

ONPA Releases Audit on the Management of Tuna Fisheries in the FSM

The Office of the National Public Auditor (ONPA) announces the release of Audit Report No. 2012-03, which contains the results of a performance audit entitled *Audit of the Management of Tuna Fisheries in the FSM*. A digital copy of the report is available for public review online at www.fsmopa.fm and printed copies are available at the ONPA's offices in Palikir, Pohnpei and Weno, Chuuk. The audit was conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States.

The National Oceanic Resource Management Authority (NORMA), formerly known as the Micronesia Maritime Authority (MMA), was established pursuant to Title 24 of the FSM Code. It serves as the government's regulatory and management arm for the FSM's 200 mile Exclusive Economic Zone. The Authority works to: (a) Ensure that the tuna resources are used in a sustainable way; (b) Obtain the maximum sustainable economic benefits from the resources; and (c) Promote economic security for the nation through their use.

The scope of the audit focuses on the management of fisheries within the FSM's EEZ and the actions taken by NORMA to manage the resources within the legal/policy framework that applies to the FSM during fiscal years 2009 to 2011.

The audit objective was to assess the effectiveness of the management of off-shore fisheries (in particular the tuna fishery) by NORMA in accordance with policies and frameworks, by examining:

1. Key aspects of management of off-shore fisheries are planned;
2. Economic returns from off-shore fishery licenses and access agreements are appropriate;
3. Decision-making concerning off-shore fisheries are informed by accurate assessments of the fishery; and changes in the status of the fishery are monitored and reported.

The audit found that the Board of Directors for NORMA did not provide adequate oversight over the operational duties in carrying out their key activities of enhancing and enforcing the main fishery legislation. Consequently, the following weaknesses existed:

1. Outdated Tuna Management Plan (TMP) left NORMA with no clear guidelines in managing tuna resources;
2. There are no official by-laws to govern the actions including the duties and responsibilities of NORMA's Board members. In addition, NORMA has not developed internal policy framework to provide the necessary direction and guidance to manage their daily operation;
3. Inactive Fisheries Management and Surveillance Working Group;
4. No Assurance that Fishing Right Fees from Japan is Collected and Deposited in the Bank; and
5. Unreliable data caused by inaccurate and untimely reporting.

More details of the findings and recommendations are discussed in the audit report. The Board and Management of NORMA generally agreed to the recommendations, assuring that corrective actions will be necessary for the Authority's progress.