MEMORANDUM

TO: Council, SSC, and AP members

FROM: Clarence G. Pautzke

Executive Director

DATE: September 22, 1988

SUBJECT: Central Bering Sea Fisheries: "Donut Hole"

ACTION REQUIRED

(a) Report on Scientific Symposium in Sitka.

(b) Receive industry position on managing the Donut fisheries.

(c) Develop Council recommendations for further action.

BACKGROUND

Scientific Symposium. This multinational symposium on the Bering Sea pollock resource was held July 19-21 in Sitka and attended by scientists from the U.S., U.S.S.R., Japan, Korea, China, Poland, and Canada, as well as many people from industry. As I noted in my July 25 Council Mailing to you, there seemed to be a fragile consensus developing that there is not a pollock stock unique to the Donut Hole nor one homogeneous stock throughout the whole Bering Sea. All nations agreed that additional research is needed and that it must be coordinated. The Northwest and Alaska Fisheries Center volunteered to act as that coordinator, and I've asked Dr. Aron to give the Council a follow up report on the symposium. Alaska Sea Grant will be sponsoring a pollock symposium in Anchorage on November 14-16.

<u>Industry position</u>. Industry representatives have been meeting in Seattle to develop a position on the further development of management and conservation measures for the Donut Hole. That position paper should be available at Council meeting time.

Council recommendations for further action. Fisheries Ambassador Ed Wolfe will be in the Soviet Union on October 19-20 to discuss joint action on the Donut fisheries. Now would be a good opportunity for the Council to develop recommendations for further action by the U.S. Department of State, not only when negotiating with the Soviets but with other countries involved in this issue as well.

The Council has already made several statements concerning the Donut fisheries. Last December a motion was adopted recommending that foreign vessels fishing in the international waters and in U.S. joint ventures in the EEZ in the same calendar year be required to take an observer into the Donut Hole if so requested by the U.S. government. NMFS published this measure for comment in the April 25, 1988 Advanced Notice of Proposed Rulemaking, but did not follow through further because of the largely negative public comment.

Following the January meeting, the Council urged Secretary of State George Shultz to immediately determine the feasibility of extending U.S. fisheries jurisdiction in the Bering Sea westward to the 1867 Convention Line. The Council also expressed its hope that Ambassador Ed Wolfe, leading a delegation to Moscow, would seek an agreement that would provide common control of the fishing activities in the international waters.

In March, John Peterson testified on behalf of the Council before the Senate Committee on Commerce, Science and Transportation, urging them to act promptly to declare a moratorium on all fishing in the Donut area and to unilaterally extend U.S. fishery jurisdiction to those waters.



DEPARTMENT OF TRANSPORTATION

UNITED STATES COAST GUARD



Commander (ole)
17th Coast Guard District
P.O. Box 3-5000
Juneau, AK 99802-1217
(907) 586-7354

16200 12 September 1988

Mr. Ronald K. Peterson President Alaska Crab Coalition 3901 Leary Way NW #6 Seattle, WA 98119

Dear Mr. Peterson:

For the benefit of your members who may be crabbing along the US/USSR Convention Line in the Bering Sea, I would like to pass along the following information.

As you may know, in the Western Bering Sea where the Exclusive Economic Zones (EEZ) of the United States and the Soviet Union meet, both countries claim jurisdiction in an area created by our dispute over the location of the US/USSR Convention Line of 1867. The United States claims that the boundary is a great circle line. This is marked on U.S. made charts. The Soviet Union, however, maintains that the boundary is a rhumb line connecting the following coordinates:

- (1) 65-30.0N, 168-58.4W
- (2) 64-05.2N, 172-00.0W
- (3) 51-25.7N, 167-00.0E

The enclosed chartlet shows this disputed area.

In 1986, an informal enforcement understanding was reached by our governments whereby vessels from both countries may fish in the disputed area, and the principal of "flag state enforcement" would be applied. Under this agreement the USCG will enforce our fisheries laws against US vessels and Soviet government will enforce against USSR vessels. We also agreed that vessels from other countries will not be permitted to fish in this area.

During the past year, we have received several reports from U.S. crab vessels operating in this area that Soviet trawlers also fishing within the disputed area have caught numerous U.S. crab pots. We have sent two Coast Guard cutters to investigate these reports. Our cutters determined that one of the problems causing the high incidental retrieval of crab pots was misunderstanding and lack of communication between US and USSR fishermen. Last

week, one of our cutters with a Russian linguist on board was able to discuss the situation with the lead Soviet trawler in the area, VASILII CHERNIKOV(IRCS UDVA). The following informal communications arrangement was made to minimize future gear conflicts between US and USSR fishing vessels:

- (1) Soviet trawlers in the disputed area monitor 2182khz, Chl0, and CHl6 VHF-FM as well as 500khz(CW) continuously. The lead Soviet trawler will monitor the above frequencies to specifically listen for calls from U.S. crab vessels.
- (2) U.S. crab vessels operating in the disputed area should attempt to establish communications with the Soviet vessels on one of these frequencies and pass four points of latitude/longitude defining the area where its crab pots are located. The lead trawler will consolidate and rebroadcast reported positions to the Soviet trawler fleet.
- (3) If a U.S. crab vessels observes a Soviet trawler in the vicinity of his gear, whether or not he has previously established contact with the lead Soviet vessel and reported the position of his gear, the crabber should attempt to establish communications with the nearby trawler on Ch10(VHF-FM) to report the location of his crab gear.
- (4) When communicating with Soviet vessels, the crabber should speak slowly and distinctly, and should expect an initial delay in response to call.
- (5) U.S. crab vessels should closely monitor Ch16 when working near Soviet trawlers. They should also be aware that even though they may have communicated the positions of their crab pots to the lead Soviet trawler, this will not preclude trawler activity through that area. It will, however, enable Soviet fishing vessels to decide to either avoid an area or be more alert for crab pot markers to reduce gear conflicts.

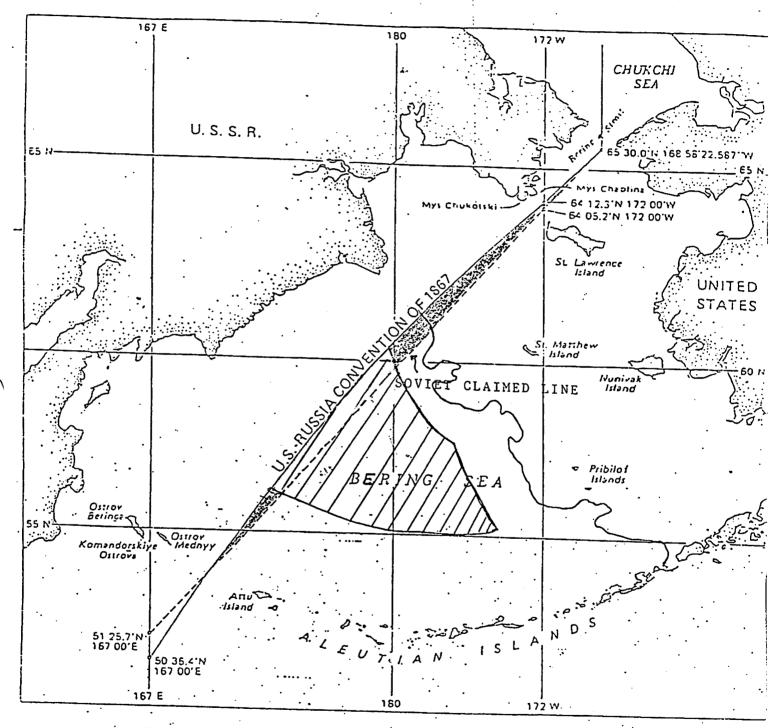
I request that you pass this information to the members of your association who may plan to fish in the US/USSR disputed area in order the reduce the chance of future gear conflicts. Your assistance is appreciated.

Captain, U.S. Coast Guard Chief, Operations Division

By direction of the 17th District Commander

Encl: (1) US/USSR Convention Line disputed area chartlet

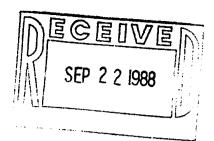
Copy to (w/encl): Executive Director, North Pacific Fishery Management Council



= "DONUT" (INTERNATIONAL WATERS)

= DISPUTED ZONE





United States Department of State

Bureau of Oceans and International Environmental and Scientific Affairs

Washington, D.C. 20520

September 15, 1988

Mr. John Peterson, Acting Chairman North Pacific Fishery Management Council P. O. Box 103136 Anchorage, Alaska 99510

Dear Mr. Peterson:

We have received numerous reports concerning fishing vessels of the Soviet Union that have been operating in the disputed zone of the Bering sea which have resulted in gear conflicts with crab pots set by U.S. fishing vessels.

As a result, the U.S. Coast Guard has sent a cutter to the area in an attempt to help establish procedures to minimize these gear conflicts. I am happy to report that the Coast Guard Cutter was able to gather some valuable information which should serve to reduce the problem.

Soviet trawlers routinely monitor 2182 KHZ, 500 KHZ(CW), and CH's 10 and 16 (VHF-FM). The Soviet trawler VASSILII TCHERNYCHOV (pronounced CHERNIKOFF, IRCS UDVA) will monitor these frequencies listening for calls from U.S. crabbers. U.S. crabbers are to pass four points of latitude and longitude defining the area where its pots are located. The TCHERNYCHOV will then consolidate these reports and re-broadcast this information to the Soviet fleet.

U.S. crabbers are requested to speak slowly and clearly, and expect delays when initially making contact. In the event that a U.S. crabber sees a Soviet vessel in the vicinity of its gear, the crabber should attempt to establish communications with the particular vessel on VHF-FM CH 10 to warn him of the location of his gear.

I can assure you that the U.S. government shares the concerns of the U.S. crabbers, and is making every effort possible to resolve this situation.

Sincerely

Larry L. Snead

Director

Office of Fisheries Affairs

TO. NORTH PACIFIC
FISH. Mgmt. Coursel

read 1/15/88

PROM:
Bob FOR D

OES/OFA

Dept of State

WASH De

EMBASSY OF THE REPUBLIC OF KOREA WASHINGTON, D. C.

September 15, 1988

Ambassador Edward E. Wolfe Deputy Assistant Secretary Oceans and Fisheries Affairs Department of State Washington, D.C. 20520

Dear Mr. Ambassador

Under the agreement between the Government of the United States of America and the Republic of Korea on exchanging the fisheries statistics in the Bering High Seas which had entered into force on the date of July 14, 1988, I would like to provide you the preliminary catch statistics of Korean fishing vessels in the seas from January to June 1988 as follows;

Preliminary Catch Statistics

Month	No. of Vessels	Catch (M/T)
Jan. Feb. Mar. Apr. May. Jun.	31 3 1 18 10 20	16,772 202 110 13,978 4,057 11,649
TOTAL		46,768

I am confident that you will find this information will go far toward assessing the fisheries resource in the Bering High Seas.

Sincerely yours,

Myung Hyun Sohn

Minister for Economic Affairs

EXECUTIVE OFFICE OF THE PRESIDENT COUNCIL ON ENVIRONMENTAL QUALITY

722 JACKSON PLACE, N. W. WASHINGTON, D.C. 20006 503

DEGETYS SEP 221988

September 16, 1988

Mr. Clarence G. Pautzke
Executive Director
North Pacific Fishery Management
Council
605 West 4th Avenue
Anchorage, Alaska 99501

Dear Mr. Pautzke:

Thank you so much for your letter of September 1, 1988, expressing interest on behalf of the North Pacific Fishery Management Council in the proposed conference on Shared Living Resources in the Bering Sea. Actually, I had hoped to contact the North Pacific Council very soon about the conference proposal; your letter could not have been more timely, and is indeed welcomed.

Since I am not sure what you already know about the conference, let me explain a bit about its status at this time. First, the conference would be held under the auspices of the US-USSR Environmental Agreement; specifically, Area XI, Legal and Administrative Measures for the Protection of the Environment. assume, given the background indicated in your letter, that you quite familiar with the overall Agreement. Area XI is headed on the U.S. side by myself, as the General Counsel for the Council on Environmental Quality, and has been headed on the Soviet side since 1973 by Dr. Oleg Kolbasov, Head of the Sector of Ecological Law at the Institute of State and Law, Academy of Sciences of the The primary focus of Area XI is the exchange of information and ideas about the development and administration of environmental law. The scope of our discussions include both domestic and international law,

Recently, as a continuing theme for Area XI activities, participants agreed to study the domestic and international laws and treaties applicable to US and USSR resource management activities in the Bering Sea. Soviet environmental attorneys have expressed particular interest in the environmental laws and resource management policies of the State of Alaska. The proposed conference would serve as a forum for exchanging information and experience about these issues, and as a catalyst for future activities.

Mr. Clarence Pautzke Page Two

Currently, the proposed conference is being co-sponsored by the Council on Environmental Quality, the Marine Mammal Commission, and the Center for Environmental Education. However, while these organizations are contributing substantial staff time to the conference, none have sufficient financial resources to host the conference. As you probably know, under the terms of the US-USSR Environmental Agreement, all in-country expenses are paid by the host country. We are hoping that between fifteen and twenty Soviet representatives will attend the conference; those expenses plus conference costs dictate that we seek out approximately \$105,000.00 in outside contributions. Costs of the conference would, of course, be substantially less if held in Washington, D.C.; however, we feel that there would be tremendous value in holding it in Alaska if we can possibly obtain the funding.

I have just written to the Governor of Alaska, asking if the State of Alaska would be interested in co-sponsoring the conference and contributing to our financial requirements, and will be writing foundations and other organizations very soon. I am hoping to get some sense of funding possibilities before I go to the USSR for an Area XI project meeting, October 15-30, and then, in the Soviet Union, to get further information about Soviet participation. Assuming both of those efforts prove successful, we will then work on developing the precise agenda, speakers, panelists, etc.

I am enclosing a draft agenda (let me emphasis that is a very preliminary draft), a statement of purpose, and a summary of cost estimates for the conference. I would certainly welcome participation in the conference by the North Pacific Fishery Management Council in any number of respects. Obviously, we would be delighted with funding by the Council; in any event, we would welcome your suggestions as to expertise we should utilize in the planning and preparation of the event.

Again, thank you so much for writing. If you believe there would be a likelihood of funding from the Council, I would appreciate knowing that as soon as possible. At any event, I will be back in touch with you as we progress.

Sincerely,

Dinah Bear

U.S. Side Co-Chair

Area XI

US-USSR Environmental

Agreement

COST ESTIMATES FOR CONFERENCE ON SHARED LIVING RESOURCES OF THE BERING SEA

Proposed Dates: June 6-9, 1989

Proposed Venue: University of Alaska at Fairbanks

Expenses for Conference Costs for University of Alaska Facilities and Services:

\$33,818.45

Includes University of Alaska staff charges for preconference coordinating and conference arrangements; costs of food and housing costs for Soviet participants and conference speakers; University overhead costs; pre-registration and registration costs; and preparation of conference proceedings.

Expenses for Soviet participants:

\$48,142.00

Includes Soviet airfare to Alaska, per diem, and interpreting costs, and incidentals.

Additional expenses:

\$24,650.00

Includes local transportation, mailing costs, additional air fare and miscellaneous items.

TOTAL: \$105,110.45

CONFERENCE ON THE SHARED LIVING RESOURCES OF THE BERING SEA Under the Auspices of Area XI Legal and Administrative Measures for Protection of the Environment U.S.-U.S.S.R. ENVIRONMENTAL AGREEMENT

Co-sponsored by the Center for Environmental Education

DRAFT

I. Introduction and Purpose of the Conference

The proposed conference on the Shared Living Resources of the Bering Sea is intended to provide a forum for exchanging information about Soviet and American legal and administrative structure for the management and protection of living resources in the Bering Sea. It also will provide background information on Soviet and American scientific objectives and environmental concerns in the Bering Sea region.

Participants in the Tenth Meeting of the US-USSR Joint Committee on Cooperation in the Field of Environmental Protection agreed in 1986 to initiate the study of laws relating to environmental protection of the Bering Sea. In addition to undertaking comparative legal studies, the participants agreed to focus particular attention on the laws of the State of Alaska and the RSFSR "to identify opportunities for enhancing protection of the environment in this region," and to study the international law foundation for bilateral cooperation in the management and protection of migratory species and shared natural resources of mutual interest in the Bering Sea region. 1

^{1.} Memorandum of the Tenth Meeting of the US-USSR Joint Committee on Cooperation in the Field of Environmental Protection, Area XI, 02.11-1101(4) and 02-11-1102(2), December 13, 1986.

The proposed conference is intended to meet the objectives of these agreed-upon activities, and to familiarize participants with existing bilateral and multilateral legal frameworks affecting living resources of the Bering Sea shared by both the US and the USSR.

The principal goal of the conference is to educate American and Soviet attorneys in relevant laws pertaining to living resources of the Bering Sea, to provide a scientific frame of reference for the environmental importance of those resources, and to exchange experiences and ideas. The conference is not intended to conflict with or supplement negotiations about related topics which might be underway between the US and the USSR.

It is anticipated that papers presented at the conference will be published in an appropriate professional journal, along with a selected bibliography of environmental law materials.

II. Participation and Organization of the Conference

The conference is scheduled to be held from June 6-9, 1989, on the campus of the University of Alaska, Fairbanks. As the main campus of the statewide university system, the Fairbanks campus houses not only the logistical support facilities for such a conference, but also is the site of the institutes and departments with principal responsibility for Arctic and Bering Sea scientific programs, thereby offering a depth of resources and expertise.

Participation will be encouraged from appropriate federal, state and republic, municipal and village or tribal governments, affected trade associations and industry, native peoples and public interest organizations.

The President's Council on Environmental Quality, as lead agency for Area XI of the Bilateral Agreement, will organize and oversee the conference. Co-sponsorship by the Center for Environmental Education, a public interest group which focuses on protection of marine wildlife and their habitats and conservation of coastal and ocean resources, will aid in broadening outside participation. Additional advice and involvement, as appropriate, from participants in other relevant areas of the US-USSR Environmental Agreement will be sought.

It is anticipated that individuals with particular areas of expertise in each of several proposed topics will be invited to prepare papers, rather than issuing a general call for papers. These individuals will be identified by participants in relevant areas of the US-USSR Environmental Agreement, and by consultation with experts and scholars in environmental law. Abstracts of papers will be translated prior to the conference to better enable participants to follow the discussions.

Simultaneous translation will be provided throughout the meeting.

III. Conference Discussion Topics

Five major topica areas have been proposed for examination at the conference: (1) existing international, multi-lateral and bi-lateral frameworks for managing Bering Sea living resources; (2) domestic law for managing fisheries within each of the 200-mile zones of the US-USSR, with emphasis on Alaska and the RSFSR; (3) domestic and international law and conservation regimes for wildlife management and habitat protection; (4) international and domestic measures for control of ocean dumping and pollution in the Bering Sea; (5) US-USSR legal mechanisms for long term environmental planning and management, including marine protected areas.

The draft agenda has been constructed with the notion that in addition to an understanding of the legal and administrative frameworks for dealing with the Bering Sea region, it would be helpful to Soviet and American attorneys to achieve a basic understanding of the physical and environmental science of the region as well. While this conference is not intended as a scientific meeting, brief scientific overviews of the major resource topic areas will be presented prior to each legal discussion. Given the number and diversity of ongoing scientific exchanges under the auspices of other Areas of the Bilateral Agreement, a wealth of information exists on both sides of the Bering Sea about US-USSR shared living resources. The point of each introductory session is to provide some factual parameters for the legal discussion—a focus on "how and why is this resource important?"

Morning Session - Day 1

I. Overview: International and Regional Legal Framework

- 9:30 9:45 Introduction Welcome Opening Remarks
- 9:45 10:15 Keynote Address by VIP: The Bering Sea Environment -- Legal and Physical

II. Management and Conservation of Fisheries Resources

- 10:15 10:30 Commercial Fisheries of the Bering Sea (Science Background Paper handout/overview to include:)
 - Species, status and trends, effort, catch statistics, economic value, etc.

10:30 - 12:30 PANEL DISCUSSION

- 1. Domestic Fisheries Management in Soviet EEZ (one Soviet panelist to address:)
 - Legal authority, management objectives, economic value of Soviet commercial fisheries programs, current challenges and opportunities (e.g., mechanisms for foreign allocations, environmental threats or problems)
- 2. Domestic Fisheries Management; U.S. EEZ (one U.S. panelist:)
 - Legal authority, management objectives, economic value of American/Alaskan commercial fisheries, current challenges and opportunities (same as above)

11:15 - 11:30 BREAK

- 3. Foreign Fisheries Management in the Bering Sea. (one independent panelist to discuss salmon agreements:)
 - -- Comparison of Soviet and American treaty mechanisms for regulating interception of American and Soviet origin salmon stocks by third party nations in Soviet and American EEZ's.
- 4. Current Challenges Facing Resources of Mutual Concern in the Bering Sea. (one independent panelist to discuss third party nation fisheries for high seas pollock and squid:)
 - Ecosystem impacts of high seas fisheries in the Central Bering Sea on resources in adjacent Soviet and American fishery conservation zones. (pollock and squid)
 - -- Recent bilateral discussions and opportunities for cooperation.

12:30 - 2:00 p.m. - LUNCH BREAK

Afternoon Session - Day 1

III. Wildlife Conservation and Habitat Protection

- A. Marine Mammals
- 2:00 2:15 Marine Mammals of the Bering Sea (Science background paper overview/handout to include:)
 - -- Species, status and trends; subsistence use of marine mammals; status of existing research exchanges and expeditions
- 2:15 3:15 PANEL DISCUSSION NORTHERN FUR SEAL (two to three panelists (U.S. & Soviet) to discuss:)
 - -- Status of international agreements on management, research, harvest.
 - -- US-USSR domestic regimes (MMPA/Soviet equivalent)
 - Options for bilateral or regional agreements.
- 3:15 3:30 BREAK
- 3:30 4:30 PANEL DISCUSSION WALRUS (two to three panelists (U.S. & Soviet) to discuss:)
 - Status of international agreements
 - -- Comparison of US-USSR management regimes, including use of cooperative agreements with native peoples.
 - Options for bilateral or regional agreements.
 - B. Migratory Birds of the Bering Sea Region
- 4:30 4:45 (Science background paper overview/handout to include:)
 - -- Species, status and trends; subsistence use of migratory pirds, incidental capture in fisheries, status of existing research exchanges and expeditions
- 4:45 5:15 Review of bilateral treaty on migratory birds
 - Emerging issues
 - -- Identification of species, rookeries or breeding areas in need of special protective measures.

Morning Session - Day 2

9:30 - 9:45 OPENING REMARKS

IV. Control of Ocean Dumping and Pollution

- 9:45 10:00 Marine Pollution in the Bering Sea (Science Background Paper handout/overview to include:)
 - Types, sources and impacts of marine pollution.

10:00 - 12:00 PANEL DISCUSSION

- 1. U.S. efforts at reducing persistent marine debris and other pollutants affecting the Bering Sea ecosystem.
 - Persistent marine debris (Ocean Dumping Act, Act to Prevent Follution from Ships, MPRSA, CERCLA)
 - -- Land-based sources of pollution such as mining, sewage, agricultural run-offs, other pollutants (CWA, RCRA, CZMA)
 - -- Education and cooperative programs
- 2. Applicable International Controls
 - MARPOL, Colo. LDC, Colo Convention, LOS, etc.
 - Areas for additional cooperation and research

11:00 - 11:15 BREAK

- 3. Soviet efforts on reducing/controlling persistent debris and ocean pollution.
- 4. Discussion (led by moderator, include audience discussion, questions)

LUNCH BREAK 12:00 - 1:30

Afternoon Session - Day 2

V. Long Term Environmental Planning and Management

- 1:30 1:45 A. NEPA process and environmental planning (U.S. paper)
- 2:00 2:30 B. Establishment of Marine Protected Areas (U.S. paper)
 - -- Process for identifying, establishing and managing marine protected areas
- 2:30 3:00 BREAK
- 3:00 3:30 C. How NEPA process interacts with planning of development projects

(Using Bristol Bay as a case study, one U.S. paper to describe environmental impact analysis in oil and gas leasing plans)

- 3:30 4:00 D. International Environmental Planning (One paper by independent presentor discussing:)
 - International mechanisms (e.g., regional, bilateral, multi-lateral, e.g. LOS); how environmental impact analysis could be applied to Bering Sea; identification of potential areas for cooperative protection and or joint planning.
- 4:00 4:30 DISCUSSION

VI. Summary Session:

Identification of Common Interests in Legal and Scientific Areas

ADJOURN AND/OR CONVENE FOR ADMINISTRATIVE MEETING

PACIFIC SEAFOOD PROCESSORS ASSOCIATION

4019 - 21st Ave. West, Suite 201

Seattle, WA 98 (206) 281-1667 FAX (206) 283-283 SEP 2 6 1988

September 20, 1988

Ambassador Edward E. Wolfe Deputy Assistant Secretary Oceans and Fisheries Affairs United States Department of State Washington, D.C. 20520

Mr. James W. Brennan
Assistant Administrator for Fisheries
National Oceanic and Atmospheric Administration
National Marine Fisheries Service
1825 Connecticut Avenue N.W.
Washington, D.C. 20235

Dear Ed and Jim:

The Pacific Seafood Processors Association has in recent months received information from reliable sources indicating that large quantities of Pacific salmon have been taken in the high seas squid fishery (enclosures). These documents do not provide clear evidence of the origin of the catch, however there appears to be little doubt as to source. Our evidence indicates that these fish are being harvested by the Taiwanese and Japanese fishing fleets.

Taiwan and Singapore have been identified as the primary locations for the purchase and distribution of the frozen salmon in question (Taiwanese law prohibits export of salmon from that country). We also have evidence that substantial amounts of Pacific salmon is being canned in Bangkok, Thailand and offered for sale on the world market. Contacts for offers/sales have been made with at least three countries, namely France, England, and Australia. We have reason to believe that the seller of some parcels is a Japanese company.

The size of fish is small suggesting immature salmon typical of a high seas fishery. Accurate assessment of the numbers of fish involved is difficult, but based on the evidence to date it is likely that several million salmon have been removed. It is relatively easy to project that up to 10,000 metric tons of salmon have secretly been taken and laundered under devious methods. The loss of income to the U.S. seafood industry is very significant, a multimillion-dollar loss. In addition to the direct loss of the income to the harvesting and processing sectors, the value of legal U.S. product has been negatively impacted.

Ambassador Edward E. Wolfe Mr. James W. Brennan September 20, 1988

It is noteworthy that the names Lee and Chen appear on many of the recent documents and these names were also present on the Affidavits of W. Lutton and C. Walters filed in 1986 in the Taiwan - Singapore illegal distribution of high seas Pacific salmon case (enclosures).

It appears that the squid fishery involving Taiwanese and Japanese fishermen is being used in part as a front for salmon related activities. The evidence warrants the government's most exhaustive investigation. Proper management and protection of the resource demands that an immediate inquiry be conducted to bring an end to this high seas piracy. The U.S. seafood industry cannot continue to endure these severe financial losses.

Circumstances in the present matter appear to be similar in many respects to the earlier referenced case in 1986. We most strenuously urge that the successful government effort that culminated in prosecution of the persons involved be renewed and expanded as required. Our nation, industry, and resource requires that strong measures be directed to permanently resolve the problem. We trust you will give this serious matter your utmost attention. We would be pleased to continue to assist you in this investigation.

Sincerely,

Barry D Collier

President

Enclosures

cc: Senator Ted Stevens
Senator Frank H. Murkowski
Senator Brock Adams
Senator Daniel J. Evans
Senator John B. Breaux
Congressman Don Bonker
Congressman Mike Lowry
Congressman John R. Miller
Congressman Don Young
Alaska Governor Steve Cowper
Washington Governor Booth Gardner

BRINDLE BRINDLE

PROCESSORS OF CHOICE ALASKA SEAFOOD SINCE 1912

Wards Cove Packing Company

INE (206) 323-3200 EX 328759 88 E. HAMLIN STREET P.O. BOX C-5030 SEATTLE, WA 98105-0030

Day Fax (206) 323-3200 Ext. 258 Night Fax (206) 323-3204

August 3, 1988

The Honorable Frank H. Murkowski United States Senate Washington, D. C. 20510

Dear Frank:

You have probably heard that to date pink salmon returns to Alaska can best be described as disappointing. Yesterday I received word that the Taiwanese are again offering frozen at sea pinks and sockeyes. What quantities are available are as yet undetermined nor do I know where the fish were actually caught. However, I would have to assume that the at sea interception is continuing. The company offering the ocean run Pacific salmon is Patlee Products, Inc., Taipei, Taiwan; Telex 21279 Patlee; Phone (02) 5512931; Fax 886-2-5512138.

We have no way of determining anything further with regard to these fish. Hopefully through your efforts and as part of your continuing effort to stop at sea interception of Alaska Salmon we can find out if in fact they are Pacific salmon. If I learn anything further about this I will advise your office.

Kindest personal regards.

Sincerely,

Alec W. Brindle

AWB: kmh

cc: Barry Collier

Mards Cove Packing Company

3.3200

88 E. HAMLIN STREET P.O. BOX C-5030 SEATTLE, WA 98105-0030

Day Fax (206) 323-3200 Ext 253 Night Fax (206) 323-3204

August 9, 1988

The Honorable Frank H. Murkowski United States Senate Washington, D.C. 20510

Dear Frank:

A short time ago I wrote you concerning an offer by a Taiwanese company of ocean caught Pacific salmon. Since then I have learned that the amount available is approximately 80 tons, consisting of about 65% cohos and chums, 30% sockeyes and the balance pinks.

I hope this information will be useful to you in your attempts to stop this poaching of U.S. salmon on the high seas.

Sincerely,

Alec W. Brindle

AWB: kmh

cc: Barry D. Collier

Re Singapore Frozen Salmons

Pursuant to our yesterdays fax and to our todays phone conversation we are pleased to inform you that the goods offered can be inspected by your representative in the following address:

Book Bee Frozen food Enterprise Pte Ltd. Singapore Pty / Office 10/12 Pishery Port Road Singapore 2261 Tel : 2689 144

Please contact : Mr. Richard P L Peh - Managing Divector or Mr. Lee

20287747

A l'attention de Chustopho

De Bingapore Frosen Balmons (caught in North Pacific)

me can presently offer you on behalf of our depanese shipper and subject to their confirmation as follows:

ea) Coho Salmons - beadless - 6/6 - tail on

size: 3/5 lbs per piece US\$3.50/lb CIF Le Havre size: 2/3 lbs per piece US\$2.76/lb CIF Le Havre

Available quantity for immediate shipment 3/5 100 fons and 3/3 50 Tons Facked: 1/50 lbs each poly bag

bb) Bod Sookeye - headless - G/G - tail on

size: 2/4 lbs per piece US\$4.20/1b CIF Le Havre size: 6/6 lbs " UB\$4.50/1b CIF Le Havre

Available quantity for immediate shipment 200 Tons Orders must be 70% 2/4 and 30% 4/6 Packed : 1/50 lbs each poly bagged

co) Silverbright - headless - G/G/ tall on

only available presently size 2/4 at US\$2.28/16 CIP

Available quantity 50 Tons

Plant of us know, if possible today, if any of those

The International Property of the In

R. MELLOY . B. . .

TLX 6665

ATTN

CC:

TRYING TO GATHER AS MUCH INFO AS POSSIBLE RE SALMON USED BY THAI CANNERS WILL YOU WILL FIND HEREUNDER FIRST INFO RECEIVED TRYING TO GET FURTHER DETAILS AS YOU WILL SEE FROM OUR TELEX EXCHANGES QUOTED BELOW

QUOTE 1

- FEXXXXXX
- FEW CANNERIES PACK SALMON; THAI UNION, SIN HENG, S.K. FOOD, S.P.I.
- PRICES ARE NOT BELIEVABLE : SOME SAID 1,800 USD/MT BUT OTHERS SAID 2400 USD/MT
- ABOUT 1,000 MT OF SALMON ARRIVED BANGKOK IN JYLY BY M.V. SHITAKARA MARU AND ABOUT 1,200 MT ARRIVED IN AUGUST BY M.V. SHINE YEAR

UNQUOTE 1

QUOTE 2

THANKS YOUR TELEX TODAY RXXXXXX

THANKS YOUR TELEX TODAY RE SALMON - APPRECIATE YOUR INFO HOWEVER WOULD BE GRATEFUL IF YOU COULD IF YOU COULD TRY AND FIND OUT FOR US

- 1) NAME OF FISHING BOATS FISH ORIGINALLY CAME FROM, AS UNDERSTAND BOTH VESSELS MENTIONED ARE CARRIERS NOT FISHING VESSELS
- 2) NAME OF SELLERS
- 3) ORIGIN OF FISH

ALSO WOULD MUCH APPRECIATE IF YOU COULD HAVE 2 OR 3 PIECES OF FISH AND AIRFREIGHT THESEXXXXXX

FISH AND AIRFREIGHT THESE TO US AT OUR EXPENSES

PLEASE ADVISE

UNQUOTE 2

ELLE TYPE

B.W.I. Marine Products Ltd.

PARTS OFFICE: 48. AVE. 588-CHARPE ELYSEE 78006 PARTE/PARTOR TELEPHONE: 1 45 00 64 60 FART: 42 46 66 67 TELER: 94/15/

A l'Attention de Christophe

Re Singapore Frozen Salmons

Furewant to our yesterdays fax and to our todays phone conversation we are pleased to inform you that the goods offered can be inspected by your representative in the following address:

Hock Bee Fromen food Enterprise Pto Ltd. Singapore Pty / Office 10/12 Fishery Fort Road Singapore 2261 Tel : 2689 144

Please contact : Mr. Michard P & Poh - Managing Director or Mr. Lee

Please let us know the name of the person that would inspect the goods for your account and the date of the inspection in order to advice our shipper Hessrs, Igari & Co. Ltd. of Tokyo Japan.

tooking remard to your reply,

RANGEL B.W.T.

B/16/88 x

ChiEE

FYI!

625 Y 940 / 950 - RE SINGAPORE SALMON : I DO UNDERSTAND YOUR CONCERN WHICH ARE MINE ALSO ABOUT THIS BIG TROUBLE BUT FOR THE MOM I WONT BE OF GREAT HELP FOR YOU. MANY OF DUR CUSTS ARE BUYING THIS SORT OF SALMON AND BELIEVE ALL OF THEM ARE VERY VERY SECRET ABOUT WHERE OR FROM WHICH/AGENT THEY GOT THIS FISH (SPECIALLY IN SUCH A YEAR OF SHORTAGE FOR PACIFIC SALMON) SO I DONT HAVE ANY INFO FOR YOU FOR THE MOM I MEAN PRICES / SIZE / QTTY OFFERED ETC BUT BELIEVE I WILL DO MY BEST IN THE COMING DAYS FOR YOU ABOUT THAT.

YOU KNOW THAT CIB IS MAKING A GREAT BIZ WITH JAPAN ON SURIMI AND MICHEL TOLD ME THAT HE GETS OFFERED OF SINGAPORE SALMON THRU THE JANS CO'S HE WORKS WITH ON SURIMI. SEEMS LIKE SOME JANS CO'S HAVE SHARES OR SOMETHING LIKE THAT INTO CO. IN SINGAPOR/TAIWAN AND THAT THEY ARE OFFERING PACIFIC SLM (MOSTLY CHUMS WITH A LITTLE BIT COHO) TO THE FRENCH MKT. TOO BAD. WILL TRY TO HAVE MORE INFO THRU MICHEL FOR YOU ABOUT THAT. RVTG.



Enter Command Store Messase 003

2166 Words Left

16/8/88

72578 GIVESHIN

07/27 16:07 051946707+

CLIFF

THIS IS AL I HAVE.

FROM GIVE SHINE TRADING CO LTD (TRIWAN)

27/07/88

RE: SALMON EX SINGPORE WE HY GOOM/T OF PINK WHOLEROUND WE BE LOADED TO S'PORE IN THE MIDDLE OF SEP. AND WE HY 300M/T OF THE MIDDLE OF HUG. PLS ADVISE YR INTERESTS AND THE IDEA PRICE YOU ARE BUYING NOW, SO THAT WE CAN OFFER YOU IN DETAILS ASAP.

B. RGDS

JOSEPH CHEN

001.3

End of Message 003

TOTAL P.01

HELLO APPERENTATION

QUOTING YOUR HEREUNDER FOR YOUR INFORMATION TELEX RECEIVED FROM TAIWAN RE SALMON



JULY 30 1988

FROM : PATLEE PRODUCTS: INC

. TAIPEI TAIWAN

TELEX 21279 PATLEE

PHONE (02) 5512931

FAX 886 - 2- 5512138

DEAR SIRS

• •

and the second

RE OCEAN RUN PACIFIC SALHON

FROM MID OF AUGUST TILL END OF SEPTEMBER, HE ARE ABLE TO SUPPLY FROZEN ON BOARD SALMONI BOTH PINK AND SOCKEYE ARE AVAILABLE. MINOR GUANTITY OF CHUM AND COHO

PLEASE LET US HAVE YOUR QUANTITY AND PRICE IDEA IN ORDER TO DISCUSS FURTHER

BEST REGARDS

IVAN LEE/MANAGER

UNQUOTE

BEST REGARDS

MESSAGE:

HERE IS A COPY OF THE TLX WE BECEIVED FROM OUR FRENCH OFFICE BEGANDING TAIWANESS SALHON,

FYI THERE IS NOW OFFERS OF BRITES FROM SINGAPOR FOR 4/6 AT USD 2.00 CIF AND 6/9 AT USD 2.10 CIF. THE RUMOUR IS THAT IT IS GOING TO BE OFFERED QUITE A GREAT DEAL OF CHUMS AND COHO FROM SINGAPOREIN A VERY NEAR FUTURE AT RATHER SHORT PRICE.

English guy Callat at martin said he was offered 3,000 Tons of Pinks (Round frozen) and Chume from Singapore.

 \mathbf{e}

078521279+
214 1141 /888/
21279 PATLEE

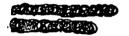
PARIS AUGUST 1ST 1988

TLX 6055

ATTN MR IVAN LEE

THANKS YOUR TELEX JULY 3D RE OCEEAN RUN PACIFIC SALMON ARE INTERESTED IN RECEIVING YOUR OFFERS PLEASE ADVISE AS SOON AS YOU WILL HAVE QUANTITIES AVAILABLE RATHER DIFFICULT TO GIVE YOU QUOTATIONS FOR TIME BEING AS PRICES VERY FLUCTUANT SO IS DOLLAR RATE AWAITING YOUR OFFERS

BEST REGARDS



21279 PATLEE

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RACT CONT ផ ឲា u DIFFICULT TO OBTAIN H/G SALMON UNLICH IS MARCH'EACH YEAR.
SIMILAR CONTENTS AS H/G SALMON.
GS UP. PACK IN CARTON OF 2D/25 KGS.
SINGAPORE UBD3.25/KG. KGS (ADVANCE WIRDAN TROUND TYPE SIZE 1.6 F C1

RDS ⋖ M M EST VAN (D 14 THE VIEW OF THE OFFICE AND THE OFFIC IV POINT -1 IARE DIFFER BREAKDOWN EXACT OUR PREVIOUS TL DUE TO CREW DO CAN NOT INFORM

REGARDS IVAN LEE PATLEE

ANY HOW, WE WOULD LIKE TO SUPPORT TWO PIECES OF 40 FT CONTAINERS EITHER NOW OR EARLY NOVEMBER. EACH CONTAINERL (MOAD ABOUT 18,216 KGS (18.261 M.TONS) OF HEADED AND GUTTED SALMON. PROCESSED ON BOARD. TWO CONTAINERS WILL CONTAINS ABOUT 36,432 KGS (36.432 M.TONS).

IF YOU WICH TO TAKE DELIVERY FROM NOW, WE HAVE TWO READY CONATINERS FOR YOU WITH FOLLOWING CONTENTS EXACTLY :

AA. CONTAINER A -

QUANTITY: 778 CARTONS, NET WEIGHT 17682 KGS (17.682 M.TONS).

BREAKDOWN; SOCKEYE 2/4 - .242 CARTONS,

4/6 - 170 CARTONS

EACH CARTONS CONTAINS NET W. 22.73 KGS. CHUM 2/ 2/4 - 273 CARTONS

4/6 - 93 CARTONS

BB. CONTAINER B -

QUANTITY; 825 CARTONS, NET WEIGHT 18,750 KGS (18.750 M.TONS). .

BREAKDOWN: SOCKEYE 2/4 315 CARTONS

4/6 147 CARTONS

CHUM 2/4 246 CARTONS

. EACH CARTONS CONTAINS 22.73 KGS N.W. 4/6 108 CARTONS.

PINK 2/4 9 CARTONS

CONTAINER A ALREADY ON WATER TO FRANCE ON 8TH OF SEPTEMBER. CONTAINER B WILL BE SAILED TO FRANCE ON 14TH/15TH FROM SINCAPORE, BUT HAD LOAD INTO CONTAINER. YOU MAY SEND A PERSON TO OPEN CONTAINERS AND CHECK IT.

PRICE CNF FRANCE (FOS) ; SOCKEYE USD6.35/KG CHUM CFUS.25/KG PINK 4.80/KG

FOR NOVEMBER, THE CONTENS OF SALMON WILL BE ALMOST NO SOCKEYE. THE CONTENS OR PERCENTAGE OF SOCKEYE OF ABOVE WILL BE SUBSTUTED BY COHO. CHUM ABOUT THE SAME. PINK ALSO VERY LITTLE TO NOTHING. 以自己的 20 元年 10 元年

IP INTEREST IN THE TWO CONTAINERS NOW, PAYMENT BY T/T.

RE TAIWANESE SALMON

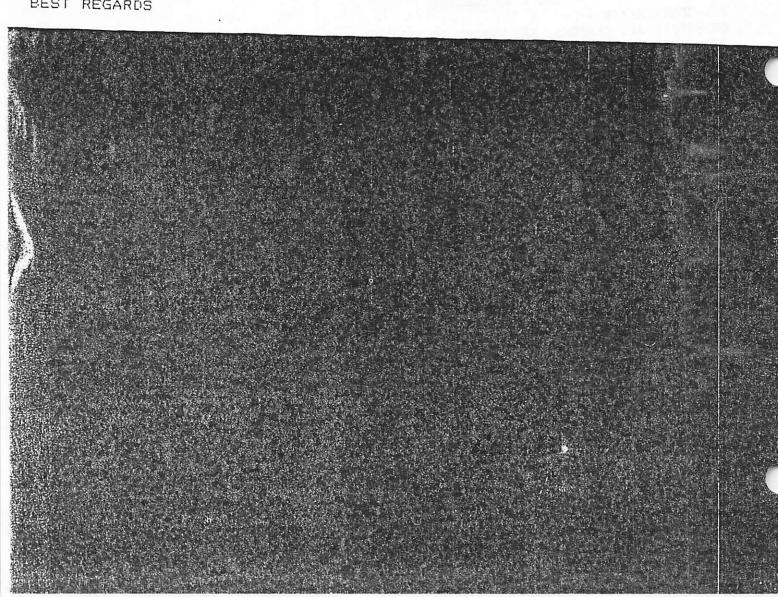
QUOTING YOUR HEREUNDER INFO RECEIVED RE SUPPLIES TO THAI CANNERS

QUOTE

ONLY PRODUCT THAI UNION RECEIVED IS FROM PAGODA SINGAPORE CAME IN ON MAERSK MONDO WAS 7 FCL (155 MT) SPI IMPORTED 1000 MT FROM KING SALMON CO IN ALASKA SK FOODS COMPANY IMPORTED SALMON FROM TAIWAN BUT CANT GET INFO ON THIS

UNQUOTE

BEST REGARDS



RE TAIWANESE SALMON

DUR MAN IS NOW IN SINGAPORE

HE VISITED A SALMON PARCEL IN NCS COLDSTORAGE
2261 FISHERY PORT ROAD
SINGAPORE

PINK SALMON GEING DELIVERED IN THAILAND ONLY, ONLY SPECIES AVAILABLE IN SINGAPORE ARE COHOES/SOCKEYES/CHUMS SIZES 2/3 TO 3/5 (ONLY 15 O/O 3/5), FISH BEING V-SHAPE HEADED, ALL SMALL SIZES FISH AND HALF GUTTED, WITH MARKS FROM NETS/BLACKISH MEAT, MOST PIECES OF FISH HAVE LOST THEIR ORIGINAL SHAPE. ALL IQF IN BLANK POLYBAGS, PINK COLOUR, PACKING 50 LBS CARTONS FREEZING DATE AUGUST 15TH 1988, SINGAPORE ORIGIN.

PRICES OFFERED:

COHOES

2/3

3/5

SOCKEYES

2/3

3.50

3.70

4.20

CHUM

2/3

USD 2.70 PER LB CIF LE HAVRE

3.50

3.70

4.20

SELLER OF THIS PARCEL IS A JAPANESE COMPANY

IGARI AND CO LTD
GINZA CHUO BUILDING
1-20 TSUKIJI 4 CHOME
CHYO-KU TOKY 104
TLX: 2522374

SOME SAMPLES WILL BE AIRFREIGHTED TO US THIS WEEK WITH TWO PIECES OF PINK

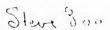
BEST REGARDS

QUOTING YOU HEREAFTER TELEX JUST SENT TO CLIFF RE TAIWANESE SALMON

QUOTE

PARIS AUGUST 30TH 1988

TLX 6722



8/30/88



CLIFF

RE TAIWANESE SALMON

YOUR FAX AUGUST 29TH 1988

RE NATIONAL 1

CHRIS AND MYSELF ARE SURE IT IS NOT NATIONAL 1 WHO PURCHASED THE SALMON BUT OTHER BUYERS STOP MR BREE SEEMS TO BE INVOLVED IN SALES OF THIS FISH AS SOME OF HIS CLOSE CONTACTS ARE RECEIVING SOME OF THIS SALMON PLEASE INVESTIGATE CONFIDENTIALLY

I WOULD SUGGEST YOUR AUTHORITIES SHOULD APPROACH OUR CUSTOM AUTHORITIES AND OUR MINISTRY OF QUALITY WHERE WE KNOW SOME PEOPLE WELL

IT SEEMS SIZES UNDER 2 LBS ARE NOT RESTRICTED/FORBIDDEN, DO YOU HAVE ANY OFFICIAL DOCUMENT IN HANDS STATING SUCH SIZES ARE NOT ALLOWED, PLEASE ADVISE WILL ASK MY ''MATA HARI'' TO GO TO SINGAPORE TO FOLLOWING COLDSTORE:

HOCK BEEFROZEN FOODS ENTERPRISE PTY LTD SINGAPORE PTY OFFICE 10/12 FISHERY PORT ROAD SINGAPORE 2261 CONTACT MR RICHARD PL POH OR MR LEE.

AND TAKE SOME SAMPLES WHICH WILL BE FORWARDED, PLEASE TELL US WHERE THESE SHOULD BE SENT %

WILL ALSO TRY TO HAVE SOME SAMPLES THROUGH BANGKOK AND ALSO FROM PARCELS ARRIVING IN FRANCE

UNQUOTE

BEST REGARDS

INTER-OFFICE COMMUNICATION

DATE 9/14/88

FROM John Collier 283-2387

Further to the matter of squid flet valmon:

1. On 9/8 one of our largest Japanese buyers reported to us that the Japanese market for coho had been flooded (at least temporarily) by the arrival of 1500 m.t. of coho from the Japanese squid fleet, It was reported that the versel(s) underwent normal off-loading of squid in Hobaido ports during the day and unbaded the salmon at night.

2. The Scattle representative of the Japanese company made diacet telephone contact with the all Japanesquid diffrent tishnies down, which relactivity admitted that 1000 unt of coho had already been delivered in Japan and claimed that this was by-catch from the squid fleet opnations, some by-catch.

SEP 14 '88 14:29

TOTAL P.01 206 323 3200 258 PAGE.001 '88 08/17 89138

2 910 4739849

H.C.N. B.V.

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MCM

MAARTEN CATZ MERCHANDISING B.V.

FACSIMILE

Schiedam, 17 aug. 1988

to; Em; M. Mars House More

- U.B.A

ref: 5810

thanks yr fax 15.08.88



meanwhile with current developments pink salmon, resale possibilities europe for the off-grade product are improving.

probably best to leave this matter until my visit, by which time most relevant details should be known.

as to thailand they received about 4-5000 tons of which about300 (threehundred) fol are being packed - mostly pinks.

We made some contracts ourselves at usd. 35 c+f per 48/200 g. (tuna can) and have meanwhile approved quality.

estimate to tally 100-150 fcl sold to various destinations including australia.

best regards,

maarten catz

fc/2 full container loads, 20' container

300 fcl = 390,000 48/1/2 Cs.

(9)

. 88 86\38 18:11

618 4739849

M. C. M. B.U.

01

MCM

MAARTEN CATZ MERCHANDISING B.V.

PACSIMILE

ref:4634 Schiedam, 30 juni 1988 to:

Tks yr offer 10 fcl pinktalls.

Gather from your description that these are soft type hatchery pinks. pls advise.

Your price indication not very tempting as from various sides we now have indications that a/apa pinktalls could well be available around usd 40.00 fob net.

Thai union continues offering 48/220 gr pinks at usd 33.00 - july/merch.

Best regards,

Maarten Catz.

cc: Roy

RCA THRUDATA HSG 3301 TO 289654 RCVD APR 29 05:13

25462 MCH NL 290488 11.12

REF: 3153

RE: CANNED SALMON - THAT PACK

FURTHER TO OUR FAX NO: 3058 HE MERNHHILE FOUND OUT THAT THAI UION CONFIRMED TO ZEITZ TOTALLY 40.000 CS 48/200 G SPREAD SHIPMENT AT THE STREET OF USD 33,00 C/F.

RGDS. MARRTEN CATZ 289654 SEFO UR 3301

25462 HCH NL

. .. **.**

₹289654 SEFO UR

200 2 37



PATLEE PRODUCTS, ING.

102 CHUNGSHAN NORTH ROAD.

SECTION 2, ATH FLOOR

TAIPEI 10449 TAIWAN

TIM: 21279 PATLEE TEL: 02-3512931 FAX: 886-2-55121

orlinger.

SEP 14, 1988 21279 PATLEE



RE H/B SALMON

WE ARE OFFERING U OUR LAST PARCEL AS FOLLOWING:

1. RTY: 150M/TONS.

2. PRICES N ESTIMATED BREAKDOWN:

COHO: USD6.40/KG CNF FOB, AT LEAST 40% N MIGHT BE UP TO 35%. AT LEAST 40% 4/6 LBS.

CHUM: USD5.45/KB CNF FOS, AT LEAST 40% 4/6 LBB.

PINK: USD5.00/KB CNF FOS. 1% - 10% 2/4 LBB.

- 3. WL ARRIVE SINGAPORE END OF SEPTEMBER OR EARLY OCTOBER, N WE CAN SORT/REPACK TO COMPLETE BHIPMENT WITHIN 20 DAYS.
- 4. PACKING: EACH PC IN POLYBAG, 50 LBS IN CARTON.
- 5. PAYMENT: 100% AT SIBHT L/C.

PLS ADV UR DECISION IMMEDIATELY.

REGARDS IVAN LEE ATIN: ARI

KINGS HOYEL SINOAPORE

A MEMBER OF THE HONG LEONG GROUP

Bed Ragans

FACSIMILE T	ransmission
-------------	-------------

NO. 33 - 40.26.17.47

70	_)/	FRANCE
Company	<u> </u>		' '
From PAI	Rick les parles p	RODUCTS.	
Date Sep			
Subject	446 Salmon		
No of Pages			

Remarks John

THIS WILL BE THE LAST DEPORTITY WE could OFFER TO YOU; COHO HIB ABOUT 40-60%, CHUM HIS ABOUT 70/50%, VERY MINOR PINK. Size ABOUT 40-60% 4/6 LBS, BALANCE 2/4:

Delivery From Singapore:

3 containers (50-60 m.T): OCTOBER 6, \$ 13TH.

3 containers (to- 60 M.T.) : OCTOBER COTH, 27TH

3 CONTAINERS (50-60 M.T.) : NOVEMBER 3 RD, 10TH.

DESTINATION : FOS.

ABOUT 80 M.T. HIG ON BOARD; 100 MIT. HIG IN SINGAPORE FROM ROUND SALMON.

\$ H+5 ON BOARD PRICE SAME AS GIVEN 4 DAY /5 DAYS AGO. \$ H+5 ON LAND: COHO 4507.35/COF; CHUM 4506.5, PINK \$5:00

RESARDS

"X" P.S. AM BACK TO TAIDE! TOMORROW.

PARK (K) Sing's Hotel Ltd. Havelock Road, Singapore 0316. Tel: 7330011

285-23

UNITED STATES DEPARTMENT OF

COMMERCE

NEWS

Western Regional Center Seattle, WA 98115



CONTACT:

Rolland Schmitten - (206) 526-6150 Regional Director, NWR-NMFS William Lutton - (206) 526-6133 Deputy SAIC, Enforcement Division NOAA-SEA-86-17

RECORD SALMON SEIZURE BY NATIONAL MARINE FISHERIES SERVICE AGENTS

FOR IMMEDIATE RELEASE

National Oceanic and Atmospheric Administration (NOAA) officials in Seattle, Washington, have seized in Tacoma almost 595,000 pounds of salmon worth \$796,000 bound from Taiwan to Japan by way of the U.S. in an alleged multimillion-dollar fish laundering scheme.

The record haul, believed to be part of over 3.5 million pounds of salmon worth \$4,746,000 routed through Tacoma, consists of 4-6 pound chum and sockeye. It was seized by National Marine Fisheries Service enforcement agents in the course of its 13,000 mile round trip across the Pacific.

Japan prohibits the importation of Taiwanese-caught salmon, and salmon cannot legally be exported from Taiwan.

The Commerce Department agency said the salmon were shipped first to Singapore and Hong Kong. Then Union Inc., a trading company in Costa Mesa, California, shipped the fish to Tacoma. There it is alleged that new container seals and bills of lading were used to obscure Taiwan as the country of origin, and the salmon were to be reshipped to Japan.

The U.S. has a substantial salmon export market to Japan, and a U.S. bill of lading would be readily accepted there. Sophisticated tests, the seized fish's appearance, including gillnet marks, and fishing patterns indicate they were caught on the high seas and are of Taiwanese origin.

The Taiwanese ban on salmon exporting and gillnetting was imposed at U.S. urging, in an effort to eliminate migratory interceptions and bring Taiwanese gillnetting practices under control.

In addition to forfeiture of the fish, civil actions against Union Inc., and its general manager, Young Ho Lee, are expected later this week. Civil penalties against the company and Mr. Lee could total \$150,000.

ENTERED ON
AUG 27 1988

THIED IN THE BY DEGULY
WESTERN DISTRICT OF WASHINGTON
AUG 27 1985

AUG 27 1985

FILED LOOCED

RECEIVED

AUG 27 1986

CLERK II SCHISTRICT COURT
WESTERN DISTRICTOR WASHINGTON AT TACCMAN
BY

DEFINY

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,

Plaintiff,

v.

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594,464 POUNDS OF SALMON, MORE OR LESS,

Defendants.

C86-666TB

Civil No.

ORDER DIRECTING CLERK TO ISSUE IN REM WARRANT OF ARREST

Based upon the Complaint filed herein, the Motion for Issuance of In Rem Warrant of Arrest and attached affidavits, and good cause appearing, plaintiff United States of America's motion for issuance of warrant is GRANTED, and the Clerk of the Court is this day ORDERED to issue the form of warrant submitted with the motion.

DATED: august 277,1986

United States District Judge

ORDER

UNITED STATES ATTORNEY
1145 BROADWAY PLAZA, SUITE 350
TACOMA, WA 98402
(206) 593-6316

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AUG271986

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,

Plaintiff,

v.

594,464 POUNDS OF SALMON, MORE OR LESS,

Defendants.

Civil No.

COCIR

PRAECIPE FOR IN REM WARRANT OF ARREST

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Plaintiff, UNITED STATES OF AMERICA, having filed a Complaint for Forfeiture herein, hereby requests the Clerk of the United States District Court for the Western District of Washington to issue an In Rem Warrant of Arrest for the fish which are the subject of this action pursuant to Rule C(3) of the Supplemental Rules for Certain Admiralty and Maritime Claims, Federal Rules of Civil Procedure. Order of the Court herein.

DATED:

GENE S. ANDERSON United States Attorney

William H. Rubidge

Assistant United States Attorney

Attorneys for Petitioner United States of America

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PRAECIPE

FORM OBDIES

1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON 9 UNITED STATES OF AMERICA, 10 Plaintiff, 11 Civil No. 12 594,464 POUNDS OF SALMON, 13 IN REM WARRANT OF ARREST MORE OR LESS, 14 Defendants. 15 16 TO: THE UNITED STATES MARSHALL FOR THE WESTERN DISTRICT OF WASHINGTON. 17 18 WHEREAS, a Complaint for Forfeiture was filed herein 19 praying that process issue for the arrest of the fish that are 20 the subject of this action; 21 NOW THEREFORE you are hereby commanded to attach said fish. 594,464 pounds of salmon, more or less, located at the Port of 22 Tacoma Cold Storage Facility, Tacoma, Washington, fourth floor, 23 24 in storage areas 23, 24, and 35, in boxes marked "Union Inc. 25 111

IN REM WARRANT OF ARREST - 1

UNITED STATES ATTORNEY
1145 BROADWAY PLAZA, SUITE 350
TACOMA, WA 98402
(206) 593-6316

26

///

CA. U.S.A.", and to detain the same in your custody until further Order of the Court.

DATED this _____ day of

BRUCE RIFKIN

AUD 27 533

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,

C86-666TB

Plaintiff,

594,464 POUNDS OF SALMON, MORE OR LESS,

Defendants.

Civil No.

EX PARTE MOTION FOR THE ISSUANCE OF AN IN REM WARRANT OF ARREST

Pursuant to Rule C(3) of the Supplemental Rules of Certain Admiralty and Maritime Claims, plaintiff United States of America moves for the issuance of an in rem warrant for the arrest of the property that is the subject of this action. This motion is based upon the Complaint filed herein and the attached affidavits of William F. Lutton and Charles K. Walters. A proposed form of

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EX PARTE
MOTION FOR ISSUANCE OF WARRANT - 1

UNITED STATES ATTORNEY
1145 BROADWAY PLAZA, SUITE 350
TACOMA, WA 98402
(206) 593-6316

warrant and order directing the Clerk to issue a warrant are submitted with this motion.

DATED: August 26, 1986

GENE S. ANDERSON United States Attorney

William H. Rubidge

Assistant United States Attorney

Attorneys for Petitioner United States of America

EX PARTE
MOTION FOR ISSUANCE OF WARRANT - 2

1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 WESTERN DISTRICT OF WASHINGTON 10 UNITED STATES OF AMERICA, 11 Plaintiff, 12 Civil No. 13 594,464 POUNDS OF SALMON, AFFIDAVIT OF MORE OF LESS, 14 WILLIAM F. LUTTON Defendants. 15 16 County of King 17 SS. State of Washington) 18 19 20 21 WILLIAM F. LUTTON, being duly sworn on oath, deposes and 22 says: 23 I am a Special Agent of the U. S. Department of Commerce, 24 National Marine Fisheries Service (hereinafter referred to as 25 NMFS), and am Deputy Special Agent in Charge of the NMFS

 $(\operatorname{ORM} \operatorname{ORD})_{143}$

Northwest Region Law Enforcement Office.

- 1. The Lacey Act (16 U.S.C. 3371 et seg.) prohibits the import, export, transport, sale, receipt, acquisition or purchase in interstate or foreign commerce of fish or wildlife taken, possessed, transported or sold in violation of any foreign law.

 16 U.S.C. 3372 (a)(2)(A).
- 2. Based on information provided by Taiwanese and Japanese officials, I am advised that Taiwan prohibits the export of salmon, and that Japan prohibits the import of salmon from Taiwan.
- 3. On July 8, 1986, NMFS Northwest Region received evidence indicating that a United States company may have been involved in the exporting of salmon from Taiwan in violation of Taiwanese law. The evidence consisted of copies of photographs and explanatory notes described as depicting operations in several cold storage facilities in Taiwan. The photographs and notes showed boxes marked "Union Inc. CA U.S.A." being packed in Taiwan with frozen salmon. (See attached photocopies marked Exhibit A.)
- 4. Union Incorporated, 320 Kalmus Drive, Costa Mesa, CA 92626 is a California corporation, engaged in the manufacture and distribution of food products and the importing and exporting of general merchandise.
- 5. On July 8, 1986, I was notified by the U. S. Customs Service that on July 6, 1986, Union Inc. had imported 300,317 pounds of frozen salmon into the United States at Tacoma,

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Washington. On July 10, 1986, I and Special Agent Forfest Carvey Jr. inspected the salmon in the company of and with the consent of Mr. Young Ho Lee, who identified himself as the General Manager of Union Inc. Mr. Lee signed a Federal advise of rights card and a consent to search form in connection with the inspection of the salmon.

The fish were contained in six refrigerated shipping containers. located at Tacoma Terminals Inc. at the Port of Mr. Lee voluntarily opened two of the containers and Special Agent Carvey and I examined the contents. The containers each held approximately 700 boxes packed with salmon. were marked "Union Inc. CA U.S.A." and were similar in size, shape and packing to the boxes depicted in the photographs above. (See photocopies marked Exhibit mentioned in paragraph 3 B.) Mr. Lee stated that all six containers in the shipment contained salmon packed in the same manner. The fish were frozen whole, sexually immature, four to six pound chum and sockeye salmon with gillnet marks on their bodies. The majority of the fish were of an ocean "bright" condition - their surfaces had a silvery, mirror-like appearance, indicating that at the time of harvest the fish had not yet begun their upstream freshwater These factors indicate that the salmon were spawning migration. caught on the high seas by gillnet fishing vessels.

7. The fish inspected had been purchased by Union Inc. from San Hai Trading Company of Singapore and had been brought into

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Tacoma from Singapore. The salmon were scheduled to be reshipped by Union Inc. without any reprocessing to Tokyo, Japan on the next available Sea-Land Services Inc. vessel. Mr. Lee stated the reason he had shipped the salmon from Singapore to Tacoma before shipping them to Japan was to inspect the quality of the fish and to ensure that a new bill of lading was prepared showing his company as the shipper. Mr. Lee stated that he had received a total of approximately six shipments of salmon from Singapore and Hong Kong over the previous six months (since February, 1986) and that those six shipments were the total extent of his salmon importation business. Mr. Lee stated he did not know the source of the salmon outside of Singapore and Hong Kong and did not care. Mr. Lee stated he had boxes manufactured in Singapore and Hong Kong and that he had the salmon packed there.

- 8. I am advised by experts within the NMFS that Singapore and Hong Kong do not have high seas gillnet fishing fleets and that the shipments of salmon could not have originated in Singapore or Hong Kong. I am further advised that it is highly improbable that the salmon came from any source other than Taiwan (see Affidavit of Charles K. Walters.)
- 9. On July 14, 1986, based upon the evidence indicating that the fish had been exported from Taiwan in violation of Taiwanese law, and had therefore been imported in violation of the Lacey Act, I directed the six containers to be seized pending the filing of this action.

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10. On July 13, 1986, Union Inc. imported at Tacoma another shipment of frozen salmon from Singapore. This shipment, also consisted of six containers and was in all respects identical to the July 6, 1986 shipment. Because of logistical difficulties, this shipment was not seized, but was reshipped to Singapore.

11. On July 20, 1986, Union Inc. imported at Tacoma another shipment of frozen salmon from Singapore. This shipment was in all respects identical to the July 6, 1986 shipment, and consisted of 294,147 pounds in six containers. This shipment was seized on July 21, 1986, pending the filing of this action.

12. NMFS Special Agents have conducted further investigation into salmon imports by Union Inc. the results of the investigation further indicate that the salmon imported by Union Inc. originated in Taiwan. Specifically, I am advised of the following facts:

Between March 27, 1985 and July 21, 1986, Union Inc. imported fifteen shipments of frozen salmon totalling approximately 2,661,518 pounds (including the two shipments The twelve shipments imported prior to the first seized). seizure were subsequently exported to Japan.

Union Inc. imported eight of the salmon shipments, including the two shipments that are the subject of this action, from San Hai Trading Company of Singapore. Records show that San Hai is connected to a group of fishing companies based in Taiwan. Mr. Clifford C. H. Chen, a Taiwanese national residing in Singapore,

is the Managing Director of San Hai. Mr. Chen is also the Managing Director of Tri-Ocean Marine Products Co., Ltd., Hsin Cheng FA Fishery Co., Ltd., Kin Sin Fishery Co., Ltd., and Long Dar Fishery Co., Ltd., all sharing the address of 86 Deng Shan Street, Kaohsiung, Taiwan. Mr. Chen shows this same address on his Taiwanese passport.

When questioned regarding the salmon shipments that are the subject of this action, Mr. Chen provided documents indicating that he had purchased the salmon from the Hsin Yuan Trading Company, Hong Kong, and had it shipped to Singapore on a Japanese vessel named UNO MARU NO. 18. The documents provided by Chen have proven to be false: the Hsin Yuan Trading Company has been contacted and it has been determined the company did not sell any salmon to San Hai Trading Co.; also, shipping records indicate that the vessel UNO MARU NO. 18 has not been to Hong Kong during the past two years.

Records indicate that all eight shipments of salmon purchased by Union Inc. from San Hai Trading Co. were first transported from Singapore to Kaohsiung, Taiwan, then loaded onto a vessel that called at Kobe, Japan, and Yokohama, Japan before arriving in Tacoma. Although Union Inc. had purchased the salmon for resale in Japan, Union Inc. did not have the salmon offloaded at either of these Japanese ports. Instead the salmon remained on the vessel and were ultimately delivered to Tacoma. After the salmon were landed in Tacoma, Union Inc. prepared a new bill of

lading showing itself as the shipper and the port of lading as Tacoma. The salmon were then exported and reshipped to Japan. Sea-Land sales personnel in Singapore, who booked the shipments on behalf of Mr. Chen of San Hai Trading Co., stated that they believed the salmon were originally shipped from Taiwan by the Taiwanese fishing companies related to San Hai Trading Co. and managed by Mr. Chen.

The other seven shipments imported by Union Inc. were purchased from Harry International Corporation of Hong Kong. Shipping records show that the salmon sold to Union Inc. by Harry International Corporation were purchased from the Bort-Sheng Trading Company, Kaohsiung, Taiwan. The salmon were exported from Taiwan to Hong Kong in shipping containers under bills of lading showing the contents as frozen fish: squid bodies, thread fin and horse mackerel, product of Taiwan. For three of the shipments, Harry International wrote to Sea-Land Corp. instructing the shipper not remove the contents of the containers or to repack the containers, but to change the container seals before shipping the containers to Tacoma. The new container seals, coupled with new bills of lading prepared in Hong Kong showing Harry International as the shipper, effectively obscured Taiwan as the country of origin for the salmon.

The vessels carrying all seven shipments from Hong Kong to Tacoma transported the salmon through Kaohsiung, Taiwan, and, as with the aforementioned Singapore shipments, also stopped in Kobe

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and Yokohama, Japan without unloading the salmon before discharging the fish in Tacoma. For each shipment into the United States, Union Inc. prepared a new bill of lading showing itself as the shipper and Tacoma as the port of lading. All seven shipments were subsequently exported and reshipped to Japan.

William F. Lutton

SUBSCRIBED AND SWORN TO before me this 27 day of August, 1986.

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Notary Public for Washington

My commission expires February 1, 1989

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1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON 9 UNITED STATES OF AMERICA, 10 Plaintiff. 11 Civil No. 12 594,464 POUNDS OF SALMON, AFFIDAVIT OF 13 MORE OR LESS, CHARLES K. WALTERS 14 Defendants. 15 16 County of King ss. 17 State of Washington) 18 CHARLES K. WALTERS, being duly sworn on oath, deposes and 19 says: 20 I am employed by the National Marine Fisheries Service 21 (NMFS), National Oceanic and Atmospheric Administration (NOAA). **22** . . United States Department of Commerce. My background in and 23 experience with Pacific salmon issues is as follows: I was a 24 commercial salmon fisherman (purse seiner) in Southeast Alaska **25** i and Puget Sound for the 1982 salmon season. In 1963 I received a BS degree in general science (biological oceanography curriculum, 26 4

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from Oregon State University. In 1966 I received a MS degree in marine zoology at the University of Hawaii. I spent three years on doctoral research at the University of Hawaii in marine ecology, but I did not obtain my Ph.D. I then worked for seven years with the Oregon Fish Commission, first as a research biologist at Newport, Oregon, and later as a water resources specialist in the Director's Office in Portland, Oregon, working with salmon as well as marine fish species on a state-wide basis.

Since 1975, I have worked for NMFS, serving from 1975 to 1979 as the Northwest Regional Coastal Zone Management Coordinator located in the Columbia River Program office in Portland, Oregon, where I worked with salmon as well as marine and estuarine resources in Oregon, Washington and Idaho. From 1979 to November 1982 I was the National Coastal Zone Management Coordinator for NMFS in the Office of Habitat Protection in Washington, D.C., where I was responsible for determining impacts on all anadromous, marine and estuarine resources, nationwide. From November 1982 to 1983, I was selected as a Department of Commerce legislative fellow and and assigned to the Senate Commerce Committee (National Ocean Policy Study), working on all United States fisheries From October 1983 to July 1984, I worked on Columbia River salmon issues with the Department of Commerce, Office of Management and Budget, Department of Energy and Congress, on special assignment to the NOAA Assistant Administrator for Fisheries.

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From July 1984 to November 1985 I served on a detail to the Department of State's Office of Fisheries Affairs, working primarily on high seas Pacific salmon fishing issues and the negotiations on the United States-Canada Pacific Salmon Treaty, with principal focus on Japanese and Taiwanese high seas squid gillnet fisheries and their salmon interceptions. I represented the Department of State at three International North Pacific Fisheries Commission (INPFC) meetings (Tokyo, Vancouver, Anchorage) where international management of high seas salmon by member (the United States, Japan, Canada) and non-member nations (Taiwan. Korea, etc.) was the key issue. I was also a member of the United States delegation in the bilateral negotiations with Japan on eliminating high seas interception of United States salmon by Japanese vessels (two trips to Japan in the fall of 1985). I was one of three to four United States members involved in small group negotiations with Japan government and industry officials that resulted in a bilateral agreement.

In December 1985, I began my present position as the Pacific Salmon Treaty Expert, a special assistant position to the NMFS Northwest Regional Director in Seattle. My duties include advising the Regional Director and NOAA officials on issues affecting implementation of the United States-Canada Pacific Salmon Treaty, on special issues regarding the INPFC, and other high seas salmon fishing problems.

In my different positions, I have had and continue to have extensive contact with United States and foreign salmon fishing

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industry representatives, foreign, state, federal and Indian fisheries scientists and managers, the United States Fisheries Attache in Tokyo, and other governmental officials working on salmon issues.

Through my work with NMFS and the State Department, I have become very familiar with problems associated with high seas salmon fishing. Those problems stem in large part from salmon's anadromous life cycle. The nations in whose rivers salmon originate (the United States, Canada, the Soviet Union, Japan and Korea) each harvest the fish in their own coastal and fresh waters when the salmon return to spawn. The United States government has knowledge of high seas salmon harvest by only two countries: Japan and Taiwan.* Japanese vessels conduct high seas salmon and squid gillnet fisheries under INPFC manage-Taiwan's high seas squid gillnet fleet have for ment measures. several years reportedly harvested large quantities of salmon as a bycatch of their squid fishing efforts.

The indirect catch of salmon by Taiwanese vessels has been a troublesome issue for high seas salmon management. Because Taiwan is not a member of the INPFC, its vessels are not subject to INPFC management measures. The Taiwanese salmon harvest therefore can have a very detrimental impact on stock assessment and

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^{*} Department of State officials are aware of only one incident of salmon harvest on the high seas by another country, involving a single Korean vessel and less than one hundred fish.

attempted to convince Taiwan to adopt domestic measures to reduce and ultimately prevent high seas salmon harvest by Taiwanese vessels. The first of such measures — a ban on the export of salmon from Taiwan — was adopted by the Taiwanese authorities in 1983. This was followed soon after by a Japanese ban on imports of salmon from Taiwan. Despite these restrictions, rumors continue of international marketing of Taiwanese—caught salmon in Europe and in Japan.

One of my major efforts while with the State Department's Office of Fisheries Affairs was as the lead United States person to work through appropriate channels to convince Taiwan to adopt domestic regulations to control the Taiwanese gillnet fleet and eliminate salmon interceptions. Taiwan adopted regulations this (1986) year prohibiting the harvesting of salmon by their high seas fleet, and separating fishing areas by water temperature and time to avoid salmon migration areas.

I am informed now by NMFS agents that they have seized in Tacoma, Washington, some 594,464 pounds of frozen salmon shipped from Singapore to the United States for reshipment to Japan. The agents report that the vessel carrying the salmon from Singapore to Taiwan stopped at two ports in Japan without unloading the salmon before proceeding to Tacoma. The salmon are described to me as being immature and "bright" in appearance — meaning that they were harvested on the high seas at a point before the salmon had undergone the physical changes associated with their returni

to their rivers of origin to spawn. The salmon are also described as bearing gillnet markings. The agents report that the seized shipments of salmon are but two of some seventeen total similar shipments from Singapore and Hong Kong handled by the same United States company. The agents also report that the seized shipments were to be handled in a manner similar to that followed with the previous shipments: once the salmon were landed in the United States, a new bill of lading was prepared for shipment to Japan, indicating Tacoma as the origin of the shipment.

Based upon my knowledge of and experience with high seas salmon fishing matters, I can only conclude that the salmon in question are of Taiwanese origin. My conclusion is based on two factors: the limited number of countries who harvest salmon on the high seas, and the peculiar trade route utilized for these shipments.

As I stated above, only Japan and Taiwan harvest salmon on the high seas in quantities such as those involved here. The highly circuitous route used to ship these fish from Singapore to Japan makes it impossible to believe that the fish were caught by Japanese vessels. Shipment of unprocessed salmon first to a buyer in Singapore, then to a buyer in Tacoma, finally to a Japanese purchaser would add considerably to the cost of the salmon — both in shipping costs and in the profit necessarily taken by each of the various middlemen. Consequently, for Japanese—caught salmon that followed such a route to compete in Japan with salmon landed directly by Japanese vessels, either the

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original seller of the indirectly-shipped salmon must sell for a lower price, or the ulitimate buyer must pay a higher price. There is no logical commercial reason for such a transaction to occur. This is especially true where, as is the case here, the vessel transporting the salmon from Singapore to Tacoma actually stopped in two different Japanese ports before continuing on to Tacoma.

Taiwanese-origin salmon could only be imported into Japan through a scheme such as that involved here. Because of the Japanese ban on importation of Taiwanese salmon, the salmon must appear to have come from somewhere other than Taiwan. Attempts to ship Taiwanese salmon to Japan by going only through another Asian port such as Singapore or Hong Kong would not likely be successful: neither Singapore nor Hong Kong has a salmon fleet, and a bill of lading indicating the shipment of salmon from Singapore or Hong Kong would arouse suspicion. A bill of lading indicating shipment from another country, such as the United States, that has a substantial domestic salmon harvest would appear outwardly unremarkable. Therefore, a shipping route such as that used for the fish at issue here would very likely be the only means of shipping Taiwanese salmon to Japan with any chance of success.

I should add that, even if the seized salmon appeared to have been taken near the shore of a river-of-origin country, I would reach the same conclusion. None of the river-of-origin countries mentioned (the United States, Canada, the Soviet Union,

AFFIDAVIT OF CHARLES K. WALTERS - 7

Korea, as well as Japan) is the subject of an Japanese import prohibition such as directed at Taiwan. Consequently, fishermen in those countries would have no reason to incur the cost of shipping their catches first to Singapore, then to the United States, before sending them to Japan.

FURTHER, AFFIANT SAYETH NOT

Charles K. Walters

SUBSCRIBED AND SWORN TO before me this 2/ day of August, 1986.

Notary Public for Washington
My commission expires 1489

SUPPLEMENTAL

North Pacific Fishery Management Plan for Assuring the Integrity of Bering Sea Fisheries Management

- 1. The Department of State should, as directed by Senate Resolution 396, renew efforts to secure a moratorium on fish in the "doughnut hole" which serves as the staging area for illegal fishing and effects the conservation and management of stock of the U.S., pending an international resolution.
- 2. The Department of State should respond to the direction of Senate Resolution 396 to report to the Senate Commerce Committee on the actions of the Interagency Task Force to investigate enforcement options for fishery management in the Bering Sea.
- 3. The States Department of Justice should investigate and prosecute illegal action under MFCMA, RICO, Lacey Act and other applicable law. The Justice Department should seek extradition of the perpetrators to U.S. jurisdiction.
- 4. State Department must press the Japanese government for a thorough public airing of the matter and strict punishment of the perpetrators, including seizure of illegal product and prosecution of the harvesters and distributors of the illegal product.
- 5. NOAA must promulgate the regulations by emergency action which permit authorities to have an effective enforcement regime in the waters off Alaska. Clearly one does not presently exist.

 Options include:
 - a. Radio check in and check out of all fishing transiting the EEZ off Alaska.
 - b. Gear stowage requirement
 - c. Observers on foreign vessels fishing within the "doughnut hole".
- 6. Create a fisheries enforcement advisory panel consisting of representatives of the U.S. fishing industry. The Coast Guard and NMFS must unveil their enforcement plan and discuss with the Council and the industry their enforcement strategies for stopping illegal fishing.
- 7. Take immediate action on legislation which requires transponders, gear storage and check-in/check-out.
- 8. NOAA and the Coast Guard should establish a cooperative enforcement regime with the Japanese Fishery Agency in which enforcement agencies would be able to identify and investigate suspected illegal activities.
- 9. NOAA and Coast Guard should establish a cooperative relationship with the military regarding the use of military resources to accomplish our fisheries enforcement objectives.
- 10. Congress should appropriate the required resources to the Coast Guard and NOAA to permit adequate enforcement measures.

HAROLD Sparck

Proposal by Western Alaskan Fisheries to De-Militarize the "Doughnut" To Allow Settlement of High Seas Fisheries Issue

In the spirit of cooperation, Western Alaskan fisheries have proposed an alternate solution to the 'Doughnut'. The solution proposes to separate the fisheries conservation issue from over-riding military and national security issues of interest to the navies of both the US and USSR.

To de-militarize the issue, a three phase bi-lateral agreement must be constructed between the US and USSR. Each coastal state can declare a cessation of fishing by all flags in the area of the Bering Sea for conservation purposes. This action is supported by both existing (Magnusson Act and Order of Presidium in FCZ enabling legislation) domestic law, and existing and emergent international law.

An unseen drag on successful bi-lateral action to implement this moratorium is military concerns. They are high seas navigational freedoms, and submarine technology.

The State Department is correct that an action by coastal state to close off a section of the high seas could have international ramifications. Unilateral action by the US and USSR in this area of high seas could be used by other coastal states to impose similar limits on high seas in the Mediterranean and Persian Gulf if not properly worded. Both the US and USSR military are opposing the "Doughnut" settlement for this reason. By wording the agreement to limit the moratorium and subsequent enforcement to fisheries for conservation purposes on all flags, the high seas navigational issue will be by-passed. The second area involves military use of the sea-floor. Unlike the Arctic Basin, the U.S. enjoys a military advantage for submarine use in the Bering Sea due to the marine geology of the Eastern Bering Sea Shelf, and deep passes being located within the US portion of the Aleutian Archipelago. The war theatre for submarines is changing to the greater Arctic Basin and its spy-satellite proof ice cap as a result of the Soviets improvements in submarine technology. Entrance and exist in the Bering Straits through the Bering Sea from Pacific Ocean based submarines is a modern strategic question. Seafloor listening devices are an essential component of subamrine detection. The "Doughnut" is cupped by seafloor of US jurisdiction. Placing in the fisheries agreement a clause prohibiting seafloor listening devices by either coastal State will release US Navy concern for USSR gains in submarine surveillence as a result of this fisheries agreement.

There is little that we can do with the Soviet Navy, but we as concerned citizens of the US can meet with the DOD through the offices of our United Congressional delegations to seek their support for a limited enclosure of this area of high sea for the sole purposes of conserving shared fisheries resources by third party states.

I would suggest to the Council that it is the appropriate body to coordinate this series of discussions. If done promptly, and if successful, a negotiating break-through on the US side may take place if time for the scheduled US-USSR bi-lateral negotiations in Moscow on October 19 that could be expanded to include resolution of the "Doughnut" issue. We in Western Alaska are very concerned for the observed, and significant potential for by-catch of Western Alaskan king salmon in the unregulated "Doughnut" fishery. We also fear based on historic foreign fishing information, significant opportunities to move onto the shelf break in the Northeast corner of the "Doughnut" and take herring of Western Alaskan origin both within and without the "Doughnut".

We would further suggest that until the navies of the US and USSR are satisfied that the proposed cessation of fishing in the Doughnut results in no net gains or losses for military goals and policy that solution of the "Doughnut" will linger on.

STATEMENT BEFORE THE NORTH PACIFIC FISHERY MANAGEMENT COUNCIL CONCERNING THE ALLEGED ILLEGAL OPERATIONS BY JAPANESE FISHING VESSELS REPORTED BY THE MAINICHI DAILY NEWS

Minoru Morimoto Fisheries Agency The Government of Japan September 28, 1988

Mr. Chairman, members of the Council. Thank you for giving me the opportunity to testify on behalf of the Government of Japan before this Council.

With respect to the alleged illegal fishing activities of the Hokuten trawlers reported by the Mainichi Shinbun on August 17, the Fisheries Agency of Japan (FAJ) completed its investigation and imposed mandatory port confinement penalties on the two fishing vessels as of September 16. The summary of the investigation is as follows:

- 1. The two Hokuten trawlers which the Mainichi Shinbun reported on August 17 were identified as the DAIAN MARU No. 128 (279 tons; HKI-998; Wakkanai, Hokkaido; Oura Gyogyo Co., Ltd.) and EIKYU MARU No. 86 (279 tons; HKI-857; Nemuro, Hokkaido; joint enterprize of Eikyu Gyogyo Co., Ltd. and Hamaya Suisan Co., Ltd.).
- 2. The FAJ requested the two vessels to submit their navigation logs, fishing logs, engine logs and the records of the Naval Navigation Satellite System (NNSS). The FAJ conducted interrogations of the captains, fishing masters, chief engineers and representatives of the companies of the two vessels from August 18 to 20 and August 26 to 27. From August 20 to 23, enforcement officials were dispatched to Kushiro and Ishinomaki to conduct investigations and to collect information from the market. The FAJ also dispatched the officials and the patrol vessel HAKUREI MARU to Kushiro from August 30 to September 3, and conducted investigations on board the two vessels as well as interrogations of all the crew members.
- 3. Although the people related to both vessels and the market denied the facts of illegal operations in the 200-mile zones of foreign countries, the FAJ's investigations have disclosed the following facts.
- (1) Portions of rockfish were found in the fish holds of the two vessels.
- (2) Fairly fresh scales of rockfish were found from many areas of the processing decks and fish holds.
- (3) According to the FAJ trawl surveys in the international waters of the Bering Sea and the catch reports from commercial fishing operations, almost no rockfish has ever been caught in the international waters of the Bering Sea.

- 4) Several shells and stones which seemed to be recently caught were found on board. However, it is practically impossible to conduct on-bottom trawling in the international waters of the Bering Sea because of the depth.
- (5) There were a series of discrepancies or inconsistencies between the statements of the crew members. Those statements have poor credibility.
- (6) Both vessels had the NNSS records from only the international waters of the Bering Sea. However, they did not retain the complete records of their entire cruise. Therefore, it was impossible to verify the operations in the foreign 200-mile zones from the records submitted. Those records were made only when the vessels could view the satellite at appropriate positions in the sky and some of the flying intervals of the satellite are fairly long. Accordingly, their activities during the flying intervals were unknown.
- (7) From the interrogations of the people of the market and the results of the on-site investigations, it was not possible to confirm the species and quantities of fish illegally caught because their catch was already distributed through the market.
- 4. Judging from the results of the investigations, the FAJ concluded that both vessels had operated in relatively shallow waters outside of the international waters of the Bering Sea where they could conduct on-bottom trawling. According to the FAJ's investigations, however, it was impossible to identify the areas where both vessels conducted illegal operations (including the US and/or USSR zones) and the quantities which might have been caught by the illegal operations.
- 5. On September 16, the FAJ determined to impose the following penalties on the two vessels which conducted the illegal operations. As the FAJ ordered both vessels to stay in port for about one month until the investigations were completed, the period exceeding the 10-day mandatory port confinement required for investigations (i.e., 20 days) is included in the penalty period. Article 20, Clause 3 of the Ministerial Ordinance regarding the permit and enforcement of the designated fisheries (hereinafter referred to as the "Ordinance").
- (1) DAIAN MARU No. 128: 100 days port confinement.

Foundations for the penalty:

Violation of the notice prohibiting the entrance into foreign fishing zones (Article 90, Clause 2 of the Ordinance); failure to record the fishing log accurately and to retain and submit the NNSS record (Article 34 of the Fisheries Law as applied by Article 63 of the Fisheries Law, and the restrictions and conditions of the permit).

(2) EIKYU MARU No. 86: 200 days port confinement.

Foundations for the penalty:
Same as above. The days of the penalty were increased by taking into account the past violations by the virtual owner of the vessel.

- 6. In light of the seriousness of these violations, the Hokkaido prefectural government, which supervises Hokkaido wholesale markets, gave strict citations to the wholesale market which had handled the catch from the vessels concerned.
- 7. Recognizing the gravity of the reoccurrence of the violations, the FAJ will take the following strict actions to prevent further violations of the trawl vessels which operate in the international waters of the Bering Sea.
- (1) For the time being, the FAJ will require the owners, captains, and fishing masters of the Hokuten trawlers to report to the FAJ, Tokyo, every time they leave their home port in order to hear their cruise schedules and give them strict instructions not to engage in illegal operations.
- (2) The FAJ will require all vessels of the North Pacific trawl fleets to give notice of their landing port return schedule 48 hours in advance. The FAJ will dispatch an increased number of officers to the landing ports and also increase the frequency of random and surprise inspections of the trawl vessels.
- (3) The FAJ obligates all the North Pacific trawl fleets to retain and submit complete port to port position records of the NNSS. The FAJ requires all vessels to set their NNSS equipment to record not only the actual position of the vessel when the satellite is in the overhead position, but to also automatically record estimated positions (based on speed and direction of travel) at one hour time intervals in order to ensure accurate records of the vessel positions.

Ambassador Edward E. Wolfe Deputy Assistant Secretary Oceans and Fisheries Affairs United States Department of State Washington, D.C. 20520

Dear Ambassador Wolfe:

Representatives of the seafood harvesting and processing industry that are dependent on the fishery resources of the North Pacific have established a position with regard to the Donut Hole and illegal foreign fishing encroachment in the United States Exclusive Economic Zone.

We have interpreted the United States Government position as the following: 1) The Department of State will seek international negotiations and subsequent action for a cessation (moratorium) of fishing in the Donut Hole; 2) If after a reasonable time period, an acceptable agreement is not attained, bilateral or unilateral action will be sought to close those waters to fishing activity by all nations.

We believe the severity of the situation calls for a more abbreviated course of action. We urge you to embark on the mid-October Moscow visit committed to the sole principle and firm position that a cessation of fishing in the Donut Hole must be implemented most expeditiously by bilateral or unilateral action. Following this immediate action, an effective management and enforcement regime must be established to protect our interests. We are encouraged by recent efforts to enlist a knowledgeable delegation to provide support, advice and counseling to the Department of State.

We appreciate your efforts on our behalf and would be pleased to continue to assist you in this regard.

Sincerely,

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FACTORY

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Ambassador Edward E. Wolfe September 28, 1988 Page 2

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Ambassador Edward E. Wolfe September 28, 1988 Page 3

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CC: Senator Ted Stevens
Senator Frank H. Murkowski
Senator Brock Adams
Senator Daniel J. Evans
Senator John B. Breaux
Congressman Don Bonker
Congressman Mike Lowry
Congressman John R. Miller
Congressman Don Young
Alaska Governor Steve Cowper
Washington Governor Booth Gardner
Dr. William E. Evans, Administrator NOAA
Mr. James W. Brennan, Asst. Administrator NOAA
Mr. John G. Peterson, Acting Chairman NPFMC

September 23, 1988.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Jones of North Carolina, from the Committee on Merchant Marine and Fisheries, submitted the following

REPORT

[To accompany H.R. 4919]

[Including cost estimate of the Congressional Budget Office]

The Committee on Merchant Marine and Fisheries, to whom was referred the bill (H.R. 4919) to approve the governing international fishery agreement between the United States and the Union of Soviet Socialist Republics, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert the following:

Sec. 1. That notwithstanding any provision of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), the governing international fishery agreement entered into between the Government of the United States and the Government of the Union of Soviet Socialist Republics, as contained in the message to Congress from the President of the United States dated June 22, 1988, is approved by the Congress and shall enter into force and effect with respect to the United States on the date of the enactment of this Act.

SEC. 2. There is authorized to be appropriated such sums as may be necessary for the development of a Marine Biomedical Institute for Advanced Studies, to be located at Woods Hole. Massachusetts.

SEC. 3. Great Lakes Mapping Reauthorization.

Section 3206 of Public Law 100-220 is amended by striking "1988" and substituting "1989".

SEC. 4. STORAGE OF FISHING GEAR ON CERTAIN FOREIGN FISHING VESSELS OPERATING IN EEZ.

Section 307 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857) is amended—

(1) in paragraph (2)(C) by striking "and";

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by adding at the end the following:

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"(4) for any fishing vessel other than a vessel of the United States to operate, and for the owner or operator of a fishing vessel other than a vessel of the United States to operate such vessel, in the exclusive economic zone, if-

"(A) all fishing gear on the vessel is not stored below the deck or in an area where it is not normally used, and not readily available, for fishing; or "(B) all fishing gear on the vessel which is not so stored is not secured and covered so as to render it unusable for fishing:

unless such vessel is authorized to engage in fishing in the area in which the vessel is operating.".

SEC, 5. NORTH PACIFIC AND BERING SEA FISHERIES ADVISORY BODY.

(a) In General.—The Secretary of State shall establish an advisory body on the fisheries of the North Pacific and the Bering Sea, which shall advise the United States representative to the International Consultative Committee created in accordance with Article XIV of the governing international fishery agreement entered into between the United States and the Union of Soviet Socialist Republics, as contained in the message to Congress from the President of the United States dated June 22, 1988.

(b) MEMBERSHIP.-

(1) In GENERAL.—The advisory body established pursuant to this section shall consist of 12 members, as follows:

(A) The Director of the Department of Fisheries of the State of Washing-

(B) The Commissioner of the Department of Fish and Game of the State of Alaska.
(C) Five members appointed by the Secretary of State from among persons nominated by Governor of Alaska on the basis of their knowledge and experience in commercial harvesting, processing, or marketing of fishery

(D) Five members appointed by the Secretary of State from among persons nominated by the Governor of Washington on the basis of their knowledge and experience in commerical harvesting, processing, or marketing of fishery resources.

(2) NOMINATIONS.—The Governor of Alaska and the Governor of Washington shall each nominate 10 persons for purposes of paragraph (1).

(c) PAY.—Members of the advisory body established pursuant to this section shall receive no pay by reason of their service as members of the advisory body.

(d) Exemption From Federal Advisory Committee Act.—The Federal Advisory Committee Act (5 U.S.C. App. 1 et seq.) shall not apply to an advisory body established pursuant to this section.

SEC. 6. USE OF VESSEL IDENTIFICATION EQUIPMENT.

(a) The Secretary of State, the Secretary of Commerce, and the Secretary of the department in which the Coast Guard is operating, as appropriate, shall exercise their authority under section 201(c)(2)(C) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821) to require the use of transponders or other such appropriate position-fixing and identification equipment on any vessel other than a vessel of the United States engaged in fishing in the United States Exclusive Economic Zone.

(b) The Secretary of Commerce, after consultation with the Secretary of Defense, the Secretary of State, and the Secretary of the department in which the Coast Guard is operating shall report to the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Commerce, Science and Transportation of the Senate within 180 days after the date of enactment of this Act on the results of their compliance with subsection (a).

SEC. 7. TRANSFER OF THE COAST GUARD CUTTER GLACIER.

Not later than 1 year after the date of the enactment of this Act, the Secretary of Transportation shall transfer to the State of Oregon the decommissioned Coast Guard Cutter Glacier, in the condition and along with the equipment as the Secretary considers appropriate, for use as a maritime museum and display consistent with the long military service and history of the cutter.

Amend the title of the bill so as to read:

A bill to approve the governing international fishery agreement between the Id the Union of Soviet Socialist Republics, and for other purposes.

PURPOSE OF THE BILL

The purpose of this legislation is to provide Congressional approval of the Governing International Fishery Agreement (GIFA) between the United States and the Union of Soviet Socialist Republics, to require the storage of fishing gear on certain foreign fishing vessels operating in the U.S. Exclusive Economic Zone, to establish a North Pacific Advisory Body, to require the executive branch to exercise its authority regarding the use of transponders or other such appropriate position-fixing and identification equipment on certain foreign fishing vessels, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

Under provisions of the Magnuson Fishery Conservation and Management Act (MFCMA) (16 U.S.C. 1801 et seq.), foreign fishing vessels operating in the U.S. Exclusive Economic Zone must be registered in a country which has signed a GIFA with the United States, GIFAs generally require the foreign nation to acknowledge U.S. laws governing conservation and management of living marine resources.

The United States and the Union of Soviet Socialist Republics first signed a GIFA between the two nations on November 26, 1976. This agreement expired on July 1, 1982, but has been extended a number of times to ensure that the mutually beneficial joint venture fishing opportunities between the two countries continue. A U.S. Soviet owned joint venture compnay "Marine Resources Corporation" has operated since 1978 off the Pacific coast, receiving fish from U.S. catcher boats and processing the fish onboard Soviet registered processing vessels.

In addition, there has been interest within the U.S. fishing industry since 1979 to further develop fishery relationships with the Soviet Union. Fishing industry representatives seek to expand business opportunities and to improve conservation and management of fish stocks of mutual concern.

On February 21, 1988, Secretary of State George Shultz and Soviet Foreign Minister Eduard Shevardnadze signed an interim fisheries access agreement. This agreement, for the first time, provided for reciprocal fisheries access by each country to the other's exclusive economic zone. While the agreement did not automatically permit U.S. fishermen access to Soviet waters, it did provide the necessary government-to-government framework. No such agreement had ever been reached before with a foreign country.

The new comprehensive fisheries agreement that will take effect upon enactment of this bill will replace both the existing fisheries agreement and the February 21, 1988 interim access agreement. It will govern, under similar terms, access by fishermen of each country to the other country's waters. It is anticipated that this new five year agreement will result in the U.S. fishing industry participating in harvesting, marketing, processing, and other commercial fishing ventures in Soviet waters. This is the only reciprocal fisheries agreement the United States has concluded with any country in recent years.

On June 27, 1988, Congressman Studds and Congressman Young of Alaska introduced H.R. 4919, a bill to approve the Governing International Fishery Agreement between the United States and the Union of Soviet Socialist Republics. On June 30, 1988, the Subcommittee on Fisheries and Wildlife Conservation and the Environment held a hearing to consider H.R. 4919. At that time, the State Department's Deputy Assistant Secretary of Oceans and Fisheries Affairs, Ambassador Edward E. Wolfe, testified in support of this legislation.

On September 14, 1988, the Subcommittee on Fisheries and Wildlife Conservation and the Environment held a markup session to consider H.R. 4949. No amendments were offered at that time and the bill was ordered to be favorably reported to the Committee by voice vote.

On September 15, 1988, the Committee on Merchant Marine and Fisheries met to markup H.R. 4919. At that time, six amendments were offered and adopted.

The first amendment was offered by Mr. Studds to add a new section 2 to the bill. The amendment authorizes appropriations for the development of a Marine Biomedical Institute for Advanced Studies, to be located at Woods Hole, Massachusetts. The Committee adopted the amendment by voice vote.

The second amendment was offered by Mr. Davis of Michigan to reauthorize the Great Lakes Shoreline Mapping Act of 1987 through fiscal year 1989. The Committee adopted the amendment by voice vote.

The third amendment, offered by Mr. Bonker, amends the MFCMA (16 U.S.C. 1857) to require that fishing gear on foreign fishing vessels operating in the U.S. Exclusive Economic Zone be stored or otherwise rendered inoperable unless the vessel has permission to engage in harvesting. The Committee adopted the amendment by voice vote.

Mr. Lowry offered the fourth amendment which establishes a North Pacific and Bering Sea Fisheries Advisory Body to advise the U.S. representative to the International Consultative Committee created in accordance with Article XIV of the U.S.-Soviet GIFA. The Committee adopted the amendment by voice vote.

The fifth amendment was offered by Mr. Miller to amend the MFCMA (16 U.S.C. 1821) to require the executive branch to exercise its authority regarding the use of transponders or other such appropriate position-fixing and identification equipment on any vessel other than a vessel of the United States engaged in fishing in the U.S. Exclusive Economic Zone. The Committee adopted the amendment by voice vote.

amendment transfers to the state of Oregon the decommissioned Coast Guard cutter Glacier. The Committee adopted the amendment by voice vote.

The Committee then ordered H.R. 4919, as amended, to be favorably reported to the House by voice vote.

Section-by-Section Analysis

Section 1 of the bill provides Congressional approval of the GIFA between the Government of the United States and the Government of Union of Soviet Socialist Republics, as contained in the message to Congress from the President of the United States, dated June 22,

The Committee notes that Article VII provides for cooperation in addressing the issue of harvesting anadromous species and that Articles IX and XI call for cooperative activities, including research, within and beyond the Exclusive Economic Zones of each of the two countries.

The Committee is concerned over the high seas interception of anadromous fish, marine mammals, and seabirds by Japanese, Korean, and Taiwanese driftnet fisheries and views with alarm the continuing unregulated growth of fishing within the international waters of the Bering Sea that are surrounded by the Exclusive Economic Zones of the United States and the Soviet Union. Based upon these concerns, the Committee requests that the Department of State, in cooperation with other appropriate Federal agencies. increase its efforts with the Soviet Union and other foreign governments, including initiating scientific and policy discussions, to conserve and manage North Pacific living marine resources, including salmon, with high seas interception being a major topic of concern.

Section 2 of the bill authorizes appropriations for the development of a Marine Biomedical Institute for Advanced Studies, to be located at the Marine Biological Laboratory in Woods Hole, Massachusetts.

The Marine Biological Laboratory, a world-class research center for marine biological and biomedical research established in the 1890's, has secured the initial phases of Federal funding for the development of an upgraded facility for biomedical research. The House Appropriations Committee has requested an authorization for the facility to continue its support next year. This section provides that authorization.

Section 3 of the bill reauthorizes the Great Lakes Shoreline Mapping Act of 1987 through Fiscal Year 1989. The new maps will be designed to aid Federal, state, and local agencies, as well as private citizens and businesses, in preventing shoreline flooding and erosion, increasing public safety, and improving commercial navigation. The National Oceanic and Atmospheric Administration and the U.S. Geological Survey have begun preliminary work on the maps, and will be meeting wth the Great Lakes states and affected Federal agencies in November of this year.

Section 4 of the bill addresses the problem of illegal foreign fishing in U.S. waters. Under this section, all fishing vessels that are not vessels of the United States, or are not authorized to fish in U.S. waters by the United States, are required to store fishing gear below deck or in an area where it is not readily available for fishing.

Under current law, the Coast Guard has the authority to seize a foreign fishing vessel if it is caught fishing illegally in the U.S. Exclusive Economic Zone. This section gives the Coast Guard a stronger enforcement capability, consistent with international law.

The sixth and final amendment was offered by Mr. Hutto. The

Canada, for example, requires U.S. fishing vessels to stow nets while transiting through Canadian waters.

Section 5 of the bill requires that the Secretary of State appoint a fisheries advisory body pursuant to Clause IX of the GIFA between the U.S. and the Soviet Union (approved in section 1 of this Act). This advisory body will be composed of no more than 12 individuals who are knowledgeable and experienced with respect to North Pacific and Bering Sea fisheries and are recommended by the Governors of Alaska and Washington.

The Committee intends that the advisory body develop a strong working relationship between the Department of State, the U.S. seafood industry, and the affected states to ensure that the Department of State has available to it the most accurate information concerning the fisheries. The structure of this advisory group, and the intent of the Committee, is to increase the benefits to the U.S.

through the implementation of the U.S.-Soviet GIFA.

Section 6 of the bill requires the Secretaries of State, Commerce, and the Department in which the Coast Guard is operating, to exercise their respective authority under section 201(c)(2)(c) of the MFCMA. This section of the MFCMA requires that any GIFA entered into with a foreign nation contain provisions for foreign fishing vessels, if requested, to carry a transponder or other appropriate position-fixing or vessel identification equipment while operating in the U.S. Exclusive Economic Zone. Under this amendment, the Secretaries are required to exercise this authority and report to the House Committee on Merchant Marine and Fisheries and the Senate Committee on Commerce, Science and Transportation within 180 days of their request.

Section 7 of the bill authorizes the no-cost transfer of the decommissioned Coast Guard icebreaker Glacier to the State of Oregon.

Glacier was decommissioned in Portland, Oregon on June 19,

1987, after 32 years of service. The vessel was retired by the Coast Guard following exhaustive analysis which determined that rehabilitation would not be cost effective or technically worthwhile.

After the Secretary of Transportation transfers the vessel to the State of Oregon, the state intends to transfer the *Glacier* to the City of Reedsport where the International Oceanographic Hero Foundation will use it as an exhibit in the Oregon Coast Antarctic Experience. The Hero Foundation has submitted a business plan to the State of Oregon and the State supports the transfer.

While not endorsing transfers of this sort, no objections to this proposal were raised by the Coast Guard, the Maritime Administration, or the General Services Administration, provided no costs are incurred by any of the agencies or the Government. These agencies were not aware of any other interests in or requests for

the Glacier.

INFLATIONARY IMPACT STATEMENT

With respect to the requirements of clause 2(1)(4) of Rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment of H.R. 4919 will have no significant inflations impact on the economy.

COST OF LEGISLATION

The provisions of clause 7 of Rule XIII of the Rules of the House of Representatives do not apply where a cost estimate and comparison prepared by the Congressional Budget Office has been prepared and included in the report.

COMPLIANCE WITH HOUSE RULE XI

In compliance with clause 2(1)(3) of Rule XI of the Rules of the House of Representatives:

(a) The Subcommittee on Fisheries and Wildlife Conservation and the Environment held a hearing on H.R. 4919 on June 30,

(b) The requirements of section 308(a) of the Congressional Budget Act of 1974 are not applicable to this legislation since it does not provide new budget authority or new or increased tax expenditures.

(c) The Committee on Merchant Marine and Fisheries has received no report from the Committee on Government Operations pursuant to clause 4(c)(2) of Rule X of the Rules of the House of Representatives, of oversight findings and recommendations on the subjects addressed by H.R. 4919.

(d) The Director of the Congressional Budget Office has furnished the committee with an estimate and comparison of cost of H.R. 4919 pursuant to section 403 of the Congressional

Budget Act of 1974. The report reads as follows:

U.S. CONGRESS, CONGRESSIONAL BUDGET OFFICE, Washington, DC, September 23, 1988.

Hon. WALTER B. JONES, Chairman, Committee on Merchant Marine and Fisheries, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the attached cost estimate for H.R. 4919, a bill to approve the governing international fishery agreement between the United States and the Union of Soviet Socialist Republics, and for other purposes.

If you wish further details on this estimate, we will be pleased to

provide them.

Sincerely,

JAMES L. BLUM
Acting Director.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: H.R. 4919.

2. Bill Title: A bill to approve the governing international fishery agreement between the United States and the Union of Soviet Socialist Republics, and for other purposes.

3. Bill Status: As ordered reported by the House Committee on

Merchant Marine and Fisheries, September 15, 1988.

4. Bill purpose: H.R. 4919 would approve the governing international fishery agreement agreed to by the United test and the

Soviet Union on May 31, 1988. In addition, the bill would provide an indefinite authorization of appropriations for the development of a Marine Biomedical Institute for Advanced Studies at Woods Hole, Massachusetts. Finally, the bill would reauthorize the Great Lakes Mapping Program, and would authorize appropriations of \$100,000 for this program in fiscal year 1989.

5. Estimated cost to the Federal Government:

[By fiscal year, in million of dollars]

	1989	1990	1991	1992	1993
Estimated authorization level	2	2	. 2	2	*************
Estimated outlays	1	2	? 2	2	1
			4.		

The costs of this bill would be in budget functions 300 and 800. Basis of estimate: The above table includes an authorization level of \$100,00 in fiscal year 1989 for the Great Lakes mapping project. Assuming appropriation of the authorized amount, we estimate that outlays would total about \$100,000 in fiscal year 1989 for this

project.

CBO estimates the authorization level for the biomedical facility would be \$2.2 million in fiscal year 1989, based on information provided by the Woods Hole Laboratories. (The conference agreement on the Treasury-Postal appropriations bill for 1989 includes \$2.2 million for this purpose.) The facility is expected to cost about \$25 million to complete, but the operators of the facility plan to raise most of the funds through private sources. Future federal contributions for the project depend on the level of private contributions, which is difficult to predict. For the purpose of this estimate, CBO has assumed that the total federal contribution would be around one-third of the total cost, or around \$8 million. Therefore, the table above includes \$2 million annually from 1989 to 1992 for this project. The estimated outlays are based on historical spending patterns for similar projects.

Other provisions of this bill are not expected to result in a signif-

icant cost to the government.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

- 9. Estimate prepared by: Douglas Criscitello and Michael Sieverts.
- 10. Estimate approved by: C.G. Nuckols for James L. Blum, Assistant Director for Budget Analysis.

DEPARTMENTAL REPORTS

The Committee on Merchant Marine and Fisheries received the following report from the Department of State, which follows herewith:

U.S. DEPARTMENT OF STATE,
BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS,
Washington, DC, June 1, 1988.

Mr. JEFFREY PIKE,

Subcommittee on Fisheries, Wildlife Conservation and the Environment, House of Representatives, Washington, DC.

DEAR JEFF: I am writing with regard to our recent talks with the Soviet Union on a comprehensive fisheries agreement and Bering Sea fisheries issues.

During the period May 19-22, I led a U.S. delegation to Moscow for talks with Soviet officials on fishery issues, at which time we initiated a comprehensive fisheries agreement. The agreement was subsequently signed on May 31 by Secretary Shultz and Foreign Minister Shevardnadze. We also agreed to sponsor a multilateral scientific symposium in Sitka, Alaska, from July 19-21 to review all available data on the fisheries in the central Bering Sea, the so-called "donut" area.

The comprehensive fisheries agreement will replace both the U.S.-Soviet Governing International Fisheries Agreement (GIFA) and the February 21 interim access agreement. The new agreement is unique because it provides for access by each country to the other country's 200 mile zone on a reciprocal basis. This is the first agreement of its kind entered into by the United States and reflects the improved nature of U.S.-Soviet fisheries relations. We anticipate that the U.S. industry will be able to enter into harvesting, marketing, processing, and other commercial ventures with the Soviet industry in Soviet waters.

The U.S.-Soviet comprehensive agreement also provides the framework for cooperation between the two countries on other fisheries issues of mutual concern. In particular, the agreement refers to the intention of both countries to cooperate in addressing the conservation of the fisheries in the central Bering Sea and of salmon stocks on the high seas. Under the terms of the agreement, an Intergovernmental Consultative Committee will be formed to review, on a regular basis, all aspects of the bilateral fisheries rela-

tionship.

One of our priority discussions with the Soviets during our recent meeting involved available measures for addressing the fisheries in the central Bering Sea, the so-called "donut" area. It was agreed to jointly sponsor a scientific symposium in Sitka, Alaska, from July 19-21 to review all available data on the fisheries stocks, particularly pollock, in the Bering Sea. The scientific symposium will be an important first step in addressing the serious concerns of both countries over the adverse impacts of the fisheries in the "donut" on the Bering Sea ecosystem.

Thank you for your support on these important issues. I look forward to continuing to work with you on these U.S.-Soviet fishery

issues. With best wishes.

Sincerely,

EDWARD E. WOLFE,
Deputy Assistant Secretary,
Oceans and Fisheries Affairs.

Changes in Existing Law

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, as amended, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Public Law 100-220, Sec. 3206

SEC. 3206. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out section 3202 not more than \$100,000 for fiscal year [1988.] 1989. Amounts appropriated pursuant to this section shall remain available until expended.

16 U.S.C. 1857

\$ 1857. Prohibited acts

It is unlawful—

(1) for any person—

(2) for any vessel other than a vessel of the United States, and for the owner or operator of any vessel other than a vessel of the United States, to engage-

(A) in fishing within the boundaries of any State, except recreational fishing permitted under section 1821(j) of this

title:

(B) in fishing, except recreational fishing permitted under section 1821(j) of this title, within the fishery conservation zone, or for any anadromous species or Continental Shelf fishery resources beyond such zone, unless such fishing is authorized by, and conducted in accordance with, a valid and applicable permit issued pursuant to section 1824 (b) or (c) of this title; or

(C) except as permitted under section 1856(c) of this title, in fish processing (as defined in paragraph (4)(A) of such section) within the internal waters of a State (as defined in

paragraph (4)(B) of such section); [and]

(3) for any vessel of the United States, and for the owner or operator of any vessel of the United States, to transfer directly or indirectly, or attempt to so transfer, any United States harvested fish to any foreign fishing vessel, while such foreign vessel is within the fishery conservation zone, unless the foreign fishing vessel has been issued a permit under section 1824 of this title which authorizes the receipt by such vessel of United States harvested fish of the species concerned [.]; and

(4) for any fishing vessel other than a vessel of the United States to operate, and for the owner or operator of a fishing vessel other than a vessel of the United States to operate such

vessel, be exclusive economic zone, if-

(A) all fishing gear on the vessel is not stored below deck or in an area where it is not normally used, and not readily available, for fishing; or

(B) all fishing gear on the vessel which is not so stored is not secured and covered so as to render it unusable for fish-

unless such vessel is authorized to engage in fishing in the area in which the vessel is operating.