

S/MJ

SPC/Fisheries 24/Information Paper 3  
2 July 1992

ORIGINAL:ENGLISH

**SOUTH PACIFIC COMMISSION**

**TWENTY-FOURTH REGIONAL TECHNICAL MEETING ON FISHERIES**  
(Noumea, New Caledonia, 3-7 August 1992)

**COUNTRY STATEMENT**

**THE FEDERATED STATES OF MICRONESIA**

## 1.0 The Government

The Federated States of Micronesia (FSM) is an independent and democratic constitutional federation of the four states of Chuuk, Kosrae, Pohnpei and Yap. In a treaty between the FSM and the United States of America, the Compact of Free Association came into effect with the responsibility for defense delegated to the USA. On the 17th of September 1991, the FSM became a member of the United Nations.

The FSM National Government (based in Palikir, Pohnpei) and the State governments are comprised of the executive, legislative and judicial branches. The President and Vice-President are elected by the FSM Congress (fourteen senators) who are in turn popularly elected from each state. Popularly elected Governors head each state.

The present administration which took office on May 21, 1991, stresses Fisheries development as a top priority for the Federation. Fisheries development agencies in cooperation with the private sector work to upgrade the harvesting and processing of the abundant tuna resources in the Federation's EEZ.

## 2.0 Fisheries Organisations of the National Government

There are three institutions within the National Government, the Micronesian Maritime Authority, the National Fisheries Cooperation and the National Marine Resources Division, which are vital to fisheries development.

### 2.1. *Micronesian Maritime Authority (MMA)*

The MMA plays a major role in the development of fisheries policies for the FSM National Government. Initially, the MMA concentrated its major efforts on gaining the recognition of foreign countries over the MMA's jurisdiction over the FSM EEZ and the charging of licence fees for access. This policy has been successful, and in 1990 access fees exceeded \$14 million.

More recently emphasis has shifted more towards the management and conservation aspects of the fishery. In that respect the Authority has increased its observer coverage of the foreign fisheries fleets and collected data on all catches transhipped at FSM ports. The Authority also has been an active participant in the development of the Western Pacific Purse Seine Management Arrangement.

In the past year, the Authority renewed arrangements covering over 400 vessels including the Taiwanese purse seine fleet after the latter agreed to provide high seas data for the Authority. The Authority continues to negotiate licensing arrangements that facilitate broader benefits to the FSM including joint ventures and basing in FSM ports.

Transshipment of fresh sashimi grade tuna from FSM ports is taking place and is expected to increase.

### 2.2 *National Fisheries Corporation (NFC)*

The NFC is the business arm of the government which was created with the following functions:

- i. commercially develop a tuna industry;
- ii. enter into joint-venture agreements;
- iii. participate in commercial fishing projects;
- iv. invest in the expansion and improvement of the FSM fishing industry.

The following are some of the fisheries development projects entered into by the NFC with other parties.

- A. *Caroline Fisheries Corporation (CFC)*
- a joint venture between NFC, the Economic Development Authority (EDA, Pohnpei) and a Australian Tuna Development Company. Each of the 3 parties own 33.3 per cent of the corporation.
  - this corporation operates 3 purse seiners which target tuna for canning purposes.
- B. *Yap Fishing Corporation (YFC)*
- a joint venture between NFC, the Yap Economic Development Authority and Industrial de Pesca, N.A. Incorporated (IDP) a USA company.
  - YFC operates 4 purse seiners based in the USA. The vessels target tuna for canning purposes.
- C. *Chuuk Fresh Tuna, Inc (CFTI)*
- a 50 per cent each joint venture between NFC and the Chuuk state government. It will engage in operating a longline land base including actual longlining for fresh sashimi grade tuna.
- D. *Yap Fresh Tuna Inc (YFTI)*
- a 50 percent each joint venture between NFC and the Yap state government. It will operate a longline land base plus actual longlining for sashimi grade tuna.

The Micronesian Fresh Tuna (MFT) a division of NFC operates 4 longlining vessels (based in Yap) and manages CFTI and YFTI. The vessels target tuna intended for the sashimi market in Japan.

Under a proposed loan package with the Asian Development Bank, a new commercial fisheries corporation to be called the Micronesian Longline Fishing Corporation (MLFC) will be created, with NFC owning 50 per cent and the other half owned by the private sector. MLFC will target high-quality sashimi-grade tuna to be exported to Japan and other markets.

### 2.3. *National Marine Resources Division (MRD)*

A division of the National Department to Resources and Development, the MRD is responsible for providing technical information, training coordination, advisory services, and support for development and management activities in marine resources including fisheries aquaculture, coastal resource management and other marine products. It coordinates activities and programs with the MMA and state agencies dealing with marine resources. Through the FSM Department of External Affairs, it maintains liaison with foreign and international agencies concerning marine resources for the purpose of exchanging information on opportunities for training, marketing project funding and related matters.

#### a) *Coastal Resource Atlas and Inventory*

The MRD is presently working on developing a Coastal Resource Atlas and Inventory for Chuuk state. This is an important project since the research work for the Atlas and Inventory will result in a compilation of surveys and assessments of the available marine resources of Chuuk which will aid decision makers on how best to manage and conserve such resources.

*b) Sponge project*

Under foreign assistance (USA Federal assistance, Centre for Tropical and Sub-tropical Aquaculture, SK funds under the USA National Marine Fisheries, SPC and FSM National and state governments) an ongoing sponge project was established to promote the research and aquaculture production of sponge in the FSM. There are currently 12,000 commercial sponge cuttings under cultivation in the government nursery and another 20,000 being cultivated by the private sector. The commercial sponge species are local species found in Pohnpei, Chuuk and Yap.

*c) Conservation and Management*

Through the provisions of a proposed package with the Asian Development Bank, the MRD will receive office equipment, service vessels, land vehicles, consulting services and additional local manpower and logistical support facilities to improve the capabilities of the concerned national and state government institutions in the management, conservation and protection of the FSM's marine resources. The services of a consultant will be provided by a specialist in marine resources management and conservation to the FSM Department of Resources and Development of each of the four state marine resources departments/divisions.

*2.3.1 Micronesian Maritime and Fisheries Academy (MMFA)*

This institution, officially opened in February 1990, is privately operated in full support of the national and state governments. It provides effective education and training in maritime and fisheries technology at both college and high school levels. Theoretical and practical training is emphasised in addition to on-board training for maximum gains and benefits.

MMFA has recently received materials from the Government of Japan which will help upgrade the academy.

**3.0 State Fisheries Development Projects**

The Marine Resources divisions of Kosrae State and Pohnpei State are each working on developing facilities for the purpose of commercially processing fish in each respective state.

---