

Section 3. Amendments. Division 1 of Title 27 of the Palau National Code regarding foreign fishing, as amended by RPPL No, 5-7, is hereby further amended as follows:

(a) 27 PNC 102 is hereby amended as follows:

"§102. Definitions

In this chapter:

- (b) "Bureau" means the Bureau of Natural Resources and Development of the Ministry of Resources and Development.
- (c) "Director" means the Director of the Bureau of Natural Resources and Development of the Ministry of Resources and Development.
- (d) "Fish" means ...
- (f) "Foreign fishing agreement" means an agreement approved by the national government and one or more foreign commercial fishing interests to permit foreign vessels to harvest fish within the exclusive or extended fishery zones of the Republic. A "foreign party" is a Party to such an agreement other than the Ministry of Resources and Development.
- (n) "Ministry" means the Ministry of Resources and Development.
- (o) "Minister" means the Minister of Resources and Development,"

(b) 27 PNC 122 is hereby amended as follows:

"§ 122. Regulations

Regulations shall be adopted by the Bureau to carry out the purposes of this chapter."

(c) 27 PNC 123 is hereby amended as follows,

"§123. Ministry of Resources and Development; functions and duties with respect to foreign fishing.

The Ministry, in addition to its functions and duties as set forth in Title 2, shall have the following duties, functions, and authority:

(Intro. as Senate Bill No. 5-179, SD7, HD11, CD1)

(d) 27 PNC 146 is hereby amended as follows:

"§146. Submerged reefs.

Traditionally recognized fishing rights in submerged reef areas wherever located within the fishery zones of the Republic shall be preserved and respected in accordance with the regulations of the Bureau and the Division of Marine Law Enforcement of the Ministry of Justice "

(e) 27 PNC 163 is hereby amended as follows:

"§163. Same terms and conditions Ministry is to seek

In negotiating foreign fishing agreements, the Ministry shall obtain agreement by the foreign parties to the following terms and conditions:

- (a) The foreign party and the owner or operator of any fishing vessel fishing pursuant to such agreement will abide by all regulations issued by any agency of the Republic having jurisdiction or regulatory authority over foreign fishing, fishery conservation, resource management, the environment, agreements involving the national government, and any matters related thereto, including but not limited to the Ministry and the Division of Marine Law Enforcement.

(f) 27 PNC 165 is hereby amended as follows:

"§165. Same allocation among foreign nations of allowable level of fishing sustainable limits.

The Bureau by annual regulation shall determine the allocation among foreign nations of the total allowable level of foreign fishing which is permitted with respect to any fishery subject to the provisions of this chapter. In determining the allocation among nations, the Bureau shall take into consideration:

- (a) the extent to which vessels of such nations have traditionally fished the particular regulated species;
- (b) whether such nations have cooperated with the national government in, and made substantial contributions to, fishery research and the identification of fishery resources; and
- (c) such other matters as it may deem appropriate.

The regulations shall establish the total allowable level of foreign fishing, catch limits, and allocation thereof so as to ensure the long-term sustainability and health of every stock of fish, population of living resource and reef fish, and submerged reef, within the territorial sea, internal waters, exclusive fishery zone and extended fishery zone of the Republic."

(g) 27 PNC 168 is hereby amended as follows:

"§168. Same; application process

- (a) Each foreign party requesting permits in accordance with its foreign fishing agreement shall make application on forms prescribed by Bureau specifying, among other things:
 - (2) The tonnage, capacity, speed, processing equipment, type and quantity of fishing gear, and such other pertinent information with respect to characteristics of each such vessel as the Bureau may require;
- (b) Upon receipt of an application, the Director or his designee shall transmit copies to each house of the OIbiil Era Kelulau, the Chief of the Division of Marine Resources, the Chief of the Division of Marine Law Enforcement, and to any other person or organization that requests copies of such applications or the foreign fishing agreements to which they pertain.
- (c) The Bureau shall review the application, solicit views from appropriate persons in the Republic, hold public hearings, and may approve the application on such terms and conditions and with such restrictions as the Bureau deems appropriate.
- (d) If the Bureau does not approve the application submitted by the foreign party, the Director or his designee shall notify such foreign party of the disapproval and the reasons therefor, After taking into consideration the reason for disapproval, the foreign party may submit a revised application.
- (e) Upon notification by the foreign party of acceptance of the terms, conditions, and restrictions on the application and permit, the Director or his designee shall issue the permit."

(h) 27 PNC 170 is hereby amended as follows:

"§170. Same; consequences of prohibited act.

If any foreign fishing vessel for which a permit has been issued pursuant to this chapter has been used in the commission of any act prohibited by law, regulation or the terms, conditions or restrictions set forth in the foreign fishing agreement or permit relating to such vessel, or if any civil penalty or criminal fine imposed by law has not been paid and is overdue, the Bureau shall:

(Intro. as Senate Bill No. 5-179, SD7, HD11, CD1)

- (i) 27 PNC 171 is hereby amended as follows:

"§171. Same; noncommercial fishing.

Notwithstanding any other provision of this chapter, the Bureau may by regulation provide for the issuance of permits, on reasonable conditions, to foreign vessels or parties for research, recreational, or other noncommercial fishing within the fishery zones of the Republic."

- (j) 27 PNC 172 is hereby amended effective as follows:

"§172. Same; bait fish.

A foreign fishing vessel may be permitted to fish for bait fish used in the fishery for highly migratory species pursuant to such terms and conditions as are contained in a special bait fishing permit to be issued by the Bureau. Special bait fishing permits may only be issued on such terms, conditions, and with such restrictions, as will ensure the long-term sustainability and health of the stock of bait fish, and every other population of living resource and reef fish, and submerged reef, within the territorial sea, internal waters, exclusive fishery zone and extended fishery zone of the Republic, that may be affected by the harvesting of such bait fish."

Section 4 Foreign fishing companies to utilize local vendors for goods and services.

Any foreign party to a foreign fishing agreement executed Pursuant to Title 27 of the Palau National Code shall, to the extent practicable during the term of such agreement, purchase all goods and services for use in the Republic of Palau from citizens of the Republic of Palau or partnerships or corporations wholly-owned by citizens of Palau, unless such goods or services are not reasonably available from such sources.

Section 5. Amendment. 40 PNC 1403, as amended by PPPL No. 5-7, is further amended as follows.