

Your Committee on Ways and Means, to which was jointly referred C.R. No. 13-4, entitled:

" A RESOLUTION APPROVING THE AMENDMENTS TO THE TREATY ON FISHERIES BETWEEN THE GOVERNMENTS OF CERTAIN PACIFIC ISLAND STATES AND THE

GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE ANNEXES AND SCHEDULES THERETO.”,

begs leave to report as follows:

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

The subject treaty ("Treaty") authorizes certain United States fishing vessels to fish for tuna in the waters of the member nations ("parties") .The Treaty has been a significant source of revenue for the 16 island nation members to the Treaty since 1987.<sup>1</sup>

Under the current financial arrangements under the Treaty, a total of \$18,000,000 is paid to the island nations annually. The FSM's revenue over the past 3 years is set out below [as determined from June to June]:

2002	\$274,070
2001	703,211
2000	267,271

The proposed amendments to the Treaty would increase the annual payments from \$18 million to \$21 million. It is difficult to estimate the financial benefit to the FSM, as 15% of the \$21 million will be distributed equally among the nations, while 85% of the funds will be distributed based upon catch.

Your committee has concluded that ratifying the amendments will result in increased financial benefits. Failure to ratify will result in delay of much needed revenues, as the increases under the Treaty will not take effect until the FSM ratifies.

In concurrence with your Committee on Resources and Development, your Committee on Ways and Means is, therefore, in accord with the intent and purpose of C.R. No. 13-4 and recommends its adoption.

Signed by Senators Asor, Kansou, Asugar, Figir, Phillip and Christian

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<sup>1</sup> The Pacific Island Parties are: Australia, Cook Islands, FSM, Fiji, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Papua New Guinea, Palau, Solomon Islands, Tonga, Tuvalu, Vanuatu, and Western Samoa.