

JAY S. HAMMOND  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

February 25, 1977

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Branson B 30  
Hutton MA  
Willoughby J

No action  
required

cc: Resurrection  
Cotant  
Sycho  
D.L. Alvarson  
Penneyer

The Honorable Cyrus Vance  
Secretary of State  
U. S. Department of State  
Washington, D. C. 20520

Dear Mr. Secretary:

One of the most difficult problems faced by the United States in the implementation of the Fishery Conservation and Management Act of 1976 (Public Law 94-265) has been the negotiation of acceptable fishery agreements with Canada.

These difficulties have been caused in part by the closeness of our social and geographic relationships with Canada, and in part by the fact that many extensive and valuable fishery resources on both the Atlantic and Pacific coasts exist in disregard of the fishery boundaries now being established between our two countries.

Mr. Secretary, we are well aware that the negotiations with Canada for an interim reciprocal agreement for 1977 which would maintain essentially the status quo pending the development of a long-term agreement are now at a crucial stage. The State of Alaska made it clear to Ambassador Ridgway during these negotiations that it fully supports the concept of a status quo interim agreement with Canada for 1977. We are also cognizant of the importance to these negotiations of the March 1, 1977, effective date for implementation of the U. S. 200-mile fishery zone.

Nevertheless, there is one aspect of our relationship with Canada on the Pacific coast that I want to call to your attention at this time. This is the status of the Convention for the Preservation of the Halibut Fishery of the Northern Pacific Ocean and Bering Sea. Under the auspices of the Convention, the International Pacific Halibut Commission has the dual responsibility of conducting biological investigations regarding the status of the halibut stocks in Convention waters and of recommending appropriate regulatory measures to the Governments of Canada and the United States.

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In a number of significant aspects the Convention is not in accord with the purposes, policy, and intent of Public Law 94-265 and it seems clear that the renegotiation of the Convention will have to be undertaken by the United States.

My Administration has recognized and accepted the overall importance to the United States fishery industry (and indeed to U. S. foreign policy) of having an interim fisheries agreement with Canada for 1977. We have also been aware that making a major issue of the renegotiation of the Halibut Convention during the negotiations for an interim agreement had the potential of jeopardizing the attainment of the interim agreement. For these reasons we have thus far refrained from taking an active role in urging the Department of State to notify Canada of the need to renegotiate the Convention. We sincerely hope that by the time this letter reaches you an interim agreement will have been signed and a confrontation averted for 1977.

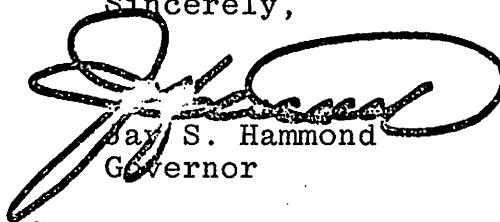
However, the passage of time introduced other factors into the equation. One such factor is the rapid approach of April 1 and the significance of this date for renegotiation. In recent years the International Pacific Halibut Commission (IPHC) has opened the halibut fishery in Area 4 (Bering Sea) on April 1. Article V (2) of the Convention provides that the Convention will remain in force for two years from the date on which either country has given notice to the other of its desire to terminate it. Thus, if notice is given after April 1, 1977, there may be the possibility of continuation of the status quo (i.e., Canadian fishing for halibut in the U. S. 200-mile zone under IPHC regulations), not only for 1977 and 1978, but also for 1979. Such a circumstance would be intolerable to the State of Alaska and Alaskan halibut fishing and processing interests. We recognize and accept that Canadian fishing under IPHC will continue in Alaskan waters in 1977 and 1978 because of the two-year termination clause previously cited. We are not willing to accept continuation of the status quo for a third year, since clearly the intent of Public Law 94-265 is to bring treaties such as the Halibut Convention into conformity as soon as possible. The indefinite postponement of the notice to Canada is hardly consistent with the purpose of the law.

The fact that a significant percentage of the Canadian catch of halibut does come and continues to come from the Alaskan coastal waters makes the halibut problem a matter of greatest

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importance to Alaska and the United States. The United States fishing industry has the capacity to both harvest and market the total allowable catch of halibut within the fisheries conservation zone as defined by Public Law 94-265. The failure on the part of the United States State Department to give timely notice regarding renegotiation or termination to Canada during the interim between the signing of the short-term 1977 agreement and April 1, 1977, can only serve to polarize public opinion in the United States and particularly within Alaska in a negative way towards later Canadian renegotiations. Such polarization, in turn, may effectively remove some renegotiation options for the United States and unnecessarily complicate the overall negotiations.

Sincerely,



Jay S. Hammond  
Governor

cc: Alaska Delegation to Congress  
President of the State Senate  
Speaker of the State House  
Secretary of Commerce  
Ambassador Rozanne Ridgway  
Members, NPFMC  
Members, PFMC  
Members, Alaska Board of Fish and Game  
Alaska Department of Fish and Game  
National Marine Fisheries Service, Alaska  
International Pacific Halibut Commission

1675 C STREET

ANCHORAGE, ALASKA 99501

HE  
A  
FILE*Memorandum*

TO : WHOM IT MAY CONCERN:

FROM : Y.J. OKAMOTO,  
Pacific Rim Development Research

SUBJECT: Korean-U.S. Fisheries Relations

DATE: April 24, 1972

Our reliable friends in Seoul, Korea recently informed us that:

- (1) A shore-based processing plant shall be built as a U.S.-Korea joint venture, which will utilize Korean fishing vessels manned by Korean fishermen. U.S. House Representative Nicholas N. Begich recently visited Korea, conferred with high Korean government officials in connection with this project. According to the same source, Alaskan Government has also in support of this project and has already submitted a detailed project plan to the Korean government. A Korean industry delegation is slated to visit Alaska sometime in May in order to discuss the plan, select plant site and logistic port complex.

Our friends say this is a very shocking news, and in sharp contradiction to what we have privately told them in the past..... that this type of operation is NOT welcome in Alaska, that Korean labor force cannot be used in a shore plant in Alaska, that any foreign fishing fleet cannot compete with Alaskan fishermen in delivering ocean catch to an Alaskan shore plant, etc. etc. etc. We are just as much embarrassed to hear the news.

- (2) The Korean fisheries industry is now focusing its concerted effort to enter the North Pacific fisheries south and north of the Aleutian Chain.

According to the recent disclosure made by the Director of Fishery Agency of Korean Government, a formal international fisheries treaty will be signed in the very near future in Washington, D.C. Under this new agreement, Korean government and its fishery industry will agree to abstain from salmon fishery east of 175 Degrees WESTern Longitude in Northn Pacific for 5-year period. In consideration the U.S. Government will provide a \$30,000,000 grant in local currency to the Korean fishing industry. Such fund will be taken out of the Won counter fund accumulated in Korea as Korea's payment for the Imported U.S. grains and other food staffs. Korean fishing industry will also enjoy a free hand to fish for herring, pollack, halibut and other bottom fish in Bering Sea under the terms of this agreement. The U.S. government will also assist Korea both technically and financially to develop and nurture salmon stock in the streams in the northeastern shore of South Korea. Under this treaty, all Korean fishing vessels and support vessels shall be given same priviledges

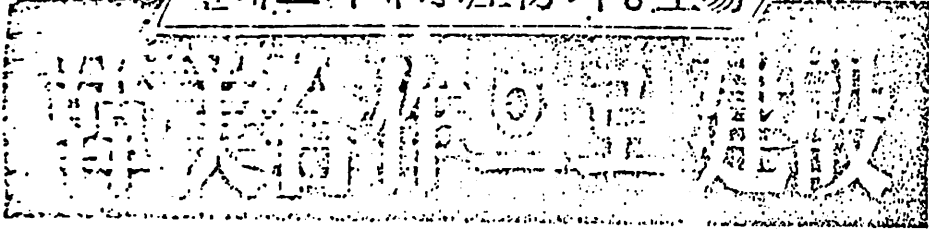
all other nations enjoy relative to five catchtransfer areas  
in Alaska not inside the 3-mile limits but within the 9-mile  
limits from Alaskan shoreline.

(3) As a result of progress in treaty negotiation, and also in the light of the favorable position Korean fishing industry will command, some of the major fisheries and distributive interests both in U.S. and Korea are now actively promoting joint ventures of all types and scopes. To mention a few, Del Monte and Korean Public Fisheries Corporation are now actively pushing their joint venture project, already signed and agreed upon, of Del Monte financing eight large fishing vessels to be constructed on Korean docks with the apparent prospect of entering into a long-term purchase agreement of the processed seafoods to be produced by these boats with Korean fishing effort and Korean labor. Korean Public Fisheries Corporation is also in serious negotiation with OPIC of USAID, Washington, D.C. to raise \$12,000,000 loan to finance another large joint venture in similar fisheries. Korai Fisheries Co. of Seoul, Korea is pushing another joint fishery venture with Star Kist, while Saito Industries of Seoul is reportedly in negotiation with Van Camp interest.

(4) We have also received more than a few newspaper clippings from Seoul of some of its major daily papers, and had one translated to give you some idea of media coverage in Korea. Our friends tell us that the nation's TV network also has given a very prominent coverage in prime hours with optimistic commentaries about Korea's future in the Bering Sea and other Alaskan fisheries.

Well. So much so far. One thing comes out loud and clear. It is apparent that the Alaskan fisheries, their resource base, their fishermen, and, above all, the future wellbeing of all Alaskan fishing families and their communities, are clearly at stake. Instead of Seattle, now we face in the 1970's a disquieting prospect of a tightening ring of tri-nation big fisheries alliance, perhaps a most elusive kind of international conglomorate taking a much firmer hold of Alaska's production as well as all three major international markets, Japan, U.S., and Western Europe. It is also interesting to note that Korean newspaper clipping reports on-going U.S.-Korea negotiation with respects to some highly sensitive foreign trade restrictions about to be imposed on Korean imports in manufactured goods. Are the interests of Alaska's small fishing people going to be traded off for the benefit of other economic interests of our mainland industries?

# 알래스카에 水産物 가공工場



- 정부는 알래스카에 15개의 가공공장 건설을 계획하고 있다.
- 알래스카의 수산물(연어, 대구, 참치 등)은 세계적으로 수요가 많고 가공과정에
- 이(工場)는 알래스카의 수산물 가공업의 발전에 크게 공헌할 것으로 기대된다.

## 貝類協定 체결 따라 合意

### 對美 漁業 交渉團

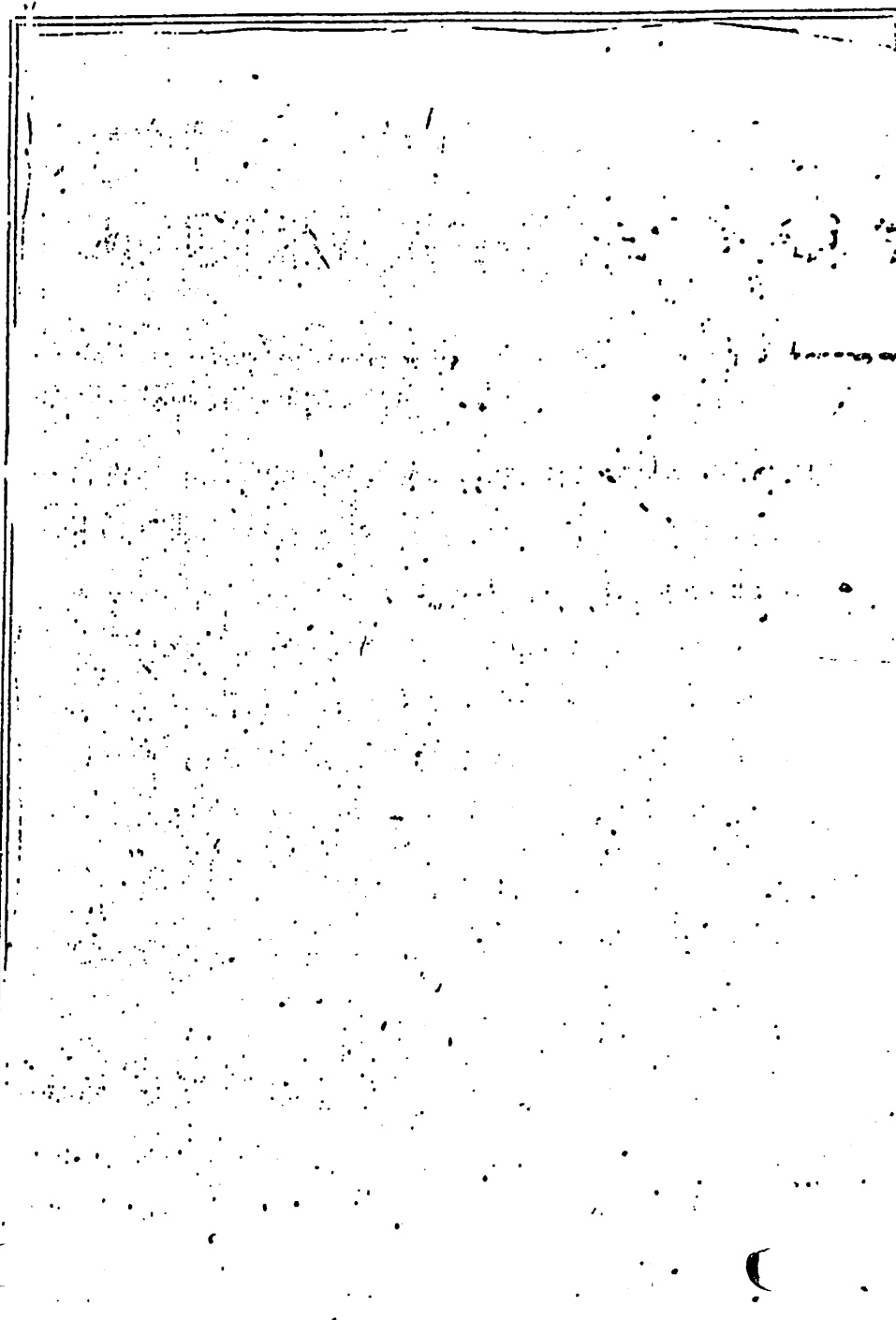
對美 漁業 交渉團 輸入의 제에 대비

15개 수산물 가공공장 건설을 계획하고 있는 알래스카의 수산물 가공업은 이 협정의 체결로 크게 발전할 것으로 기대된다. 알래스카의 수산물(연어, 대구, 참치 등)은 세계적으로 수요가 많고 가공과정에 이(工場)는 알래스카의 수산물 가공업의 발전에 크게 공헌할 것으로 기대된다.

# 北洋연어잡이 무제한 허용 加工物 수출 큰 기대

일부 제도가 당국에 협조할 경우 200만 톤의 연어를 가공할 수 있을 것으로 기대된다. 알래스카의 수산물 가공업은 이 협정의 체결로 크게 발전할 것으로 기대된다.

알래스카의 수산물 가공업은 이 협정의 체결로 크게 발전할 것으로 기대된다. 알래스카의 수산물(연어, 대구, 참치 등)은 세계적으로 수요가 많고 가공과정에 이(工場)는 알래스카의 수산물 가공업의 발전에 크게 공헌할 것으로 기대된다.



ENGLISH TRANSLATION

HEADLINE AND SUB-HEADLINES:

Alaska Seafoods Processing Plant  
To Be Constructed By Korea-U.S.  
Joint Venture.

- \* Our Government has Restrained the Fishing Industry in Pollack and Other Bottom Fish Fisheries of Northern Pacific in Accordance with Agreement between Korea and U.S.
- \* But, Now Government authorities are going to Issue Permits without any Limitations and a new Pollack-Herring Processing Factory will be Built in Alaska by Korea-U.S. Joint Venture.

Agreements Stemming from U.S.-Korea Shellfish Agreement.

BODY OF THE EXPLANATORY ARTICLE:

The pollack and other bottom fish will now be processed without any limitations in Alaska with a big expectation of developing export of processed seafoods. On April 15, the Korean Fishery Agency announced that the Korean capital investment in Alaskan fisheries had been agreed between the Korean and U.S. governments, under which Korean fishing boats will agree not to take any salmon in Bering Sea, but have the freedom of fishing for herring, pollack and halibut. The catches will be processed and marketed in the U.S., Japanese, and the European markets. A Korean industry commission shall be sent to Alaska in May to prepare for the construction of a fish-processing factory. Fishery Agency also announced that Korean labor force will

also be permitted to come into Alaska upon completion of the plant construction.

This agreement was made on April 7th as a result of a closed-door negotiation between our Government and U. S. House Representative Nicholas N. Begich from Alaska. Our government has been in receipt of a detailed project plan prepared and submitted by Alaska State Government.

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ANOTHER ARTICLE THAT APPEARED IN THE SAME NEWSPAPER RIGHT NEXT TO THE ABOVE FISHERIES VENTURE STORY.

Negotiating Team of Working Level to be sent to U.S.

"Electronics Components Face U.S. Import Restrictions"

U.S. is expected to place new restrictions on import of Korean electronics components and manufactures. In order to combat this move, the Korean Government will soon send this negotiation team on April 20. In the meantime, the Ministry of Industry and Trade announced that it will expand its present team in Washington for trade expansion in order to aid the negotiating team.

As early as October, 1971, U.S. Government announced some import restrictions on many other items including fabrics coming from 4 Asian countries including Korea. The recent move to include electronics components and manufactures is also feared to include boots, shoes, and mushrooms, all of which constitute some of Korea's principal export items to the U.S. Not only that, additional restrictions are said to be placed on Korea's investment activities in the U.S.

If put into force, this kind of trade restrictions are expected to bring about certain, serious consequences on the future conduct of the existing Korean-U.S. trade and economic agreement.

The negotiating team now being sent to Washington is charged with the task of stopping this restrictive tide on our foreign trade.





COMMANDER  
SEVENTEENTH COAST GUARD DISTRICT  
JUNEAU, ALASKA

15 MAR 1977

Jim H. Branson  
Executive Director  
North Pacific Fishery Management Council  
Suite 32, 333 W. 4th Ave.  
Post Office Mall Building  
Anchorage, AK 99510

Dear Jim:

I have two suggestions for the agenda of this next Council meeting. First, I would like my designee, CDR GIFFIN, to give a short report on CG/NMFS enforcement experiences since the implementation of the FCMA. This report, lasting about 10 minutes, would cover the deployment of patrol resources, the attitudes of the foreign fishermen, the enforcement problems encountered thus far, and projections for the future.

Second, in reviewing your schedule for the development of Council management plans (agenda item 14 of February's meeting) I note an issue which I don't believe the Council has addressed. Although the fishing regulations (50 CFR 611) and all the vessel permits I have seen thus far expire on 31 December 1977, no management plan will be implemented until mid-January 1978. This could well mean that in 1978, foreign fishing will again be controlled under Preliminary Management Plans rather than Council developed management plans. 50 CFR 611.3d requires the submission of permit applications at least 120 days prior to the commencement of fishing so SECSTATE should start receiving 1978 foreign fishing applications no later than September 1977. If one also considers the FCMA's built-in delays for processing permit applications, including the 45 day period for their review by the Council, it is clear that allocations of fish surpluses among the foreign applicants should be made no later than mid-October 1977. Thus, in the absence of council developed plans in October, the total allowable level of foreign catch in 1978 will be determined on the basis of the Preliminary Management Plans.

While I can recommend no single solution to the problem, I think the following factors may be worthwhile for Council members to consider:

a. Under section 305d of the FCMA, the Secretary of Commerce may use her emergency authority to implement a management plan even though the plan may not have yet gone through any of the required reviews or hearings. At first glance, since most plans will have been drafted by October 1977, it may appear that the Secretary's emergency authority to implement Council developed plans could solve the problem; however, I

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would introduce two notes of caution. First, a regulation published under this emergency authority has a maximum life of 90 days. Second, I question whether the Secretary would use her emergency authority under the expected circumstances. She would have in one hand preliminary management plans, drafted by her own people, which probably have the approval of SECSTATE. In the other hand, she would have drafts of Council management plans which presumably set forth lower foreign catches unacceptable to SECSTATE. I assume she would opt for the former.

b. There is an implied expiration date in the Alaska preliminary management plans in that total allowable foreign catches are established for this year only. Therefore, these plans must be extended, revised, or rewritten if they are to be employed in 1978.

The Council may wish to consider some of the following alternative courses:

a. Accelerate development of selected council management plans which are critical with respect to foreign allocations. For example, the Bering Sea and Aleutian trawl plan presently identifies a surplus of 950,000 MT of Pollock. This figure is well above the amount the council would like to see in a management plan. Incidentally, there may be a temptation to delay development of the crab plan since the Japanese tanner crab fishery does not begin its activity until March. It could be reasoned that the Council developed crab plan is not as time sensitive as are those which control foreign fisheries starting in January. However, as long as the State of Alaska's authority to regulate the domestic crab fleet outside the 3 mile line remains in question, the Council should continue to assign a high priority to this plan.

b. It is within the scope of the FCMA to cancel a preliminary plan and implement a Council developed plan in the middle of the year. However, I believe such a shift would meet with strong resistance from SECSTATE unless adequate groundwork is laid well in advance. If the employment of preliminary plans in early 1978 can not be avoided, SECSTATE should be encouraged to inform the foreign nations that initial allocations for 1978 are subject to reductions.

c. In a similar vein, the Council should attempt to have a strong input to next year's preliminary management plans. We know which of those plans are most unpalatable to us and should start developing objective data which will convince the Secretary to bring the plans into line with our perspectives.

Jim, I am taking the liberty to distribute this letter directly to all members of the Council so it may be read in advance of the forthcoming meeting.

Sincerely

*J. B. Hayes*

J. B. HAYES  
Secretary