

Marshall Islands Chamber of Commerce

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Meeting Minutes

Wednesday, September 23, 2009

Marshall Islands Resort

Meeting called to order by President Hirobo Obeketang at 12:15 P.M. Approximately 50 members and guests were in attendance. The next regular meeting will be on Friday, October 23, 2009, unless changed to accommodate a special program or guest speaker's schedule.

- **Minutes** – approved electronically prior to the meeting

- **Guests**

- Lawrence J. Kimmel, Ph.D., Political and Economic Officer, US Embassy
- Dr. Gulnihal (Rose) Ozbay, US Embassy/CMI Land Grant Science Fellow
- Bruce J. D. Linghu, Taiwan Ambassador
- Kiyoshi Oswin Nakamitsu, ADB Desk Officer, Marshall Islands
- Carson McNeill, Pacific Technical Assistance Centre
- Peter Mullins, International Monetary Fund
- Glen Joseph, Director, Marshall Islands Marine Resources Authority (MIMRA)
- Andrew Walt, Triple B Freight Forwarders
- David Paul, General Manager, MEC

- **Chamber President's opening remarks**

Welcome to the September Chamber of Commerce meeting. Please join me in welcoming Glen Joseph.

- **Glen Joseph – Global Perspective on Tuna Fishery with a National Outlook
Marshall Islands Perspective**

Glen Joseph showed a detailed PowerPoint presentation in the context of the history, region, players, science, and the Marshall Islands aspects of fishery.

Historically, the concept of an exclusive economic zone (EEZ) began to develop when Spain addressed the United Nations in 1967. This culminated in a United Nations Law of the Sea that includes a 200 mile EEZ for coastal nations to have sovereignty over living and non-living resources. An organization entitled Parties to the Nauru Agreement (PNA) dates from 1982 and includes eight countries such as the FSM, Marshall Islands, Kiribati, etc. The Marshall Islands established MIMRA in 1984, and amended that act in 1997. MIMRA has a primary focus on tuna.

Data concerning tuna catch is Western Central Pacific Ocean (WCPO) centric. Data is also aggregated for PNA countries. Two million tons of tuna were harvested in 2007 in the WCPO by three types of fishing vessels – purse seiner, long line, and pole and line. 1.7 million tons represented skipjack tuna. Currently, there is no threat of overfishing for skipjack tuna. Yellow fin and big eye tuna are being overfished. Skipjack is currently worth \$1500 per ton at the cannery while big eye and yellow fin are worth from \$5 to 12,000 a ton in loin operations. The WCPO annual tuna catch represents 50% of the world tuna catch. Of that, the PNA portion is 25%. Total value of 2007 WCPO tuna was four billion dollars. The Marshall Islands receives approximately three million dollars per year for tuna fishing licenses or an estimated five to six million annual net benefit out of an estimated 15.8 million gross benefit from tuna revenues considering other factors such as transshipment, fuel purchases, and provisioning.

The past emphasis by MIMRA was to focus on foreign access fishing licenses. The present emphasis that began in 2000 is to continue to depend on foreign access fishing licenses but to also focus on transshipping and local fishery development revenue.

In process or future efforts to gain a larger share of the tuna value include consideration of licensing vessels for a certain number of days in the EEZ, on board observers that typically earn \$45 per day paid by MIMRA, not allowing fishing vessels to throw back small catch, and locating a new PNA Secretariat in the Marshall Islands.

- **Andrew Walt – Triple B**

On October 7, 2009, a US Transportation Security Authority (TSA) regulation will apply to Continental Airline freight operations in the Marshall Islands. Currently, US flag passenger carriers cannot accept freight from anyone except a “known shipper.” That rule will now apply to a US flag passenger carrier operating in the freely associated states. Triple B has designated PII as its authorized agent in the Marshall Islands and has been empowered to register “known shippers.” To become a “known shipper” so that you can continue to send freight on Continental Airlines on or after October 7th, see me while I’m here or see PII.

- **David Paul, General Manger, MEC**

We’ve just had our first Board meeting with a new seven member Board. The Minister of Public Works is the Chairman. We’ve met with and advised the Cabinet of our current condition. We told the Cabinet and would like to advise the business community that our two Deutz electrical generators that were commissioned in 1999 can breakdown and cease to function at any time. Both need to be overhauled. We are in the process of ordering the parts to do this. It can take up to one year to obtain some parts.

- **New Business**

The CMI Land Grant program will offer free water testing on September 29th for the northern part of the atoll. Announcements will be made on V7AB. We’ve found the existence of bacteria in the water supply in other parts of the atoll.

Meeting adjourned at 1:45 PM.

Minutes prepared by:

Jim McLean