

M E M O R A N D U M

TO: Council, SSC, and AP members  
FROM: Jim H. Branson *JHB*  
Executive Director  
DATE: July 14, 1982  
SUBJECT: Joint Venture Permit Application from Taiwan

*ACTION REQUIRED*

*Review and recommend approval/disapproval for a requested Taiwanese joint venture and associated direct allocation.*

BACKGROUND

Swiftsure Seafoods and the Taiwanese company, Chong Shing Ocean Enterprises, Inc. [see item C-5(a)], have announced a joint venture agreement and requested 5,000 mt for the joint venture and 5,000 mt for a directed fishery in the Gulf of Alaska. These requests are compared to available reserves and unallocated TALFF in agenda item C-5(b).

Richard Lenahan of Advance Vessel Agency is available to answer questions concerning this joint venture. If the formal permit applications do not arrive from the State Department by Council meeting time, the Council may consider granting the Executive Director approval/disapproval authority.

SUPPLEMENTAL DESCRIPTIONS RELATING TO JOINT VENTURE

between  
Chong Shing Ocean Enterprise Corp., Taiwan  
and  
Swiftsure Fisheries, U.S.A.

1. Chong Shing, Taiwan provides:
  - (1) Chief Dragon 737, processing boat, for receiving fish from U.S. ship.
  - (2) Sea Light, stern trawler, for direct fishing &/or receiving fish from U.S. ship.
  - (3) Golden Dragon No.1, stern trawler, for direct fishing &/or receiving fish from U.S. ship.
  - (4) Highly 303, processing/transport vessel.
  - (5) Highly 707, processing/transport vessel.
2. One U.S. Fishing Vessel " ROYAL AMERICAN ", Mid Water & Bottom Trawler, Length 105 feet, arranged by Swiftsure Fisheries, an affiliate of Koniag Inc. Alaska.
3. Principal contacts in the United States with Owners/Operators of U.S vessels:
  - A. Mr. Chris Aaro, Jr.  
Swiftsure Fisheries  
Suite 502, Queen Ann Square,  
200 West Mercer Street  
Seattle, Washington 98119  
Phone: (206) 284-9860  
Telex: 32-1013
  - B. Mr. Conan Huang  
Dragon ( North America ) Inc.  
2208-143rd place S.E., Vine-Maple,  
Bothell, Washington 98011  
Phone: (206) 743-6090  
Telex: 152937
4. Gulf of Alaska, & Bering Sea Including:

<u>Area Code</u>	<u>Names</u>
61	Shumagin
62	Chirikof
63	Kodiak
64	Yakutat
54	Bering Sea Area IV
5. 5 months, (from August 1st 1982 through December 31, 1982)
6. The harvested fish, processed or not, will not be exported to the United States.

7. Species	To receive from U.S. ship	Direct trawl by Chong Shing ships	Total Request
All Flounders	100 MT	100 MT	200 MT
Pollock	500	500	1,000
Pacific Cod	3,000	3,000	6,000
Sable Fish	800	800	1,600
Rockfish	500	500	1,000
Others	100	100	200
<b>Total</b>	<b>5,000 MT</b>	<b>5,000 MT</b>	<b>10,000 MT</b>

8. Prohibited species to be returned to sea.  
for each species, the limit of granted quota shall be closely watched by the master of the trawlers as not to harvest over-limit.  
All catches, either round or processed, shall be sorted and stored in the holds.

9. The U.S. ship delivers the cod ends to Chong Shing vessel.

10. (1) Chief Dragon 737 to receive fish from U.S. ship exclusively  
(2) Golden Dragon No.1 & (3) Sea Light to receive fish from U.S. ship partially and to engage in direct fishing partially.

Both received fish from U.S. ship and directly harvested, shall be moved from above vessels, deck to deck, to transport vessels,  
(4) Highly 303 and/or (5) Highly 707.

11. Estimated price levels are: PER METRIC TON

All Flounders	US\$ 510.-	
Pollock	120.-	( 14 inches and up )
Pacific Cod	250.-	
Sable Fish	810.-	
Rock Fish	560.-	

May 19, 1982

TO: The North Pacific Fishery Management Council

RE: ANNOUNCEMENT OF PENDING JOINT-VENTURE AGREEMENT BETWEEN SWIFTSURE SEAFOODS AND CHONG SHING OCEAN ENTERPRISES, INC.

Mr. Chairman and Members of the Council:

I have been asked by an American and a Taiwanese party to announce that a new joint-venture is under serious discussion and that preliminary terms of agreement have been reached. Chong Shing Ocean Enterprises, Inc. of Taipei, Taiwan, has been discussing a possible joint-venture with Swiftsure Fisheries, the terms of which include the following:

1. Chong Shing will purchase seafoods caught and processed by Americans from Swiftsure, including such species as: white salmon, halibut, sablefish and crab.
2. Chong Shing will assign one of its freezer/trawlers to participate in a joint-venture program with American trawlers.
3. Chong Shing will transfer bottomfishing technology to participating American trawlers.

The planned area of operations is the Gulf of Alaska, and the joint-venture will request the Council's support for fishing allocations to support both joint-venture fishing operations and a small directed fishery in the Gulf of Alaska by Chong Shing. A further report and allocation request will be presented at the next Council meeting.

JOINT VENTURE AND DIRECTED ALLOCATIONS REQUESTED BY TAIWAN AND STATUS OF RESERVES AND UNALLOCATED TALFF AFTER THE JUNE RESERVE RELEASE AND THE JULY ALLOCATIONS OF TALFF. ALL IN METRIC TONS

	Requested by Taiwan		Reserves by Area				Unallocated TALFF by Area			
	JV	Directed	W	C	E	Total	W	C	E	Total
Pollock	500	500	6,840	0	664	7,504	641	40,490 <sup>1/</sup>	2,475	43,606
Flounders	100	100	416	588	336	1,340	3,148	3,005	1,352	7,505
Pacific Cod	3,000	3,000	0	1,342	397	1,739	4,909	8,054	4,576	17,539
Sablefish	800	800	170	152	852	1,174	419	842	642	1,903
Rockfish	500	500	--	--	--	304	--	--	--	2,247
Others	100	100	--	--	--	648	--	--	--	4,747
TOTAL	5,000	5,000	7,426	2,082	2,249	12,709	9,117	52,391	9,045	77,547

<sup>1/</sup> In May, NMFS and the State Department agreed to withhold further pollock allocations in the Central Gulf pending Council action to amend the FMP.



DEPARTMENT OF STATE

Washington, D.C. 20520

BUREAU OF OCEANS AND INTERNATIONAL  
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

July 19, 1982

Dear Mr. Chairman:

In accordance with Section 204 of the Fishery Conservation and Management Act of 1976, the Department of State herewith transmits for the action of the North Pacific Regional Fishery Management Council those applications which relate to your council from Taiwan for fisheries to be conducted during 1982, within the U.S. Fishery Conservation Zone.

It should be noted that these are only applications, and as such do not represent any agreement by the United States to the fisheries, allocations of fish, or numbers of vessels requested by Taiwan.

Please sign, date and return the attached receipt in the enclosed envelope.

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard J. Storer".

James A. Storer  
Director

Office of Fisheries Affairs

Enclosures:  
as stated

Mr. Clement Tillion, Chairman,  
North Pacific Regional  
Fishery Management Council,  
Anchorage, Alaska.

FISHING VESSEL IDENTIFICATION FORM

NO: TW-82-0004

(1) VESSEL NAME: GOLDEN DRAGON NO.1 (2) CALL SIGN: BVHY  
 (3) HULL NMBR: CT8-0004  
 (4) VESSEL TYPE: BOTTOM TRAWLER (5) LENGTH : 78.50 M  
 (6) GROSS TONS: 1900 (7) NET TONS: 1006 (8) MAX SPEED: 14 KNOTS  
 (9) OWNER'S NAME: CHONG SHING OCEAN ENTERPRISE CORP.  
2F, NANKING W. ROAD, TAIPEI, ROC.

(10) PROCESSING EQUIPMENT: FLASH FREEZER, HEAD CUTTER

(11) HOLD CAPACITY ( IN CUBIC METERS - BALE CAPACITY ONLY ):  
 HOLD #1: \_\_\_\_\_ HOLD #2: \_\_\_\_\_ HOLD #3: \_\_\_\_\_ HOLD #4: \_\_\_\_\_  
 (IF MORE THAN 4 HOLDERS, GIVE TOTAL HOLD CAPACITY) 1600

(12) FISHERIES FOR WHICH PERMIT IS REQUIRED:

FISHERY	TARGET SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
BSA		BOTTOM TRAWL	X	X	X
GOA	FLOUNDERS	"	X	X	X
	POLLOCK		X	X	X
	PACIFIC COD		X	X	X
	SABLEFISH		X	X	X
	ROCKFISH		X	X	X

(13) HAS THIS VESSEL EVER FISHED WITHIN THE U.S. FCZ?  
 YES X NO \_\_\_\_\_ (IF YES, LIST PERMIT NUMBER(S) TW-82-0004A)

(14) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U. S. A. ? (IF YES, ATTACH SUPPLEMENTAL SHEET SHOWING FISHERY, SPECIES, QUANTITY, DATES, LOCATIONS, AND SPECIFIC ACTIVITIES REQUESTED.)  
 YES X NO \_\_\_\_\_

DETAILS TO BE SUPPLEMENTED.

FISHING VESSEL IDENTIFICATION FORM

NO: TW-82-0054

- (1) VESSEL NAME: HIGHLY 303 (2) CALL SIGN: BMCS  
 (3) HULL NMBR: CT7-0008  
 (4) VESSEL TYPE: REFRIGERATED CARRIER (5) LENGTH : 70.80 M  
 (6) GROSS TONS: 976 (7) NET TONS: 514 (8) MAX SPEED: 12.50 KNOTS  
 (9) OWNER'S NAME: HIGHLY ENTERPRISE CORP.  
2F, NANKING W. ROAD, TAIPEI, ROC.  
 (10) PROCESSING EQUIPMENT: FLASH FREEZER

- (11) HOLD CAPACITY ( IN CUBIC METERS - BALE CAPACITY ONLY ) : .  
 HOLD #1: 785.48 HOLD #2: 831.19 HOLD #3: \_\_\_\_\_ HOLD #4 \_\_\_\_\_  
 (IF MORE THAN 4 HOLDERS, GIVE TOTAL HOLD CAPACITY) \_\_\_\_\_

- (12) FISHERIES FOR WHICH PERMIT IS REQUIRED:

FISHERY	TARGET SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
BSA					X
GOA	FLOUNDERS			X	X
	POLLOCK			X	X
	PACIFIC COD			X	X
	SABLEFISH			X	X
	ROCKFISH			X	X

- (13) HAS THIS VESSEL EVER FISHED WITHIN THE U.S. FCZ?  
 YES X NO \_\_\_\_\_ (IF YES, LIST PERMIT NUMBER(S) TW-82-0054B)

- (14) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U. S. A. ? (IF YES, ATTACH SUPPLEMENTAL SHEET SHOWING FISHERY, SPECIES, QUANTITY, DATES, LOCATIONS, AND SPECIFIC ACTIVITIES REQUESTED.)  
 YES X NO \_\_\_\_\_  
 DETAILS TO BE SUPPLEMENTED.



FISHING VESSEL IDENTIFICATION FORM

NO: TW-82-0061

(1) VESSEL NAME: HIGHLY 707 (2) CALL SIGN: BVBJ  
 (3) HULL NMBR: CT8-0001  
 (4) VESSEL TYPE: REFRIGERATED CARRIER (5) LENGTH : 69.80 M  
 (6) GROSS TONS: 1410 (7) NET TONS: 786 (8) MAX SPEED: 14.50 KNOTS  
 (9) OWNER'S NAME: HIGHLY ENTERPRISE CORP.  
2F, NANKING W. ROAD, TAIPEI, ROC.

(10) PROCESSING EQUIPMENT: FLASH FREEZER

(11) HOLD CAPACITY ( IN CUBIC METERS - BALE CAPACITY ONLY ):

HOLD #1: \_\_\_\_\_ HOLD #2: \_\_\_\_\_ HOLD #3: \_\_\_\_\_ HOLD #4: \_\_\_\_\_

(IF MORE THAN 4 HOLDERS, GIVE TOTAL HOLD CAPACITY) 1900

(12) FISHERIES FOR WHICH PERMIT IS REQUIRED:

FISHERY	TARGET SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
BSA					X
GOA	FLOUNDERS			X	X
	POLLOCK			X	X
	PACIFIC COD			X	X
	SABLEFISH			X	X
	ROCKFISH			X	X

(13) HAS THIS VESSEL EVER FISHED WITHIN THE U.S. FCZ?

YES X NO \_\_\_\_\_ (IF YES, LIST PERMIT NUMBER(S) TW-82-0061B)

(14) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U. S. A. ? (IF YES, ATTACH SUPPLEMENTAL SHEET SHOWING FISHERY, SPECIES, QUANTITY, DATES, LOCATIONS, AND SPECIFIC ACTIVITIES REQUESTED.)

YES X NO \_\_\_\_\_

DETAILS TO BE SUPPLEMENTED.

FISHING VESSEL IDENTIFICATION FORM

NO: TW-82-0001

- (1) VESSEL NAME: SEA LIGHT (2) CALL SIGN: BYIX  
 (3) HULL NMBR: CT7-0006  
 (4) VESSEL TYPE: BOTTOM TRAWLER (5) LENGTH : 54.74 M  
 (6) GROSS TONS: 904 (7) NET TONS: 524 (8) MAX SPEED: 14.45 Knots  
 (9) OWNER'S NAME: MING TAI CO. LTD

3F, 13-3 HSIANG YANG ROAD, TAIPEI, R.O.C.

(10) PROCESSING EQUIPMENT: FLASH FREEZER, HEAD CUTTER

(11) HOLD CAPACITY ( IN CUBIC METERS - BALE CAPACITY ONLY ) :  
 HOLD #1: \_\_\_\_\_ HOLD #2: \_\_\_\_\_ HOLD #3: \_\_\_\_\_ HOLD #4 \_\_\_\_\_  
 (IF MORE THAN 4 HOLDERS, GIVE TOTAL HOLD CAPACITY) 808.87

(12) FISHERIES FOR WHICH PERMIT IS REQUIRED:

FISHERY	TARGET SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
BSA		BOTTOM TRAWL	X	X	X
GOA	FLOUNDERS	"	X	X	X
	POLLOCK	"	X	X	X
	PACIFIC COD	"	X	X	X
	SABLEFISH	"	X	X	X
	ROCKFISH	"	X	X	X

(13) HAS THIS VESSEL EVER FISHED WITHIN THE U.S. FCZ?  
 YES X NO \_\_\_\_\_ (IF YES, LIST PERMIT NUMBER(S)) TW-82-0001A

(14) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U. S. A. ? (IF YES, ATTACH SUPPLEMENTAL SHEET SHOWING FISHERY, SPECIES, QUANTITY, DATES, LOCATIONS, AND SPECIFIC ACTIVITIES REQUESTED.)  
 YES X NO \_\_\_\_\_  
 DETAILS TO BE SUPPLEMENTED.

FISHING VESSEL IDENTIFICATION FORM

NO: TW-82-0055

- (1) VESSEL NAME: CHIEF DRAGON 737 (2) CALL SIGN: BYSI  
 (3) HULL NMBR: CT7-0023  
 (4) VESSEL TYPE: REFRIGERATED VESSEL (5) LENGTH : 54.75 M  
 (6) GROSS TONS: 620 (7) NET TONS: 312.56 (8) MAX SPEED: 10 Knots  
 (9) OWNER'S NAME: CHONG SHING OCEAN ENTERPRISE CORP.  
2F, NANKING W. ROAD, TAIPEI, ROC.  
 (10) PROCESSING EQUIPMENT: FLASH FREEZER

- (11) HOLD CAPACITY ( IN CUBIC METERS - BALE CAPACITY ONLY ) :  
 HOLD #1: \_\_\_\_\_ HOLD #2: \_\_\_\_\_ HOLD #3: \_\_\_\_\_ HOLD #4: \_\_\_\_\_  
 (IF MORE THAN 4 HOLDERS, GIVE TOTAL HOLD CAPACITY) 391.84

- (12) FISHERIES FOR WHICH PERMIT IS REQUIRED:

FISHERY	TARGET SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
GOA	FLOUNDERS	1		X	X
	POLLOCK			X	X
	PACIFIC COD			X	X
	SABLEFISH			X	X
	ROCKFISH			X	X

- (13) HAS THIS VESSEL EVER FISHED WITHIN THE U.S. FCZ?  
 YES \_\_\_\_\_ NO X (IF YES, LIST PERMIT NUMBER(S) \_\_\_\_\_)

- (14) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U. S. A. ? (IF YES, ATTACH SUPPLEMENTAL SHEET SHOWING FISHERY, SPECIES, QUANTITY, DATES, LOCATIONS, AND SPECIFIC ACTIVITIES REQUESTED.)  
 YES X NO \_\_\_\_\_

REMARK: DETAILS TO BE SUPPLEMENTED.

SUPPLEMENTAL DESCRIPTIONS RELATING TO JOINT VENTURE

between

Chong Shing Ocean Enterprise Corp., Taiwan

and

Swiftsure Fisheries, U.S.A.

1. Chong Shing, Taiwan provides:

- (1) Chief Dragon 737, processing boat, for receiving fish from U.S. flag vessel.
- (2) Sea Light, stern trawler, for direct fishing and/or receiving fish from U.S. flag vessel.
- (3) Golden Dragon No. 1, stern trawler, for direct fishing and/or receiving fish from U.S. flag vessel.
- (4) Highly 303, processing/transport vessel.
- (5) Highly 707, processing/transport vessel.

2. Swiftsure Fisheries, U.S.A. provides:

- (1) U.S. flag fishing vessel "Royal American", mid water and bottom trawler, length 105 ft., arranged by Swiftsure Fisheries, an affiliate of Koniag, Inc., Alaska.
- (2) Additional U.S. vessel(s) to be nominated by Swiftsure Fisheries.

3. Principal contacts in the United States with Owners/Operators:

- (1) Mr. Chris Aaro, Jr.  
Swiftsure Fisheries  
Suite 502, Queen Ann Square  
200 West Mercer St.  
Seattle, Washington 98119  
Phone: (206) 284-9860  
Telex: 32-1013
- (2) Mr. Conan Huang  
Dragon (North America) Inc.  
2208 143rd Place S.E., Vine-Maple  
Bothell, Washington 98011  
Phone: (206) 743-6090  
Telex: 152937

4. Gulf of Alaska, & Bering Sea, Including:

<u>Area Code</u>	<u>Names</u>
61	Shumagin
62	Chirikof
63	Kodiak
64	Yakutat
54	Bering Sea Area IV

5. 5 months (from August 1st 1982 through December 31, 1982)

6. The harvested fish, processed or not, will not be exported to the United States.

<u>Species</u>	<u>From U.S. Vessel</u>	<u>Taiwan Vessel</u>	<u>Total</u>
All flounder	500 MT	600 MT	1100 MT
Pollock	1000 MT	2000 MT	3000 MT
Pacific Cod	4000 MT	-----	4000 MT
Others	200 MT	100 MT	300 MT
Total	<u>5700 MT</u>	<u>2700 MT</u>	<u>8400 MT</u>

8. Prohibited species to be returned to sea.  
For each species, the limit of granted quota shall be closely watched by the master of the trawler as not to harvest over limit.  
All catches, either round or processed, shall be sorted and stored in the holds.

9. The U.S. vessel(s) delivers the cod ends to the Chong Shing vessel.

10. (1) Chief Dragon 737 to receive fish from U.S. vessel exclusively.  
(3) Golden Dragon No. 1 and (2) Sea Light to receive fish from U.S. vessel(s) partially and to engage in direct fishing partially.

Both receive fish from U.S. vessel(s) and directly harvested, shall be moved from above vessels, deck to deck, to the transport vessels  
(4) Highly 303 and/or Highly 707.

11. Estimated price levels are:

All flounders	U.S.\$510/MT
Pollock	120/MT (14 Inches & up)
Pacific Cod	250/MT