STANDING COMMITTEE REPORT NO. 14-72

RE: C.R. NO. 14-48/R&D

SUBJECT: NORMA/NFC FISHING AGREEMENT

JANUARY 13, 2006

The Honorable Peter Christian
Speaker, Fourteenth Congress
Federated States of Micronesia
Third Regular Session

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was referred C.R. No. 14-48:

> "A RESOLUTION APPROVING AN ACCESS AGREEMENT FOR DOMESTIC BASED FOREIGN FISHING VESSELS DATED NOVEMBER 18, 2005 BETWEEN THE NATIONAL OCEANIC RESOURCE MANAGEMENT AUTHORITY AND NATIONAL FISHERIES CORPORATION.",

begs leave to report as follows:

The intent and purpose of the resolution are expressed in its title.

On November 18, 2005, the National Oceanic Resource Management Authority (hereinafter the "Authority") transmitted to Congress an Agreement to extend the current agreement with the National Fisheries Corporation (NFC), which took effect December 15, 2003 and expires December 14, 2005. The expired agreement covers up to a maximum of 75 Taiwanese longline vessels and vessels applying for permits pay $10,000 for an annual permit. Such agreement resulted in a grant total of $863,000 collected over the last two years. According to the Authority, the NFC has complied with the reporting requirements of the agreement.

The new agreement is for two years and the number of vessels has been reduced to 45 vessels. Vessels applying for permits will pay $22,000 for an annual permit. In increasing the access fees, the Authority did away with the transshipment fees for transshipments outside of FSM. Under this access agreement, the FSM can expect to generate more revenue ($900,000) should the 45 vessels be licensed.

Your Committee on Resources and Development is, therefore, in accord with the intent and purpose of C.R. No. 14-48 and recommends its adoption.

STANDING COMMITTEE REPORT NO. 17-72

RE: C.R. NO. 14-48/R&D

SUBJECT: NORMA/NFC FISHING AGREEMENT

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Respectfully submitted,

/s/ Manny Mori
Manny Mori, chairman

Ramon Peyal, vice chairman

/s/ Alik L. Alik
Alik L. Alik, member

Peter M. Christian, member

Dion G. Neth, member

/s/ Simiram Sipenuk
Simiram Sipenuk, member

/s/ Peter Sitan
Peter Sitan, member