

National Marine Fisheries Service
Contact: Robert W. McVey

FOR IMMEDIATE RELEASE

September 25, 1984

The National Marine Fisheries Service announced at the North Pacific Fishery Management Council meeting in Anchorage that documents seized from Japanese fishing vessels indicate organized measures have been used by Japanese fishing associations to frustrate U.S. observer programs and at-sea enforcement.

During fishing violation investigations conducted for improper catch logging and reporting Japanese language documents were seized and subsequently translated. Those documents indicate that the Japanese Longline and Gillnet Association and the National Federation of Medium Trawlers used highly organized schemes to manipulate U.S. observer coverage on foreign vessels. The tactics included purposeful reductions in catch and restricting fishing areas. U.S. observers are used to monitor foreign catch levels and composition. The biased observer data may have allowed the foreign vessels to avoid payment of poundage fees and resulted in improper estimates of fish stocks by fishery managers.

Fishery managers use observer catch estimates when coverage of each class of foreign vessel is 20% or more in a statistical area each week. The schemes employed often prevented achieving 20% observer coverage so that foreign reported catch would be used. The documents infer that vessels without observers aboard could fish unrestricted but report only assigned quotas.

The schemes also involved monitoring of U.S. patrols to prevent at-sea boardings of vessels that did not have observers assigned. Patrol craft location and movement information was sent by code to fishing vessels to allow movement away from patrol vessels. When vessels without observers were boarded catch underlogging violations were often found.

Beginning in 1984, U.S. observer coverage has been increased to nearly 100%. That has eliminated the effects of some of the tactics that had been used. The level of foreign fishing off Alaska has been significantly reduced this year and in part stems from increased levels of observer coverage. Observers however cannot monitor the entire catch of a vessel that fishes continuously and opportunities to bias observer catch estimates still exist.

The investigation results have been provided to Department of State officials who have asked the Japanese government to conduct an inquiry. While awaiting that report, the North Pacific Fishery Management Council and fishery managers are studying possible actions available to prevent recurrence of such schemes.

Governor Sheffield Endorses Fishery Council's Recommendation of Japanese Allocations.

9/28/84

FOR IMMEDIATE RELEASE

JUNEAU// Governor Bill Sheffield issued the following statement concerning actions taken today by the North Pacific Fishery Management Council on Japanese fishing off the coast of Alaska:

"I whole heartedly support and endorse the Council's recommendation that no further allocations be made to Japan this year. We can't have our resources stolen, and if reports of underlogging are true, that's exactly what has occurred.

"Like the Council, I also am looking for an explanation from the Japanese government to our government because I must weigh any requests from that country's fishermen for joint ventures in internal waters. Beyond that, the State of Alaska has the primary responsibility for managing many of the fisheries off our coast. If the data we are receiving from a source we trusted and worked with for years is fraudulent, then our goal of protecting and enhancing these fisheries for the benefit for all people can be thwarted.

"For those reasons, I fully support the Council's action today and ask the Secretary of State to pay close attention to the concerns expressed by many Alaskans about these reported incidents."

FROM: BEN HARDING,
W/ GOVERNOR'S OFFICE

TO: JAMES CAMPBELL

TYPED COPY DICTATED OVER PHONE OF
ACTUAL NEWS RELEASE.

Presentation to NPFMC (September 1984)

JAPANESE OBSERVER AND ENFORCEMENT COUNTERMEASURES

The purpose of this presentation is to inform the Council on various Japanese observer coverage and enforcement countermeasures that have occurred in the past and which may, to some extent, be continuing.

In November 1982, the Japanese stern trawler HAMAZEN MARU NO. 35 was seized by U.S. Coast Guard personnel and agents of NMFS for gross underlogging violations. In March 1983 the Japanese longline vessel EIKYU MARU NO. 82 was boarded and cited for various logging violations. Subsequent to each of these investigations large amounts of Japanese language documents were seized. Later in 1983, portions of these documents were translated.

The contents of these documents are for the most part, instructions from and to various committees and entities of at least two major Japanese fishing associations and member vessels. These associations are the National Federation of Medium Trawlers (more commonly known as the Hokuten Trawl Fleet) and the Japanese Longline and Gillnet Association. The documents appear to include instructions, plans, and policy; which outline, implement, and direct organized schemes aimed at manipulating observer coverage and the "best blend" determination

of catch. The documents also reveal an effort by Japanese vessels to evade and thereby defeat our at-sea enforcement operations.

The National Federation of Medium Trawlers is composed of approximately 90 small trawlers which operate exclusively in the Bering Sea and Aleutian Islands, west of 170°W longitude and in the Soviet zone. Most of these vessels are owned by small Japanese companies. These vessels have limited processing capabilities and produce only frozen fish. They are not equipped to produce surimi and consequently usually target on lower quota species such as turbot, other flounders and rockfish.

The usual operating procedure is to enter the FCZ, fish until their holds are full, and then return to Japan. It is our understanding that Japanese regulations prohibit these vessels from conducting at-sea cargo transfers and we have never encountered any of these vessels that have admitted to transfer operations.

The documents pertaining to the Hokuten Trawl Fleet outline countermeasures for observer coverage for 1981 and 1982. These documents also indicate such efforts were also in effect during 1980.

The documents dictate that "accommodation" vessels (vessels with an observer) are required to adhere to a strict regimen of catch control. To quote one of the documents titled "New Observer Boarding Plan Countermeasures (1981)": "During the period that the observer is on board (we will) stand on the basis that the "vessel" is under charter

to the United States government and will concentrate on taking observer countermeasures. During this period, profitability is to be ignored and the separately spelled out "Operational Countermeasures During Period Observer is on Board" is to be observed". The document further infers standards would be established [with regard] to compensating vessels with observers.

The 1981 plan required "accommodation" vessels to catch no more than 10 MT per day and treat low quota species as prohibited species. The 1982 plan required "accommodation" vessels to limit catch to no more than 8 tons per day. In 1982 "accommodation" vessels were further limited to only 50 MT of turbot during observer cruises (20 days) and limited to fishing with mid-water trawl for pollock for the remaining catch. (Medium trawlers of the Hokuten class traditionally catch between 12 to 20 MT per day. Primary target species has usually been turbot with pollock fishing usually being conducted only during a few winter months for roe.)

These same restrictions were not placed on "general" vessels (vessels without observers). The documents indicate that catch of "general" vessels is unrestricted but that catch reports should show no more than their individual vessel quotas. The effect of these directives on U.S. "best blend" estimates of catch is to indicate a lower catch than actually occurred. The best blend system uses observer estimates of catch extrapolated to all vessels of the same class in any particular area whenever observer coverage is 20 percent or more. By

artificially restricting catch on observer vessels the best blend catch estimate is likewise restricted.

Even with 20% observer coverage implementation of these policies could easily result in the "best blend" underestimating total catch of this group by as much as 40%. The restrictions on turbot could result in an under estimation of 70% or more for that species.

The documents further indicated control of which area an "accommodation" vessel would fish. By directing "accommodation" vessels to congregate in one area, 20 percent observer coverage is not obtained in adjacent areas. As a result catch determination in those areas relies solely on foreign reported catch. In the last two to three years this has been especially true in the Aleutian area with 20 percent coverage seldom being obtained while coverage in central Bering Sea has exceeded 80 percent at the same time.

We believe the plans outlined in these documents were carried out. Between 1979 and 1983, 15 Hokutens were seized for gross logging violations, two of these were seized twice. Most of these vessels did not have observers on board. On those that did, it was found that the underlogging usually occurred before or after the observers stay aboard the vessels. In most instances the underlogging involved turbot and sablefish.

Documents seized from the longline vessel EIKYO 82 outline 1983 observer countermeasures for longliners. The countermeasures are

similar to the Hokuten plans in that "accommodation" vessels artificially restricting catch of Pacific cod and sablefish. The longline documents further limits effort and gear. The plan directs "accommodation" vessels to cease fishing for one or more days in a week and limit gear units to 380 baskets. The vessels normally fish 7 days a week and 500 plus units of gear. The documents encourage "general" vessels to under report gear units. The effects of these directives on "best blend" is the same as that described for Hokuten trawlers.

The longline documents goes into great detail on the effects of 20 percent observer coverage and how to avoid it. The documents includes tables depicting various observer deployment situations and how to avoid 20 percent coverage by shifting vessels from area to area. The longline fleet is comprised of 22 vessels and normally targets on Pacific cod or sablefish. Three of these have been seized for under-logging, one of which was seized twice. There appears to be at least some collusion between the two groups with at least one document from Hokuten being found aboard the longliner.

Another aspect of the documents pertains to evasion of at-sea enforcement efforts. The documents reveal a highly organized system of tracking U.S. and Soviet enforcement units. The documents indicate that vessels ~~to~~ pass sighting information and radio direction finding information on enforcement units and special codes are provided for doing so. The documents further direct "accommodation" vessels of the Hokuten fleet to surrender for a boarding and thereby run interference for "general" vessels ^{upon request.} The plan for the most part was extremely

effective. During the last 3 to 3-1/2 years, The boarding of "general" vessels of the Hokuten fleet was only accomplished when ~~drastic~~ drastic and deceptive patrol tactics were used by U.S. patrol vessels. Once boarded under such circumstances, the vessels in many instances have been seized for gross underlogging.

One of the documents, a letter from a Japanese radio operators association to the Japan Seaman's Union emphasizes the extent of the tracking. It states: "Subsequent to implementation of the 200 Nautical Mile [zone], activities of American and Soviet monitor vessels have been vigorous and on-board searches have become considerably more strict. Through these actions, the number of days involved in vessel movements has gradually come to take up one quarter, one third, and one half of the time on the fishing grounds. The situation has become quite severe. Even with respect to the details of operating, the weight being placed on the collection of information has come to be very great. In the present situation of HOKUTENSEN, it is not an over statement to say that there is a U.S./Japan Radio War going on. Across the entire range of the seas that we operate in, when American monitoring ships come on the scene, control of electric-magnetic radiation is vigorously implemented. For several days at a time it is a battle involving invisible radio waves. The contents of communications have been extremely simplified and we must be able to capture a several seconds transmission. Such circumstances demand continuous attention to the direction finder and results in extremes of psychological stress".

The report indicates the Hokuten fleet is the most concerned party. This fleet does not transfer product and thus must hold any under-logged fish on board and are therefore in jeopardy of detection should they be boarded. The intensity of this so called war has been evident time and again as most patrol units can attest. Though, for the most part, the Hokutens are in the most jeopardy from a boarding, it appears that all Japanese user groups have participated in the tracking of enforcement units. The code sheets used to encrypt sighting information are a common item on all classes of Japanese vessels. The results of tracking and evasion have severely hampered if not substantially defeated meaningful enforcement efforts in past years.

This brings us to the present situation in the zone. 1984 has seen 100 or near 100% observer coverage. This coverage renders some of the past tactics mute and ineffective. Certainly evading at-sea enforcement while carrying a U.S. observer aboard is less advantageous. Unfortunately 100% observer coverage is not a cure-all though it certainly has a limiting effect and results in a greater degree of accuracy in catch estimation. Observers cannot monitor all the catch that comes aboard a vessel. They normally see only about half the catch. There are a number of factors that lead us to believe that in a substantial number of cases a portion of the unobserved catch is being underlogged. Further the number of reported instances of observers sampling being biased has substantially increased in the last two years.

In summation, we believe 100% observer coverage, aggressive enforcement, and effective regulations are necessary elements to successful management of our marine resources. However the primary ingredient to success lies in voluntary compliance and cooperation by the vast majority of those harvesting the resource. Unfortunately, in the case of the Japanese fishing off Alaska there appears to be a concerted effort by an alarmingly significant number of vessels that causes us great concern about our ability to effectively protect the resource.

1984 JOINT VENTURES OFF ALASKA GULF OF ALASKA

| VENTURE | NUMBER OF VESSELS ^{1/} | | |
|--------------------------------------|---------------------------------|------------------|----------------------------|
| | FOREIGN | U.S. | |
| *TAIWAN/ALASKA CONTACT | 3 | 4 | |
| NIPPON SUISAN/UNIVERSAL SEAFOODS | 4 | 7 | |
| OHTORI AND KYOKUYO/WHITNEY FIDALGO | 2 | 5 | |
| NICHIRO/PETER PAN | 1 | 2 | |
| HOKO/ALYESKA FISHERIES | 1 | 4 | CATCH THROUGH SEPTEMBER 8: |
| TAIYO/WESTWARD FISHERIES | 3 | 8 | POLLOCK 180,026 |
| *SAMHO/ALASKAN J-V FISHERIES | 2 | 4 | PACIFIC COD 3,174 |
| DONGWON AND SILLA/PROFISH | 3 | 6 | POP 1,495 |
| OYANG AND NAMBUG/J.V. FISHERIES | 2 | 3 | ALL OTHERS 3,851 |
| HANSUNG/ALASKA CONTACT | 1 | 2 | TOTAL 188,546 |
| *KOREA WONGANG/FISH PRODUCERS ASSOC. | 4 | 7 | |
| *MARINE ENTERPRISE/CALALASKA | 1 | 1 | |
| NORDSTERN/ALYESKA FISHERIES | 1 | 5 | |
| U.S.S.R./MARINE RESOURCES CO. | 5 | 8 | |
| SPAIN/ALASKA SALT COD | 1 | 2 | |
| *POLAND/ALASKA CONTACT | 1 | 1 | |
| TOTAL | 36 | 59 ^{2/} | |

BERING SEA/ALEUTIANS

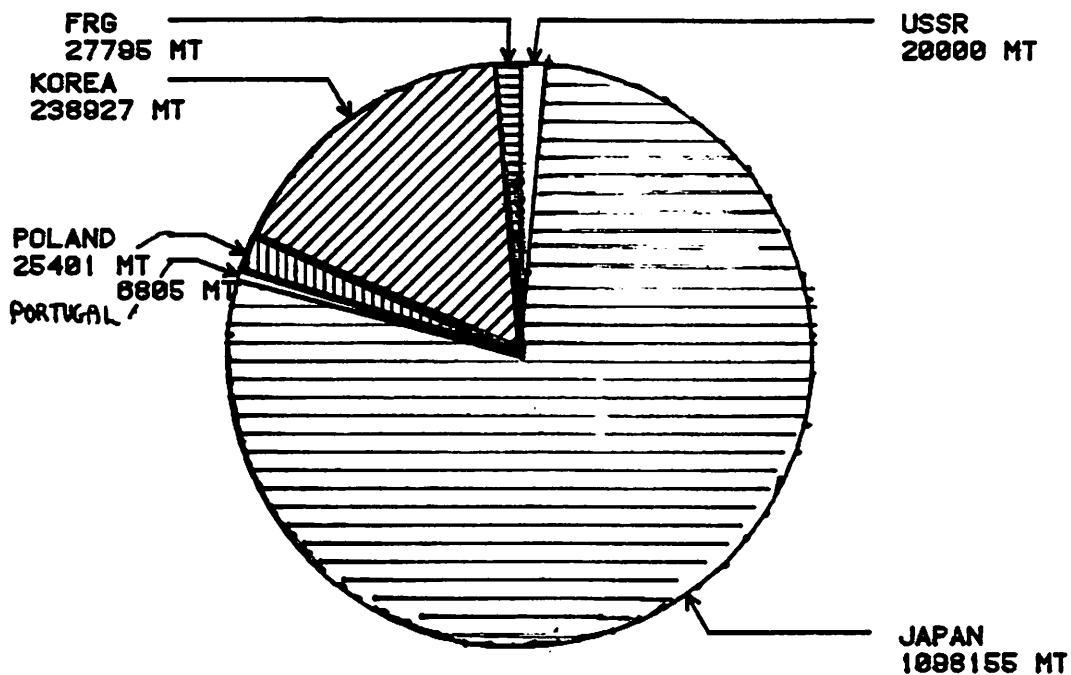
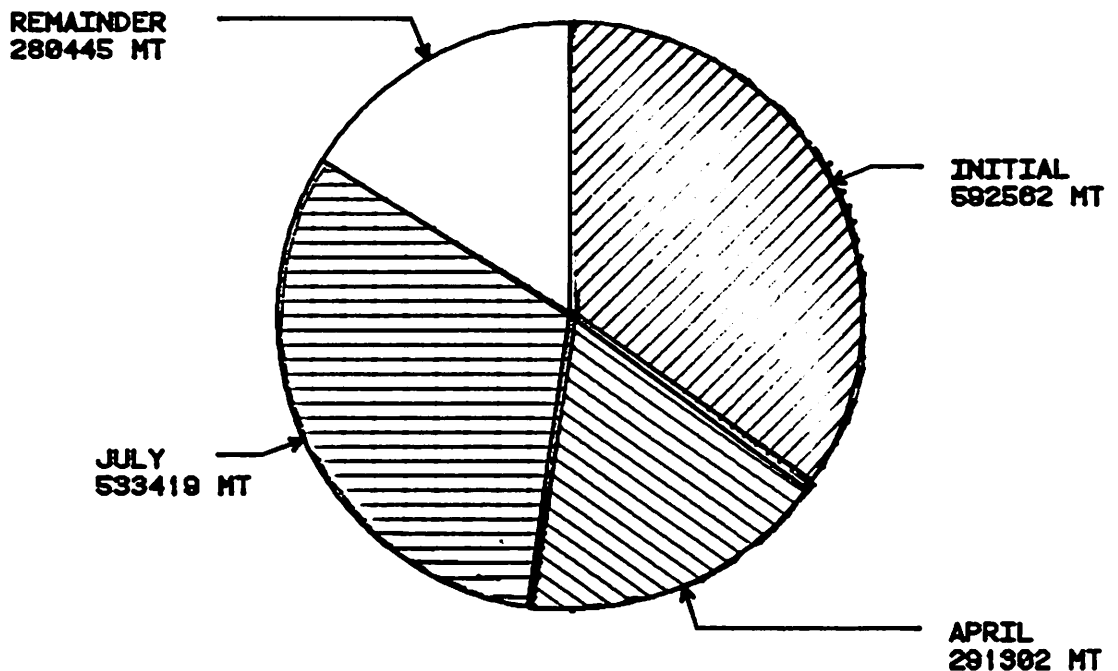
| VENTURE | NUMBER OF VESSELS ^{1/} | | |
|--|---------------------------------|------------------|----------------------------|
| | FOREIGN | U.S. | |
| *U.S.S.R./MARINE RESOURCES CO. | 10 | 20 | |
| HOKO/ALYESKA FISHERIES | 1 | 4 | |
| TAIYO/WESTWARD FISHERIES | 3 | 8 | |
| OHTORI/WHITNEY FIDALGO | 1 | 3 | |
| NIPPON SUISAN/UNIVERSAL SEAFOODS | 4 | 12 | CATCH THROUGH SEPTEMBER 8: |
| NICHIRO/PETER PAN | 1 | 3 | POLLOCK 233,327 |
| NORDSTERN/ALYESKA FISHERIES | 1 | 5 | PACIFIC COD 32,861 |
| HANSUNG/ALASKA CONTACT | 1 | 2 | FLATFISH 44,217 |
| MARINE ENTERPRISE/CALALASKA | 1 | 1 | ATKA MACKEREL 36,543 |
| *SAMHO AND DAERIM/ALASKA J-V FISHERIES | 4 | 11 | OTHERS 3,457 |
| OYANG/J.V. FISHERIES | 2 | 2 | TOTAL 350,405 |
| DONGWON AND SILLA/PROFISH | 5 | 5 | |
| *SPAIN/ALASKA SALT COD | 1 | 4 | |
| POLAND/ALASKA CONTACT | 2 | 3 | |
| TOTAL | 37 | 65 ^{2/} | |

^{1/} Maximum number; not necessarily present concurrently.
^{2/} Many U.S. vessels have fished for more than one joint venture.

* Operating on September 20, 1984

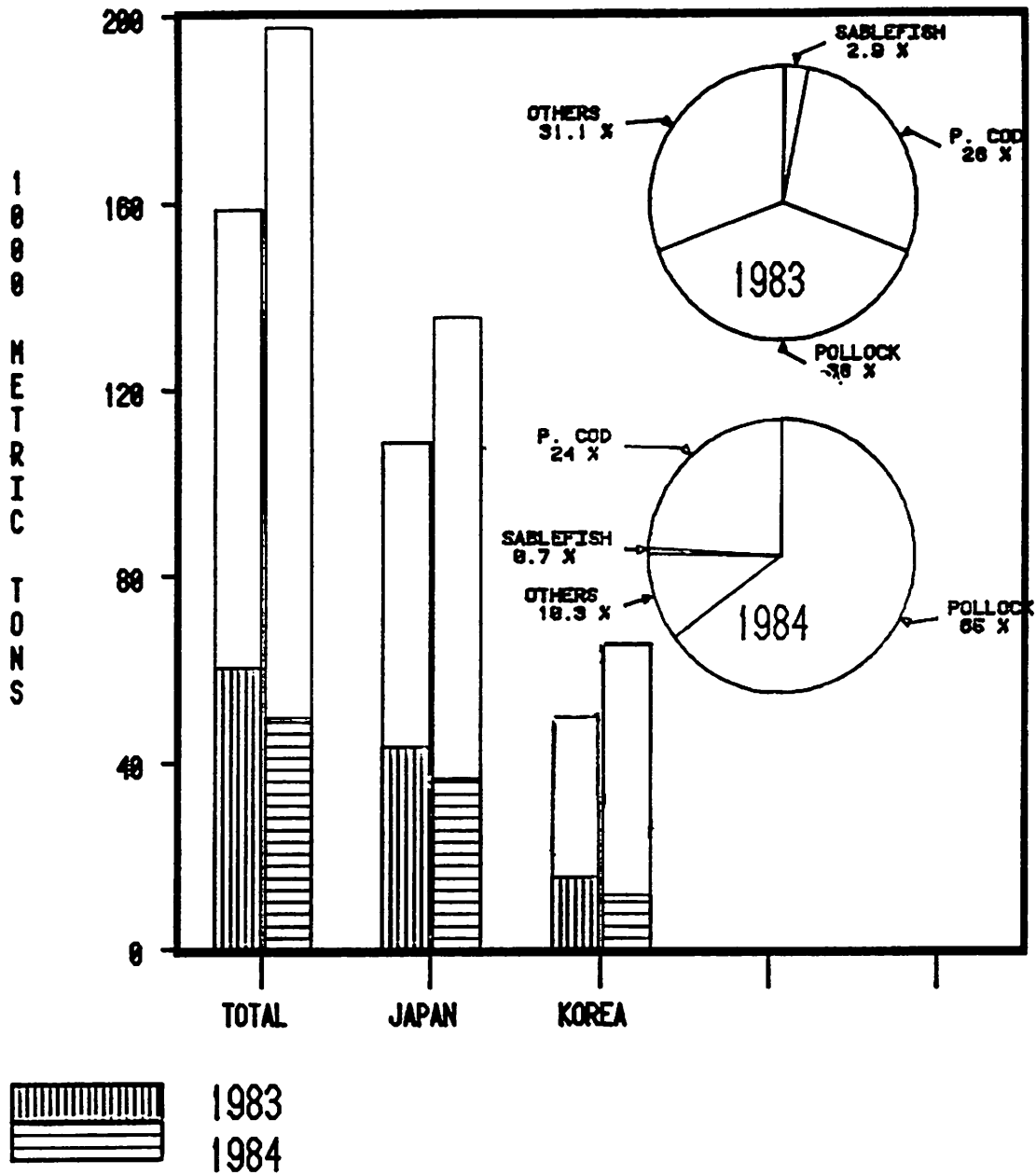
1984 ALLOCATIONS OF TALFF OFF ALASKA

TALFF AFTER AUGUST RESERVE RELEASE: 1,697,328 MT
TALFF ALLOCATED TO DATE: 1,417,283 MT



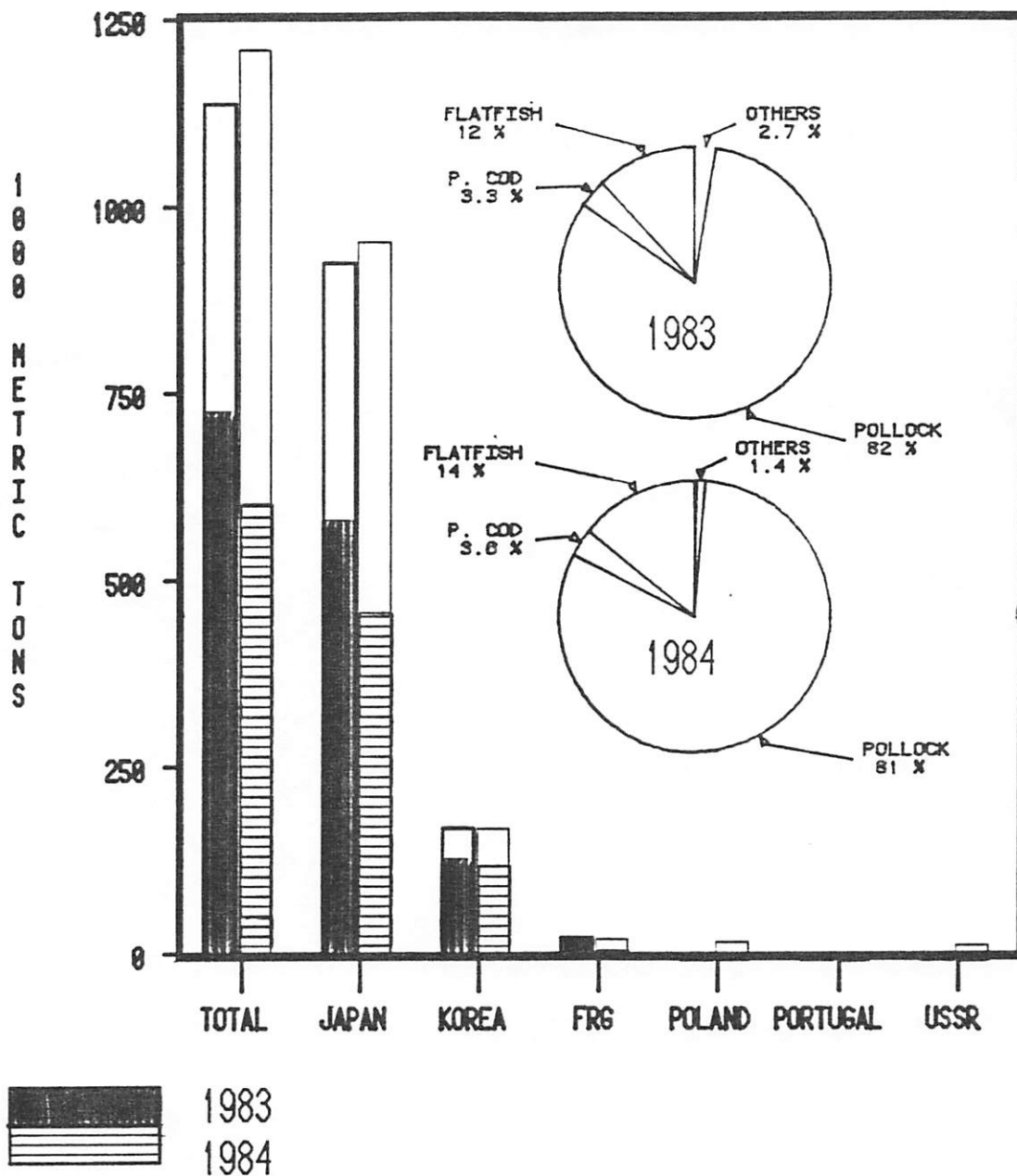
FOREIGN FISHING: GULF OF ALASKA

CATCH (shaded) AND ALLOCATIONS THROUGH AUGUST



FOREIGN FISHING: BERING SEA/ALEUTIANS

CATCH(Shaded) AND ALLOCATIONS THROUGH AUGUST



National Marine Fisheries Service
Alaska Region, Juneau
Fisheries Management Division
September 20, 1984

DISCUSSION PAPER
JOINT VENTURE CLOSURES

Problem

If the JVP amount of any species in an area is reached or exceeded, all joint venture fisheries in that area must cease, regardless of whether JVP allocations of other species remain unfished or OY remains for the species in question.

This situation results from a restriction appearing on the permits of foreign processing vessels which receive fish from U.S. catcher vessels, which states:

"If the Assistant Administrator finds that the current amount specified for joint venture processing (JVP) for any fishing area or species has been received by foreign vessels from U.S. vessels, no further fish may be received in that fishery area from U.S. vessels."

Rather than disrupt other valuable U.S. JVP fisheries in an area after the JVP of a particular single species has been reached, the management policy has been to permit JVP fisheries which have minimal bycatches of the "closed" species to continue (if the OY of the "closed" species has not been reached). As this policy is not in accordance with the current permit restriction, that restriction must be examined for possible revision in 1985.

Options

Option I. Eliminate the restriction by deleting the subject paragraph on the permit.

The responsibility for maintaining orderly operations and remaining within the JVP or OY of each species would be shifted entirely from the foreign processing vessel to the U.S. fishermen catching and delivering the fish. Current domestic regulations regulating the Gulf of Alaska groundfish fishery require closure of an area to trawling when the combined foreign and domestic catches reach the OY of a species; the Bering Sea regulations permit further fishing in the area for other target species, as long as the "closed" species is not taken. Although no mention is made in the regulations of JVP as a quota which triggers a closure, this is implicit in the Magnuson Act. Therefore, the concern expressed by several joint venture companies, that a single operation could shut down a fishery through miscalculation or even maliciousness, still holds. In the Gulf the results of reaching OY would be particularly severe, since there is no simple inseason mechanism to

supplement OY. Ways of forestalling such a situation are addressed by the following suboptions.

Ia. Revise domestic regulations to specifically allow closure of a directed fishery on a single species in an area when its JVP has been reached or revise domestic permits to state that further targeting on a species in a joint venture fishery is illegal when its JVP is reached.

There are legal and technical problems with enforcing "single species" closures. From a legal perspective, the prosecution of an individual company or vessel for taking a closed species in unacceptable quantities raises procedural and evidentiary problems that could prevent prompt corrective action. It is even possible that the company/vessel could keep fishing until those problems had been resolved through administrative and judicial proceedings. From an enforcement perspective, it is very difficult to obtain evidence against a single domestic vessel; once a tow is delivered to a foreign processing vessel, it becomes mixed with fish from other deliveries.

Ib. Assign quotas for each species to each joint venture.

One alternative is that the companies could subdivide the quota among themselves in a pre-season agreement. This is analogous to foreign quotas: when Japan receives a national quota for each species (exceeding any one of which will shut down the entire Japanese fishery in an area) the various Japanese fishing associations negotiate among themselves and with the Japanese government for their share of the quotas. Should this fail to result in an orderly fishery, the Council may be forced to consider formally assigning quotas to each joint venture.

Option II. Condition the foreign vessels' permits.

Ila. Retain the status quo.

NMFS requires foreign processing vessels to discontinue joint ventures when the JVP of a species has been reached. Aside from the relative ease of enforcing such closures, it seems reasonable that the foreign side of the joint venture operations should retain responsibility for fishing operations; presumably the U.S. fishermen would not continue fishing if no market or processing capability were being offered. However, the problem of possible premature closure of an entire area remains.

Iib. Revise the language of the paragraph to state that: "...no further fish of that species may be received in that fishing area from U.S. vessels except in bycatch amounts, (those amounts to be specified by the Regional Director)."

This revision would allow increased management flexibility and could be monitored by the observer. Bycatch rates or amounts would be calculated taking into consideration historical bycatch rates in the fishery, and the remaining amount of OY for the species. An individual joint venture would be closed if that rate or amount--as determined by the U.S. observer--was exceeded. A total area closure would only be

implemented when the entire OY or TAC of a species was reached, consistent with domestic regulations.

One alternative under this option is that bycatch amounts could be retained, if the remaining reserve amount is a reliable and adequate "cushion" against encroachment into DAP, which has first priority under the Act, or against exceeding the OY. On the other hand, the argument has been made by NMFS Enforcement that the only effective way to enforce the avoidance of a species is to make it prohibited (require discarding). This issue should be resolved before changes to the permit language are made.

In order to ensure that the remaining amount of OY for a species is sufficient for bycatch in continuing joint ventures on other species, it has been suggested that a separate "cushion" reserve be indicated for each species for that purpose. This could be formalized, which would require plan amendments; or these could be operational reserves determined by the Regional Director as a subcategory of actual reserves. These amounts could be retained indefinitely or until clearly not needed by JVP, and not apportioned to DAH or TALFF on the scheduled reserve release dates. This is consistent with the intended use of reserves (to support domestic operations), but would not work if the entire reserve amount was needed by DAP operators, who have first entitlement.

Iic. Revise the permit language to state "...further fish of that species received from that fishing area from U.S. vessels must be returned to U.S. vessels."

As a result, bycatches would count as DAP rather than JVP; such bycatch would be either processed aboard the U.S. vessel or delivered to a shorebased processor and ADF&G fish tickets would be used to report catch amounts (as required by domestic regulations).

It has been previously assumed that the logistics and economics of this scenario would eliminate it as a possibility; however, if the alternative were closure of the fishery, the industry might well find ways to overcome those difficulties.

Prepared by: Janet Smoker, Resource Management Specialist

ADDITIONAL RESTRICTIONS ON PERMITS FOR CERTAIN VESSELS OF KOREA

• VESSEL(s): DAE SUNG HO, NO. 1 HANSUNG

U.S. Partner: Alaska Contact, Ltd.
Anchorage, Alaska

SUPPORT ACTIVITIES AUTHORIZED

Operations by this vessel(s) in support of vessels of the United States are authorized in the Bering Sea and Aleutian Islands groundfish fishery. This vessel(s) is subject to these additional restrictions (which may be modified under 50 CFR 611.3).

(a) Restrictions on receipt of fish.

(1) If the Assistant Administrator finds that the current amount specified for "joint venture processing" (JVP) for any fishing area or species has been received by foreign vessels from U.S. vessels, no further fish may be received in that fishing area from U.S. vessels. The fishery closure procedures of 50 CFR 611.15(c) will apply.

(2) No sablefish may be received from a U.S. longline fishery. Retention of sablefish is limited to incidental amounts resulting from the U.S. trawl fishery. The amount of sablefish harvested by U.S. vessels in any fishing area which may be retained by the above vessel(s) cannot exceed 1.5 percent of all fish received by that vessel. This percentage limitation on retention applies to the initial 1,000 mt of fish received in the FCZ from U.S. vessels and each 5,000 mt increment thereafter. (For example, if the amount of sablefish harvested by U.S. vessels and delivered to and retained by a foreign vessel in the FCZ reaches 15 mt before receipt by that foreign vessel of the initial 1,000 mt of all fish, no further sablefish may be retained until the initial 1,000 mt of all fish is received. A 75 mt limitation on retention of sablefish applies to each succeeding 5,000 mt of all fish received.)

(3) Any "unallocated species" (as defined at 50 CFR 611.93 (b)(1)(ii)(A) or part of those species which is received must be treated under 50 CFR 611.13.

(b) Area restrictions.

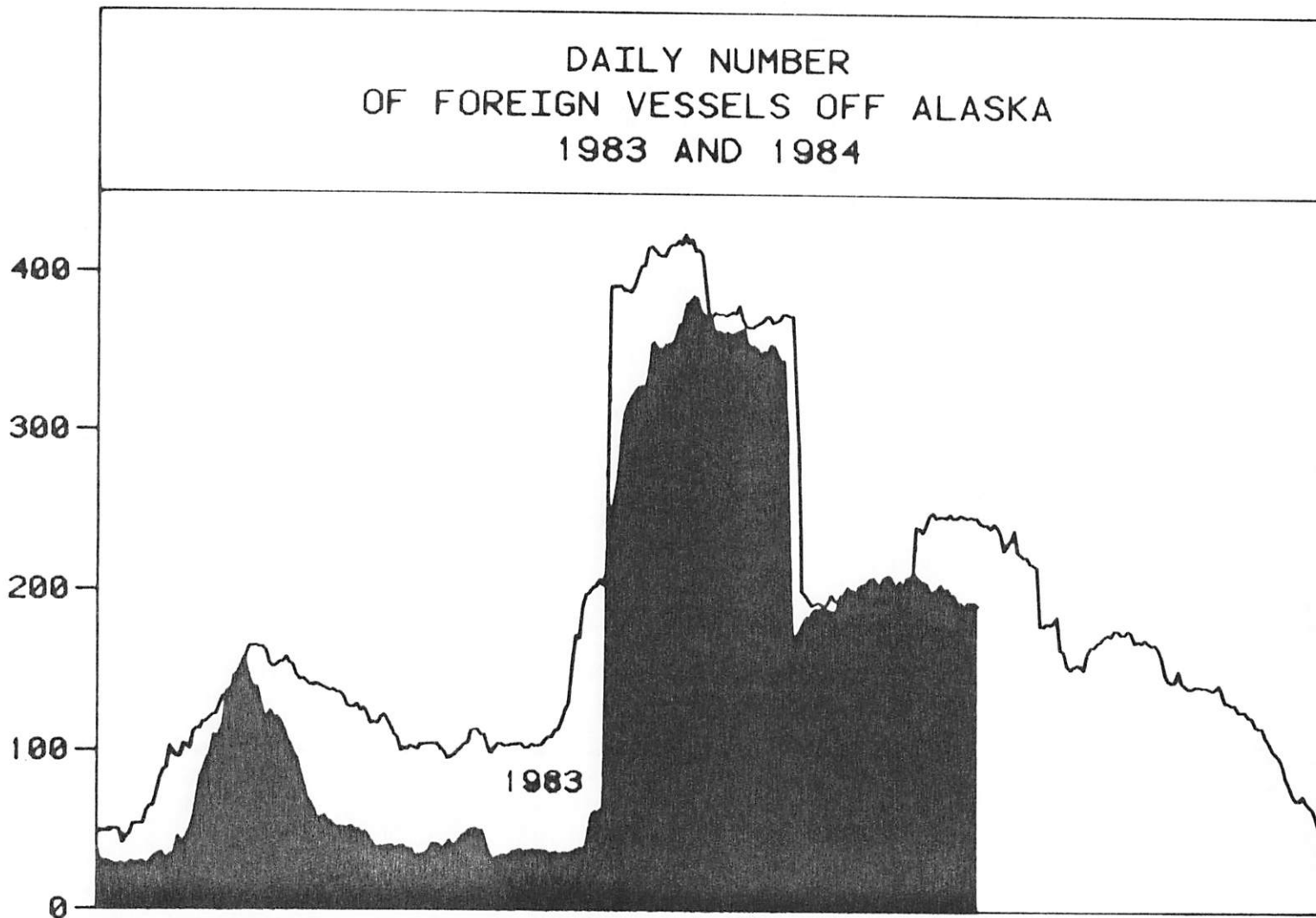
Processing of U.S. harvested fish and other operations in support of U.S. vessels must be conducted in the FCZ of the Bering Sea and Aleutian Islands fishery in accordance with 50 CFR 611.93(c). Processing of foreign harvested fish and other operations in support of foreign vessels may be conducted only in accordance with 50 CFR 611.10(b) and in the areas and during the times specified in 50 CFR 611.90(c)(2).

(c) Reporting requirements.

Unless otherwise approved by the Regional Director, Alaska Region, NMFS, each vessel must report its projected times and positions for starting and ending operations in support of U.S. vessels, at least 7 days before the event. These reports must be submitted in the manner prescribed in 50 CFR 611.4(b). Use the action code "START JV OPS" or "END JV OPS".

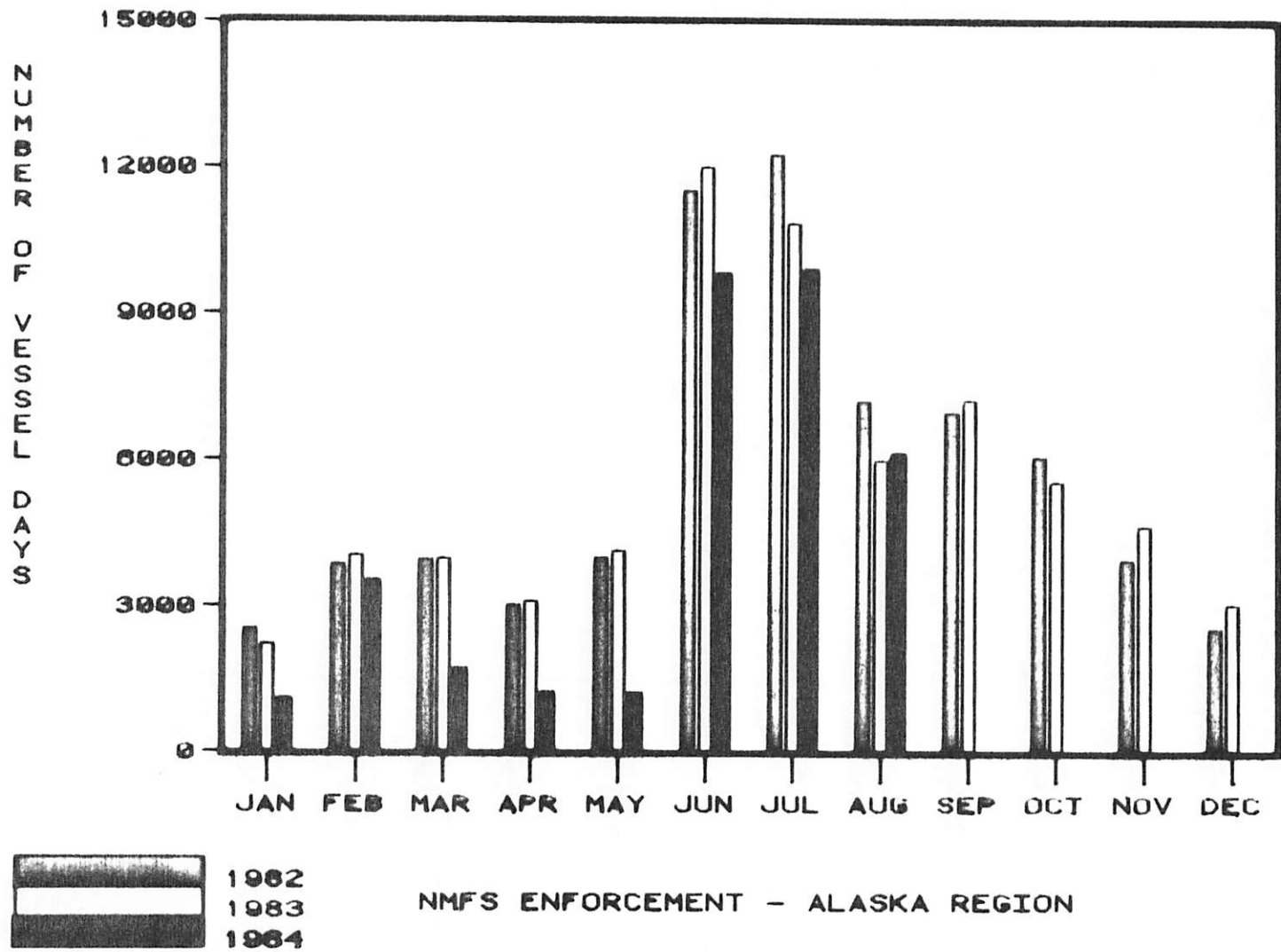
(d) Fishery closures.

Operations in support of U.S. vessels are not subject to the fishery closure provisions of 50 CFR 611.15(a)(3) and (4).

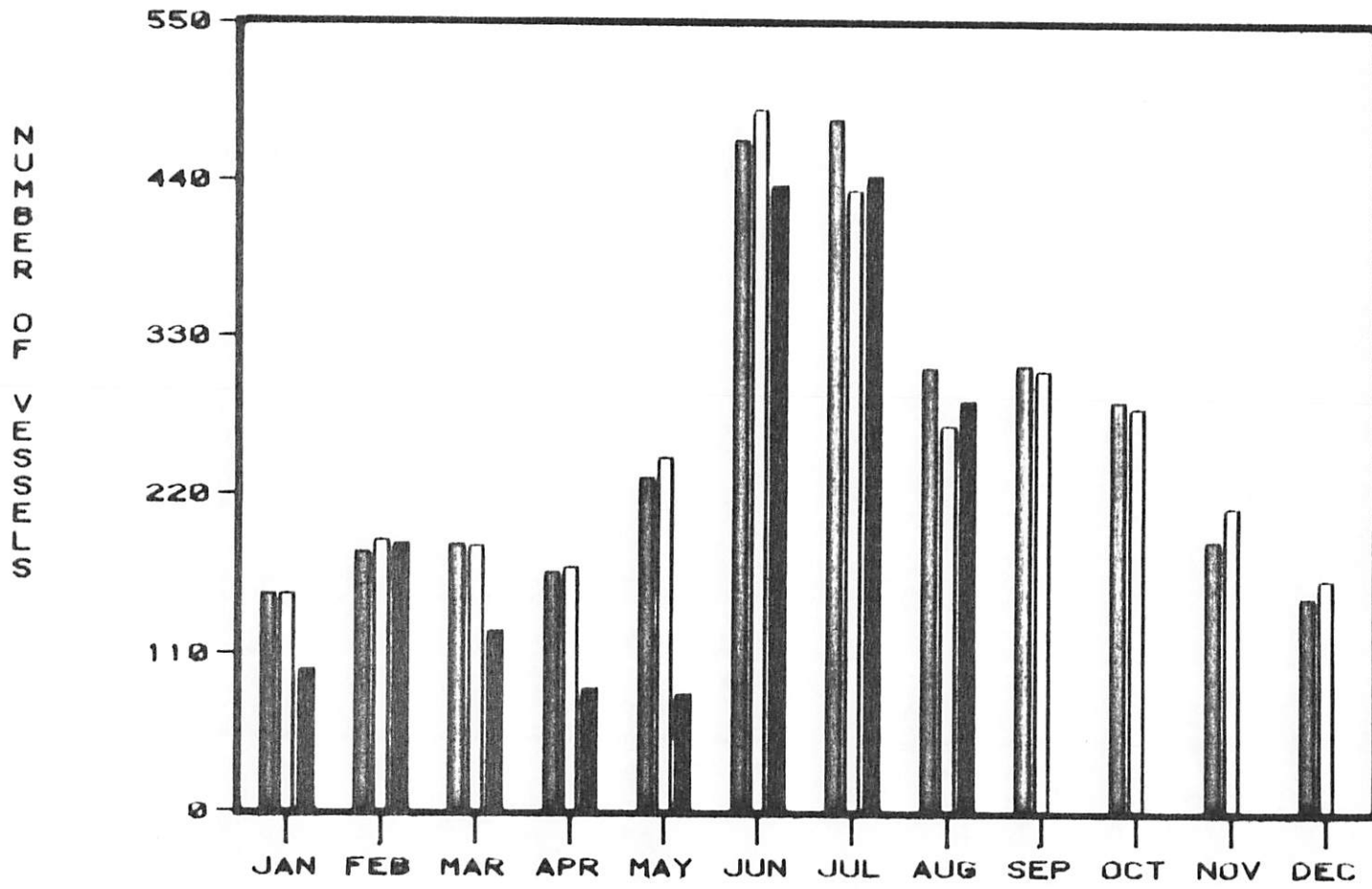


NMFS ENFORCEMENT - ALASKA REGION

**NUMBER OF FOREIGN VESSEL DAYS OFF ALASKA
1962 TO 1964**



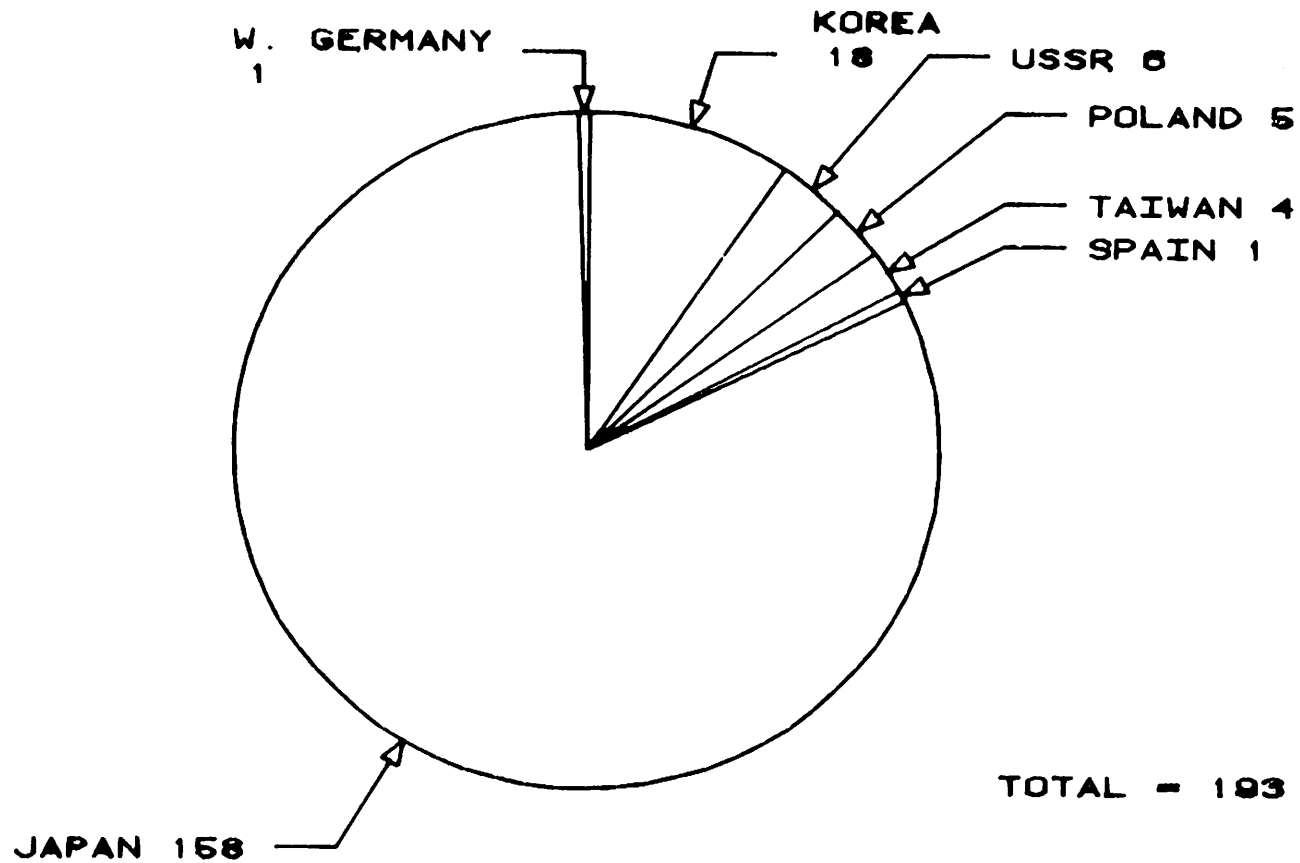
NUMBER OF FOREIGN VESSELS OFF ALASKA 1982 TO 1984



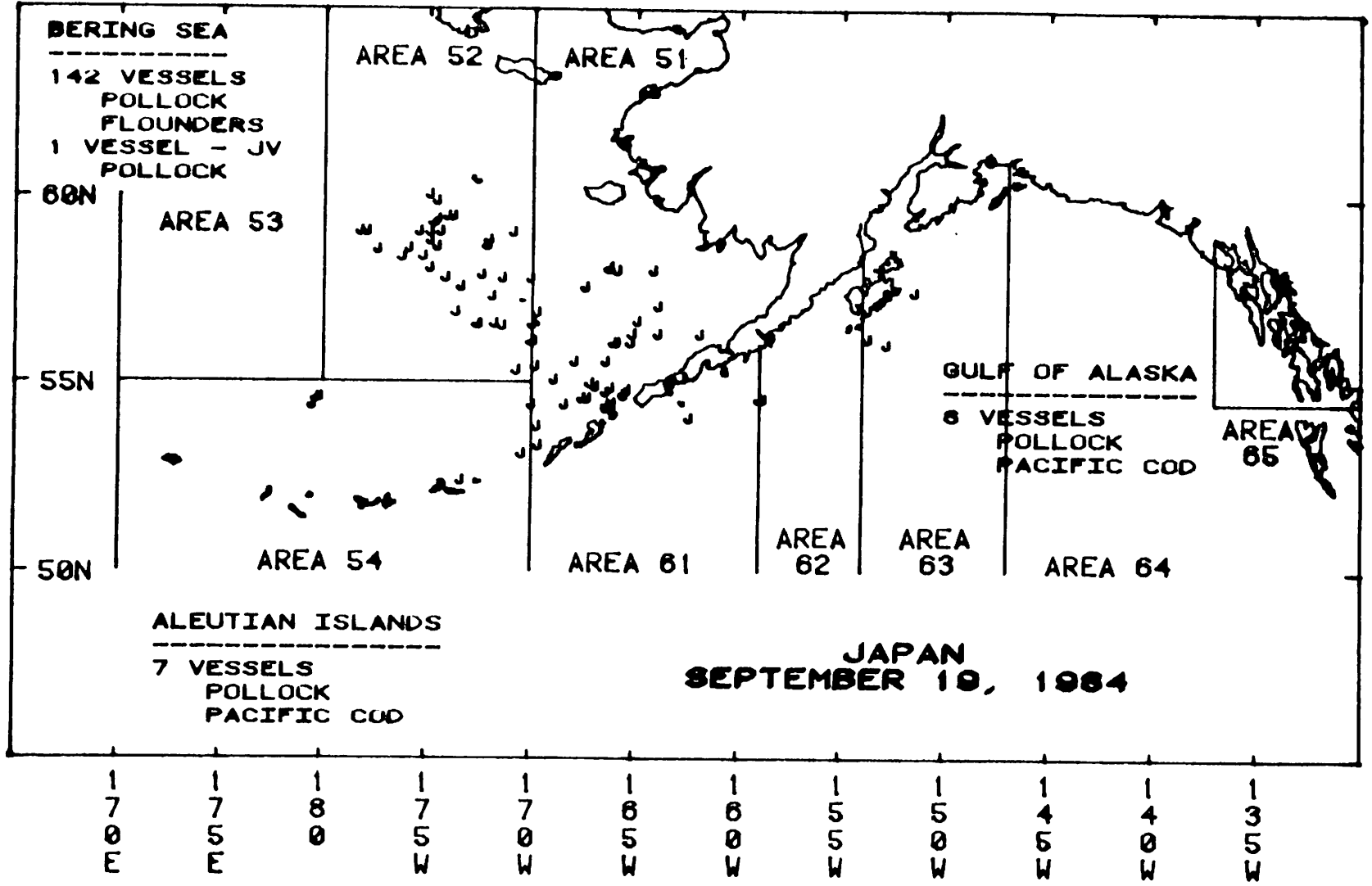
1982
 1983
 1984

NMFS ENFORCEMENT - ALASKA REGION

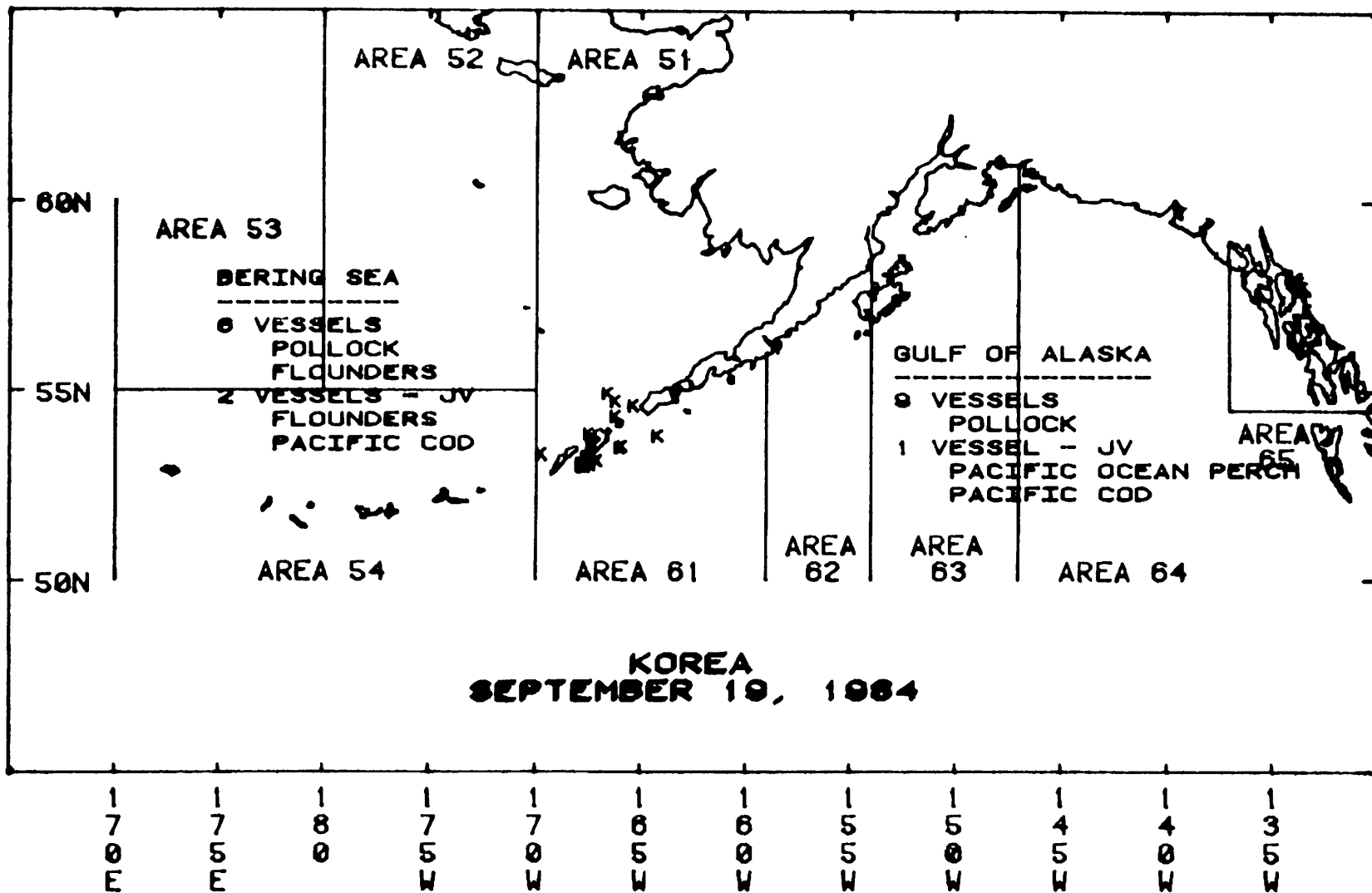
NUMBER OF FOREIGN VESSELS OFF ALASKA SEPTEMBER 19, 1984



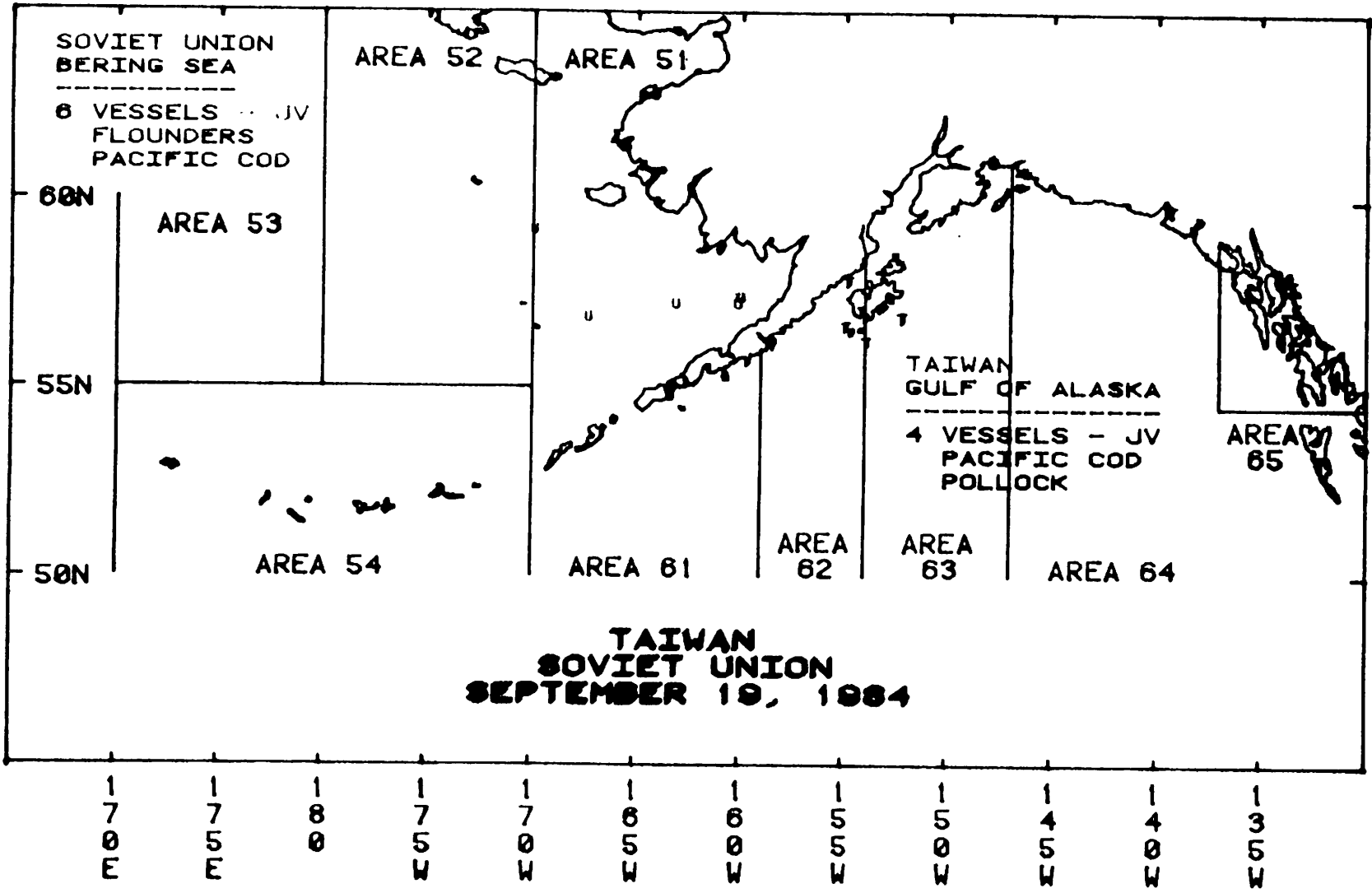
NMFS ENFORCEMENT - JUNEAU



NMFS ENFORCEMENT - ALASKA REGION

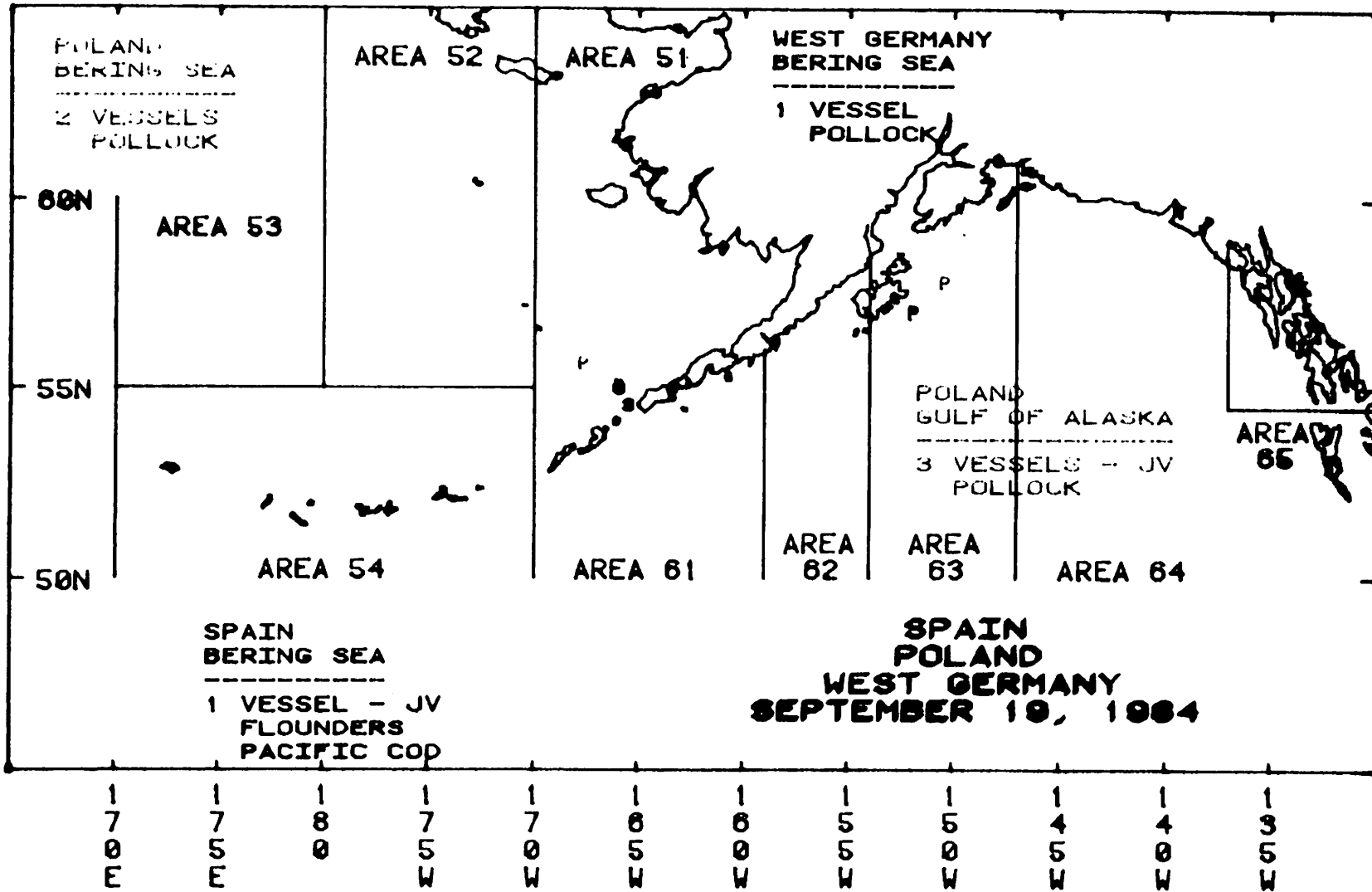


NMFS ENFORCEMENT - ALASKA REGION



**TAIWAN
SOVIET UNION
SEPTEMBER 19, 1984**

NMFS ENFORCEMENT - ALASKA REGION



NMFS ENFORCEMENT - ALASKA REGION