

1975

(PFA PROPOSES JOINT VENTURE WITH VAN CAMP)

PALAU, JUNE 9 (MNS)---THE PALAU FISHING AUTHORITY HAS PROPOSED A JOINT VENTURE WITH VAN CAMP SEA FOODS COMPANY TO OPERATE AND MANAGE THE PRESENT VAN CAMP FISHERY OPERATIONS IN PALAU.

THE PROPOSAL WAS MADE IN A MAY 15TH LETTER TO THE HIGH COMMISSIONER BY THE BOARD OF DIRECTORS OF THE PALAU FISHING AUTHORITY. THE LETTER WAS SIGNED BY PRESIDENT DUDIU TUTII, TOSHIRO PAULIS, VICE-PRESIDENT AND DR. YUZI MESUBED, MEMBER AND HASHIDA KEBEKOL, MEMBER.

UNDER THE PROPOSED JOINT VENTURE, A NEW COMPANY TO BE CALLED VAN CAMP PALAU, INC., WOULD BE ESTABLISHED AND WOULD BE OWNED JOINTLY BY VAN CAMP SEA FOODS, THE TRUST TERRITORY GOVERNMENT AND THE PALAU FEDERATION OF FISHING ASSOCIATIONS. VAN CAMP SEA FOODS WOULD OWN 49 PERCENT OF THE NEW COMPANY, THE TRUST TERRITORY GOVERNMENT 26 PERCENT AND THE FEDERATION 25 PERCENT.

VAN CAMP SEA FOODS WOULD ALSO GIVEN THE RIGHT TO MANAGE THE OPERATIONS AND WOULD HAVE EXCLUSIVE RIGHT TO MARKET ALL PRODUCTS OF THE NEW VAN CAMP PALAU, INC.

IN THEIR LETTER, THE AUTHORITY'S DIRECTORS TOLD THE HIGH COMMISSIONER THAT "AFTER TEN YEARS OF SUCCESSFUL OPERATIONS IN PALAU, VAN CAMP SEA FOODS SHOULD NOW, IN COOPERATION WITH THE TRUST TERRITORY GOVERNMENT AND THE PEOPLE OF PALAU, BEGIN TO DEVELOP FISHERIES IN PALAU IN A WAY WHICH WILL BENEFIT THE PEOPLE OF PALAU AND THE REST OF MICRONESIA."

"IT IS NOT ONLY TIMELY BUT NECESSARY THAT THE COMPANY'S OPERATIONS AND BUSINESS BE ORGANIZED INTO A COOPERATIVE VENTURE BENEFITING ALL CONCERNED," THE LETTER ADDED.

THE AUTHORITY ALSO SAID THAT VAN CAMP SEA FOODS HAD ALREADY RECOVERED ITS INITIAL INVESTMENT OF ABOUT \$3 MILLION AND HAS IN FACT MADE PROFITS FROM THE PALAU OPERATIONS IN THE LAST 10 YEARS.

THE AUTHORITY ALSO TOLD THE HIGH COMMISSIONER THAT THE PROPOSED JOINT VENTURE ARRANGEMENTS IS NOT NEW AND IS IN FACT WAY MOST JAPANESE FISHERY COMPANIES ARE DOING BUSINESS IN VARIOUS PACIFIC TERRITORIES AND NATIONS.

THE AUTHORITY SAID THAT ITS PROPOSAL IS BASED IN A JOINT VENTURE ARRANGEMENT BETWEEN THE SOLOMON ISLANDS AND TAIYO FISHERY COMPANY IN WHICH TAIYO WAS ALLOWED TO ESTABLISH A FISHERY BUSINESS IN THE SOLOMONS SIMILAR TO THE VAN CAMP OPERATIONS IN PALAU.

THE AUTHORITY ALSO STATED IN THEIR LETTER TO THE HIGH COMMISSIONER THAT ITS MEMBERS DO NOT SHARE A COMMON SENTIMENT IN PALAU THAT THE OPERATIONS OF VAN CAMP SHOULD BE HANDED OVER TO THE PALAUANS.

THE AUTHORITY INSTEAD SAID THAT THEY BELIEVE THAT SUCH A MOVE WOULD BE DISASTROUS BECAUSE THE PALAUANS DO NOT HAVE THE CAPITAL NOR THE MANAGEMENT KNOW-HOW TO SUCCESSFULLY MANAGE THE BUSINESS.

"THE JOINT VENTURE AS WE HAVE PROPOSED," THE AUTHORITY SAID, "WILL BE IN THE BEST INTEREST OF NOT ONLY THE PEOPLE OF PALAU AND THE TRUST TERRITORY GOVERNMENT BUT TO VAN CAMP SEA FOODS AS WELL."

FRANCISCO T. ULUDONG, MANAGER OF THE AUTHORITY RECENTLY RETURNED FROM SAIPAN WHERE HE MET WITH VARIOUS OFFICIALS REGARDING THE AUTHORITY'S PROPOSAL. HE SAID THAT ANOTHER MEETING HAS BEEN SCHEDULED FOR JUNE 10 TO DISCUSS THE AUTHORITY'S PROPOSAL AND THAT THE DISTRICT ADMINISTRATOR, THE SPEAKER OF THE PALAU

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