread over a longer period. Due to travel restrictions, it is expected that the work will be shared between an international consultant, working from home, a national consultant based in Tuvalu, and possibly a second national consultant based in Fiji. The consultancy will start as soon as possible after this selection process, and consultants should confirm their availability.

Requirements (qualifications and experience)

Proposals will be assessed against the following criteria by the senior management committee of the TFD:

- Relevant qualifications and experience for providing advice and recommendations on developing commercial fisheries;
- Experience of the tuna longline sector in the Pacific Islands, particularly the fleets based in Fiji;
- Experience of financial and economic analysis of fishing operations;
- Value for money.

Submission of proposals

Interested consultants should submit the following information in support of their proposal:

- a) Confirmation of the dates on which they will be available;
- b) A brief proposal addressing the requirements listed above and an outline of the methodology they will use to approach the assignment;
- c) A brief curriculum vitae of the consultants;
- d) A cost estimate providing fees (daily rate and total) and any incidental costs. A lump sum contract in Australian Dollars, with payment based on deliverables, is preferred.

Proposals should be sent by email to michaelb@tuvalufisheries.tv and should reach him by 5.00 p.m. local time (in Tuvalu) on **Friday 17th September 2021**. Any questions on the proposed consultancy can be sent to the same email address and will be answered within 3 working days.

This request for proposals should not be construed as an offer to any consultant contacted. TFD reserves the right to reject any or all proposals, and to negotiate with any bidder if the original proposal is not acceptable.

Terms of Reference for Technical Assistance:

Background

The Mission of the Tuvalu Fisheries Department (TFD) is to maximise social and economic returns to the people of Tuvalu through the sustainable management and wise use of Tuvalu's living marine resources. The specific activity of the TFD Corporate Plan relevant to this consultancy is: 'maintaining and, where possible, increasing economic benefits from the tuna fishery.'

Tuvalu has significant tuna resources in its 900,000 km² Exclusive Economic Zone, which are exploited by purse seine, longline and small-scale artisanal troll boats. Annual catches fluctuate considerable but are typically over 100,000 tonnes per year by purse seine (90% Skipjack) and around 4,000 tonnes by longline (with roughly equal quantities of Albacore, Bigeye and Yellowfin). The local troll catch, which is the only tuna landed for the local market, is a few hundred tonnes per year comprising skipjack and small yellowfin mainly.

The vast majority of the catch is taken by foreign flag vessels operating under access agreements; but Tuvalu has recently expanded its fleet of Tuvalu-registered purse seine vessels to six, and also operates one longline vessel based in Suva. While having an economic interest in these fleets, and planning to place crew on-board the purse seiners, they are still managed and financed by foreign fishing companies.

For many years, Tuvalu Governments have aspired to 'catch our own fish': that is to have commercial tuna fishing vessels that are owned, operated and manned by Tuvaluans. There has been some past experience. From 1982 and for many years the National Fishing Corporation successfully operated a 180 tonne Pole and Line vessel donated by Japan. On the other hand, efforts to commission two small tuna longliners, sourced from Korea in 2005, were less successful and the boats never operated. In recent years, the only boats catching tuna that are owned and operated by Tuvaluans are a fleet of 5-7 metre skiffs that troll for surface tuna for the local market.

Due to the high investment costs of the purse seine fishery, this study will look at the feasibility of establishing a domestic longline fishery at either or both of two possible scales:

- 1) A small scale, locally based tuna longline fleet, operating within 24 n. mi. of land using 12-metre vessels with a 500-600 hook longline and other appropriate methods, and landing catches mainly, if not entirely for the local market;
- 2) An industrial scale longline operation, using ULT freezing to supply tuna for export, and based in Fiji but fishing mainly in the Tuvalu EEZ.

The objective would be to establish a sustainable fishing enterprise that generates employment for Tuvaluans (including a number who have been employed on Tuna longliners in Australia); strengthens food security; and generates export revenue. It is possible that the capital costs of the vessels and technical assistance to establish the operation, could be supported by grant-aid funding. The study should consider any opportunities for new operators that may arise in the aftermath of the COVID pandemic which has greatly disrupted existing tuna longline fisheries (and to a lesser extent food imports to Tuvalu.)

The Tuvalu Fisheries Support Programme Phase 2 (TFSP2), which is funded by New Zealand, is supporting the implementation of the Corporate Plan, and is providing funding for this study.

Objective:

The objective of the consultancy is to set a course for the development of a viable and sustainable domestic tuna longline fishery operating in Tuvalu waters.

Scope of work:

The Consultant will be expected to undertake the following tasks:

- a) Hold an inception meeting by videoconference between the consultants senior staff of the Fisheries Department and NAFICOT to confirm the scope of the study and work out any details;
- b) Review reports and information on the longline fishery in Tuvalu waters, to establish catch rates, species composition and other key parameters – if necessary TFD can request additional information or analysis from SPC;
- c) Critically review reports on the possible development of a fleet of 12 metre catamaran ice-boats to operate in coastal waters in Tuvalu, as well as lessons learned with small-scale longlining in other countries in the region;
- d) Establish the specifications, capital costs and operating parameters of the most suitable small ultra-low temperature longliner for operating in Tuvalu waters from a base in Fiji – it is suggested this would be less than 200 GRT;
- e) Using national consultants, establish current prices for determining operating costs of fishing, processing and exporting tuna, as well as sale prices on export and domestic markets, for operations based in Funafuti and Suva;
- f) Using national consultants as necessary, discuss with the authorities in Fiji and Tuvalu any incentives or concessions that may be available for basing tuna longline fisheries (there have been some high level discussions between Tuvalu and Fiji on this subject);
- g) Develop simple financial models that can be used to establish breakeven catch rates and operating levels (fishing days per year) for fishing enterprises operating 2-3 vessels: (i) 12 m. catamarans based in Funafuti; and (ii) ULT longliners based out of Suva;
- h) Comment on the outcomes of these models in terms of the feasibility of developing either or both of these fisheries and advise on development assistance that may be needed (for capital costs and technical assistance) for a sustainable operation;
- i) Advise on fleet management options for each of the two models – this might include outsourcing to an established longline fishing company, technical assistance, or both;
- j) Review and comment on the options for vessel ownership: Government, NAFICOT, private sector, island communities, or any other options;
- k) Consider the impact on local small scale trolling enterprises of landing longline catches or by-catch on the local market, and advise how this can be mitigated;
- l) Provide any other advice or recommendations that may be relevant.

Requirements (qualifications and experience):

Proposals will be assessed against the following criteria by the senior management committee of the TFD:

- Relevant qualifications and experience for providing advice and recommendations on developing commercial fisheries;
- Experience of the tuna longline sector in the Pacific Islands, particularly the fleets based in Fiji and/or Samoa;
- Experience of financial and economic analysis of fishing operations;
- Value for money.

Timing and delivery:

It is expected that inputs of around 70 working days will be required, shared between two or three consultants. The study should commence soon after the selection of the consultant team, and should be completed by the end of 2021.

Deliverables:

There are three deliverables:

- An inception report providing a plan and timetable for the consultancy study;
- A simple financial spreadsheet for analysis of the viability of each of the two development options. It should be possible to modify and update this with information to be collected from fishing trials in 2022;
- A final report that addresses all aspects of the scope of work, and makes clear and concise recommendations for the development of a domestic longline fishery.

In each case the draft output should be submitted to TFD for comment, and a final version provided taking these comments into account.

Payment schedule:

The proposed payment schedule is for a lump sum contract, payable in AUD, with payments on receipt and acceptance of deliverables as follows:

- 20% of fees on acceptance of the inception report;
- 30% of fees on acceptance of the financial spreadsheet;
- 50% of fees and any eligible expenses on acceptance of the final report.

The consultant may propose an alternative payment schedule in their quotation if this is not acceptable.