

COUNTRY STATEMENT
GUAM

SOUTH PACIFIC COMMISSION
TWENTY-FIRST
REGIONAL TECHNICAL MEETING ON FISHERIES
(Noumea, New Caleonia, 7-11 August 1989)

BRIEFING PAPER
CURRENT STATUS OF FISHERIES ACTIVITIES*

GUAM

AUGUST 1989

I. INFRASTRUCTURE

A. Boat ramps (PFDF)

1. Completed design for three sites - Harbor of Refuge, Umatac, and Inarajan.
2. Second bid process completed for two of the three ramp locations.
 - a) Bid broken down into components - ramp, parking, and lighting.
 - b) Bid over funds available.
 - (1) \$319,000 for ramp
 - (a) \$715,309 total for both ramps
3. Bid for Umatac ramp has been awarded. Construction expected to start in August.
4. Design plans for Harbor of Refuge and Inarajan ramps will be turned over to the Division of Aquatic and Wildlife of the Department of Agriculture for implementation and funding.
5. Legislation to establish a bond that would include \$200,000 for the Inarajan ramp has been approved and is being processed.

B. Boat ramps (NMFS)

1. The ramp construction was completed October 1988; however, it will not be operational until the next phase of the ramp (parking) and the Agat Marina is completed which is scheduled for fall 1989.

C. Dry dock study (PFDF)

1. This project would examine the feasibility of a dry dock facility that would be targeted at vessels in the 30-90 ft range.
2. Grant award has been provided by PFDF and an account has been established.
3. Implementation is pending preparation of Scope of Work and bidding of project.

D. Agat Marina

1. Phase I of the marina is completed. This included the launch ramp, dredging and the breakwater. Phase II will be completed late 1989 and includes parking, the slips and other major components of the marina. At that time the Marina will be operational. Phase III involves installing facilities such as cold storage, restaurants, etc; however, this stage is dependent upon privatization of the Marina.

E. Agana Marina

1. Port Authority of Guam selected International Design Consortium to proceed to developing a plan for the privatization of the Agana Marina. The project will be a joint venture between private and government.

- a) The \$96.8 million development proposal includes 330 boat slips, and 120-room hotel, and restaurants and shops.
- b) The project was reviewed by the Territorial Planning Commission on July 27, 1989.
- c) A lease agreement draft between IDC and PAG/GovGuam is now under review by the negotiating team. When finalized, it will be sent to the Governor for submission to the legislature for review, public hearing and approval.

F. Merizo Boat Pier

- 1. The design/plan was finalized and put out for bid.
 - a) RFP deadline was late July.
 - b) Only one proposal was submitted and is presently undergoing review.
 - (1) Report and decision of bid review results expected before late October.
- 2. The new pier will replace the existing deteriorated pier and extend out further into deeper water. It will be "T" shaped.
- 3. \$214,000 are obligated to the project.

II. RESEARCH

A. Sea Cucumber (PFDF project)

- 1. The goal of this research is to establish the parameters necessary for utilizing the beche de mer fishery in sustainable manner. Research includes identification of existing stocks and species, growth rates and life history. The propagation of the various sea cucumber species to support commercial harvesting.
- 2. Progress during the first year has included:
 - a) Minimum buyer demand of 80 metric tons per year.
 - (1) Requires regional coordination of harvest & marketing to prevent over harvesting.
 - b) Distinct seasonality in reproductive behavior
 - (1) Summer months.
 - (2) Harvest after spawning - October, November, December.
 - c) Recommendations for fisheries/culturing
 - (1) Potential for raising larvae for reseeding reef areas.
 - (2) Small hatcheries could provide seed stock for reseeding.
 - (3) Potential for multispecies reef or lagoon ranching.
 - (4) Can develop as a sustainable fishery.
- 3. Second year goals.
 - a) Raising of the juveniles.
 - b) Determining age at first reproduction.
 - c) Enhancement of growth rates.
 - d) Training of Pacific Islanders.
- Third year goals
 - Life history characteristics
 - Investigation into lagoon farming potential
 - Identify natural products (e.g., collagen and toxins) of potential commercial value
 - Provide education/extension in the culture of sea cucumbers

B. FAD project

- 1. Aquatic and Wildlife will be placing 5 FADs around Guam.

2. The selected sites have received permits from the Navy and Army Corps of Engineers. AWR has completed mapping depth contours for placement of the initial 5 FADs.
3. Deployment of the FAD's is scheduled for September 1, 1989.
4. 15 additional FAD's are constructed and will be used for additional sites and replacement of FAD's that may become lost.

C. Data collection of fish transhipped and the large scale vessel activity at the Guam Commercial Port.

D. A submersible remote operated vessel will be conducting applied research in Guam's waters during the spring of 1990.

1. The vessel is from the Hawaii Undersea Research Lab and can dive to depths of 2,000 m.
2. Some of the projects the submersible will be working on include Algae Nutrient Projects, Photo Adaptation of Coral, Sea Floor Spreading, among others.

III. LONGLINE FISHERY

A. Data Collection

1. Data collection has been ongoing since April 1988. SPC has provided a data base program for compiling the data. The data is in the process of being entered into the data base. Several months from July 1988 to January 1989 have been entered.
2. Estimated annual air-transshipment of 12,000-15,000 mtons.
3. Value of transhipped catch is estimated at \$15.2 million (Guam).
 - a) Value in Japan estimated at 10x Guam value.
 - b) Guam collects approximately \$42,000 in warfage fees (\$3.50/mton).

B. Port of calls during FY88

1. 842

C. Vessels based in Guam

1. 161
2. 13 agents

D. Economic analysis of industry (SPC)

1. SPC has provided a consultant for Phase I of an economic analysis of the longline industry. These funds would be used by SPC to hire a Consultant to work on Phase I.
2. Phase I consists of:
 - a) Description of the organizational structure of the industry,
 - b) Identification of legal and regulatory statutes that pertain to the off-loading and operation of the vessels in Guam and the EEZ,
 - c) Fishing methods,
 - d) Catch composition/landings/disposition, and
 - e) Identify the operations at the port of entry and exit.
3. The consultant hired by SPC to conduct work on Phase I visited Guam in May 1989 and has since completed his work.
 - a) A draft copy was received in July.
4. A proposal for Phase II & III of the longline study was sent to the National Marine Fisheries Service for SK funding during June.
 - a) Phase II consists of

- (1) Markets and Market Impacts
 - (a) Describe the Markets
 - i) Profile of demand
 - i) World market
 - ii) Japan market
 - iii) Local market
 - iv) US/Hawaii market
 - (b) Describe the price structure for the different species transhipped
 - i) Change over time
 - ii) Japan market prices
 - iii) Transfer pricing practices including import declaration requirements, etc.
 - iv) Price elasticity of transhipped species
 - (c) Describe the market process and the operations in Japan that leads to the final consumer.
 - (d) Identify and describe possible alternative markets to that of Japan.

b) Phase III consists of

(1) Economic Impact Analysis

- (a) Identification of the areas of economic impact on Guam
 - i) Benefit/cost to the local economy
 - ii) Identify short and long-term economic impact on the domestic fishery
 - iii) Constraints to the fishery
 - iv) Opportunities for capturing greater economic benefit
 - i) Opportunities for local fishermen to enter the fishery
 - ii) Opportunities in support services
 - iii) Increased revenue to the government
 - iv) U.S. fleet opportunities
 - i) Strategy for involvement
- (b) Economic impact
 - i) Identify the cost structures of the industry
 - i) Ship operations
 - ii) Agent operations
 - ii) Estimate breakeven operating levels and analyze the sensitivity of operations to potential changes in costs, prices, regulations and laws (domestic and foreign), fishing rights, etc.
 - iii) Identify and describe external factors that influence the industry
 - iv) Describe what makes Guam attractive as a transshipment point
 - i) How it can be improved
 - ii) Constraints to the industry
 - v) Detailed economic analysis of the economic impact on Guam and the future role of the longline fishery in Guam's economy.

E. United Association of Tuna Exporters

- 1. The Association was formed July 14, 1989.
- 2. UATE Chairman is Jesse Iwashita of Guam Kashyu, Inc.

F. Foreign longline vessels

1. Fishermen have reported that a number of sightings of foreign longline vessels anchored within Guam's waters. However, when local fishing craft tried to approach these vessels they quickly left. Fishermen could not document in most cases, what the vessels were doing, but there is a high degree of suspicion of illegal fishing activity. The use of submerged moorings is suspected. In one incident, the foreign vessels were catching bait fish.

G. Forum Fisheries Agency

1. Representatives of the Forum Fishery Agency visited Guam in November 1988 and January 1989 as part of a study on Guam's transshipment industry. This will be used as a model for the development and future investigation and development of similar transshipment activities among the FFA members countries. The main objective of the study was to identify the operational structure of the industry and how the island members of FFA could capitalize on establishing their own tuna air transshipment activity.

2. The study results were incorporated into a FFA publication completed in March 1989.

IV. PURSE SEINER FISHERY

A. Port of calls during FY88

1. 181

B. Vessels based in Guam

1. 22(12 US; 10 Korean)

V. DOMESTIC FISHERY

A. Charter boat study

1. This study has been contracted out and work on the study by the consultant contracted is near completion (80%). A rough draft of the study is expected to be submitted by September 1989.

2. The study will evaluate the potential for expanding the charter boat fishery to capitalize on Guam's large and growing visitor industry. A marketing and promotional program is part of the study.

B. Fisherman's Cooperative

1. Improved control on pricing (purchase and sale price) has been initiated with a sliding price scale based on abundance of the species caught. Improved marketing efforts have been initiated. There is a problem with the stability in the fish supply, with excess fish 1/3 of the time and not enough fish 2/3 of the time. They have removed the quantity limits to purchases from fisherman.

C. Consumer Price Index on fishery products

1. Department of Commerce will be including the collection of fishery/aquaculture products in its CPI so that current retail information for marketing purposes is available to the Coop, fishermen and aquaculturists.

D. Ad Hoc Fishery Advisory Committee

The Committee was established by the Department of Commerce to coordinate fish matters within the government and with the fisheries industry. Key issues

are addressed on a periodic basis. Representation on the Committee includes government agencies and the private sector involved in some aspect of fisheries.

2. The United Association of Tuna Exporters was invited to participate in the Committee

VI. PACIFIC FISHERIES DEVELOPMENT FOUNDATION

A. Submitted proposed project for 1989.

1. Sea Cucumber Fishery Development in Micronesia Phase III.

VII. INTERJURISDICTIONAL FISHERIES ACT

A. Projects for FY 89 funds have been awarded grants by IFA.

1. Data Collection and analysis in the Management of Guam's Interjurisdictional Fishery Resource.
2. Stock Characterization of Interjurisdictional Resource Species: Development of Local Research Expertise.

B. Accounts have been established and the projects are in the process of being implemented.

VIII. ENFORCEMENT

A. Department of Commerce obtained through the U.S. Department of Interior a confiscated 30 ft Scarab vessel with twin high performance 225 HP outboard engines for Custom's inspection and will be available for cooperative enforcement of fishery regulations with Aquatic and Wildlife Resources.

B. EEZ proposed legislation.

1. Create a Sea Patrol under the Department of Commerce that is responsible for patrolling Guam's EEZ for foreign illegal fishing activity.
2. Guam exercise control over scientific research, management, exploration and exploitation of all ocean resources.
3. Financed through a automotive fuel surcharge - \$.02/gal.
4. License fees for vessels fishing in Guam's waters and fine vessels illegally harvesting the natural resources.

C. EEZ Policy Committee established (October 25, 1988) by Executive Order.

1. Has the task of reviewing all issues concerning the EEZ and formulated recommendations regarding policies, rules and regulations, and laws concerning Guam's EEZ.

IX. GENERAL FISHERY NEWS

A. Moratorium on motorized boating in Agana Bay during Menahac season.

B. New fish processing business.

1. Tuna jerky
2. King Fisheries, Inc. P.O. Box 21779 GMF, Barrigada, Guam 96921.

C. Atlantis Submarine

1. Atlantis submarine operates in Apra Harbor. It provides an underwater view of Guam's marine environment to the tourist and local resident alike. The submarine carries 46 passengers and dives to a depth of upto 150 ft in the

Harbor. Efforts to enhance the marine environment in the dive error are being made.

D. Inclusion of Tuna in Magnuson Fishery Conservation & Mgmt Act.

1. Agreement signed by Governors of Pacific Basin Development Council including Governor Ada.

E. Letter sent to President of American Tuna Boat Association

1. Stating Government of Guam's position regarding the present U.S. Tuna Policy and the issue of including tuna in the MFCMA.

F. United Association of Tuna Exporters. This association has been recently formed and consists of Tuna Exporters from Guam.

***This represents a compilation of fisheries information from Government agencies (Department of Commerce, Marine Laboratory, Department of Agriculture, Port Authority of Guam, and Bureau of Planning) and commercial/recreational fisheries organizations and individuals (Guam Fishermen's Cooperative).**