

SOCIO-ECONOMIC AND POLITICAL ASPECTS OF THE AID PROVIDED BY JAPAN TO THE FISHING INDUSTRY OF THE SMALL INDEPENDENT ISLANDS IN THE EASTERN CARIBBEAN

by Bernard Petitjean Roget¹ covering the period 1987-2002

UPDATE OF EXECUTIVE SUMMARY covering the period 2003-2014

¹ Bernard PETITJEAN ROGET passed away in March 2014. He was at the time a consultant, with a *Diplôme d'Etudes Supérieures* in Economics, with postgraduate studies at the University of Paris I. He was previously a tutor at the University of the Antilles and Guyana as well as an Adviser on French Foreign Trade. He managed a group of fifteen companies that had set up in the Caribbean zone. He is also a former member of CAIC (Caribbean Association of Industry and Commerce), of CCIM (the Chamber of Commerce of Martinique), and was President of *Industries de la Martinique*.



Twelve years have passed since ECCEA and Ocean Care commissioned an investigation by an eminent Caribbean economist, Bernard Petitjean-Roget, into the socio-economic impacts of Japan's fisheries grant aid to the six Eastern Caribbean states members of the International Whaling Commission (IWC). The Executive Summary of that report is attached here for reference; the full report can be found on the ECCEA website under Publications: www.eccea.com and at www.oceancare.org.

Petitjean-Roget described the single-minded focus on the fisheries sector that has characterised the Japanese grant aid that began flowing to some Eastern Caribbean countries as early as 1987, with 29 grants given by the time of Petitjean's 2002 investigation, and 17 fisheries complexes built or under construction. In the years since 12 more major grants have been given, including the construction of another nine fisheries infrastructure projects, the latest on the island of Nevis.

Petitjean-Roget's report noted the potential importance of these occasional multi-million dollar investments to a sector which, in each of the countries, contributes 1-2% to the national GDP. He wrote that one would expect "spectacular results" from focused investments of such a large scale but during the course of his mission he did not find evidence of these, and according to current %-of-GDP figures this would appear still to be the case. Petitjean-Roget lamented the absence of socio-economic preparatory studies to guide decisions about what sort of aid to the sector was actually needed. Instead, the large infrastructure projects were favoured, resulting frequently in alienation of local fishermen, under- or misutilisation of the complexes themselves, and missed opportunities for capacity-building, modernization of the fleets and other measures that could help the sector to thrive. He establishes, as have others, a clear

link between the provision of aid and political support for the Japanese agenda at the IWC, at CITES, at the United Nations.

While the large Japanese-funded infrastructure projects may seem impressive, the fact remains that today this aid is still significantly less than that received overall from the EU, as Petitjean-Roget reported 12 years ago. Tables I and II attached show comparative total amounts of the aid given by Japan (almost entirely fisheries grant aid) and the EU (under the European Development Mechanism and various major support programmes within the agricultural sector) to these six Caribbean countries over roughly the same years. In terms of total overall amounts, aid provided under these EU programmes (more than 620 million Euro) is nearly three times greater than the assistance provided under Japan's fisheries grant aid programme (roughly 220 million Euro) in the period 1987-2013.

Two decades have passed since ECCEA, in 1994, first began to make its concerns known to the IWC regarding the effects of this aid-driven relationship on ocean policy and conservation in the OECS countries, at national and international levels. These include a skewing of focus away from the pro-conservation priorities that otherwise sit naturally with these island states, surrounded as they are by a precious marine environment and with a growing interest in ecotourism, the difficulty of ensuring transparency and full public participation in policy-making on these issues, and priority being given to representation in international conventions where the interests of other countries are served rather than to those where domestic interests have more direct relevance.

By 1994 St Lucia and St Vincent and the Grenadines had for years been supporting Japan's position after initialising being champions of

conservation at the IWC and supporting the 1982 moratorium decision. Dominica and Grenada had only just joined in order to support Japan's opposition to the creation of the Southern Ocean Whale Sanctuary (SOWS).

Antigua and Barbuda

In 1994, though, Antigua and Barbuda was continuing its more than a decade-long support for conservation at the IWC, voting that year in favour of the SOWS, and opposing continuing Japanese scientific whaling in the Antarctic as it had done ever since Japan first proposed the scheme in 1987, on the grounds that the activity provided no data useful for the management of whaling, was commercial in nature, and thus violated the 1982 moratorium decision. While Antigua and Barbuda, like the others before it, was to abandon this strong position two years later and opt instead for what former Prime Minister Lester Bird acknowledged to be a "quid-pro-quo" relationship with Japan, the correctness of its initial IWC policy was decisively reaffirmed in the March 2014 judgment by the International Court of Justice (ICJ) that declared Japan's long-running "scientific whaling" programme in the Antarctic to contravene the IWC's founding charter, the 1946 International Convention for the Regulation of Whaling (ICRW).

In 2010 former Antigua and Barbuda Commissioner and IWC Vice-Chair Anthony Liverpool, and Commissioners from 15 other member states, were caught up in a scandal that broke just before that year's IWC Annual Meeting when a British newspaper exposé revealed that agents of the Japanese government had paid for their travel and accommodation costs and other related expenses by credit card. Cash payments of member countries' annual dues to the Commission were also brought under scrutiny. The scandal was such that at its Annual Meeting in 2011 the UK led the passage of a

resolution seeking greater transparency in the IWC's financial affairs and establishing that payments to the Commission could only be made in future via transfers from official government accounts.

In a now familiar scenario, the Government of Japan is building support among its aid-recipient countries in the lead-up to the 2014 IWC Plenary meeting in September where it is expected that Japan and its allies will resist all efforts in support of the ICJ ruling. Prime Minister Abe held a brief bilateral meeting in July 2014 with Antigua and Barbuda's Prime Minister Gaston Browne on the side of the latest Japan-CARICOM Summit to confirm the special relationship. Abe announced that Japan was conducting research for "an early implementation of the Project for Improvement of Fishery Equipment/Machinery" in Antigua and Barbuda; and the session concluded with a reconfirmation of "continuing cooperation in international arenas such as the UN Security Council reform and sustainable use of marine living resources" - the catchphrase for supporting Japan's whaling agenda at the IWC.

Dominica

In 2008 the Commonwealth of Dominica took the courageous position to refrain from participating at the IWC, and maintained this line ever since, even when some Japanese grant aid was provided for the construction of Dominica's third fisheries complex, at Portsmouth. A fourth, major complex to be installed at Fond St Jean has been under consideration in Tokyo since 2013. Following an exchange of notes on 12 June 2014 with the Government of Japan for a 1 million USD grant for provision of industrial products largely produced by Japanese companies that suffered damage in the 2011 earthquake, PM Skerrit reportedly expressed renewed support for Japan's position at the ensuing press conference, indicating that his country would return to active participation at the 2014 IWC meeting.

St Vincent and the Grenadines

On the other hand, in St Vincent and the Grenadines there are signs of a long-awaited shift away from the humpback whaling on the island of Bequia, for which in 2012 the IWC issued a controversial 6-year quota under its aboriginal subsistence whaling scheme. In early 2014 whaling captain Orson Olivierre, descendant of the island's leading whaling family, announced that he was hanging up his harpoon and would focus instead on whale-watching; this follows a similar move by another whaler, Gaston Bess, in 2013, fruit of a campaign by the country's National Trust.

St Lucia

The ICJ's March 2014 judgment determined that Japan's JARPA II whaling programme "is not a scientific research program under the provisions established by the [1946 Whaling] Convention," and that the continued killing of whales under the programme thus violates the IWC's 1982 commercial whaling moratorium and, for fin whales, the SOWS. The Court called on the Government of Japan therefore to revoke any special permits already granted and to refrain from issuing any more – effectively ending JARPA II. The ICJ judgment was final with no appeal. Japan subsequently announced that it would accept the ruling. It was therefore surprising when the Chair of the IWC, the Commissioner from St Lucia, instructed the IWC Scientific Committee nevertheless to review results from the discredited programme at its annual meeting in June 2014.

St Lucia has always been a pivotal country in Japan's scheme, the one in which Japan has invested the most. Not only is the country an important ally of its own but it is also in an influential position as host of the Organisation of Eastern Caribbean States (OECS), the sub-regional economic and political group to which all six IWC member states belong. Since 1987

successive governments of the island have accepted the close links with Japan's aid-for-votes scheme, to the extent that in April 2014 it was reported that "in spite of the recent agreement that is currently in place between Saint Lucia and Japan" the Lucian People's Movement (LPM), an opposition political party, expressed its concern that "the court's ruling could impact the overall profitability of Japanese whaling, thereby prompting the Japanese government to drastically scale back its financial contribution to and technical cooperation with nations such as Saint Lucia". The party called on the St Lucian Government "to apprise the nation of whether it has received any assurances from the Japanese government that it will continue the high level of mutual cooperation that has existed between the two countries for the last 20 years." To the LPM, St Lucia's vulnerability to the possible consequences of an external event such as the ICJ ruling, "should serve as a wake-up call to the government of Saint Lucia regarding how imperative it is to devise a sustainable economic strategy to lessen our heavy dependence on foreign aid and help fuel the economic engines of our nation."

CONCLUSION

In conclusion, one can see from the annexed tables that the situation in 2014 has changed little in comparison with that described by Petitjean Roget in 2002. It is clear that there are many in these islands who continue to find themselves locked into a situation that is not entirely in their favour due to the accords with Japan, nor does this situation contribute positively to the achievement of the international conservation efforts needed to sustain ocean life at a time when the world community, and these island states in particular, must grapple with some of the greatest environmental challenges of all time.

| TABLE I: Japanese Grant Aid to the Fisheries Sector 1987-2013 | | | Aid in million JPY | Equivalent in million USD [amount in million Euro] | Aid per year in million USD | Aid per project in million USD |
|---|-----------|------------|--------------------|--|-----------------------------|--------------------------------|
| St LUCIA | 1987-2013 | 6 projects | 6'173 | 60.2 | 6.7 | 10.0 |
| St VINCENT & GRENADINES | 1987-2013 | 6 projects | 5'328 | 52.0 | 5.8 | 8.6 |
| GRENADA | 1989-2013 | 4 projects | 5'010 | 48.9 | 6.1 | 12.2 |
| DOMINICA | 1993-2013 | 3 projects | 5'786 | 56.5 | 8.0 | 18.83 |
| ANTIGUA & BARBUDA | 1997-2013 | 5 projects | 5'184 | 50.6 | 8.5 | 10.12 |
| St KITTS & NEVIS | 2000-2013 | 3 projects | 2'497 | 24.4 | 6.1 | 8.0 |
| TOTAL | | | 29'978 | 292.6 [Euro 222.1] | — | — |

| TABLE II: EU Funding 1990-2013 -EDF & agriculture programmes | To*** | Antigua ME* | St Kitts ME | Dominica ME | Grenada ME | St Lucia ME | St Vincent ME | TOTAL |
|--|-------|-------------|-------------|--------------|-------------|--------------|---------------|--------------|
| 7th EDF | 1 | 3.5 | 2.5 | 6.5 | 6.5 | 5.0 | 5.4 | 29.4 |
| 8th EDF | 1 | 4.5 | 3.0 | 8.5 | 6.5 | 6.0 | 6.0 | 34.5 |
| 9th EDF | 1 | 3.0 | 4.0 | 15.7 | 7.4 | 19.5 | 21.0 | 70.6 |
| 10th EDF | 1 | 3.4 | 4.5 | 5.7 | 7.4 | 10.1 | 9.2 | 40.3 |
| TOTAL | | 14.4 | 14.0 | 36.4 | 27.8 | 40.6 | 41.6 | 174.8 |
| STABEX 94 | 1&2 | — | — | 10.5 | 2.2 | 26.2 | 31.2 | 70.1 |
| STABEX 95 | 1&2 | — | — | 14.1 | 2.0 | 20.4 | 15.0 | 51.5 |
| STABEX 96/97 | 1&2 | — | — | 10.2 | 0.9 | 13.6 | 16.5 | 41.2 |
| STABEX 98 | 1&2 | — | — | 1.6 | 0.0 | 4.4 | 0.0 | 6.0 |
| STABEX 99 | 1&2 | — | — | 0.9 | 0.0 | 3.1 | 0.0 | 4.0 |
| STABEX remaining balance | 1&2 | — | — | 3.8 | 0.3 | 9.0 | 3.5 | 16.6 |
| TOTAL | | — | — | 41.1 | 5.4 | 76.6 | 66.2 | 189.4 |
| SFA (10-year programme) | | — | — | 52.5 | 5.5 | 71.6 | 52.0 | 181.6 |
| BAM (5 years) | | — | — | 15.2 | — | 10.3 | 9.9 | 35.4 |
| EU/ACP Sugar Protocol (2006-13) | | — | 45.1 | — | — | — | — | 45.1 |
| GRAND TOTAL | | 14.4 | 59.1 | 145.2 | 38.7 | 199.1 | 169.7 | 626.3 |

* Millions of Euro

*** 1 = Allocation, 1&2 = Allocation & Interest

This table does not include funds made available under other EU programmes, for example: Vulnerability FLEX (effects of international economic crisis), FLEX Mechanism (instability of export earnings) and Humanitarian Aid and Civil Protection (ECHO).



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