

**TREATY ON FISHERIES WITH USA - SIXTH LICENSING PERIOD**  
**TREATY PAYMENTS AND DISBURSEMENT OF 15% SHARES**

**TREATY PAYMENTS**

Treaty payments payable under the requirements of Annex II, Schedule 2 of the Treaty involves annual payment from the US Government and the industry as follows:

Government cash	-	US\$14 million
Industry cash	-	US\$ 4 million

The cash payment under the extension agreement from the industry is fixed. During the original five years it fluctuated annually depending on the number of vessels applying for a licence and an adjusted individual payment which was dependent on a positive calculated Base Price Index. A list of licensed vessels for the 6th Licensing Period is shown at **Appendix I**.

Treaty payments of US\$14 Million from the US Government and US\$2 Million from the industry were received on 14 and 16 June, 1993 at the designated bank (Commonwealth Bank of Australia, New York Branch).

This brief report covers the actual Treaty payments received to date for the sixth licensing period (first year of the Treaty extension). The outstanding balance of US\$2 Million is expected to be paid by industry in January 1994 as agreed at the 5th Annual Consultation at Nadi in April 1993. The calculation of the 15 per cent equal shares as distributed, based on the annual payment entitlement of US\$18 Million is also presented.

**REQUIREMENT OF THE INTERNAL AGREEMENT ON THE DISTRIBUTION OF 15 PER CENT SHARES.**

Schedule 1 of the Internal Agreement among Pacific Island parties governs the procedures for the distribution of 15 per cent shares under the Treaty as follows:

- (1) From the US\$14 million cash payment by the United States Government and the US\$4 million cash payment by industry-
  - (a) the Administrator shall deduct administrative costs in accordance with Article 7.2;
  - (b) the balance remaining, after deduction of administrative costs in accordance with sub-paragraph (a), shall be distributed as follows:
    - (i) US\$1,777,999.95 shall be paid to a fund (hereinafter referred to as the "Project Development Fund") administered by FFA in accordance with procedures agreed between the Pacific Island parties;
    - (ii) fifteen (15) per cent of the balance remaining after deduction of the Project Development Fund shall be distributed equally among the Pacific Island parties; and
- (3) the Administrator shall, as soon as practicable after the beginning of each annual Licensing Period, distribute the fifteen (15) per cent

shares referred to in paragraph 1(b)(ii) of all amounts received by the beginning of the Licensing Period.

The 15 per cent share distributed to each of the Pacific Island parties on 31 August and 1 December 1993 was **US\$148,866.85**, in total.

## **DETAILS OF CALCULATION OF THE 15 PERCENT SHARES**

### **1. SUMMARY OF TREATY PAYMENT RECEIPTS (as of December 1993)**

	US\$	Date received
a) Government-Cash	14,000,000.00	14-June-93
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Subtotal	14,000,000.00	
b) Industry -Cash	2,000,000.00	16-June-93
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Subtotal	2,000,000.00	
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TOTAL	16,000,000.00	
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### **2. CALCULATION OF 15/85 PERCENT CASH PORTIONS**

	<b>Government</b>	<b>Industry</b>	<b>Total Cash</b>
Total US\$	14,000,000.00	4,000,000.00	18,000,000.00
Ratio	0.7778	0.2222	1.0000
Less admin.Cost	266,683.51	76,185.49	342,869.00 *
Less Project Development			
Fund	1,382,928.36	395,071.59	1,777,999.95
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Balance	12,350,388.13	3,528,742.92	15,879,131.05
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15 percent portion	1,852,558.24	529,311.36	2,381,869.60
85 percent portion	10,497,829.89	2,999,431.56	13,497,261.45
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\* includes 5th licensing period cost overrun of US\$22,651.00

### **3. 15 PERCENT EQUAL SHARES**

US\$

<b>15 percent portion</b>	<b>2,381,869.60</b>
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Distributed equally among 16 PIPs:

AUSTRALIA	148,866.85
COOK ISLANDS	148,866.85
FEDERATED STATES OF MICRONESIA	148,866.85
FIJI	148,866.85
KIRIBATI	148,866.85
MARSHALL ISLANDS	148,866.85
NAURU	148,866.85
NIUE	148,866.85
PAPUA NEW GUINEA	148,866.85
PALAU	148,866.85
SOLOMON ISLANDS	148,866.85
TONGA	148,866.85
TUVALU	148,866.85
VANUATU	148,866.85
WESTERN SAMOA	148,866.85

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As agreed between the US and the PIPs only US\$2 million was received from Industry on 14 June 1993. The remaining US\$2 million will be received in January 1994 with 6% interest as per agreement made in the 5th Annual Consultation with the United States of America at Nadi, Fiji in April 1993. In calculating the 15 per cent shares the US2 million short fall was included. The short fall, when received will be included with the 85 per cent portion for distribution according to catch this is because the 15 per cent equal shares calculation was based on the US18 million total fee.

**US PURSE SEINE VESSELS LICENSED IN 6TH LICENSING PERIOD**

VESSEL NAME	CALLSIGN	RREG.#	LICENCE #
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1. ADRIATIC SEA	WAA 3304	4648	MFT 93/ 1
2. ANDREA C	WYR7862	4440	MFT 93/ 2
3. BIG Z	WTG6654	9308	MFT 93/ 3
4. BOLD FLEET	WRB2969	4556	MFT 93/ 4
5. CAPT FRANK MIDINA	WQZ9784	4523	MFT 93/ 5
6. CAPT. M J SOUZA	WUZ8349	4507	MFT 93/ 6
7. CAROL LINDA	WTF4062	4291	MFT 93/ 7
8. CAROLYN M	WRT3734	4176	MFT 93/ 8
9. CHLOE Z	WAK5329	25874	MFT 93/ 9
10. DANICA	WYZ3990	4515	MFT 93/10
11. DIANA LYNN	WBI6665	4499	MFT 93/11
12. DON JUAN Z	WAZ5557	4267	MFT 93/12
13. ELIZA M	WYZ5131	4275	MFT 93/13
14. GOLDEN GLOW	WAC6760	19653	MFT 93/14
15. HORNET III	WYM7254	25890	MFT 93/15
16. J M MARTINAC	WBE3175	17699	MFT 93/16
17. JEANNINE	WYX3794	4531	MFT 93/17
18. KALI	WYZ5130	4259	MFT 93/18
19. KASSANDRA Z	WAK5328	25908	MFT 93/19
20. LARRY Z	WAZ5563	4564	MFT 93/20
21. LAURA Z	WQZ5069	4150	MFT 93/21
22. LEGACY	WRA8610	4457	MFT 93/22
23. LONE WOLF	WGMV	4416	MFT 93/23
24. MARGARET Z	WAE2736	24547	MFT 93/24
25. MARISA Z	WAZ5556	25916	MFT 93/25
26. MILAGROS Z	WTG5999	19588	MFT 93/26
27. ODETTE THERESE II	WBD8202	25833	MFT 93/27
28. PACIFIC FREEDOM	WAV4052	26261	MFT 93/28

29. PACIFIC PRINCESS	WSE6016	4408	MFT 93/29
30. PROUD HERITAGE	WYV3388	25924	MFT 93/30
31. RAFFAELLO	WYZ7718	4549	MFT 93/31
32. SEA ENCOUNTER	WTF4069	4283	MFT 93/32
33. SEA GEM	WYL3319	4309	MFT 93/33
34. SOLEIL Z	WAC6762	4358	MFT 93/34
35. TIFAIMOANA	WUY5850	7948	MFT 93/35
36. TRADITION	WTU3857	4598	MFT 93/36
37. UNCLE LOUIE	WYA5309	4655	MFT 93/37
38. WESTERN PACIFIC	WBA4693	4341	MFT 93/38
39. YOLANDA Z	WSD5599	4697	MFT 93/39
40. KOORALE	WUU8064	6932	MFT 93/40