

DRAFT MINUTES
Permit Review Committee
September 24, 1985

The Permit Review Committee met at the Sheraton Hotel at 7 p.m., Tuesday, September 24. John Peterson chaired the meeting, and Rudy Petersen, John Winther, Bob Mace, Henry Mitchell, Oscar Dyson, Richard Clark, Al Burch and Barry Fisher attended.

Joint Venture Policy

The Committee heard the latest NOAA General Council legal opinion from Pat Travers and then discussed (1) how to handle conditions and restrictions on permits; (2) whether to allocate target and bycatch species by nation, by company or not at all; and (3) the proposed policy for reviewing permits this coming December. The Committee makes the following recommendations:

1. As provided for by Section 204(b)(5) of the Act, the Council should continue to recommend to the Secretary of Commerce any conditions and restrictions deemed appropriate on joint venture permits. It is expected that the Secretary will follow through on the Council's recommendations. The Council's proposed review policy requests NMFS to respond in writing if a Council recommendation is turned down. Incorporation of the permit review policy and procedures in the FMPs is not recommended.

2. For 1986, joint venture target species will be fished from a pool whether or not demand exceeds supply. However, each company will be allocated an amount of bycatch (PSC and fully utilized DAP species) based on requested amounts of target species. When that company's bycatch limit is reached, that company must stop fishing, regardless of whether target tonnage has been achieved. If JVP demand is less than supply, the company bycatch limit will be based on an appropriate rate times their requested target tonnage. If demand exceeds supply, there will be a prorata reduction in target species catches first and then the company-by-company limits on bycatch will be calculated.

3. The Committee recommends that the attached proposed policy be adopted by the Council for reviewing 1986 permits.

Foreign Allocations and Chinese Permits

The Committee decided to leave the review of allocations and the Chinese permits to the full Council after the status of groundfish stocks and industry needs for 1985 and 1986 have been examined.

The Committee did learn from Chinese representatives that they plan on requesting at least 25,000 mt each in joint venture and directed fisheries for 1986 and possibly another 10,000 mt each the second half of 1986 if all goes well.

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

DRAFT INTERIM POLICY

on

Joint Ventures and Allocations

General Policy. The North Pacific Fishery Management Council is responsible by law for assuring the conservation of fishery stocks off Alaska and fostering the development of the United States fishery for those stocks currently underutilized by this country, though they may be fully exploited by other nations. The Magnuson Fishery Conservation and Management Act allows the Council to equitably allocate harvest privileges, and the Council intends to use these allocations to increase American participation in underutilized fisheries consistent with the Act.

The Council believes it is in the greatest national interest for the resource to be harvested, processed, and marketed by U.S. industry. However, until the domestic industry can harvest, process, and market the available groundfish resource, the Council will allow joint ventures between Americans and foreigners that will increase U.S. participation in the utilization of these resources. Joint ventures generally are considered to be operations in which U.S. fishermen deliver raw fish to foreign processors at sea. Other forms of joint ventures are possible and will be appraised on their individual merits as they are formulated.

The Council will continue to give highest priority to target operations that are wholly American, and joint ventures will only be considered for groundfish species not harvested and processed totally by U.S. industry.

The Council intends that any country to whom a direct allocation is given must also be engaged in "over-the-side" joint ventures or the purchase of U.S. produced products. A relationship of at least a one-to-one ratio for joint venture fishing to foreign directed fishing is most desirable at this time. As fully-U.S. harvested and processed fisheries expand, TALFF and then JVP will be decreased toward the total elimination of foreign fishing and processing.

Joint Venture Permit Review Procedure. The Council will hold its review each December of all prospective joint ventures for the coming year. This will coincide with the Council making its final recommendations on apportioning available groundfish yields to Domestic Annual Processing (DAP: totally U.S. harvested and processed), Joint Venture Processing (JVP: U.S. harvested and foreign processed), and Total Allowable Level of Foreign Fishing (TALFF: foreign harvested).

The Council must receive all permit applications for joint ventures at least two weeks before the week of the Council meeting. Applications must be complete and have been published in the Federal Register by Friday preceding Council meeting week. Review of applications not meeting these deadlines will be postponed until the next scheduled meeting of the Council. If necessary, the Council may request the Permit Review Committee to consider applications between regular Council meetings.

All interested persons are invited to submit written and oral comments to the Council and its Permit Review Committee on all matters relevant to proposed joint ventures, including the extent to which various foreign nations meet the criteria listed in Table 1.

Joint ventures are expected to estimate their groundfish harvest needs as accurately as possible and to specify their needs by Council management area (e.g. Bering Sea, Aleutians, Western Gulf, etc.). The Council will compare these requests in aggregate with NMFS projections of JVP derived from industry surveys and will closely monitor attainment of joint venture goals during the season.

The Council's recommendations on approvability of permit requests and on permit conditions and restrictions will be forwarded to NMFS. The Council requests that NMFS respond in writing concerning final disposition of the Council's recommendations, with reasons for disapproval should that occur.

Basis for Recommendations. Groundfish operations which are legitimately wholly domestic in the harvesting and processing of our fishery resources and do not involve foreign flag vessels, fall under the Council's definition of DAP and therefore will not need permits. They will be given first priority in groundfish apportionments. Second priority is granted to operations involving foreign processing vessels and U.S. harvesters and other sectors of the U.S. industry.

The Council will use the criteria in Table 1 to appraise a country's joint venture requests relative to other nations and make its recommendations to NMFS. Other factors not listed may be considered also. The Council intends to give preference to those nations whose operations clearly evidence maximum U.S. industry involvement in all phases of the operation and which give strongest support to the development of the domestic industry for underutilized species.

Company Allocation of Bycatch

All companies will fish from a common pool for joint venture target species whether or not demand exceeds supply. However, each company or operation will be allocated an appropriate share of bycatch species which, when attained, will curtail only that company's fishing regardless of whether their target tonnage goals have been attained.

Internal Waters Joint Venture Review

The Council requests the opportunity to review all internal waters joint venture requests. Depending on the nature of the specific application, the Council may meet formally in whole or in Committee to comment further. The Council staff may provide technical comments. The Governor of Alaska is requested to appoint the Chairman of the Council's Permit Review Committee as a standing member of the State's Foreign Processing Advisory Committee.

Table 1. Criteria for the review of joint venture requests*

-
- Level of U.S. industry involvement in all phases of nation's joint operations (harvesting, processing, marketing, or others)
 - Enhancement of U.S. employment at sea and ashore
 - Transfer of capital through investment in U.S. industry.
 - Technology transfer.
 - Achievement of joint venture goals during previous seasons.
 - Proof of financial responsibility by foreign partner.
 - Compatibility of joint operation with other U.S. fisheries and incidental species (i.e. gear conflicts, ground preemption, bycatch of U.S. fully-utilized species, etc.).
 - Economic contribution of nation's joint ventures to U.S. harvesting, processing, and support industries.
 - Purchase of U.S. processed product, especially underutilized species.
 - Compliance with U.S. laws, international treaties, and regulations.
 - Existence of trade barriers to U.S. fish products and efforts to remove them.
 - Ratios of country's total joint venture request and purchase of U.S.-processed product to total direct fishing request.
 - Reporting of fishery and market information beyond that required by law.
 - Foreign participation in fisheries research off Alaska.
-

*No priorities implied.

Gulf of Alaska

<u>Species</u>	<u>OY</u>	<u>Area</u>	<u>DAP</u>	<u>JVP</u>	<u>Reserve</u>	<u>TALFF</u>		
						<u>JA</u>	<u>ROK</u>	<u>Unallocated</u>
Pollock	305,000	W/C	44,371	220,500	0	25,000	10,000	5,129
Pacific cod	16,560	W	2,539	3,209	3,212	7,525	50	25
	33,540	C	19,901	4,431	6,608	2,525	50	25
Flounders	10,400	W	7,398	922	1,880	140	50	10
	14,700	C	8,292	3,468	2,690	140	62	48
Total ^{1/}	471,651	GW	154,088	237,805	28,434	35,668	10,347	5,309

Bering Sea and Aleutians

<u>Species</u>	<u>TAC</u>	<u>Area</u>	<u>DAP</u>	<u>JVP</u>	<u>Reserve</u>	<u>TALFF</u>				
						<u>JA</u>	<u>ROK</u>	<u>POL</u>	<u>UR</u>	<u>Unallocated</u>
Pollock	1,200,000	BS	17,680	393,584	0	594,233	164,815	23,422	6,223	0
	100,000	AI	10,540	13,966	0	50,868	13,938	9,377	0	1,311
Yellowfin sole	226,900	BSA	1,770	99,218	0	83,599	33,534	347	8,420	0
Other Flatfish	109,900	BSA	1,200	62,500	4,835	30,528	9,649	330	827	0
Pacific cod	220,000	BSA	100,000	63,190	2,690	49,083	3,596	406	300	295
Turbot	42,000	BSA	50	5,000	6,250	23,109	2,765	201	26	4,571
Total ^{1/}	2,000,000	BSA	141,710	683,115	16,580	861,332	236,672	35,295	16,367	8,329

^{1/} Includes all species of groundfish.

^{2/} In addition, Portugal has a total TALFF of 600 mt, mainly cod.

BERING SEA/ALEUTIAN ISLANDS

	<u>1985 DAP</u>		<u>1985 JVP</u>		<u>1985 DAH</u>		<u>TAC</u>
	<u>Projected Catches</u>	<u>Survey Results</u>	<u>Projected Catches</u>	<u>Survey Results</u>	<u>Projected Catches</u>	<u>Survey Results</u>	
Pollock							
Bering Sea	20,000	15,395	361,000	363,670	381,000	379,065	1,200,000
Aleutians	4,000	10,346	7,500	5,280	11,500	15,626	100,000
Yellowfin sole	100	1,769	111,200	111,127	111,300	112,896	226,900
Turbot	5	50	300	2,375	305	2,425	42,000
Flounders	360	1,313	45,500	53,000	45,860	54,313	109,900
Pacific cod	82,400	104,879	35,300	40,452	117,700	145,331	220,000
POP							
Bering Sea	1,000	6,495	10	50	1,010	6,545	1,000
Aleutians	100	3,970	450	1,968	550	5,938	3,800
Rockfish							
Bering Sea	150	986	5	0	155	986	1,120
Aleutians	5	800	15	2,520	20	3,320	5,500
Sablefish							
Bering Sea	2,625	2,124	30	1,585	2,655	3,709	2,625
Aleutians	1,605	5,354	65	0	1,670	5,354	1,875
Atka Mackerel	0	0	37,700	54,600	37,700	54,600	37,700
Squid	0	0	10	0	10	0	10,000
Others	1,000	0	4,900	400	5,900	400	37,580
TOTAL	113,350	153,481	603,985	637,027	717,335	790,508	2,000,000

GULF OF ALASKA

	<u>1985 DAP</u>		<u>1985 JVP</u>		<u>1985 DAH</u>		<u>OY</u>
	<u>Projected Catches</u>	<u>Survey Results</u>	<u>Projected Catches</u>	<u>Survey Results</u>	<u>Projected Catches</u>	<u>Survey Results</u>	
Pollock							
W/C	10,000	32,633	225,000	213,205	235,000	245,838	305,000
Pacific cod							
Western	3,000	12,308	300	4,250	3,300	16,558	16,560
Central	1,300	9,186	4,000	6,467	5,300	15,653	33,540
Flounder							
Western	30	400	600	0	630	400	10,400
Central	20	745	1,200	2,800	1,220	3,545	14,700
POP							
Western	1,300	4,242	10	2,200	1,310	6,442	1,302
Central	100	7,596	20	0	120	7,596	3,906
Sablefish							
Western	2,100	3,762	60	0	2,160	3,762	1,670
Central	3,800	10,965	30	0	3,830	10,965	3,060
Atka Mackerel							
Western	0	0	300	3,300	300	3,300	4,678
Central	0	0	5	0	5	0	500
Rockfish	950	3,952	15	0	965	3,952	5,000
Thornyhead	50	0	5	0	55	0	3,750
Squid	10	50	10	0	20	50	5,000
Others	20	75	2,300	0	2,320	75	22,460
TOTAL	22,680	85,914	233,855	232,222	256,535	318,136	431,526



United States Department of State

Washington, D.C. 20520

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BUREAU OF OCEANS AND ENVIRONMENTAL AND SCIENTIFIC AFFAIRS	AND INTERNATIONAL TO	INITIAL
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Dear Mr. Chairman:

I am enclosing a copy of a letter from Mr. Tu Fengjun, Director of the Bureau of Aquatic Products, in the People's Republic of China, requesting directed fishery allocation, and permission to engage in joint venture fishing activities. As our response to him notes, until the Governing International Fishery Agreement enters into force, it would be inappropriate for us to take any official action regarding these permit applications. However, we have forwarded the applications to keep you apprised of Chinese interest. You may wish to consider them in light of the eventual entry into force of the GIFA, which we expect later this year. We will notify you when that happens and request your official recommendations on the applications.

Sincerely,

Larry L. Snead
Director
Office of Fisheries Affairs

Enclosure:
as stated

Mr. James O. Campbell, Chairman,
North Pacific Regional
Fishery Management Council,
Anchorage, Alaska.

BUREAU OF OCEANS AND INTERNATIONAL
ENVIRONMENTAL AND SCIENTIFIC AFFAIRS

Mr. Tu Fengjun, Director
Bureau of Aquatic Products
Ministry of Agriculture
Animal Husbandry & Fisheries
31 Minfeng Lane,
Xidan,
Beijing, China

Dear Mr. Tu:

Thank you for your letter of August 9, regarding your plans for fishing in the U.S. Exclusive Economic Zone. We have transmitted the Governing International Fisheries Agreement between our two countries to Congress for approval, in conformity with U.S. domestic legislation. We will notify your government when the ratification procedure is completed and request that you similarly inform us when your government has completed its internal procedures. At that time, we will consider applications for directed fisheries and joint venture applications.

We have informed the North Pacific Fishery Management Council of your interest in fishing off Alaska, and suggest that you or your American business partners may wish to brief them on your progress at the upcoming September or December Council meetings.

Sincerely,

Edward E. Wolfe
Deputy Assistant Secretary
Oceans and Fisheries Affairs

Ministry of Agriculture, Animal Husbandry &
Fisheries of the People's Republic of China
hepingli , East District , Beijing , China

10th August, 1985

Department of State of the
United States of America
Washington D.C., U. S. A.

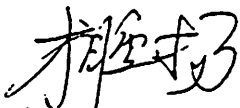
Dear Sirs:

I am enclosing our country's application forms for directed and joint venture allocations for your considerations and kind approval. The amount of allocations that we are applying for this winter from your country is 10,000 metric tons, including 1,000 metric tons of directed allocation for pollack and 9,000 metric tons of joint venture allocations. Since what we will do this winter is only a kind of experimental operations, we request to be approved to conduct fishing operation in the waters near Kodiak in the Gulf of Alaska. We will submit our applications for directed and joint venture allocations for the next year in a 1:1 ratio.

Our Ministry hopes that the GIFA between our two countries could come into force as soon as possible. Please kindly let us know by cable (address:7624) or by telex (number:22079 CNFC) at your earliest convenience when our application for the abovementioned allocations are approved.

With best regards.

Sincerely,



(Xiang Chongyang)

Vice Minister

(CC to: U.S. Department of
Commerce and North Pacific
Fishery Management Council)

Bureau of Aquatic Products, Ministry of
Agriculture, Animal Husbandry & Fisheries
31 Minfeng Lane, Xidan, Beijing, China

9th August, 1985

Ambassador Edward E. Wolfe
Deputy Assistant Secretary
for Oceans & Fisheries Affairs.
Department of State, United
States of America.

Dear Mr. Wolfe:

I would like to take this opportunity to send my greetings to you and inform you that this winter, our country will send three stern-ramp freezer factory trawlers to waters near Kodiak, Alaska of your country for conducting joint venture fisheries operations and for experimental fishing production. We are enclosing application forms that we have already filled out for applying for allocations totalling 10,000 metric tons, including 9,000 metric tons for joint venture allocation and 1,000 metric tons for directed allocation, for considerations and kind approval by your Government.

Since what we are intending to do this winter is merely a sort of experimental production, the quantity for directed fishing allocation that we are applying for this year is limited. We plan to apply for the two kinds of allocations on a 1:1 basis next year.

I am happy to say that there have been many American enterprises which have been engaged in negotiations with our fisheries enterprises for pursuing possible co-operations in

(continued from Page 1.) fisheries and they all hope that the GIFA between our two countries could come into force as soon as possible. This is the hope of the fisheries people in our country as well. I believe that the coming into force of the GIFA will promote the friendly co-operative relationships in fisheries between our two countries and will surely be beneficial to the fisheries of both of our two sides.

Let both of us make our contributions to the common interest of the fisheries of our two countries.

With best wishes.

Sincerely,

徐逢俊

(Tu Fengjun)

Director

DEPARTMENT OF COMMERCE
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

APPLICATION FOR VESSEL PERMITS TO FISH WITHIN THE
THE FISHERY CONSERVATION ZONE
FOR DIRECTED FISHING AND TO RECEIVE U.S. HARVESTED
FISH (JV) FROM VESSELS OF THE UNITED STATES

Under the provisions of the Magnuson Fishery Conservation and Management Act, the Government of the People's Republic of China submits this permit application for vessels operating under its flag to fish within the fishery conservation zone of the United States, or beyond that zone for anadromous species during the year 1985.

Fishing Vessel Identification Forms and supplemental sheets describing the joint venture operation are attached to this application. The fisheries, species, and catch contemplated for vessels of the Chinese flag are as follows:

Fishery	Species	Total Tonnage Requested For Each Species (MT)	
		Directed	Joint Venture
joint venture fishery	pollack		8100
	yellowfin sole		600
	Pacific cod		300
directed fishery	pollack	1000	

Submitted: 1985.8.10 (10th Aug., 1985) 涂凤俊 (Tu Fengjun)
Date Signature
Director, Bureau of Aquatic Products, Ministry of Agriculture, Animal Husbandry and Fisheries
Official's Title

Detailed descriptions of the vessels and the methods of operation proposed for each fishery attached as a supplement to this application. Yes / No _____

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FISHING VESSEL IDENTIFICATION FORM (VIF)

CH-85-
NO: 0001

- (1) VESSEL NAME: GENG HAI (2) CALL SIGN: BAJK
 (3) HULL NO: _____
 (4) VESSEL TYPE: factory trawler (5) LENGTH : 95 met
 (6) GROSS TONS: 3577 mt (7) NET TONS: 1561 mt (8) MAX SPEED: 15.5 k
 (9) OWNERS NAME: Dalian Distant-Sea Fisheries Company
 ADDRESS: Dalian Gulf, Ganjingzi District, Dalian, Liaoning, Chir
 (10) PROCESSING EQUIPMENT: Baader (hereafter referred to as B) processing
B 99, B 190, B 150, B 51, B 432, B 160, B 343, B 694. MACHIN.
 (11) HOLD CAPACITY (IN CUBIC METERS - BALE CAPACITY ONLY):
 HOLD #1: 1200(fish) HOLD #2: 990(meal) HOLD #3: _____ HOLD #4: _____
 (IF MORE THAN 4 HOLDS, GIVE TOTAL HOLD CAPACITY) _____
 (12) LIST LAST APPLICATION NUMBER None IF NONE, CHECK
 (13) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U.S.? YES
 (IF YES, ATTACH JOINT VENTURE SUPPLEMENTAL RESPONSES)
 (14) FISHERIES FOR WHICH PERMIT IS REQUESTED:

FISHERY	REQUESTED SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
Joint venture fishery	pollack			2100 mt	
	yellowfin sole	bottom & pelagic		600 mt	
	Pacific cod	trawl		300 mt	
Directed fishery BSA GORA	pollack	bottom & pelagic trawl	500 mt		

徐逢俊

Signature: _____ (Tu Fengjun)
 Date: 1985.8.10 (10th Aug., 1985)

RECEIVED AUG 28 1985

Title: Director, Bureau of Aquatic Products, Ministry
 of Agriculture, Animal Husbandry & Fisheries

SHING VESSEL IDENTIFICATION FORM (VIF)

CH-85-
NO: 0002

- (1) VESSEL NAME: YAN YUAN I
- (2) CALL SIGN: BBE
- (3) HULL NO: _____
- (4) VESSEL TYPE: factory trawler
- (5) LENGTH : 95 mete
- (6) GROSS TONS: 3577 mt (7) NET TONS: 1560 mt (8) MAX SPEED: 15.5 kno
- (9) OWNERS NAME: Yantai Marine Fisheries Company

ADDRESS: 15 Huidong Street, Yantai, Shandong, China

- (10) PROCESSING EQUIPMENT: Baader (hereafter refered to as B) processing mach:
B 99, B 190, B 150, B 157, B 51, B 423, B 160, B 33, B 694.

- (11) HOLD CAPACITY (IN CUBIC METERS - BALE CAPACITY ONLY):
HOLD #1: 1200(fish) HOLD #2: 990 (meal) HOLD #3: _____ HOLD #4: _____
(IF MORE THAN 4 HOLDS, GIVE TOTAL HOLD CAPACITY) _____

- (12) LIST LAST APPLICATION NUMBER None IF NONE, CHECK

- (13) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U.S.? YES /
(IF YES, ATTACH JOINT VENTURE SUPPLEMENTAL RESPONSES)

- (14) FISHERIES FOR WHICH PERMIT IS REQUESTED:

FISHERY	REQUESTED SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
joint venture fishery	pollack	pelagic & bottom trawl		3000 mt	
directed fishery BSA QOA	pollack	pelagic & bottom trawl	500 mt		

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Signature: _____ (Tu Fengjun)

RECEIVED AUG 23 1985

Date: 1985.8.10 (10th Aug., 1985)

CH-85-
NO: 0003

- (1) VESSEL NAME: KAI CHUANG (2) CALL SIGN: BIEL
 (3) HULL NO: _____
 (4) VESSEL TYPE: factory trawler (5) LENGTH : 91.86 mete
 (6) GROSS TONS: 3180.11mt (7) NET TONS: 1358.34mt (8) MAX SPEED: 14 knots
 (9) OWNERS NAME: Sanghai Deep-Sea Fisheries Company
 ADDRESS: 486 Gongqing Road, Yangpu District, Shanghai, China
 (10) PROCESSING EQUIPMENT: Baader (hereafter refered to as B) processing machine
B 423, B 160, B 190, B 181, B 99, B 150, B 33, B 51, B 694.
 (11) HOLD CAPACITY (IN CUBIC METERS - BALE CAPACITY ONLY):
 HOLD #1: 1204(fish) HOLD #2: 660(meal) HOLD #3: 81(oil) HOLD #4: _____
 (IF MORE THAN 4 HOLDS, GIVE TOTAL HOLD CAPACITY) _____
 (12) LIST LAST APPLICATION NUMBER None IF NONE, CHECK
 (13) ARE FISHING ACTIVITIES REQUESTED IN SUPPORT OF VESSELS OF THE U.S.? YES/ NO
 (IF YES, ATTACH JOINT VENTURE SUPPLEMENTAL RESPONSES)
 (14) FISHERIES FOR WHICH PERMIT IS REQUESTED:

FISHERY	REQUESTED SPECIES	GEAR	ACTIVITY		
			CATCH	PROCESS	OTHER
Joint venture fishery BSA GOA	pollack	bottom & pelagic trawl		3000 mt	

Signature: (Signature) (Tu Fengjun)
 Date: 1985.8.10 (10th Aug., 1985)

RECEIVED AUG 28 1985

Title: Director, Bureau of Aquatic Products, Ministry

DESCRIPTIONS OF OPERATIONS BY CHINESE FISHING
VESSELS IN THE E.E.Z. OF THE UNITED STATES IN 1985

- A. During the period from October through December, 1985, 3 Chinese stern-ramp factory trawlers will be operated in the Alaskan waters. The names of the 3 vessels are, respectively, "KAI CHUANG", "GENG HAI" and "YAN YUAN I".
- B. The fish purchased by the 3 Chinese vessels under joint venture allocation will be provided by the catcher boats under control of Alaska Trawlers Association through Pacific Rim Ventures, Ltd..
- C. China National Marine Fisheries Corp. will send its personnel to the United States, in mid-September, 1985, to establish its Fishery Representative Office in Anchorage, Alaska. The Office will be authorized by the Chinese Government to deal with the administrative affairs such as applying for fishing allocations, etc. on behalf of our country. Mr. Li Shanxun will be the Representative. Information as to the address, telephone numbers and telex number, etc. of the Office will be furnished immediately when available.
- D. Pacific Rim Ventures, Ltd. (hereinafter referred to as PRVL) will be the agent for the 3 Chinese vessels in their joint venture purchases of fish from U.S. fishermen. The President of PRVL is Mr. Bernard J. Dougherty.
- PRVL's address: 717 K Street, Suite 201, Anchorage, AK 99501
PRVL's phone number: (907) 338-7165
PRVL's telex number: (090) 25 404
- E. Operations by the 3 Chinese vessels will be conducted in

(continued from Page 1.) fishing areas No. 62 and No. 63.

- F. The 3 Chinese vessels will be operated in the period from October through December, 1985.
- G. Total requested allocations for the 3 vessels will amount to 10,000 metric tons, including 9,000 metric tons for joint ventures and 1,000 metric tons for directed fishery. Of the total amount of 10,000 metric tons, 5,400 metric tons of pollack, 600 metric tons of yellowfin sole and 300 metric tons of cod will be transported back to China for domestic marketing.
- The left 3,700 metric tons of pollack will be processed into 1,000 metric tons of fillets out of which those can meet export standards will be marketed in European and U.S. markets with the rest part sold in the Chinese market.
- H. While fishing under the directed allocations, any prohibited fish brought on board will be put back into the sea and, when considerable amount of prohibited fish is found in the catches, the fishing vessel shall transfer to other fishing grounds. While purchasing fish from U.S. fishermen under joint venture allocations, prohibited fish delivered to the vessels will be returned to the U.S. fishermen delivering the fish.
- I. Fish provided by the U.S. fishermen to the Chinese factory trawlers under joint venture allocations will be delivered in zippered cod-ends through stern-ramps.
- J. Of the 3 Chinese vessels, "YAN YUAN I" and "GENG HAI" will not only receive fish provided by U.S. fishermen under the joint venture allocations but also harvest fish themselves under the directed fishing allocations while the 3rd vessel — "KAI CHUANG" only receives fish from the U.S. fishermen.

(continued from Page 2.)

K. Price for purchasing pollack from the U.S. fishermen under joint venture allocations has been decided, with Pacific Rim Ventures, Ltd., to be US\$ 97.5 per metric ton, including commissions to the agent.

Thank you.

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Signature: (Tu Fengjun)

1985.8.10

Date: (10th August, 1985)

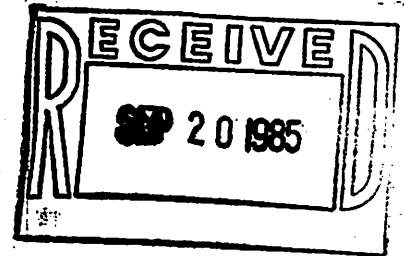
Title: Director, Bureau of Aquatic Products, Ministry of Agriculture, Animal Husbandry and Fisheries.

ALASKA PACIFIC MARINE SERVICES, LTD.

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7th Floor, Cosmos Building
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September 19, 1985

Mr. James Campbell, Chairman
North Pacific Fisheries Management Council
P. O. Box 103136
Anchorage, Alaska 99510

Dear Mr. Campbell:

During 1985 our company, Alaska Pacific Marine Services, provided at-sea refueling services to several foreign fishing fleets including Korea. We offered our services to the Korea fishing industry operating in the North Pacific. Several Korean companies made a concerted effort to use our services which were both service oriented and price competitive. Hansung Enterprises, Daerim Fisheries and Oyang Fisheries of Korea have become valued customers for us. This year we have delivered approximately 1.6 million dollars worth of American fuel to these Korean companies' vessels.

In the spirit of the Magnuson Fishery Conservation and Management Act we believe these Korean fishing companies should receive favorable consideration by this Council and the United States Government in the allocation of additional fishing rights in American waters. The "fish and chips" philosophy of the Act is often referenced as positive reinforcement to encourage the codevelopment of American support industries. We believe the Koreans have exhibited an understanding of "fish and chips" and took a risk by breaking with traditional Japanese at-sea supply sources and chose instead to use the services of a new, American owned and operated company.

Mr. James Campbell, Chairman
North Pacific Fisheries
Management Council

September 19, 1985

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In recognition of Korea's support of developing American enterprise we recommend and support additional fish allocations for the Korean fishing industry.

Sincerely,
ALASKA PACIFIC MARINE SERVICES

Scot E. Land

Scot E. Land
President

SEC:km

cc: Senator Ted Stevens
Senator Frank Murkowski
Representative Don Young
Senator Slade Gorton
Senator Dan Evans
Representative Mike Lowry
Mr. Malcolm S. Baldrige
Mr. Ed Wolfe
Mr. Carmen Blondin
Mr. Bill Gordon
Mr. Rodney Armstrong