

**Marshall Islands**  
**Marine**  
**Resources**  
**Authority**



**ANNUAL REPORT 2014**

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Printed October 2015

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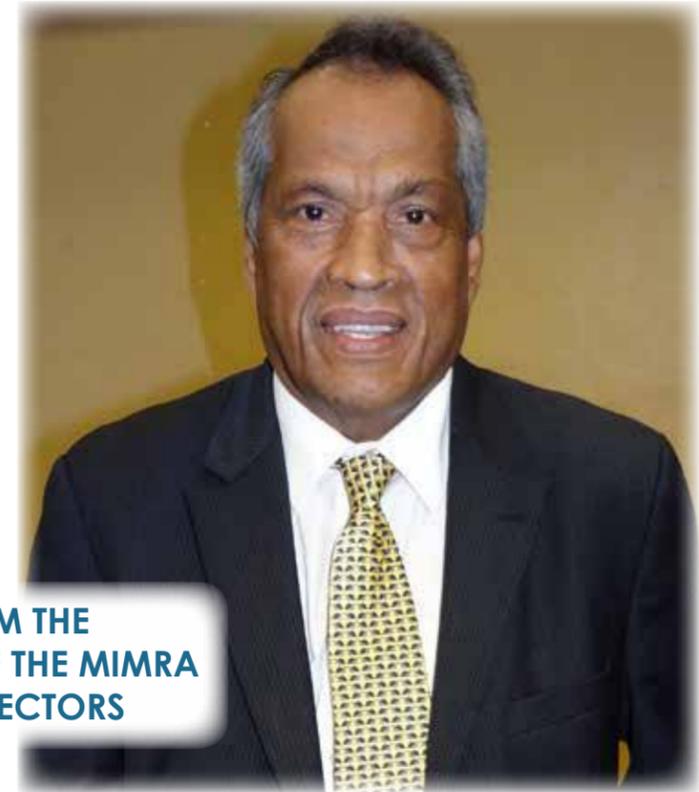
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The photographs in this report were taken by Peter Houk, Hiro Ueda, Benedict Yamamura, Kalena deBrum, Isaac Marty, Hilary Hosia, Giff Johnson, and Karen Earnshaw.

## PNA alliance leads to a 57 percent increase in MIMRA income



### MESSAGE FROM THE CHAIRMAN OF THE MIMRA BOARD OF DIRECTORS

**F**iscal Year 2014 continued to see momentous developments in the fisheries industry as the Marshall Islands Marine Resources Authority positioned itself to effectively manage both its coastal fisheries program and the oceanic commercial tuna fishery. On behalf of the Board of Directors, management and staff of MIMRA, I'm happy to present this year's annual report, which reflects the ongoing expansion of MIMRA operations.

The Marshall Islands' participation in the eight-nation Parties to the Nauru Agreement generated a 57 percent increase in revenue compared to FY2013 from PNA's Vessel Day Scheme (VDS). Overall, MIMRA generated operating revenues up 70 percent in FY2014 compared to the previous year. I wish to emphasize that MIMRA is audited annually. MIMRA's FY2014 audit conducted by Deloitte was unqualified and did not find any significant deficiencies or material weaknesses in internal control, which confirms MIMRA's accountability.

The dramatic increase in revenue produces its share of management challenges, which MIMRA has tackled head on. During the year, MIMRA was involved in a series of reviews, management planning exercises, and technical assistance projects to strengthen management capacity within the Authority.

These included:

- **Tuna transshipment study.** As Port Majuro has developed into the busiest tuna transshipment hub in the western Pacific, improving management oversight, monitoring and data collection is essential to managing the expanding transshipment operation in Majuro. This study with recommendations is helping MIMRA to improve its policy regime governing transshipment.

### BOARD MEMBERS

**Permanent:** Minister of Resources and Development, Secretary of Foreign Affairs, Attorney-General

**Two-year terms:** Thomas Kijiner, Carlos Domnick, Diane Myazoe-deBrum, Sonny Milne

- **Fisheries management/development plan.** Work was ongoing in FY2014 to develop a combined fisheries management and development plan combining both coastal (domestic) and oceanic (commercial) sectors of the fishing industry.

- **World Bank-supported technical assistance.** This multi-year technical assistance plan was negotiated during FY2014, with plans to begin rolling it out at the end of FY2015. The Marshall Islands is one of four Pacific nations that will participate in this World Bank-supported pilot project to strengthen governance and sustainability of the Authority and its programs.

During FY2014, Samoa hosted the Small Island Development States summit, which focused on sustainable development needs of our islands, including a significant focus on fisheries sustainability issues. The recommendations coming from the SIDS Summit support MIMRA's fisheries development

plans that are founded on the goals of sound conservation and long-term sustainability.

While our engagement in the oceanic commercial tuna fishery has expanded greatly over the past several years, the coastal program has not kept pace, largely for lack of resources. As we look ahead to FY2015 and beyond, expansion of marine resource management plans is essential to improving food security and economic opportunities for our local populations on remote outer islands. MIMRA's new Fisheries Development Plan will guide renewed efforts to engage with outer island local governments and communities in evaluating their resources and establishing effective management plans. Directly related to this is legislation that will be introduced into Nitijela in FY2015 to establish a Protected Areas Network law that will support development of domestic sustainable fisheries programs.

Plans for construction of a new MIMRA headquarters are advanced, with construction expected to begin in FY2016, a development that will enhance MIMRA programs.

This report summarizes the significant developments in the fisheries sector for FY2014.

Komol tata.

**Michael Konelios**

**Minister of Resources and Development  
Chairman, MIMRA Board of Directors**

# MIMRA is striving to raise the bar on the management of our fisheries'



## MESSAGE FROM THE MIMRA DIRECTOR

**M**IMRA's goal in FY2014 — and continuing forward — is to raise the bar for fisheries management in the Marshall Islands. An important focus for the Authority has been improving its fisheries monitoring, control and surveillance (MCS) capacity to effectively manage the rapidly growing fishery. Ramping up all aspects of management of the fishery are essential to ensuring it is operating at a sustainable level, that the Marshall Islands receives an increasing level of benefits from the fishery, and that distant water fishing nations and domestically-based operators abide by laws and regulations governing the fishery.

Key to this are four areas of focus for MIMRA:

- **Fisheries observers.** MIMRA, in cooperation with the Secretariat of the Pacific Community (SPC) and the Parties to the Nauru Agreement (PNA), conducted regular fisheries observer training programs to bring new observers into these front-line fisheries monitoring jobs. The goal is to increase the number of Marshall Islands fisheries observers to 100, which means the training initiative will be ongoing to expand our capacity to provide observers both for purse seine and longline fishing vessels.

- **Collaboration with Sea Patrol.** MIMRA continued to partner with Marshall Islands Sea Patrol by providing fuel and other resources, as well as working together at the enforcement level, to improve monitoring, control and surveillance of the fishery. Sea Patrol provides an essential enforcement capacity and MIMRA will continue to collaborate with Sea Patrol going forward.

- **Participation in Shiprider program.** The Marshall Islands has "Shiprider" agreements now with both the U.S. Coast Guard and the U.S. Navy that allow Marshall Is-

lands marine enforcement personnel to ride on U.S. vessels in the Marshall Islands' exclusive economic zone to enforce the nation's sovereign fishing rights. This resulted in multiple boardings for compliance verification of vessels fishing in the Marshall Islands' EEZ during FY2014, significantly expanding surveillance activities beyond what Sea Patrol's lone patrol vessel can accomplish. MIMRA aims to expand its participation in the Shiprider program in future years.

- **Participation in regional and international fisheries forums and agreements.** MIMRA staff played an active role during FY2014 in the Western and Central Pacific Fisheries Commission annual meeting and various technical committees that oversee fishing on the high seas and stock assessments. Similarly, staff engaged with the Forum Fisheries Agency and the Parties to the Nauru Agreement, among others, to ensure that the Marshall Islands met its obligations to regional fisheries conventions and agreements, including the provision of required fishing catch data essential for scientists to produce accurate stock assessments. Participation with these regional and international organizations allows MIMRA to engage

with fisheries management programs and initiatives of other nations, and to ensure that it is implementing "best practice" policies for managing Marshall Islands fisheries.

Several technical assistance projects ongoing in FY2014 helped build management capacity within MIMRA, and finalization of the Fisheries Development Plan will guide sustainable fisheries work in a systematic manner.

Although oceanic fishery work tends to dominate MIMRA's agenda, the Authority continued to push development of marine management plans for outer islands in the Marshall Islands during FY2014. These conservation and management plans are essential to maintaining sustainability in local fisheries programs. The coastal program, largely focused on food security for our isolated communities, and the domestic commercial fishing program will continue to receive support as MIMRA works to ensure the fruits of its fisheries management accrue to all sectors of the population.

**Glen Joseph**  
Director

'The Authority continued to push development of marine management plans for outer islands in the Marshall Islands during FY2014.'



## 'An essential element is hands-on scientific research to obtain data to guide policy'

**M**IMRA's Coastal Fisheries Division oversees a variety of programs aimed largely at ensuring conservation and management of domestic fisheries resources and participation of outer island communities in decision-making about resource protection and management for sustainability.

A key component of this is work with outer island communities, including local governments and traditional leaders, to develop resource management plans. This involves MIMRA staff engaging with outer island communities in a process of understanding the need for a management plan, identifying resources essential to the sustainability of these remote communities, and drafting a sustainable management plan for inshore or coastal fisheries resources.

These efforts are time consuming and complex, requiring, in addition to extensive consultation with local communities, consultation and partnership with organizations and government agencies that work in areas related to marine resources. Once the plans are developed, MIMRA continues to assist local communities to implement the plans.

MIMRA's partnership with the Coastal Management Advisory Council (CMAC) is an important part of its work in implementing the Reimaanlok National Conservation Area Plan.

CMAC brings a multi-agency/organization approach to this national conservation work, which is essential to progress



**HIGHLIGHTS: UNDERWATER SURVEYS HELP PLANING FOR THE FUTURE**

*Underwater surveys have become a key part of MIMRA's ongoing work to gather the scientific data needed to characterize marine resources and create strategic plans for future sustainability.*

for meeting Marshall Islands' conservation obligations under the regional Micronesia Challenge. The focus of the Micronesia Challenge is to effectively conserve 30 percent of near-shore marine resources and 20 percent of terrestrial resources by 2020. An essential element to these conservation

efforts is hands-on scientific research to obtain data that can be used to guide policy.

During FY2014, MIMRA's Coastal Fisheries Division continued a sampling program that is studying growth patterns of six species of popular reef fish. Coastal Fisheries Division staff also worked with a team from the University of Guam and

the College of the Marshall Islands on a baseline underwater survey to gather scientific data needed to characterize marine resources and assess the condition of the coral-reef ecosystem of Namdrik Atoll, and did follow up surveys at Ailuk, Rongelap and Majuro with University of Queensland representatives.

Outer Islands Fish Market Center (OIFMC) and the Kwajalein Atoll Fish Market Center (KAFMC) provide fresh fish into the Majuro and Ebeye markets and in the case of Ebeye, in addition to fish, local produce from the outer islands is sold, injecting cash into the outer island economies.

In FY2014, the OIFMC purchased 110,483 pounds of fish from nine outer atolls, paying local fishermen \$116,853.13. This fish was transported by OIFMC vessels to Majuro for sale.

The KAFMC paid outer islands fishermen from five atolls and islands \$28,473 for fish, and local residents another \$3,105.29 for produce that was transported by KAFMC vessels to sell on Ebeye Island. Fish market staff work with outer island fishers to enforce quality standards and size limits on the fish purchased.

Continuing high fuel prices during the period and limited availability of a vessel resulted in irregular service by KAFMC to the outer islands it serves, while the OIFMC restructured its outer island pickup service by serving multiple islands on one trip to maximize the volume of fish collected on each visit. Overall number of trips to the outer islands by OIFMC increased in FY2014, though for some atolls the number declined slightly.

The Division also organized outreach education and awareness visits to schools on Majuro.

These visits included presentations with question and answer sessions about fisheries topics to engage students in learning about this important aspect of economic development in the Marshall Islands.

These talks covered topics ranging from the health of coral reefs to turtle conservation and management initiatives. These presentations to primary and secondary students emphasized the importance of



**Above: Women of Ailuk Atoll prepare fish for collection by one of MIMRA's boats. Left: MIMRA's Ms Jebro. Opposite page: Ajeltake Elementary School sixth graders enjoy a field trip to the Outer Islands Fish Market Center located at Uliga Dock on Majuro.**

**Fish market centers in Majuro and Ebeye bought fish from 12 atolls worth \$145,326.12 during FY2014.**

conservation and management to the sustainability of marine resources.

The Division monitors the marine ornamental trade, which saw significant growth in exports during FY2014. Seven Marshall Islands-based companies export marine ornamentals mainly for the aquarium trade overseas. Products exported included live fish, giant clams, frozen fish and various marine invertebrates.

In FY2014, exports of giant clams *Tridacna Derasa* increased to over 4,000 compared to about 1,500 in FY2013, while *Tridacna Maxima* rose to 3,500 compared to about 1,000 the previous year. Angel fish (*Pomacanthidae*) exports increased from about 15,000 in FY2013 to over 50,000 in FY2014.

Corals and invertebrates saw significant growth during the period. Although the Marshall Islands is not a party to Conven-

## FISH MARKETS HELP LOCAL FISHERS

The Outer Islands Fish Market Center (OIFMC) on Majuro bought fish from fishers on Arno (47 trips), Aur (13 trips), Jaluit (6 trips), Maloelap (14 trips), Mili (1 trip), Likiep (2 trip), Ailuk (1 trip), Namu (1 trip) and Wotje (3 trips). During 2014, fishers in these nine atolls earned \$116,853.13 for the 110,483.50 pounds of fish purchased.

OIFMC enforced quality standards and size limits on the fish that are brought in from the outer islands. With fuel costs continuing to remain high in FY2014, OIFMC initiated grouping atolls (Wotje-Likiep, Wotje-Ailuk, and Aur-Maloelap) in one trip to maximize the amount of fish delivered to Majuro.

The Kwajalein Atoll Fish Market Center (KAFMC) experienced limited availability of delivery vessels and high cost of fuel on Ebeye (significantly more expensive than Majuro) so the number of trips to collect fish from the outer islands was limited and inconsistent in FY2014.

Nonetheless, KAFMC bought fish from fishers in Namu, Ailinglaplap, Ailuk, Likiep and Ebeye worth \$28,473.22. KAFMC also bought local produced for \$3,105.29 that it sold on Ebeye.



tion on International Trade in Endangered Species (CITES), the Division issues certificates of origin and health that allow for these products that meet international standards for sustainability to be exported from the Marshall Islands.

Division staff are engaged in a regional ciguatera fish poisoning monitoring project. As a result of a regional workshop on the issue, it was agreed that MIMRA will conduct an epidemiological survey and the

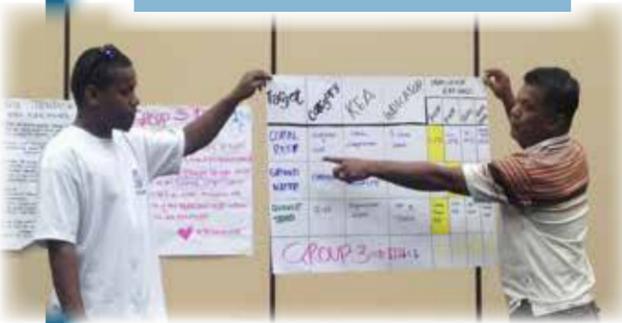
Marshall Islands was named as the regional "focal point" for the ongoing work in this area.

A highlight of MIMRA's program is its long-standing partnership with the Japan Overseas Fisheries Cooperation Foundation (OFCF), which began in 1992.

Each year, during the annual OFCF Japan/Pacific Island Nations Fisheries Directors Meeting on Fisheries Cooperation, OFCF receives project requests from each

country. After conducting field surveys and consultation with each government, the scope of the projects are developed and are followed by the signing of an agreement governing implementation.

Projects implemented during this period included repair and restoration of outboard motors of MIMRA community fishing boats; repair and restoration of MIMRA transport boats; repair and restoration of MIMRA ice plant and KAFMC ice plant;



MIMRA Coastal Division staff work with community stakeholders on fisheries planning activities at various workshops during the year. Community participation in developing management plans is essential for maintaining sustainable fisheries at the community level.



## RMI a focal point for ciguatera

MIMRA Coastal Division staff are participating in a regional project designed to enhance its capacity to address ciguatera fish poisoning-related issues.

The presence of certain algae toxins in fish is a major public health and socioeconomic problem throughout the Asia-Pacific region, including in the Marshall Islands.

A regional workshop brought together representatives from many

nations to learn about the issue, including in the first week a focus on dinoflagellates, and the physiology and ecology of benthic harmful algal bloom species.

*Gambierdiscus toxicus*, a species of dinoflagellate that can cause ciguatera, is a primary species of concern as it contains toxins that cause fish poisoning. The workshop was focused on culturing *Gambierdiscus*, and other technical aspects

of identifying and analyzing causes of fish poisoning.

A new ciguatera detection method known as Receptor Binding Assay (RBA) was demonstrated. An action plan for MIMRA was developed for follow up.

This regional initiative decided the Marshall Islands would conduct an epidemiological survey and become the regional focal point for this project.

**Ciguatera is an illness caused by eating reef fish whose flesh is contaminated with a toxin made by dinoflagellates such as *Gambierdiscus toxicus* which live in tropical waters.**

and technical guidance for fishing boat operators.

New requests for OFCF assistance include: Repair and restoration for fish processing at OIFMC; repair and restoration of MIMRA transport boats; repair and restoration of OIFMC solar power system; repair and restoration of MIMRA and KAFMC ice plants; and advice for stable operation of MIMRA transport boats, ice plants and fishing boats.

### Future directions

Looking to the future for the coastal fishery, MIMRA has budgeted rehabilitation work for the 11 fish bases in the outer is-

lands for next fiscal year.

This will address the pressing need to maintain and upgrade these important assets for the coastal fishery.

In anticipation of a World Bank technical assistance project, outer island work will increase through the Reimaanlok National Conservation Area Plan, as well as identifying additional sustainable projects for community engagement and ownership. The aim is to explore and expand aquaculture, fishing and cross-sector development projects with CMAC partnership.

The Coastal Division will continue and

expand baseline reef and fisheries surveys for outer islands including partnerships with the Secretariat of the Pacific Community and others to develop and implement study methodologies.

MIMRA's new headquarters now in the planning stage will, once constructed, provide an improved environment to support MIMRA divisions, including Coastal and Oceanic.

It will include an operations room for monitoring, compliance and surveillance work, and a laboratory for scientific analysis on the various marine studies in which MIMRA staff are engaged.



The most popular fish, Jato (*Lutjanus gibbus*), top, and Bwilak (*Naso lituratus*), above. Below, a well-stocked day at the Outer Islands Fish Market Center in Majuro.



## Jato, Bwilak in good supply

A spinoff from a Secretariat of the Pacific Community (SPC)-funded Majuro Atoll Climate Change Assessment in 2013 is ongoing collection of reef fish for scientific analysis. Fish demand and sales were reviewed by fish samplers and Outer Islands Fish Market Center staff

to select types of reef fish species to use for biological sampling. Six popular fish were included in the ongoing survey work. Information acquired from the fish samples included: where they were caught, their weight, length, gonad weight, and sex.

From October 2012 to November 2014, 626 fish samples were examined from Aur, Maloelap and Jaluit atolls. Results from two of the species

with highest customer demand, Jato (*Lutjanus gibbus*) and Bwilak (*Naso lituratus*), suggested that the market is receiving an abundance of fish smaller in length than the SPC's recommended harvest size.

The fish survey work has generated important data and the program needs to be ongoing and fish samples need to be collected every month for consistency.

The results from this project will improve our understanding of fish growth rates in the Marshall Islands as a whole, which in turn will inform better management of our fisheries resources, including the ability to advise outer islands fishermen on recommended harvest size limits.



A MIMRA diver records data from a reef.

# Reef health surveyed in depth

MIMRA works in collaboration with the Coastal Management Advisory Council (CMAC), which was formed in 2005 to facilitate communication and cooperation among organizations involved in the management and conservation of coastal and marine resources in the Marshall Islands. The first strategic action plan and team charter was developed for CMAC with support and assistance from The Nature Conservancy (TNC) in 2006.

A second strategic action planning workshop was facilitated by TNC November 5-9, 2013, as a key activity for CMAC to provide guidance and technical assistance as CMAC re-examined its role and structure. This included assessing future Protected Areas Network (PAN). This produced a renewed vision, mission, and goals, as well as an increase in number of partners and stakeholders. An important benefit of the process was widening the scope and circle of expertise, resources, and consultations on sustainable resource management issues.

A major ongoing project for CMAC is the implementation of the Reimaanlok National Conser-

An important benefit of the process was widening the scope and circle of expertise, resources, and consultations on sustainable resource management issues.

vation Area Plan that was developed in 2008. This seeks to fulfill the Micronesia Challenge by effectively conserving 30 percent of near-shore marine resources and 20 percent of terrestrial resources by 2020. To meet this goal, CMAC members work together to conduct resource assessment surveys, implement conservation projects, and advise communities in the establishment of protected areas.

Coral reef surveys and community consultations have been ongoing through the Reimaanlok planning process. The goal of these surveys and consultations is to assist management planning and conservation area establishment by providing information

needed for communities to make informed decisions and take ownership of their management process.

From October 14-21, 2013, a team consisting of the University of Guam Marine Laboratory, College of the Marshall Islands, and MIMRA conducted a baseline underwater survey to gather scientific data needed to characterize marine resources and assess the condition of the coral-reef ecosystem of Namdrik Atoll. Reef characteristics were evaluated based on the abundance of corals related organisms, as well as coral and fish size, density, and biomass. The survey results are being used as part of a broader north Pacific assessment of reef health. On the terrestrial side, another team carried out community consultations in Namdrik including socio-economic surveys and outreach activities during the same week.

Similar surveys to assess the health of reefs in Ailuk, Rongelap, and Majuro were conducted during July-August, 2014 led by the University of Queensland and MIMRA. The surveys were done in these three atolls where baseline data already exists.

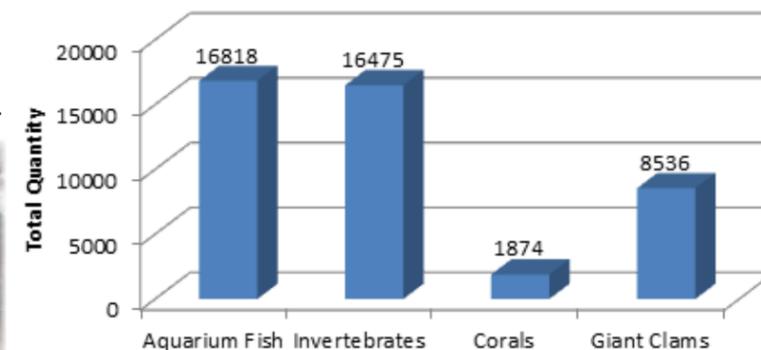


# EDUCATING OUR CHILDREN

The marine ornamental trade saw significant growth in exports during FY2014, with Angel fish (*Pomacanthidae*) exports increased from about 15,000 in FY2013 to over 50,000 in FY2014.



## MARINE ORNAMENTAL EXPORTS 2013-2014



Above: The Coastal Fisheries Division holds regular education and awareness visits to schools on Majuro. These visits included presentations with question and answer sessions about fisheries topics to engage students in learning about this important aspect of economic development in the Marshall Islands.

# MAINTENANCE A MAJOR PROGRAM

Maintaining fisheries-related equipment in Majuro, Ebeye and outer islands keeps MIMRA maintenance staff busy.

Each of MIMRA's five fish transport vessels received annual dry-dock and maintenance work. In addition, two new engines were installed on a refurbished boat for the Oceanic Division.

Maintenance and repair work

was carried out on the Jaluit fish-base, the Ine, Arno sub-fishbase and at OIFMC. An OFCF refrigeration expert performed repair work on MIMRA ice machines. MIMRA staff also handled building repairs and ongoing service and maintenance on eight vehicles.

Pictured at right is maintenance staff Gary Roberto working on an outboard engine.



# COASTAL



## THE CLEAN TEAMS

MIMRA staff help coordinate lagoon, ocean and shoreline clean-ups on a regular basis. They also assist local non-government organizations in their efforts to remove trash from the water. Clean ups have been organized in various parts of Majuro, Ebeye and some outer islands.



# OCEANIC



## PNA partnership the key to soaring revenue levels

The primary reason for the revenue success of MIMRA is its participation in the Parties to the Nauru Agreement (PNA), which is managing the purse seine industry in the western and central Pacific to bring greater benefit to its eight member nations. Revenue through MIMRA's Oceanic Division grew 70 percent from FY2013 to FY2014. The impact of PNA's Vessel Day Scheme (VDS) management of the purse seine industry can be seen in the growth in revenue from FY2012 to FY2014: VDS revenue jumped over 400 percent, from \$2,865,099 to \$12,171,596 this year.

A secondary and important driver of revenue and MIMRA's active participation in the fishery is its joint venture with Koo's Fishing Company in the Marshalls 201 purse seine vessel. This joint venture is generating annual dividends now that MIMRA has paid off its 49 percent equity share in the vessel.

Each revenue stream of the Oceanic Division increased this year except for fishing violation fines, which remained almost identical with the FY2013 level of over \$800,000.

During FY2014, Majuro became the busiest tuna transshipment port in the

*'During FY2014, Majuro became the busiest tuna transshipment port in the western Pacific as the volume of fish offloaded from purse seiners to carrier vessels for transport to off-shore canneries rose 73 percent.'*

**The number of distant water fishing nation longliners, purse seiners and pole and line vessels licensed to fish in Marshall Islands waters increased to 152, a 25 percent increase over the 122 in FY2013.**

western Pacific as the volume of fish offloaded from purse seiners to carrier vessels for transport to off-shore canneries rose 73 percent compared to FY2013, from 182,382 tons to 315,909 tons. The number of transshipments nearly doubled, from 270 in FY2013 to 495 in FY2014. Transshipments of Marshall Islands reg-

istered purse seiners increased modestly from 113 in 2013 to 125 in 2014. But big increases in the use of Port Majuro for transshipment were seen by Taiwan, United States and Chinese vessels. Transshipments by U.S. vessels nearly tripled, from 40 in 2013 to 118 in 2014, Chinese vessels' usage increased by over 160 percent, from 25 to 66, and Taiwanese vessels' usage increased by 130 percent, from 59 to 136 transshipments.

The Marshall Islands continued to operate 10 purse seine vessels fishing throughout the Western and Central Pacific Ocean (WCPO). The total catch by the national purse seine fleet in 2014 was 79,562 metric tons (mt) of which 18 percent was caught within the Marshall Islands EEZ. This total catch in 2014 was down slightly from the 80,568mt caught in 2013. The purse seine catch has remained relatively

A pair of purse seiners off-load their catches onto a transshipment vessel in Majuro lagoon.



Observer training at the College of the Marshall Islands.



## The catch volumes in the

Commercial catch volumes within the Marshall Islands EEZ are dominated by the purse seine fishery. In 2014, the estimated total catch for all gears combined was 53,683 metric tons (mt), highest in last five years, with purse seiners accounting for 81 percent, longliners at 15 percent, and pole-and-line vessels at four percent.

The breakdown of the 2014 catch:

- **Purse seiners:** The total catch

by purse seine fleets operating in the Marshall Islands EEZ increased from 27,608mt in 2013 to 43,571mt in 2014. The domestic fleet accounted for 33 percent of this catch, followed by the U.S. fleet, which caught 26 percent. Skipjack tuna was the dominant catch, accounting for over 90 percent of the total catch in the Marshall Islands EEZ in 2014. Most of the purse seine fishing in-zone was in the southern area of the EEZ.

- **Longliners:** The domestically-based foreign longline fleet comprises of vessels from China, Chinese Taipei and FSM that are managed and operated under Marshall Islands Fishing Venture, Ltd. (MIFV), which is a subsidiary of Luen Thai. Japanese longline vessels offload their catch in ports in Japan. Catch estimates for the domestically-based vessels have been produced based on data collected from unloading at the MIFV fish

## Marshall Islands EEZ for '14

base. The overall catch estimates by all longline fleets in 2014 indicate a 30 percent increase from the previous year, from 6,002mt to 7,798mt. Of this total, the MIFV vessels accounted for 6,356mt. Bigeye continued to account for the major part of the target catch composition. As with the purse seine fishery, most of the longline fishing effort occurs in the southern areas of the RMI EEZ, although in the longline fishery, effort is more widely distrib-

uted throughout the zone. Most of the 6,356mt tons of fish offloaded in Majuro by the MIFV longline fleet was exported. MIFV exports mainly fresh chilled tuna species to markets in the U.S., China and Canada. Frozen fish (rejects and bycatch) are shipped to China and Philippines by transport containers or sold locally.

- **Pole and line:** In 2014, catches from the pole-and-line fleet increased by 34 percent compared

to the previous year, from 1,726mt to 2,314mt.

The short-term trend continues to show variability in catches from year to year. Skipjack is the main species making up the catch composition for this fleet and accounts for almost 100 percent of the total. The RMI has yet to place observers on board these vessels and as a result observer coverage adequate for validation purposes has not been achieved.

stable from 2011 to 2014. Of this total purse seiner catch, 91 percent was comprised of skipjack tuna followed by yellowfin (seven percent) and bigeye (two percent). Purse seine vessel numbers have remained stable for the last five years.

The Pan Pacific Foods loining plant continued operations in 2014 with viable output supported by ongoing hiring and recruitment of local Marshallese employees. The company also operates three purse seine vessels that supply the plant with raw material. In 2014, a total of 3,768mt of pre-cooked tuna loins and related products were exported to various

markets, a 27 percent increase over the 2,972 tons produced in 2013.

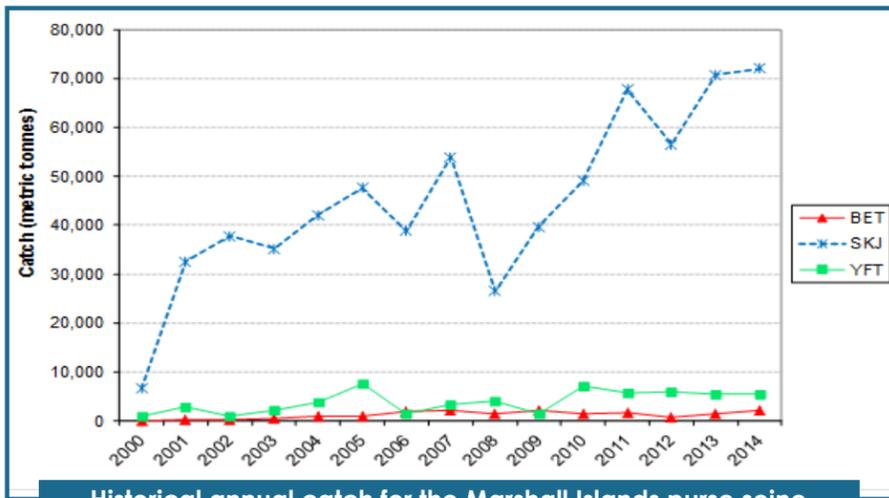
Monitoring, control and surveillance of the oceanic fishery are essential to effective management. MIMRA continued to train new fisheries observers, with 52 active during FY2014. Simply put, fisheries observers are the front line for monitoring operations in the fishery. MIMRA observers monitored 258 purse seine trips that averaged 29 days each. The number of purse seiners MIMRA observers covered in FY2014 was up significantly from the 172 voyages in FY2013, reflecting the ongoing expansion through recruit-

ment and training of fisheries observers. MIMRA is moving to reinstate observer coverage of longliners and in FY2014 MIMRA observers completed six longline voyages. MIMRA also actively engaged in monitoring transshipment operations in Port Majuro, sampling fish caught on both purse seiners and longliners, the latter at the Marshall Islands Fishing Venture fish base that handles a fleet of locally-based longliners. Fisheries observers sampled over 116,000 bigeye and yellowfin tuna off-loaded by longliners, and checked over 8,600 skipjack, yellowfin and bigeye tuna transshipped on purse seiners.

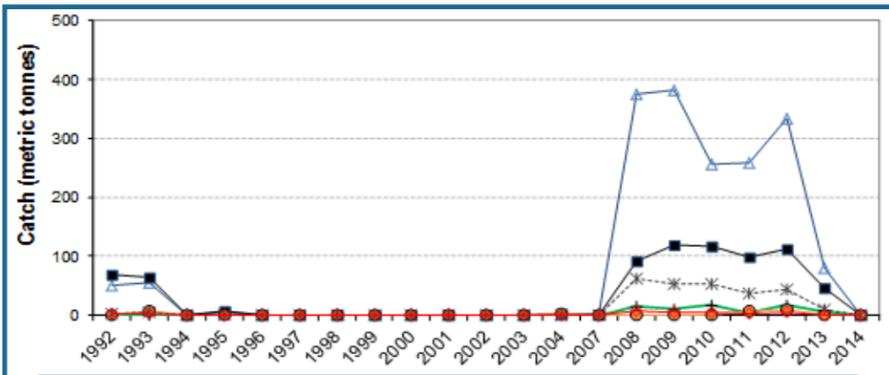
The number of tuna transshipments in Port Majuro by purse seiners nearly doubled, from 270 in FY2013 to 495 in FY2014.



## FISHERIES BY THE NUMBERS



Historical annual catch for the Marshall Islands purse seine vessels, by primary species, for the WCPFC Convention Area.

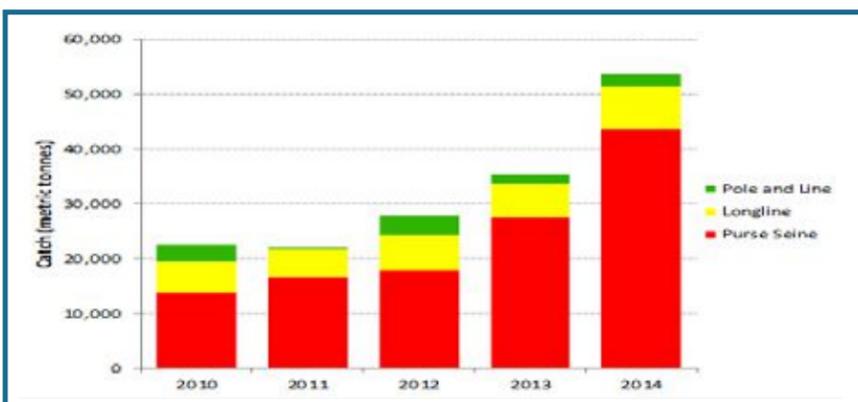


Historical annual catch for the Marshall Islands longline vessels, by primary species, for the WCPFC Convention Area.

FLAG	GEAR	Year				
		2010	2011	2012	2013	2014
CHINA	LL	22	22	21	23	26
	PS	1	2	2	2	14
FSM	LL	11	11	15	11	14
	PS	6	7	7	3	9
JAPAN	LL	14	16	5	1	6
	PL	26	25	21	15	20
	PS	31	30	29	24	14
KIRIBATI	PS	2	5	9	9	11
KOREA	PS	0	0	26	27	26
CH-TAIPEI	LL	2	2	2	2	2
	PS	16	16	9	6	31
PNG	PS	0	0	0	0	14
PHILIPPINES	PS	0	0	0	0	11
TUVALU	PS	1	1	1	1	1
VANUATU	PS	20	22	16	11	7
USA	PS	38	39	39	39	39
TOTAL	LL	49	51	43	37	48

Number of foreign longline, pole-and-line and purse seine vessels licensed to fish in the RMI EEZ, by year and flag.

Flag	No. of PS transhipments	SKJ	YFT	BET	MIX_YFT+BET	MIX_SKJ+YFT+BET	OTH	TOTAL METRIC TONS
China	66	22,604	2,528	141	1,303	8,505	0	35,080
Korea	2	835	455	10	0	470	0	1,770
RMI	125	55,484	3,389	30	233	10,354	0	69,490
New Zealand	5	1,651	0	0	0	1,120	0	2,771
Philippines	3	1,570	220	0	0	525	0	2,315
Tuvalu	5	3,526	169	0	0	0	0	3,695
CH-Taipei	136	71,333	6,112	277	0	10,196	55	87,973
USA	118	70,443	3,859	552	0	8,727	465	84,046
Vanuatu	35	22,804	2,593	16	0	3,355	0	28,768
<b>TOTAL</b>	<b>495</b>	<b>250,250</b>	<b>19,325</b>	<b>1,026</b>	<b>1,536</b>	<b>43,252</b>	<b>520</b>	<b>315,909</b>



Above: Provisional purse seine transshipments in Majuro port in 2014.

Left: Total catch by the different gears operating in the RMI EEZ.

Below left: Total exports (mt) for Pan Pacific Foods loining plant in 2013, by product and destination.

Destination	Product (mt)		
	Loin (SKJ)	Whole (SKJ & YFT)	Fishmeal
China	0	815	0
Fiji	0	14	0
Thailand	0	1,013	0
Taiwan	0	0	241
USA	466	24	0
Vietnam	0	1,195	0
<b>TOTAL</b>	<b>466</b>	<b>3,061</b>	<b>241</b>

Arrangement	Flag	Purse Seine		Longline		
		Trips	Days	Trips	Days	
Bilateral/MIMRA	China	21	472	6	78	
	Korea	8	210	0	0	
	CH-Taipei	78	2,345	0	0	
	Tuvalu	1	48	0	0	
	Vanuatu	15	464	0	0	
POA/FSMA (PNA OBSERVER AGENCY/ ARRANGEMENT)	China	11	354	0	0	
	FSM	23	788	0	0	
	Kiribati	12	275	0	0	
	PNG	3	81	0	0	
	Phillipines	8	223	0	0	
	CH-Taipei	28	678	0	0	
	Vanuatu	14	423	0	0	
	FFA	USA	36	1,057	0	0
	<b>TOTAL</b>		<b>258</b>	<b>7,418</b>	<b>6</b>	<b>78</b>



A Koo's 201 sailor works the deck.

Left: Fisheries observer trips in 2014, by arrangement.

## MIMRA STEPS UP THE LEVEL OF DATA COLLECTION AND MANAGEMENT

MIMRA expanded fisheries observer and debriefer capacity development as part of progressively training and recruiting more fisheries observers. Data collection and management is a major area of focus the Oceanic Division. The Secretariat of the Pacific Community was instrumental in assisting MIMRA's data efforts in 2014. In addition to SPC, Forum Fisheries Agency technical assistance during 2014 produced considerable improvement in data collection and management. Work in 2014 aimed to integrate fisheries information data collection and management to streamline the system to meet internal and regional reporting requirements.

MIMRA employed a dedicated port sampler covering almost 100 percent of longline unloading at the Marshall Islands Fishing Venture fish base. Collated data are entered into the TUFMAN database and sent to SPC's Oceanic Fisheries Program on a regular basis for further analysis. Preliminary 2014 data indicates that 116,151 fish were measured mostly comprising of the two main target species, bigeye and yellowfin tuna. Also in 2014, additional effort was shifted to cover port sampling on purse seine vessels transshipping in Majuro with over 8,600 fish sampled.

In May 2014, with financial and technical support pro-

vided by SPC, MIMRA started employing 2 biological samplers to collect samples at the MIFV fishbase. This has led to an increase in numbers of samples collected and sent to SPC with over 800 samples collected by the samplers for the remainder of 2014.

In September 2014, with financial and technical support once again provided by SPC, MIMRA hired its first full-time Electronic Reporting Officer (ERO). To date, the ERO has installed and updated eTUNALOG on 11 purse seine fishing vessels and regularly engages with vessel agents. As the eTUNALOG was still in trial phase, the ERO gathered information that will assist in further developing the application.

In addition, eTUBS trials were also ongoing in 2014. There were five RMI observers that undertook eTUBS sea trials. Towards the end of the year, relevant staff attended the iFIMS training in Noumea conducted by the developers.

MIMRA intends to shift its focus towards the PNAO FIMS as the standard by which it will manage and handle its data complemented by existing databases such as TUFMAN and TUFMAN2 currently in development. Current training schedule entails further development of e-Reporting and e-Monitoring initiatives.



*A load of tuna is moved into a carrier vessel's hold for delivery to off-shore canneries.*

**Available observer data for the Marshall Islands purse seine fleet indicated two turtles, 38 marine mammals, and no seabird interactions during 2014. Both sea turtles were released alive. Of the 38 instances of marine mammal interactions, three were released alive, 17 were dead and the fate of the 18 remaining was unknown.**

## Observing the graduates



*Graduates of an observer training program in April, 2014.*



*The off-loading of fish never stops in Majuro lagoon during daylight hours.*

**In 2014, there were 52 Marshall Islands fisheries observers employed by MIMRA. The 258 purse seine trips made by fisheries observers in 2014 was a 50 percent increase over 2013, and the six longline observer trips, though modest in number, was double the number from the previous year.**



*The Cherrystar, with fenders deployed, awaits purse seiners in Majuro lagoon.*

## MIMRA WORKS WITH COLLEGE FOR OBSERVER TRAININGS

During 2014, MIMRA continued its support of the Maritime and Vocational Training Institute at the College of the Marshall Islands.

The main goal for the year was focusing on further streamlining and improving training programs. The Institute continued to develop its programs with a view towards addressing most if not all the immediate needs of MIMRA's observer program.

One of the pilot projects undertaken by the Institute in 2014 was to deliver training in line with Pacific Islands Regional Fisheries Observer Standards for certified observers. Fisheries observer training is but one component of the overall training provided to fisheries observers.

The other aspects of training include meeting standards of the Convention on Standards of Training, Certification and Watchkeeping (known as STCW-95), which include basic sea safety, survival, and crewmanship in order to provide a robust standard and certification process.

# PNA's VDS has transformed the purse seine fish industry



Parties to the Nauru Agreement Ministers meet regularly to address fishery management and policy issues. They are shown here meeting in Majuro at the Marshall Islands's Resorts Melele Room.

## MIFV'S ROLE IN FISHERIES

Marshall Islands Fishing Venture continued to play a significant role in domestic fisheries. Locally-based longliners associated with MIFV landed 6,356 metric tons of fish in FY2014, up from 5,246mt the previous year. The fish is processed and exported, mainly to markets in the US, China and Canada.



The Parties to the Nauru Agreement (PNA) Vessel Day Scheme (VDS) is the foundation for PNA members' management of the skipjack tuna fishery in the western and central Pacific Ocean. By capping fishing effort annually, the VDS functions as a conservation measure that is bolstered by enforcement of 100 percent observer coverage of all purse seiners, bans on fishing in two high seas "pockets," and the annual moratorium on using fish aggregation devices (FADs). On the financial side, the VDS establishment of a "benchmark" minimum price for a fishing day has resulted in more than a four-fold increase in revenue from the fishery for the eight PNA members.

The application of limits through the Vessel Day Scheme has transformed the revenue picture for the eight member countries. It has taken 15 years to get to full implementation of the VDS, although it continues to be fine tuned each year. There is no doubt that the VDS has been effective in increasing revenue to the PNA members, and will continue to be a valuable instrument to PNA members.

PNA is successfully advocating a "zone-based rights management scheme." This is the common agreed principle guiding policy for PNA in implementing the VDS.

"The PNA fishery is a multi-species, multi-fleet and multi-national fishery," explained Dr. Transform Aqorau, the CEO of PNA. "It comprises four tuna species in addition to several species of billfish and tuna-like species being fished by at least 12 nations, employing several different types of fishing gear the most important of which are purse seine, long line, and pole and line complemented by various types of fish aggregating devices (FADs). The fishery is prosecuted over a very large area containing many national exclusive economic zones as well as high seas areas and the

Among key findings of the independent review was that VDS fees actually collected by PNA nations — from 2014 to 2016, set at a minimum benchmark of \$8,000 per fishing day — are significantly below what has been attainable.

tuna harvested enters several processing and marketing lines in different countries."

Skipjack tuna remains in a healthy state and the challenge is to expand the opportunities in which the economic gains from the harvesting of these resources may be maximized. The benefits of the VDS are clear: Revenue to the eight PNA nations is rising steadily. In 2010, the eight members received \$60 million; in 2015, it is estimated this revenue will grow to \$350 million.

Despite the obvious success of the VDS, PNA conducted an independent review of the VDS in 2014. Among key findings of this independent review was that VDS fees actually collected by PNA nations — from 2014 to 2016, set at a minimum benchmark of \$8,000 per fishing day — are significantly below what could have been obtained. This is borne out by the fact that benchmark VDS fees have increased drastically since 2010 while the operating conditions in the fishery have remained comparatively stable, and in 2014 dipped significantly with no impact on fees.

As a result of the independent review of the VDS and its recommendations, PNA is considering the management option of

establish "catch limits" as opposed to the VDS, which is a harvest-based system. The 2014 independent review of the VDS concluded that catch limits are superior to harvest limits as a management tool.

The question is whether a harvest-based system can be effectively enforced in the PNA multi-zone tuna fishery, and whether issues of mis-declaration of catch and area of catch by distant water fishing nations, which plagued pre-VDS governance, can be addressed."

Global experience shows that quota systems work best where there are strong government regulatory institutions and laws, and single zones to manage, which is not the nature of the complex PNA fishery. Despite uncertainty of how a catch limit system might work in the vast PNA fishery, PNA has initiated a study on it based on the recommendation in the independent assessment of the VDS commissioned by PNA in 2014.

A key element of the existing VDS is that it limits the number of fishing days in a year — a number that has remained essentially the same in 2013-2014 and is expected to continue to be stable over the next two years.

The application of skipjack tuna limits through the VDS, ban on fishing in two high seas pockets, three-month closure for use of fish aggregation devices (FADs), 100 percent observer coverage on purse seiners and in-port transshipment have combined to bring the purse seine industry under effective control. This is demonstrated by the stable catches coming from PNA zones. Catch data shows that purse seine catch levels in PNA zones grew less than nine percent from 2010 (1.34 million tons) to 2014 (1.46 million tons). The largely unregulated high seas is where a problem exists. The high seas are outside of PNA's management jurisdiction. Data shows that purse seine catches outside of PNA waters

# Thank you very much, Dr. Transform Aqorau

The Parties to the Nauru Agreement Office (PNAO) was established in 2010, with Dr. Transform Aqorau at the helm. As CEO since the inception of the PNAO, Dr. Transform has overseen the development of PNA into a robust force in the western and central Pacific fishery. PNA's Vessel Day Scheme, which is the foundation of both essential conservation measures and increasing revenues that benefit our islands, has encountered opposition and roadblocks as it has evolved into its present status as an important management tool in the skipjack tuna fishery in our region. Dr. Transform has injected both vision and leadership into the PNA mix, helping to guide development of the VDS and increasing meaningful participation of our islands in the fishery.

Dr. Transform is scheduled to step down from the CEO post in 2016 as PNA moves into its next phase

of consolidating and expanding on gains made over the past few years. Like the other member nations of PNA, the Marshall Islands has benefited greatly from the VDS and looks forward to this continuing to expand as we move forward.

Dr. Transform is a champion of the sovereign rights our islands hold over our exclusive economic zones, said MIMRA Director Glen Joseph. He has helped guide PNA to its greatest participation ever in the fishery, and this no doubt will continue to expand with new initiatives such as the VDS for the long-line industry and registration of fish aggregation devices. The Marshall Islands Marine Resources Authority wishes to recognize Dr. Transform for his work in helping PNA to forever alter the dynamics of the western and central Pacific fishery in favor of our islands. This is a huge accomplishment that we will continue to build on in the future.



**Dr. Transform Aqorau spent several weeks on a purse seine fishing trip.**

has risen 50 percent in the same period, from 281,000 tons to 418,000.

There has to be better control overall, including in Indonesia and the Philippines, and the high seas, particularly the Eastern High Seas areas, which are open.

This is why PNA is moving to establish the first-ever VDS for longliners to control the level of longline fishing in PNA waters and increase this fishery's contribution to sustainable development in PNA nations. The current system of managing bigeye catch through flag state control is fundamentally flawed and cannot be effective. Among key problems that must be changed is the structure of the tropical longline fishery based around distant water fishing nation fleets that transship catches on the high seas, an unsustainable process that cannot be effectively monitored or controlled. Op-

erations of high seas longliners are often concealed by the withholding of operational data, and a very low rate of observer coverage. As a result, there is continuous evidence that the distant water longline fleets transshipping in the high seas are engaged in illegal, unreported and unregulated fishing.

PNA sees the solution to fix this problem that threatens the long-term sustainability of bigeye tuna: Phase out those fleets based in the high seas transshipping their catch, and replace them with fleets that land or transship their catch into ports. PNA members see the longline VDS as a critical instrument in reshaping the tropical longline fishery.

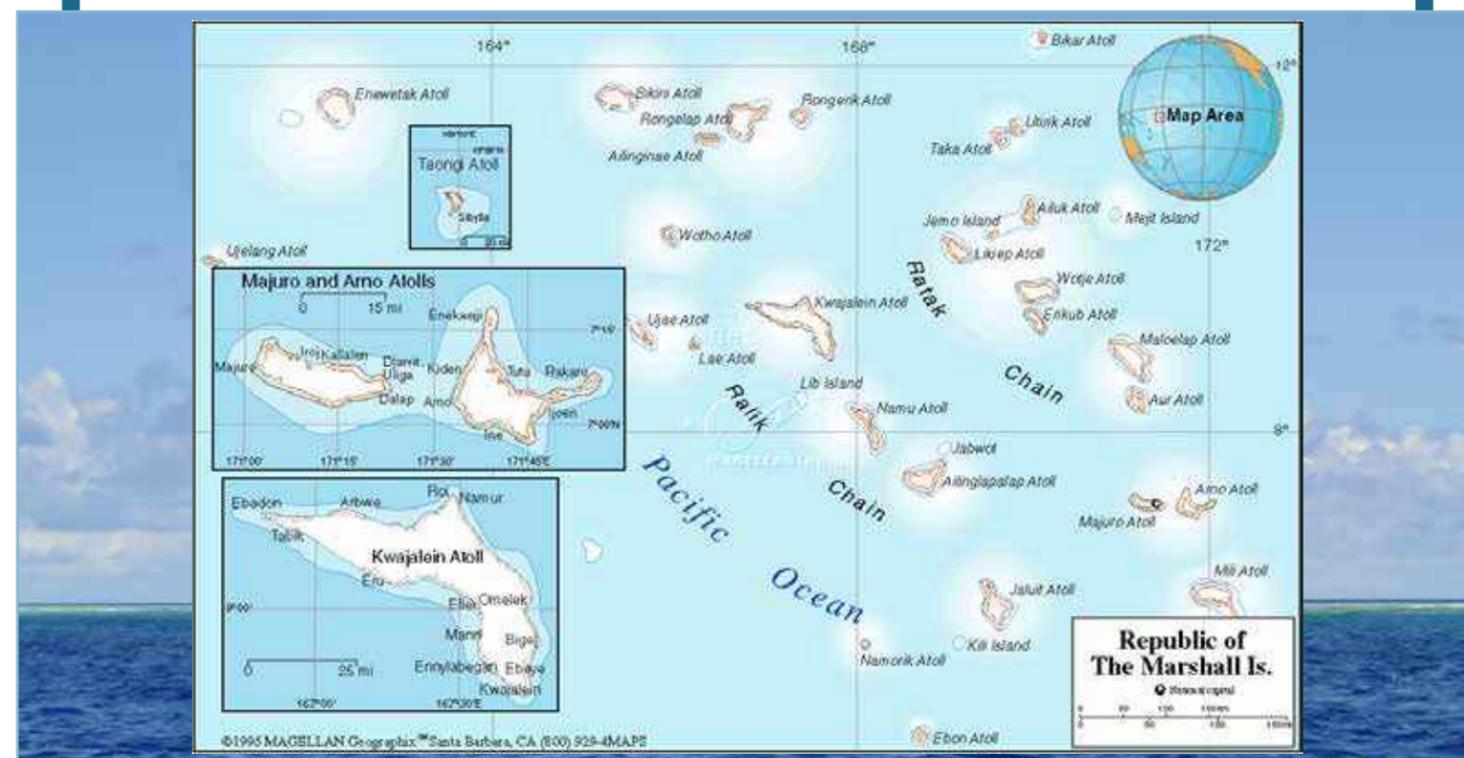
PNA's vision is for a longline fishery that is largely made up of national fleets landing into their domestic ports, and fleets based

locally in PNA members' EEZs landing their catch into PNA ports for processing and export.

The longline industry needs to be reformed and brought under control with effective monitoring of catches.

It is clear that economic outcomes and gains depend fundamentally on the structure of the fishery and the day-to-day controls that Pacific Island countries have over the fishery," said Dr. Aqorau.

"PNA Members have shown this to be the case with the reform of the purse seine fishery by the application of hard limits through the Vessel Day Scheme. These reforms and new structures are an evolutionary process that take time to construct, and patience to build, while ensuring that the custodians of this resource are not bystanders but participants in the fishery."



## Introduction of legislation

MIMRA, in cooperation with the Attorney General's office, furthered the work of establishing the legal framework to implement its maritime boundaries. This is in follow up to agreements reached with Kiribati, Nauru and the Federated States of Micronesia over shared maritime boundaries. These agreements are waiting on further legal work by the Marshall Islands to come into force.

The Secretariat of the Pacific Community (SPC) Regional Maritime Boundaries Officer and the Legal Advisor from the Australian Attorney General's Department visited Marshall Islands in 2013 to work with representatives of MIMRA, Ministry of Foreign Affairs, and the Attorney General's Office on the issue.

These consultations identified three key issues the Marshall Islands Government needed to determine whether or not to:

- **Declare archipelagic baselines,**

which would require legislative amendments and amendment of Constitutional provisions regarding marine jurisdiction of local governments.

- **Define the continental shelf** in the Maritime Zones (Declaration) Act.

- **Declare baselines and outer limits** of the maritime zones by reference to geographic coordinates.

In July 2014, a representative of the Marshall Islands Attorney General's office attended the 12th Pacific Islands Regional Maritime Boundaries Development workshop in Sydney, Australia and obtained advice for moving forward on the recommendations and steps needed to further the legal work.

Legislation was drafted for a Maritime Zones Declaration Act, which was put out for in-country consultation before its planned introduction to parliament in 2015.

There is a need for the legislation to provide for the establishment of geographical coordinates instead of relying

on geographical features. While these provide the international legal basis for the establishment of baselines, given the potential changing character of many of these features, it is desirable for these boundary markers to be set out as geographical coordinates.

Technical work to complete baseline coordinates for the archipelagic straight baselines for the "Ralik" and "Ratak" chains, delineating outer limits of maritime zones (the 12 nautical mile Territorial Seas, the 24 nautical mile Contiguous Zone, and the 200 nautical mile Exclusive Economic Zone), and the Continental Shelf (should Marshall Islands choose to declare this maritime zone) is expected to be completed in the next fiscal year.

Once both aspects of the technical and legal work are completed and endorsed by the Marshall Islands Government, then a copy of the national legislation will be deposited at the United Nations.



## On your marks, get set, throw!

Artisanal fishing provides food and livelihood supporting thousands of Marshall Islanders today, both in the urban centers of Majuro (pictured) and Ebeye, and especially on the remote outer islands where fishing remains a daily way of life. This is why MIMRA's work with local governments and communities to develop resource management plans is essential. In today's world, where fish is not only a daily meal for local residents but can be converted to cash, there is increasing pressure on the resource. Ensuring that fish are available for local communities now and in the future is essential for food security and long-term sustainability of the local fishery. This is being done by engaging local governments, traditional leaders, and local communities in management and conservation efforts. Adoption by Nitijela (parliament) of Protected Areas Network legislation will also boost efforts to sustain subsistence fishing practices. *Pictured:* Majuro resident Wyer Kimij uses a throw net in downtown Uliga, Majuro Atoll.

# FINANCE

Operating revenue MIMRA in FY2014 increased by 70 percent to \$19.8 million, setting an all-time record.



MIMRA's office at the Ministry of Resources and Development.

## Auditors give MIMRA A+ RMI receives \$11.5m

In FY2014, MIMRA again received a "clean" audit, with Deloitte auditors concluding that MIMRA's audited "financial statements...present fairly, in all material respects, the financial position of the Marshall Islands Marine Resources Authority as of September 30, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America." The audit also stated that no "significant deficiencies or material weaknesses" in MIMRA's internal control system were identified.

MIMRA's revenue in FY2014 increased by 70 percent to \$19.8 million, setting an all-time record. In FY2013, operating revenue was \$11.6 million. All but one of the seven primary revenue streams increased, and the one that didn't increase remained stable. The biggest contributor to the revenue growth was the Parties to the Nauru Agreement (PNA) Vessel Day Scheme (VDS) revenue. This increased from \$7.7 million in FY2013 to \$12.2 million for the current fiscal year. Fishing rights revenue — reflecting income from bilateral arrangements with Japan, the United States fisheries treaty, and the FSM Arrangement — increased by nearly a million dollars from \$2.5 million to \$3.4 million.

Boat chartering was a new addition to

MIMRA's operating expenses increased modestly, from \$2.4 million in FY2013 to \$2.7 million in FY2014. This represents 13.5 percent of overall revenues.

A significant proportion of this increase was related to MIMRA's PNA administrative fee, which increased by over \$100,000.

Expenses for international memberships, travel, depreciation, and

salaries all increased slightly in FY2014.

MIMRA transferred \$11.5 million to the Marshall Islands government General Fund for according to the FY2014 budget adopted by parliament and directives of the Marshall Islands Cabinet.

This compares to \$6.3 million provided to the national government in FY2013.

MIMRA's revenue generation, adding \$700,000 in FY2014 compared to zero the previous year. Fishing violation fees remained comparable with FY2013, with \$825,000 being netted from enforcement actions compared to \$870,000 in FY2013.

MIMRA received an additional \$1.2 million in non-operating revenue from the joint venture purse seiner operated by Marshall Islands Fishing Company, which is a 51/49 percent partnership between Koo's Fishing Company and MIMRA, respectively. MIMRA also received a profit distribution of \$3 million in FY2014 from the joint venture, compared to \$2.1 million the previous year.

Both fishery observer fees and transshipment fees increased in line with the expanding demand for on-board observers and Port Majuro's development as the busiest tuna transshipment port in the western Pacific. Transshipment fees increased as use of Port Majuro expanded by the commercial tuna industry.

The number of vessels transshipping tuna increased nearly 35 percent, from 396 in FY2013 to 431 in FY2014.

MIMRA's audited financial statement allowed for \$115,974 in uncollectable debts, a major improvement from FY2013 when the bad debt figure was \$1.3 million.

## MIMRA: Management's Discussion and Analysis for fiscal years 2014, 2013 and 2012

This section of the Marshall Islands Marine Resources Authority (MIMRA) annual financial report presents our discussion and analysis of MIMRA's financial performance for the fiscal year ending September 30, 2014. The below table summarizes the financial condition and operations of MIMRA for fiscal years 2014, 2013, and 2012.

### Statements of Net Position

	2014	2013	% Change	2012
<b>ASSETS:</b>				
Current and other assets	\$ 19,662,248	\$ 12,627,881	56%	\$ 7,968,672
Capital assets	206,048	244,364	(16%)	194,231
Investment in Stock	980,000	-	100%	-
Investment in JV	4,550,922	5,240,001	(13%)	4,195,986
<b>Total assets</b>	<b>\$ 25,399,218</b>	<b>\$ 18,112,246</b>	<b>40%</b>	<b>\$ 12,358,889</b>
<b>LIABILITIES:</b>				
Current liabilities	735,196	362,138	103%	246,525
<b>NET POSITION:</b>				
Net investment in capital assets	206,048	244,364	(16%)	194,231
Unrestricted	24,457,974	17,505,744	40%	11,918,133
<b>Total net position</b>	<b>24,664,022</b>	<b>17,750,108</b>	<b>39%</b>	<b>12,112,364</b>
	<b>\$ 25,399,218</b>	<b>\$ 18,112,246</b>	<b>40%</b>	<b>\$ 12,358,889</b>

### Statements of Revenue, Expenses and Changes in Net Position

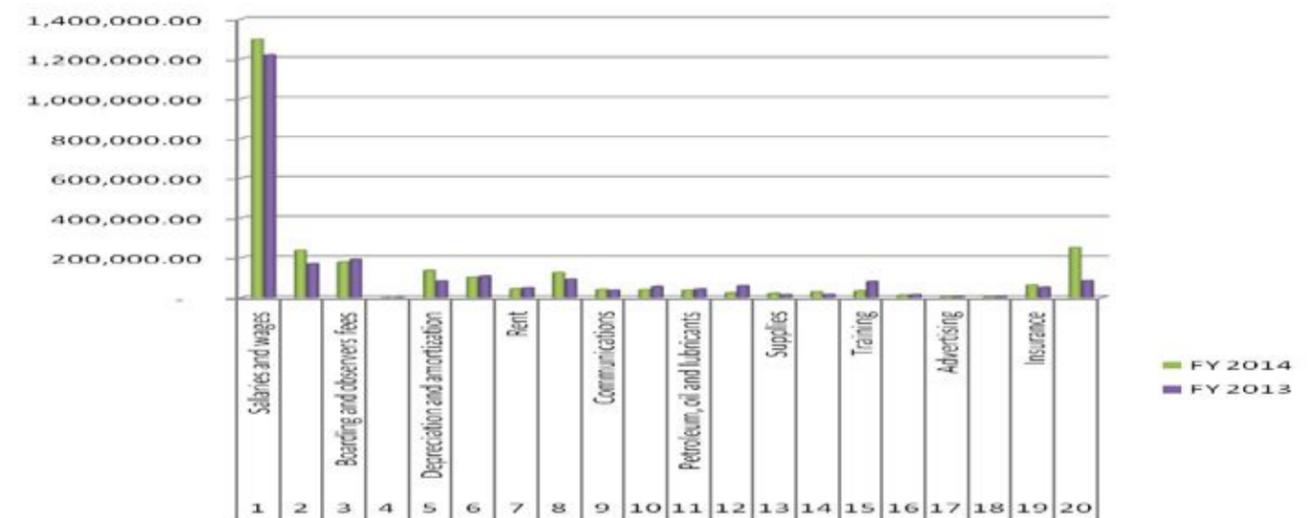
	2014	2013	% Change	2012
<b>OPERATING:</b>				
Operating revenues	\$ 19,815,209	\$ 11,641,057	70%	\$ 8,385,782
Operating expenses	2,682,326	2,379,051	13%	2,185,428
<b>Operating income</b>	<b>17,132,883</b>	<b>9,262,006</b>	<b>85%</b>	<b>6,200,354</b>
<b>NON-OPERATING:</b>				
Non-operating revenues	1,355,891	3,118,299	(57%)	2,121,176
Non-operating expenses	11,574,860	6,742,561	72%	6,165,000
<b>Net non-operating revenues (expenses)</b>	<b>(10,218,969)</b>	<b>(3,624,262)</b>	<b>182%</b>	<b>(4,043,824)</b>
<b>Changes in net position</b>	<b>6,913,914</b>	<b>5,637,744</b>	<b>23%</b>	<b>2,156,530</b>
<b>Net position at beginning of year</b>	<b>17,750,108</b>	<b>12,112,364</b>	<b>47%</b>	<b>9,955,834</b>
<b>Net position at end of year</b>	<b>\$ 24,664,022</b>	<b>\$ 17,750,108</b>	<b>39%</b>	<b>\$ 12,112,364</b>

## MIMRA: Management's Discussion and Analysis for fiscal years 2014, 2013 and 2012

	2014	2013	2012
Vessel Day Scheme Revenue	\$ 12,171,596	\$ 7,746,478	\$ 2,865,099
Fishing Rights	3,383,643	2,478,875	3,071,879
License fee collections	1,363,549	1,140,200	1,410,236
Fishing violation fines	825,000	870,000	335,000
Boat chartering fee	700,000	-	-
Observers fees	561,924	261,286	397,749
Transshipment fees	547,000	413,000	272,500
Others	146,523	38,813	33,319
	19,699,235	12,948,652	8,385,782
Recovery of (allowance for) bad debts	115,974	(1,307,595)	-
<b>Net operating revenues</b>	<b>\$ 19,815,209</b>	<b>\$ 11,641,057</b>	<b>\$ 8,385,782</b>
<b>Overall Change FY2014 vs FY2013</b>	<b>8,174,152</b>	<b>70%</b>	

MIMRA's current assets and net assets increased substantially in FY2014. MIMRA ended the fiscal year with total assets of \$25.4 million (compared to \$18.1 million the previous year).

### COMPARATIVE OPERATING EXPENSES (2014-2013)



## Larger fleets from around the globe

While the domestic fleet of purse seine vessels remain stable from 2013 to 2014, several distant water fishing nations increased the number of boats registered to fish in Marshall Islands waters in FY2014. The fleets registered in FY2014 (with FY2013 registered boat numbers in parenthesis):

- Korea 29 boats (28)

- Taiwan 29 boats (6)
- China 7 boats (6)
- New Zealand 3 boats (0)
- Shanghai Kaichuang, China 6 boats (0).

These distant water fishing nations also purchased VDS days from MIMRA.

Domestic companies, including Koo's Fishing (4 boats), Marshall

Islands Fishing Corporation (1 boat), Central Pacific Fishing (2 boats) and Pan Pacific (3 boats) maintained the same number of boats registered as the previous year.

Another domestic-based company, Marshall Islands Fishing Venture (MIFV), registered the same number of longline boats as in previous years.

# NOTES