STANDING COMMITTEE REPORT NO. 21-42

RE: C.B. NO. 21-29/R&D

SUBJECT: AMENDMENTS TO TITLE 24 OF THE FSM CODE

(FISHING IN THE HIGH SEAS POCKETS)

FEBRUARY 12, 2020

The Honorable Wesley W. Simina Speaker, Twenty-First Congress Federated States of Micronesia Third Regular Session, 2019

Dear Mr. Speaker:

Your Committee on Resources and Development, to which was referred C.B. No. 21-29, entitled:

"A BILL FOR AN ACT TO FURTHER AMEND SECTION 404 OF TITLE 24 OF THE CODE OF THE FEDERATED STATES OF MICRONESIA (ANNOTATED), AS AMENDED BY PUBLIC LAW NO. 19-169, TO GRANT THE NATIONAL OCEANIC RESOURCE MANAGEMENT AUTHORITY (NORMA) THE DISCRETION TO EXEMPT A FISHING VESSEL FROM THE PROHIBITION OF FISHING IN NEIGHBOURING HIGH SEAS, AND FOR OTHER PURPOSES.,"

begs leave to report as follows:

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

Your Committee held a public hearing on the said bill on Monday, February 10, 2020, at the Congress hearing room. Present at the hearing were Executive Director Eugene Pangelinan, Deputy Executive Director Mathew Chigiyal from NORMA; CEO Peter Sitan and Board member Marion Henry from the National Fisheries Corporation (NFC), Secretary Eugene Amor and Consultant Rob Solomon from the Department of

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Finance and Administration, and Marko Kamber from the Caroline Fishing Corporation.

Chairman Neth opened the hearing and gave an opportunity to the witnesses to comment on the bill.

Mr. Pangelinan explained that the prohibition on high seas was basically for the Purse Seine fishing. Currently the closure of the high seas pockets is recognized as a condition of the third implementation arrangement (3IA) of the Nauru Agreement. The Nauru Agreement sets the terms and conditions of access to the fisheries zones of the Party to the Nauru Agreement (PNA). The parties to the Nauru Agreement include, the Federated States of Micronesia, the Republic of Kiribati, the Republic of the Marshall Islands, the Republic of Nauru, the Republic of Palau, the Independent State of Papua New Guinea, the Solomon Islands and Tuvalu.

However, some long line vessels are exempted on the prohibition of fishing in the high seas; therefore, the total prohibition or the closure of the high seas pockets is inconsistent to the 3IA, as amended in May 2019. Thus, the current section 404 of title 24 of the Code of the Federated States of Micronesia should be amended so that the Authority may exercise discretionary exemption from this prohibition on a case-by-case basis.

Most of the witnesses present expressed their strong support of the bill. Mr. Marco Kamper expressed his company's support of the bill because the current prohibition has a financial impact on some fishing companies. STANDING COMMITTEE REPORT NO. 21-42

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Conclusion

Your Committee on Resources and Development is in accord with the intent and purpose of C.B. 20-29 and recommends its passage on First Reading and that it be placed on the Calendar for Second and Final Reading in the form attached hereto.

Respectfully submitted,

/s/ Dion G. Neth	/s/ Aren B. Palik
Dion G. Neth, chairman	Aren B. Palik, vice chairman
/s/ Tiwiter Aritos	
Tiwiter Aritos, member	Derensio K. Konman, member
/s/ Peter M. Christian	/s/ Isaac V. Figir
Peter M. Christian, member	Isaac V. Figir, member
Victor V. Gouland, member	