

## PALAU

The Republic of Palau is situated west of the Federated States of Micronesia between 6° 51' North and 8° 15' North and 135° 50' East and 134° 45' East. There are some 340 islands with a total land area of about 500 sq km., but the largest island is Babelthuap, with an area of 370 sq. km. The total population is approximately 16,500 (1994). The capital of Palau is Koror. After the Treaty of Versailles in 1919, Japan was appointed by the League of Nations as mandatory to all former German possessions north of the Equator, including Palau. On 18 July 1947 the United States agreed to administer the former Japanese-mandated Caroline, Marshall and Mariana islands under a trusteeship agreement with the United Nations. The Trust Territory so formed was administered by the U.S. Navy until 1951, when responsibility for all the islands comprising the Trust Territory except Tinian and Saipan in the Northern Marianas was transferred to the Department of the Interior. By 1976 the administration of the Northern Marianas was separated from that of the rest of the Trust Territory. The Territory was organized in three separate entities, each one with its own Constitution; the Marshall Islands, the Federated States of Micronesia and Palau. Both the Marshall Islands and the Federated States of Micronesia have entered into compacts of free association with the United States, while the Northern Marianas became a Commonwealth in political union with the United States.

Palau is the last remaining Trust Territory. However, Palau has established its own institutions of self-government and is implementing its Constitution of 1979, which became effective on 1 January 1981. The Republic of Palau is essentially a Federal Republic. There are sixteen state governments, each with limited legislative and executive powers. The Head of State is the President, elected nationally every four years, and he is also head of the executive of the national government. The President appoints a Cabinet of Ministers of Departments. The Ministers do not serve as members of the legislature. A Council of Chiefs, comprising traditional chiefs from each state appointed in the traditional manner, advises the president on matters concerning traditional laws, customs, and their relationship to the Constitution and the laws of Palau.

The legislature is the *Olbiil Era Kelulau*. The *Olbiil Era Kelulau* has two houses, the House of Delegates comprising a delegate elected from each state, and a Senate of 14 members elected from senatorial districts. Bills passed by both houses of the *Olbiil Era Kelulau* require the signature of the President before becoming law.

The legal system of Palau derives from the Constitution, the national laws of Palau as codified in the Palau National Code of 1 January 1986, Palau national statutes and ordinances of the sixteen state legislatures and the traditional law of Palau.

### **Limits of National Jurisdiction**

Under the Constitution Palau claims jurisdiction and sovereignty over internal waters and territorial waters extending to 200 nautical miles from straight archipelagic baselines drawn around the entire group of islands making up the Republic. Each state is granted exclusive ownership of the living and non-living resources, except highly migratory species, within 12 twelve nautical miles of traditional baselines.

The fishery zones of Palau are defined and established by Title 27 of the Palau National Code. The Code establishes a territorial sea of three nautical miles breadth measured from island baselines. The exclusive fishery zone, contiguous to the territorial sea, extends twelve nautical miles from the baseline and there is a 200 nautical mile extended fishery zone. The extended fishery zone covers some 600,900 sq km. Within the exclusive fishery zone the national government possesses the same sovereign rights to living resources as it does in the territorial sea. In the extended fishery zone the national government has exclusive management, conservation and regulatory authority over all living resources to the extent recognised by international law.

Under Article XII, Section 6 of the Constitution, each state is entitled to the revenue derived from the exploration and exploitation of all living and non-living resources, except highly migratory fish, and fines collected for violation of any law, within twelve miles of the traditional baselines. The national government is entitled to all revenue derived from the exploration and exploitation of all living and non-living resources, except highly migratory fish, and fines collected for violation of any law, beyond the area claimed by the states, and revenue derived from the licensing of foreign fishing vessels to fish for highly migratory fish are to be divided equally between the national government and all the states governments as determined by *Olbiil Era Kelulau*.

Palau has maritime boundaries with the Philippines, Indonesia and Federated States of Micronesia. No maritime boundary agreements have been negotiated.

### **Fisheries Legislation**

The basic fisheries law is Title 27 of the Palau National Code. The law creates two distinct authorities, the Palau Maritime Authority, which is basically responsible for the control and regulation of foreign fishing in the fisheries zones of Palau, and the Palau Fishing Authority. The Palau Fishing Authority is required to advise and make recommendations to the national government in establishing marine resources development policy in the internal waters of Palau. In addition, the Authority is mandated to establish programmes for the development of fisheries in the internal waters and act as a conduit for public funds for commercial fisheries development. No foreign fishing for reef fish is permitted anywhere in the territorial sea or internal waters.

The *Olbiil Era Kelulau*, after reviewing recommendations from the the Palau Maritime Authority, is required to determine the allocation among foreign fishing nations of the total allowable level of fishing which is permitted with respect to any fishery. The total allowable level of fishing is that portion of the optimum yield of the fishery which will not be harvested by vessels of the Republic.

International fishery agreements may be negotiated and entered into in cooperation with the United States Government and the Palau Maritime Authority, subject to the approval of the *Olbiil Era Kelulau* to the extent the terms and provisions of the international fisheries agreement affect living resources within the fishery zones of Palau.

### **Licensing Requirements**

Palau Maritime Authority is a statutory authority comprising seven members appointed by the President. The functions of the Authority include the negotiation of foreign fishing agreements, the issue of foreign fishing permits and participation in the delimitation of the extended fishing zone. Foreign fishing is defined as fishing by any vessels not duly registered in the Republic of Palau. Permits for foreign fishing may only be issued in accordance with a foreign fishing agreement approved by both houses of the *Olbiil Era Kelulau*. In negotiating foreign fishing agreements, the Authority is required to seek substantial agreement by the foreign party to certain minimum terms and conditions including provisions as to enforcement, reporting, identification and observers.

### **Conservation and Management**

Most fishing activity in the internal waters of Palau takes place within the context of highly effective traditional resource management. The Marine Protection Act 1994, however, regulates the taking of certain species of marine and terrestrial organisms and prohibits or limits certain fishing methods. It specifies certain species of fish that cannot be fished, sold or bought and prohibits certain types of fishing methods such as fishing with a gill or a surround net having a mesh size of less than 3 inches. Both the Palau Maritime Authority and the Palau Fishing Authority are empowered to make regulations for the conservation and management of living resources in the fishery zones but, to date, no such regulations have been made. As noted above, within twelve nautical miles of the traditional baselines (which are not defined) the various state governments have legislative competence to make such regulations. Such regulations are outside the scope of this compendium.

**Regional and International Agreements relating to Fisheries**

Palau is the only member of the Forum Fisheries Agency which is not also a member of the South Pacific Forum. It is a member of the South Pacific Commission. It is a party to the United Nations Convention on the Law of the Sea, the Treaty on Fisheries Between the Governments of Certain Pacific Island States and the Government of the United States of America, and the Nauru Agreement Concerning Cooperation in the Management of Fisheries of Common Concern. It signed the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific on 29 November 1989 and the Niue Treaty on Cooperation in Fisheries Surveillance and Law Enforcement in the South Pacific Region when it was opened for signature on 9 July 1992. It is also a signatory to the Arrangement for the Management of the Western Pacific Purse Seine Fishery, the FSM Arrangement and the Palau Arrangement.

**Laws and Subsidiary Legislation of Palau  
Reproduced this Compendium**

**Note:** Unless otherwise stated, copies of the following laws are located in the 1986 Edition of the *Palau National Code*.

	Page
<b><u>CONSTITUTION</u></b>	
Constitution of the Republic of Palau (Preamble; Articles I and II)	PAL 1
<b><u>PUBLIC LAWS</u></b>	
<b><u>Palau National Code</u></b>	
<u>Title 27</u> - Fishing	PAL 4
<i>Division 1: Foreign Fishing</i>	
Chapter 1. Fishery Zones and Regulation of Foreign Fishing	
Subchapter I	General Provisions
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Subchapter III	Fiery zones
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Subchapter V	Enforcement and Penalties
<i>Division 2: Domestic Fishing</i>	
Chapter 10	District Entities for Development of Marine Resources
Chapter 11	Palau Fishing Authority
Subchapter I	General Provisions
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Am. Public Law 3-42 (Excerpt)	
Am. Public Law 3-55	
<u>Title 24</u> - Environmental Protection	PAL 40
<i>Division 2: Wildlife Protection</i>	
Chapter 12	Protected Sea life
Chapter 13	Illegal Methods of Capture
Marine Protection Act 1994	
Am. RPPL No. 4-35	

**THE CONSTITUTION  
OF THE REPUBLIC OF PALAU**

**Preamble**

In exercising our inherent sovereignty,

We, the people of Palau

proclaim and reaffirm our immemorial right

to be supreme in these islands of Palau, our homeland.

We renew our dedication

to preserve and enhance our traditional heritage,

our national identity and

our respect for peace, freedom and justice for all mankind.

In establishing this Constitution

of the sovereign Republic of Palau,

We venture into the future

with full reliance on our own efforts

and the divine guidance of Almighty God.

REPUBLIC OF PALAU CONSTITUTION

ARTICLE I

TERRITORY

Section 1. Palau shall have jurisdiction and sovereignty over its territory which shall consist of all of the Palauan archipelago, the internal waters, the territorial waters, extending to two hundred (200) nautical miles from a straight archipelagic baseline, the seabed, subsoil, water column, insular shelves, and airspace over land and water, unless otherwise limited international treaty obligations assumed by Palau. The straight archipelagic baseline shall be drawn from the northernmost point of Ngerauangel Reef, thence east to the northernmost point of Kayangel Island and around the island to its easternmost point, south to the easternmost point of the Babeldaob barrier reef, south to the easternmost point of Helen's Reef, West from the southernmost point of Helen's Reef to the easternmost point of Tobi Island and then around the island to its westernmost point, north to the westernmost point of Fana Island, and north to the westernmost point of Ngeruangel Reef and. Then around the reef to the point of origin.

Section 2. Each state shall have exclusive ownership of all living and non-living resources, except highly migratory fish, from the land to twelve (12) nautical miles seaward from the traditional baselines; provided, however, that traditional fishing rights and practices shall not be impaired.

Section 3. The national government shall have the power to add territory and to extend jurisdiction.

Section 4. Nothing in this Article shall be interpreted to violate the right of innocent passage and internationally recognized freedom of the high seas

ARTICLE II

SOVEREIGNTY AND SUPREMACY

Section 1. This Constitution is the supreme law of the land.

Section 2. Any law, act of government, or agreement to which a government of Palau is a party, shall not conflict with this Constitution and shall be invalid to the extent of such conflict.

REPUBLIC OF PALAU CONSTITUTION

Section 3. Major governmental powers including but not limited to defense, security, or foreign affairs may be delegated by treaty, compact, or other agreement between the sovereign Republic of Palau and another sovereign nation or international organization, provided such treaty, compact or agreement shall be approved by not less than two-thirds (2/3) of the members of each house of the Olbiil Era Kelulau and by a majority of the votes cast in a nationwide referendum conducted for such purpose, provided that any such agreement which authorizes use testing, storage or disposal of nuclear, toxic chemical, gas or biological weapons intended for use in warfare shall require approval of not less than three-fourths (3/4) of the votes cast in such referendum.

TITLE 27

FISHING

**DIVISION I: FOREIGN FISHING**

Chapter 1: Fishery Zones  
and Regulation of Foreign Fishing

Subchapter I: General Provision

§101. Purposes.

§102. Definitions.

§101 Purposes.

By this legislation, the Republic enacts its own fishery zone legislation to manage, conserve, and regulate the harvesting of fish throughout their habitat, both within the reef areas of islands and atolls, and in other areas within the jurisdictional competence of the Republic.

Source : PL 6-7-14 §1, modified.

§102. Definitions.

Unless the context otherwise requires, in this chapter:

(a) "Atoll" means a circular or oval coral reef forming a geographic and ecologic unity crowned by at least one island.

(b) "Authority" means the Palau Maritime Authority established by subchapter II of this chapter.

(c) "Director" means the Director of the Palau Maritime Authority.

(d) "Fish" means any living resource.

(e) "Fishery" means:

(1) One or more stocks of fish which can be treated as a unit for purposes of conservation and management and which are identified on the basis of geographical, scientific, technical recreational, and economic characteristics; and

(2) Any fishing for such stocks.

- (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 Authority.
- (g) "Foreign Fishing" means fishing by vessels not duly registered in the Republic pursuant to Title 7 of this Code.
- (h) "Island" means a naturally formed area of land, surrounded by water, which is above water at high.
- (i) "Living resource" means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life other than marine birds.
- (j) "Person" means any individual, corporation, partnership, association, or other entity, the national government or any subdivision or entity thereof, and any foreign government or any subdivision or entity thereof.
- (k) "Reef fish" means any species of living resource predominately inhabit reef areas, the territorial sea, or internal waters excluding bait fish used in the fishery for highly migratory species
- (l) "Stock of fish" means a species, subspecies, geographical grouping, or other category of fish capable of management as a unit.
- (m) "Submerged reef" means a coral reef forming a geographic and ecologic unity which is wholly submerged at high tide.

Source: PL 6-7-14 §2, modified. Subsection (g) amended by PL 6-6S-8 §1; subsection (k) amended by PL 6-68-8 §2.

Subchapter II : Palau  
Maritime Authority

- §121. Palau Maritime Authority; created; term; chairman; meeting; compensation.
- §122. Same; rules of procedure and regulations
- §123. Same; functions and duties.

REGULATION OF FOREIGN FISHING

§124. Same; director; staff.

§125. Chairman's report.

§121. Palau Maritime Authority; created; term; chairman; meeting; compensation.'

(a) The Authority shall meet at such times and places as may be designated by the chairman or by the Authority.

(b) Members of the Authority shall be compensated at the rate of \$20.00 per day when actually on the business of the Authority. If any member of the Authority is employed by the national government he shall receive his regular salary while on the business of the Authority, or \$20.00 per day, whichever is greater. All members of the Authority shall receive per diem and travel expenses at established national government rates while on the business of the Authority.

Source: Subsection (a) through (d) -- PL 6-7-14 §10(1), as amended by PL 7-1-21 §1(1) modified. (The last three sentences of PL 6-7-14 §10(1), as amended, have been moved to §122, below.) Subsection (e) -- PL 6-7-14 §10(4), amended by PL7-1-21 §1, modified.

§122. Same; rules of procedure and regulations.

(a) The Authority shall adopt its own rules of procedure and regulations by majority vote.

(b) Regulations adopted by the Authority shall have the full force and effect of law. The process of the adoption of the regulations by the Authority is expressly exempt from the requirements of the Administrative Procedure Act set forth in Chapter 1 of Title 6 of this Code, but the Authority nevertheless shall insure wide dissemination of the proposed regulations and afford the public a reasonable opportunity to present its view prior to the adoption of any regulations

Source : Last three sentences of PL 6-7-14 §10(1), as emended by PL 7-1-21 §1, modified.

§123. Same; functions and duties.

The Authority shall have the following duties, functions, and authority:

(a) To adopt regulations for the conservation, management, and exploitation of all living resources in the extended and exclusive fishery zones of the Republic pursuant to sections 125 and 144 of this title;

(b) To participate in the delimitation of the extended fishery zone in accordance with section 147 of this title;

(c) To negotiate and conclude foreign fishing agreements in accordance with sections 162 through 165 of this title;

(d) To issue foreign fishing permits in accordance with regulations promulgated pursuant to section 122 of this title and subsection (a) of this section;

(e) To submit its budget and a report regarding the expenditure of its funds to the Olbiil Era Kelulau each regular session for approval; and

(f) To perform such other duties and functions as may be necessary to carry out the purposes of this chapter.

Source : PL 6-7-14 §10(2), as amended by PL 7-1-21 §1, modified.

REGULATION OF FOREIGN FISHING

§124. Same; director; staff.

The Authority shall employ a full-time director qualified in fishery management and experienced in international negotiation. The Authority may employ such other staff as it may deem necessary.

Source: PL 6-7-14 §10(3), as amended by PL 7-1-21 §1, modified.

§125. Chairman's report.

The chairman of Authority shall report on its activities to the presiding officers of the Olbil Era Kelulau on a quarterly basis, and to the President on an annual basis. The annual report shall contain a detailed accounting of the expenditure of funds by the Authority.

Source : PL 6-7-14 §10(5), as amended by PL 7-1-21 §1, modified.

Subchapter III: Fishery Zones

- §141. Baselines.
- §142. Territorial sea; internal water
- §143. Exclusive fishery zone.
- §144. Extended fishery zone.
- §145. Merged zone.
- §146. Submerged reefs.
- §147. Delimitation.

§141. Baselines.

A baseline is a continuous line which encircles an island or atoll. The baseline from which the zones designated in this chapter are to be measured is as follows:

(a) The baseline of an island or portion of an island lacking a barrier reef, fringing reef, or other reef system is the low water line of the island as marked on large scale charts officially recognized by the national government.

(b) The baseline of an atoll or island or portion of an island having a barrier reef, fringing reef, or other reef system is a line following the contour of the seaward edge of the reef system, which line connects those outermost elevations of the reef which are above water at low tide, and which line exists as marked on large scale Charts officially recognized by the national governments.

Source: PL 6-7-14 §3, modified

Cross-reference: ROP Const., Art. I & § 1

§142. Territorial Sea; internal waters.

(a) There is hereby established a territorial sea of three miles' breadth. The inner boundary of the territorial sea of each island or atoll is the baseline as defined in section 141 of this title. The outer boundary is a line, every point of which is nautical miles seaward of the nearest point on the baseline.

(b) Waters landward of the baseline, including the lagoons of atolls or islands, are internal waters.

Source: PL 6-7-14 4, modified.

Cross-reference: ROP Const., Art. I, §1.

§143. Exclusive fishery zone.

(a) There is hereby established an exclusive fishery zone contiguous to the territorial sea. The inner boundary of the exclusive fishery zone of each island or atoll is the seaward boundary of the territorial sea, and the outer boundary is a line, every point of which is 12 nautical miles seaward of the nearest point on the baseline as define in section 141 of this title.

(b) The national government possesses and may exercise the same sovereign rights to living resources in the exclusive fishery zone as it does in the territorial sea.

Source: PL 6-7-14 §5, as amended by PL 6-6S-8 §3, modified.

§144. Extended fishery zone.

(a) There is hereby established an extended fishery zone contiguous to the exclusive fishery zone. The inner boundary of the extended fishery zone of each island or atoll is the seaward boundary of the exclusive fishery zone, and the outer boundary is a line, every point of which is 200 nautical miles seaward of the nearest point on the baseline as defined in section 141 of this title. of this title.

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(b) The national government shall have exclusive management, conservation, and regulatory authority over all living resources within the extended fishery zone to the full extent recognized by international law.

Source : PL 6-7-14 §6, modified.

§145. Merged zone.

Where the zone of one island overlaps a like zone of another island, they merge and become one zone, the outer boundary of which is the seaward-most boundary of the merged zone.

Source: PL 6-7-14 §7, modified.

§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 Authority.

Source : PL 6-7-14 §8, modified.

§147. Delimitation.

(a) The Authority, the United States Government and the Trust Territory Government shall cooperate in the delimitation of the extended fishery zone when it overlaps a zone of national jurisdiction established by another nation.

(b) In the event a fishery zone of the Republic overlaps with that of another nation of the Trust Territory, the Authority may by agreement with the appropriate agency of that nation resolve the conflict in their respective fishery zones.

Source: PL 6-7-14 §9, modified.

Subchapter IV: Regulation  
of Foreign Fishing

§161 Foreign fishing restricted.

§162 Foreign fishing agreements; exclusive authority of national government.

§163 Same; terms and conditions Authority is to seek.

§164 Same; allowable level of foreign fishing.

- §165 Some; allocation among: foreign nations of allowable level of fishing.
- §166 International fishery agreements.
- §167 Fishing permits; in general.
- §168 Same; application process.
- §169 Same; fees and compensation.
- §170 Same; consequences of prohibited act.
- §171 Same; noncommercial fishing.
- §172 Same; bait fish.

§161 Foreign fishing restricted.

(a) No foreign fishing vessel may, fish in the territorial sea or internal waters of the Republic for reef fish as defined in section 102(k) of this title.

(b) Foreign fishing may be permitted in the territorial sea, the internal waters, the exclusive fishery zone and the extended fishery' zone of the Republic as provided in sections 167 through 172 of the title.

Source : PL 6-7-14 §11, as amended by PL 6-6S-8 §4, modified.

§162. Foreign fishing agreements; exclusive authority of national government.

Each foreign fishing agreement shall acknowledge the exclusive fishery management authority of the national government as set forth in this chapter.

Source: PL 6-7-14 §12(l), modified.

§163. Same; terms and conditions Authority is to seek.

In negotiating foreign fishing agreements, the Authority shall seek substantial 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 under authority of section 122 of this title.

(b) The foreign party and the owner or operator of any fishing vessel fishing pursuant to such foreign fishing agreement will abide by the agreement that:

(1) Any officer authorized to enforce the provisions of this chapter shall be permitted to board and search or inspect any vessel at any time

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and make arrests and seizures provided for in section 188 of this title whenever such officer has reasonable cause to believe, as a result of such a search or inspection, that any such vessel or any person has committed an act prohibited by this chapter;

(2) Such officer shall also be permitted to examine and make notations on the permit issued pursuant to sections 167 through 172 of this title;

(3) The permit issued for any such vessel pursuant to sections 167 through 172 of this title shall be prominently displayed in the wheel house of such vessel;

(4) Appropriate position-fixing and identification equipment shall be installed and maintained in working order on each such vessel;

(5) Duly authorized Palauan observers, shall be permitted on board any such vessel and the national government shall be reimbursed for the cost of such observers; and

(6) Agents shall be appointed and maintained within the Republic who are authorized to receive and respond to any legal process issued in the Republic with respect to such owner or operator.

(c) The foreign party and the owners or operators of all of the fishing vessels of such party shall not, in any year, exceed such party's allocation of the total allowance level of foreign fishing.

(d) Foreign parties will:

(1) Apply, pursuant to sections 167 through 172, for any required permits;

(2) Deliver promptly to the owner or operator of the appropriate fishing vessel any permit which is issued under those sections for such vessel; and

(3) Abide by the requirement that no foreign fishing will be permitted in the exclusive or extended fishery zones of the Republic after January 1, 1979, without a valid and applicable permit, and the requirement that all conditions and

restrictions of the permit be complied with.

(e) The foreign party and the owner or operator of any fishing vessel fishing pursuant to such agreement will abide by all other terms and conditions of the agreement.

Source: PL 6-7-14 §12(2), modified.

§164. Same; allowable level of foreign fishing.

The total allowable level of foreign fishing, if any, with respect to any fishery subject to the provisions of this chapter, shall be that portion of the optimum yield of such fishery which will not be harvested by vessels of the Republic.

Source: PL 6-7-14 §12(3), modified.

§165. Same; allocation among foreign nations of allowable level of fishing.

After reviewing recommendations by the Authority, the Olbiil Era Kelulau by legislation 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 Olbiil Era Kelulau 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, made substantial contributions to, fishery research and the identification of fishery resources;

(c) Such other matters as it may deem appropriate.

Source: PL 6-7-14 §12(4), modified.

§166. International fishery agreements.

An international fishery agreement is an international agreement primarily affecting living resources within the fishery zones of the Republic. Such agreements shall be negotiated and concluded in cooperation between the United States Government and the Authority. Prior to the conclusion of such an agreement, the United States Government shall obtain the concurrence of the Olbiil Era Kelulau by resolution to its terms and provisions to the

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extent such terms and provisions affect living resources within the fishery zones of the Republic.

Source: PL 6-7-14 §13, modified.

§167. Fishing permits; in general.

After January 1, 1979, a foreign fishing vessel may engage fishing in the exclusive or extended fishery zone of the Republic only if such vessel has on board a valid permit issued under sections 167 through 172 for such vessel.

Source: PL 6-7-14 §14(1) and (2), modified.

§168. Same; application process.

(a) Each foreign party entitled to permits in accordance with its foreign fishing agreement shall make application on forms prescribed by the Authority specifying, among other things:

(1) The name and official number or other identification of each fishing vessel for which a permit is sought, together with the name and address of the owner thereof;

(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 Authority may require;

(3) Each fishery in which such vessel wishes to fish;

(4) The amount of fish or tonnage of catch contemplated for each such vessel during the time such permit is in force; and

(5) The ocean area in which, and the season or period during which, such fishing will be conducted.

(b) Upon receipt of an application, the Director shall transmit copies to each member of the Authority and to the chairman of the Senate Committee on Resources and Development.

(c) The Authority shall review the application, solicit views from appropriate persons in the Republic, hold public hearings where necessary, and may approve the application on such terms, and conditions and 'with such restrictions as the Authority deems appropriate.

(d) If the Authority does not approve the application submitted by the foreign party, the chairman 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 chairman shall issue the permit.

Source: PL 6-7-14 §14(3) through (6), and (8), modified.

§169. Same; fees and compensation.

Fees and other forms of compensation for the right to exploit living resources within the territorial sea fishery zones of the Republic shall be established in the: foreign fishing agreement.

Source : PL 6-7-14 §14(7), modified.

§170. Same; consequences of prohibited act.

If any foreign fishing vessel for which a permit has been issued pursuant to sections 167 through 172 has been used in the commission of any act prohibited by this chapter, or if any civil penalty or criminal fine imposed by chapter, has not been paid and is overdue, the Authority shall:

(a) Revoke such permit with or without prejudice to the right of the foreign party involved to obtain a permit for such vessel in any subsequent year; or

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(b) Suspend such permit for the period of time deemed appropriate; or

(c) Impose additional conditions and restrictions on the approved application of the foreign party involved and on any permit issued under such application.

Source: PL 6-7-14 §14(9), modified.

§171. Same; noncommercial fishing.'

Notwithstanding any other provision of this chapter, Authority 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 fishing zones of the Republic.

Source : PL 6-7-14 §14(10), modified.

§172. Same; bait fish.

Notwithstanding any other provision of this chapter, a foreign fishing vessel is permitted to fish for bait fish used in the fishery for highly migratory species only pursuant to such terms and conditions as may be contained by a special bait fishing permit to the issued in the sole discretion of the Authority.

Source: PL 6-7-14 §14(11), as added by PL 6-6S-8 §6

Subchapter V: Enforcement  
and Penalties

- §181 Prohibited acts.
- §182 Criminal penalties.
- §183 Civil penalties.
- §184 Forfeitures; procedure.
- §185 Revenues.
- §186 Jurisdiction of court.
- §187 Enforcement; primary responsibility.
- §188 Same; powers. of officer
- §189 Same; reward.
- §190 Same provisions of regulation or permit enforceable.

§181. Prohibited acts.

It is unlawful for any person:

(a) To violate any provision of this chapter or of any regulation or permit issued pursuant to this chapter;

(b) To use any fishing vessel to engage in fishing after revocation, or during the period of suspension, of an applicable permit issued pursuant to this chapter

(c) To violate any provision of, or regulations under, an applicable foreign fishing agreement entered into pursuant to sections 161, and 167 through 172 of this title;

(d) To refuse to permit any officer authorized to enforce the provisions of this chapter to board a fishing vessel subject to such person's control for purposes of conducting any search or inspection in connection with the enforcement of this chapter or any regulation, permit, or agreement referred to in subsections (a), (b) or (c) of this section;

(e) To forcibly assault, resist, oppose, impede, intimidate, or interfere with any such authorized officer in the conduct of any search or inspection described in subsection (d) of this section;

(f) To resist a lawful arrest for any act prohibited by this section;

(g) To knowingly ship, transport, offer for sale, sell, purchase, import, export, or have custody, control, or possession of any fish taken or retained in violation of this chapter or any regulation, permit, or agreement referred to in subsections (a), (b) or (c) of this section; or

(h) To interfere with, delay, or prevent, by any means, the apprehension or arrest of another person, that knowing that such person has committed any act prohibited by this section.

Source: PL 6-7-14 §15(1), modified PL 6-7-14 §15(2), prohibiting any vessel other than a vessel owned solely by citizens of Palau from fishing in the territorial sea, was repealed by PL 6-6S-8 §5.

§182. Criminal penalties.

(a) A person is guilty of an offense if he commits any act prohibited by section 181 of this title.

(b) Any offense described as a prohibited act by section 181 (a), (b), (c), or (g), is punishable by a fine of not more than \$50,000.00.

REGUALTION OF FOREIGN FISHING

(c) Any offence described as a prohibited act by section 181(d), (e), (f), or (h), is punishable by a fine of not more than \$100,000.00 or imprisonment for not more than two years, or both; except that if in the commission of, any such offense the, person uses a dangerous weapon, engages in conduct that causes bodily injury to any officer authorized to en force the provisions of this chapter, or places any such officer in fear of imminent bodily injury offense is punishable by a fine of not more than \$250,000.00 . Each day of continuing, violation shall be considered a separate offense.

Source: PL., 6-7-14 §16, as amended by PL 6-6S-8 §7(a), modified.

§183. Civil penalties .

(a) Any person who is found by the Supreme Court in a civil proceeding to have committed an act prohibited by section 181 of this title shall be liable to the national government for a civil penalty which shall not exceed \$75,000.00 for each violation. Each day of continuing violation shall constitute a separate offense.

(b) In determining the amount of such penalty, the Supreme Court shall take into account the nature, circumstances, extent, and gravity of the prohibited acts committed and, with respect to the violators, the degree of culpability, any history of prior offenses, and such other matters as justice may require.

(c) The Attorney General or the Director or his designee on behalf of the national government is authorized to initiate all proceedings under this section and to recover the amount assessed as a civil penalty.

(d) The proceeds of civil penalties shall be remitted to the National Treasury in accordance with section 185 of this title.

Source: PL 6-7-14 §16, as amended by PL 6-6S-8 §7(b), modified.

§184. Forfeitures; procedure.

(a) Any fishing vessel, including its fishing gear, furniture, appurtenances, stores, and cargo used, and any fish taken or retained, in any manner, in connection with or as a result of the commission of any act prohibited by section 181 of this title, shall be subject to forfeiture to the national government. All or part of such vessel, and all such fish, shall be forfeited to the national government pursuant to a civil proceeding under this section.

(b) The Supreme Court shall have jurisdiction, upon application by the Attorney General or the Director on behalf of the national government, to order any forfeiture authorized under subsection (a) of this section.

(c) If a judgement is entered for the national government in a civil forfeiture proceeding under this section, the Attorney General shall seize any property or other interest declared forfeited to the national government which has not previously been seized pursuant to this chapter.

(d) The forfeited vessel, gear, furniture, appurtenances, stores, cargo, and fish may be sold and the proceeds deposited with the Authority for use in accordance with section 185 of this title, or may be retained for use by or at the direction of the national government..

(e) Pending completion of the civil forfeiture proceeding, the seized vessel, gear, furniture, appurtenances, stores, cargo, and fish, or any part thereof, may be discharged at the discretion of the court upon deposit with the court of a satisfactory bond or other security at least equal to the fair market value of the seized property. Such bond or other security shall be conditioned upon delivery of such property to the appropriate court upon order thereof, without any impairment of its value, or paying the monetary value of such property pursuant to an order of such court. Judgement shall be recoverable on such bond or other security against both the principal and any sureties in the event that any condition thereof is breached, as determined by such court.

REGULATION OF FOREIGN FISHING

(f) Any fish seized pursuant to this chapter may be sold, subject to the approval and direction of the court . The proceeds of any such sale shall be deposited with such court pending the disposition of the civil forfeiture proceeding.

(g) For purposes of this chapter, it shall be a rebuttable presumption that all fish found on board a fishing vessel which is seized in connection with an act prohibited by section 181 of this title were taken or retained in violation of this chapter.

Source: PL 6-7-14 §17, modified.

§185. Revenue.

All revenues, including fees collected by the Authority pursuant to section 169 and all fines and proceeds of sale of all forfeitures shall be transmitted immediately upon collection to the National Treasury.

Source: PL 6-7-14 §17, modified

§186. Jurisdiction of court.

The Supreme Court shall have exclusive jurisdiction over any case or controversy arising under this chapter. The court may at any time enter restraining orders for prohibitions, issue warrants, process in rem, or other processes, prescribe and accept satisfactory bonds or other security, and take such other actions as are in the interests of justice.

Source : PL 6-7-14 §19, modified.

§187. Enforcement; primary responsibility

Primary responsibility for the enforcement of this chapter shall be assumed by the Office of the Attorney General through the Bureau of Public Safety. The President and the Attorney General may, from time to time, seek enforcement assistance from the United States Government.

Source: PL 6-7-14 §20(1), modified.

§188. Same; powers of officer.

Any officer who is authorized by the Attorney General to enforce the provisions of this chapter may:

(a) With or without a warrant or other process:

(1) Arrest any person, if he has reasonable cause to believe that such person has committed an act prohibited by section 181 of this title;

(2) Board and search or inspect any fishing vessel which is subject to the provisions of this chapter;

(3) Seize any fishing vessel when the vessel has been used or employed in, or when it reasonably appears that such vessel was used or employed in, violation of any provision of this chapter;

(4) Seize any fishing gear furniture, appurtenances, stores, cargoes, and fish in the possession of a fishing vessel seized pursuant to authority granted by paragraph (3) of this subsection; and

(5) Seize any other evidence related to any violation of any provision of this chapter.

(b) Execute any warrant or other process any court of competent jurisdiction; and

(c) Exercise any other lawful authority.

Source : PL 6-7-14 §20(2), modified.

§189. Same; reward.

Any individual who provides information to the Attorney General concerning any violation of this chapter which results in the imposition of any penalty under section 182 or 183 of this title shall be paid 50 percent of any such penalty imposed and collected.

Source: PL 6-7-14 §20(3), modified.

§190. Same; provisions of regulation or permit enforceable.

For purposes of this chapter, the terms “provisions of this chapter” and “violation of any provisions of this chapter” include the provisions of any regulation or permit issued pursuant to this chapter.

Source: PL 6-7-14 §20(4), modified.

DIVISION 2: DOMESTIC FISHING

Chapter 10: District Entities  
for Development of Marine Resources

- §1001 Authorized; powers.
- §1002 Succession
- §1003 Funding
- §1004 Authorization of appropriations for 1979 and 1980.
- §1005 Annual report.
- §1006 Succession in absence of entity.

§1001. Authorized; powers.

Each district government is authorized to establish by law an entity to promote, develop, and support commercial utilization of living marine resources within its jurisdiction. The entity shall be composed of representatives of district parties with a significant interest in the utilization of living marine resources. The entity shall be provided by law with the power and authority to carry out the purpose stated above, which powers may include but need not be limited to the following:

(a) To provide guidance to the district government in establishing marine resources development policy;

(b) To make regulations concerning the exploitation of living marine resources as permitted by law;

(c) To serve as a conduit for public funds to establish and operate facilities required for commercial fisheries development, to conduct pilot fishing operations and to participate in large scale commercial fishing and related activities which are not suitable for investment by the private sector;

(d) To establish and support programs to promote, support and guide fishing cooperative associations. (P.L. No. 7-111, §1.)

Source: 45 TTC §162.

§1002 Succession.

Upon the establishment of a district entity pursuant to this chapter the provisions of former sections 151 to 161 of Title 45 of the Trust Territory Code shall cease to apply in that district and all assets, liabilities and activities of the district fishing authority created pursuant to those

provisions shall be transferred to the new district entity. (P.L. No. 7-111, §2.)

Source: 45 TTC §163, modified.

§1003. Funding.

Funds for the operation and activities of the district entity created pursuant to this chapter may be provided by the Trust Territory government, the Congress of Micronesia, the district legislature, the net earnings from its activities, and tax revenues generated from the sale of supplies and provisions to foreign fishing vessels entering ports within the district. (P.L. No. 7-111, §3.)

Source: 45 TTC §164.

§1004. Authorization of appropriations for 1979 and 1980.

The sum of \$240,000.00 for each of the fiscal years 1979 and 1980 is authorized to be appropriated from the general fund of the Congress of Micronesia to be made available to the district entity created pursuant to this chapter in the amount of \$40,000.00 per district per year or so much thereof as may be necessary, provided that matching funds are provided by appropriations from the district legislature. (P.L. No. 7-111, §4.)

Source: 45 TTC §165.

§1005. Annual report.

Each district entity created pursuant to this chapter shall prepare an annual report on its finances and activities to be submitted to the district legislature and the Congress of Micronesia within 20 days of the completion of each calendar year. (P.L. No. 7-111, §5.)

Source: 45 TTC §166.

§1006. Succession in absence of entity.

If no district entity is created pursuant to this act prior to May 1, 1979, the district administrator shall be responsible for the promotion, support and guidance of fishing cooperative associations, but he shall terminate the loan fund program established by section 157 of Title 45 of the Trust Territory Code and shall be responsible for the collection of outstanding loans as the payments become due and shall return to the general fund of the Congress of Micronesia such portion of those collections as were provided originally by the Congress of Micronesia, together with the interest collected thereon. (P.L. No. 7-111, §7.)

Source: 45 TTC §167, modified.

Chapter 11: Palau Fishing Authority  
Subchapter I: General Provisions

- §1101 Short title.
- §1102 Purpose.
- §1103 Definitions

§1101. Short title.

This chapter shall be known and may be cited as the “Palau Fishing Authority Act of 1980.”

Source: PT., 7-7-8 §1, modified.

1102. Purpose.

The purpose of this chapter is to create a legal entity to promote, develop, and support commercial utilization of living marine resources within the internal waters of the Republic.

Source: PL 7-7-8 §2, modified.

1103. Definitions.

In this chapter:

- (a) “Authority” means the Palau Fishing Authority.
- (b) “Board” means the board of directors of the Palau Fishing Authority.
- (c) “Internal waters” means the area landward of the inner boundary of the territorial sea, as defined in section 142 of this title.
- (d) “Manager” means the chief executive officer of the Palau fishing Authority.

Source: New section.

Subchapter II: The Authority

- §1121 Authority; created.
- §1122 Same; duties and powers.
- §1123 Board of directors; composition; meetings; quorum; expenses.
- §1124 Manager; appointment.
- §1125 Same; powers and duties.
- §1126 Treasurer and attorney; duties.

§1121. Authority; created

There is hereby created an authority to be called the Palau Fishing Authority. The Authority's functions shall be conducted in public and it shall have the right to sue and be sued in its own name.

Source: L 7-7-8 §3, modified.

§1122. Same; duties and powers.

The Authority shall have the following duties and powers:

(a) The Authority shall make such recommendations as it deems appropriate to provide guidance to the national government in establishing marine resources development policy in any internal waters.

(b) The Authority shall have the power to adopt rules and regulations concerning its operations, as permitted by this chapter, with respect to living marine resources in any internal waters.

(c) The Authority shall serve as a conduit for public funds to establish and operate facilities required for commercial fisheries development, to conduct pilot fishing operations and to participate in large scale commercial fishing, including joint ventures, and related activities which are not suitable for investment by the private sector and which occur within internal waters.

(d) The Authority shall establish and support such programs as it deems appropriate, to promote, support and guide fishing cooperative associations with respect to activities whose primary objective involves fishing in any internal waters.

(e) The Authority shall help finance and support the development of locally owned private fishing enterprises whose primary objective involves fishing in any internal waters, and may make loans to accomplish the same.

(f) The Authority shall be empowered to act as an agent for the sale of supplies and provisions, including fuel, oil, water and food, to foreign fishing vessels lawfully permitted to enter a port within the Republic, provided that nothing in this chapter shall operate to deprive any existing or future agent for the sale of such supplies and provisions from the right to operate in a lawful fashion.

(g) The Authority may generally carry on the business of establishing, developing, maintaining, operating and managing facilities for the commercial utilization of marine resources in any internal waters, with all powers incident thereto.

(h) The Authority shall be authorized to purchase, lease, and sell real or personal property, supplies, goods, materials, and commodities and to furnish and supply services incidental to its operations. It may procure insurance against liability or loss in connection with its operations hereunder in such amounts and from such insurers as it deems advisable;

(i) The Authority, in operating facilities and properties owned, leased or controlled by it, may enter into contracts, leases, and other arrangements with any person for terms not exceeding 15 years, granting the privilege of using or improving such facilities and properties or a portion thereof or space therein for any utilization connected with marine resources purposes, and may confer the privilege of supplying goods, commodities, things, or facilities at such facilities or properties or of making available services to be furnished by the Authority or its agent at such facilities or properties. It shall determine the charges or rentals for the use of any facility or property under its management and control, and the terms and conditions under which the facility or property may be used. Charges shall be reasonable and uniform for the same class of service, and established with due regard to the value of the facility or property and improvements used and the expenses of the operation of the Authority. The Authority shall have and may enforce liens to enforce the payment of any such charges through appropriate judicial proceedings. The right to levy charges or rental for the use of the facility or property under its management shall be exclusively that of the Authority and all such charges and rental as well as other revenues of the Authority are to be applied as herein set forth.

(j) The Authority may contract with any person, firm or corporation for the planning, supervision, financing, construction, operation and maintenance of, or may itself construct or otherwise acquire, operate, and maintain all structures or improvements which in its judgment are useful, desirable or convenient in efficiently operating and maintaining facilities and properties. The Authority may also enter into

agreements with the Trust Territory Government, the national government, and their departments and agencies, for the rendering of services performed by such departments and agencies to the Authority.

(k) The Authority shall have the free use of the national government pouch mail.

(j) The Authority, including, but not limited to, its franchise, capital, revenues, obligations, including interest thereon, reserves, surplus, loans, income, assets, and property of any kind shall be exempt from all licensing and taxation now or hereafter required or imposed by the national government or any taxing authority in the Republic. However, such exemption shall not apply to persons entering into independent contracts with the Authority.

(m) The Authority is authorized to apply for, accept, expend and repay monies made available by grant, loan, or both by the United States Government, the Trust Territory Government, other foreign governments or the United Nations, as permitted by law, or the national government for planning or accomplishing , in whole or in part, any of the purposes of this chapter. Unless otherwise prescribed by the agency from which such monies are received, the chief financial officer of the Authority shall deposit all monies received pursuant to this subsection in a separately denominated account.

(n) The Authority shall maintain such records, libraries, research materials, administrative or office materials and other property, real or personal, including, but not limited to, detailed records of fishery products harvested, deemed to be necessary to enable the Authority to carry out the purposes of this chapter. Upon the request of the manager, employees of the national government may be assigned by the President of the Republic to assist the Authority to carry out activities of the Authority as set forth herein. Expenses thereof, if any, shall be reimbursed by the Authority as may be required by the President in the assignment.

(o) The Authority may employ agents and employees, and contract for the services of qualified managers, specialists or experts, as individuals or as organizations, to advise and assist the Authority and its employees. The Authority may set its own compensation, wage and salary scales pursuant to chapter

1 of Title 30 of this Code.

(p) The Authority shall provide training and extension services, as appropriate, to any person, consistent with the provisions of this chapter.

Source : PL 7-7-8 §4, modified. Second clause of PL7-8 §4(11), relating to the Authority's fiscal year, has been moved to §91142 (a).

§1123. Board of directors; composition; meetings; quorum; expenses.

(a) All powers vested in the Authority shall be exercised by a board of directors, which shall consist of seven members. Members of the Board shall be appointed pursuant to subsection (b) of this section and shall hold membership on the Board for a period of two years, subject to reappointment, and until their successors have been appointed and qualify.

(b) The President shall appoint the members of the Board, with the advice and consent of the Olbiil Era Kelulau, as follows:

(1) Five members shall be appointed from among the members of all fishing cooperatives chartered throughout the Republic pursuant to provisions of this chapter.

(2) Two members shall be appointed from among the general public.

(c) All vacancies occurring on the Board shall be filled by the President for the unexpired term of the member whose vacancy is being filled.

(d) Within 15 days after the appointment of the initial Board, and annually thereafter, the Board shall hold a meeting for the purpose of electing its officers for the ensuing year. The Board shall meet in public at least every three months and shall hold such other public meetings as it may deem necessary for the transaction of its general business.

(e) The Board shall organize by electing one of its members as chairman and another as vice chairman. The Board shall designate a secretary, who may or may not be a member of the Board itself, to keep the minutes and records of the Board.

(f) Any four members of the board shall constitute a quorum, a concurrence of four members shall be necessary for any official action taken by the Board unless otherwise provided herein. No vacancy membership of the Board shall impair the right of a quorum to exercise all of the rights and perform all of the duties of the Board.

(g) Members of the Board shall be entitled to reimbursement for actual expenses incurred in the performance of their official duties, upon approval of such expenses by the Board.

Source: Subsections (a) and (b) -- PL 7-7-8 §5; subsection (c) -- third sentence of PL 7-7-8 §6; subsection (d) -- first two sentences of PL 7-7-8 §6; subsection (e) through (g) -- PL 7-7-8 §7; section modified.

§1124. Manager; appointment

The Board shall appoint a manager who shall be its chief executive officer and who shall serve at its pleasure. The Board shall fix the manager's compensation pursuant to chapter 1 of Title 30 of this Code. The manager shall have full charge and control of the operations of the Authority.

Source: PL 7-7-8 §8, modified.

§1125. Same; powers and duties.

The manager shall have the following duties and powers:

- (a) To ensure that all rules and regulations of the Authority are enforced;
- (b) To attend all meetings of the Board and to submit a general report of the affairs of the Authority;
- (c) To keep the board advised on the needs of the Authority;
- (d) To approve demands for payment of obligations within the purposes and amounts authorized by the Board;
- (e) To prepare or cause to be prepared all plans and specifications for the construction and repair of works and facilities operated by the Authority.
- (f) To devote his entire time to the business of the Authority;

(g) To select and appoint the employees of the Authority except as otherwise provided in this chapter;

(h) To plan, organize, coordinate and control the services of employees of the Authority in the exercise of the Powers of the Authority under the general direction of the Board;

(i) To contract with independent contractors, as persons, organizations, to perform any of the tasks, work or other services of the Authority in lieu of hiring employees of the Authority to perform such services.

(j) To cause to be published all reports required by this chapter;

(k) To perform such other and additional duties as the Board may require; and

(l) To be an ex officio nonvoting member of the Board.

Source : PL 7-7-8 §9, modified.

§1126. Treasurer and attorney; duties.

The Board may appoint a treasurer and an attorney, both of whom shall serve at the pleasure of the Board and whose duties and compensation shall be fixed by the Board. The Board may appoint one or more assistants to any such office.

Source: PL 7-7-8 §10, modified.

Subchapter III: Administration of Authority

§1141 Employee rights.

§1142 Accounting and reporting.

§1143 Authority account.

§1144 Designation of depository for Authority.

§1145 Bids for purchases and construction.

§1146 Rules and regulations; publication of notice of adoption.

§1147 Rules and regulations; publication of notice of adoption.

§1148 Same, right to challenge.

§1149 Assistance from national government.

§1150 Insurance policies; liability of national government.

§1151 Authority exempt from bond requirements.

§1152 Authority not exempt from laws regulating investment by noncitizens.

§1153 Penalties; in general

§1154 Same; financial interest of members, officers and employees.

§1141. Employee rights.

The Board shall establish rules and regulations governing the selection, promotion, performance evaluation, demotion, suspension, dismissal, and other disciplinary rules for employees of the Authority pursuant to law.

Source : PL 7-7-8 §13.

§1142. Accounting and reporting.

(a) The Board shall adopt and maintain a system of accounting principles. The fiscal year of the Authority shall correspond to that of the national government.

(b) The Board may employ a firm of independent certified public accountants who shall examine and report to the Board, at least annually, upon the status of the financial records and accounts maintained by the Authority. Copies of any such reports shall be furnished to the President and the Olbiil Era Kelulau.

(c) The Board shall present an annual report on the financial affairs of the Authority within 60 days after the end of each fiscal year, and, if requested by the President or the Olbiil Era Kelulau, shall present special reports within 30 days after the end of the each intervening quarter.

(d) The Board shall report to the President and the Olbiil Era Kelulau annually on January 20 on its activities, plans, recommendations, policies, and other relevant information it deems appropriate.

(e) The Board may provide such data and services, in consultation with any agency of the national government, or person, as it deems appropriate.

Source: PL 7-7-8 §12 @1 and subsections (1) through (4), modified.  
Second sentence of subsection (a) is from PL 7-7-8 §4(11).

§1143. Authority account.

(a) There is hereby established an account in the National Treasury called the "Palau Fishing Authority Account". The Authority shall maintain this account

separate and apart from the accounts of the national government, and independent records shall be maintained in connection therewith.

(b) All monies received by the Authority Pursuant to law shall be deposited in the Palau Fishing Authority account, or in such accounts as may be established pursuant to this chapter.

(c) All expenditures, except as otherwise provided by law, shall be made from the Palau Fishing Authority Account.

Source: PL 7-7-8 §12(5) through (7), modified.

§1144 Designation of depository for Authority

The Board shall designate one or more banks within the Republic to serve as. A depository for the funds of the Authority. All funds of the Authority shall be deposited in such depository bank or banks.

Source: PL 7-7-8 §22, modified.

§1145: Bids for purchases and construction.

(a) The purchase of all supplies and materials, and the construction of all works, when the expenditure exceeds \$5,000.00, will be by contract let to the lowest responsible bidder. Notice requesting the bids shall be published at least 10 days before bids are received. The Board may reject any and all bids and readvertise at its discretion.

(b) If, after rejecting bids for materials and supplies, the Board determines that, in its opinion, the materials and supplies may be purchased at a lower price in the open market, the Board may authorize such purchases without further observances of the provisions of subsection (a).

(c) The Authority, as an instrumentality of the national government, shall utilize the services of national purchasing agencies wherever practical.

(d) The provisions of this section shall not apply to the procurement of professional, advisory, or technical services.

Source: PL 7-7-8 §11, modified.

§1146. Rules and regulations: publication of notice of adoption.

Whenever the Authority adopts rules or regulations it shall publish a notice of adoption. One notice may embrace any number of rules and regulations, and each notice must advise that breach of the particular rules or regulations is punishable and must state the possible punishment. Said notice must also state that the full text of the rules and regulations is on file at the principal office of the Authority, where the same may be read by any interested person during reasonable business hours. In addition to the notice of adoption of rules and regulations, a substantive statement shall be published, in condensed form, along with said notice, so as to afford a reasonable understanding of any act forbidden by the rules and regulations.

Source: PL 7-7-8 §18, modified.

§1147. Rules and regulations: effective date.

Fifteen days after the publication of the notice hereby required, the advertised rules and regulations shall be in full force and effect, and ignorance thereof shall not constitute a defense to prosecution for the enforcement of a penalty. The rules and regulations authorized hereby, after required publication, shall be judicially recognized by the courts as valid laws of the Republic.

Source : PL 7-7-8 §16, modified.

§1148. Same: right to challenge.

Any person substantially interested or affected in his rights as to property by a rule or regulation adopted by the Authority may petition the Authority for a reconsideration of such rule or regulation, or for an amendment, modification, or waiver thereof. Such petition shall set forth a clear statement of the facts and grounds upon which reconsideration, amendment, modification or waiver is sought. The Authority shall grant the petitioner a public hearing within 30 days after filing of said petition and a decision on said petition shall be publicly released not more than 20 days after the final public hearing held upon the petition.

Source: PL 7-7-8 §17, modified.

§1149. Assistance from national government.

For the purpose of aiding in the planning, undertaking or carrying out of the provisions of this chapter and of the provisions contemplated herein, and the subsequent operational of the Authority, that.....*(Incomplete paragraph due to unreadable print-out)*

*(Incomplete paragraph due to unreadable print-out)*.....agency may if the President determine that such project will benefit and further the public purposes of the Republic:

- (a) Dedicate, sell, convey, or lease any interest it may have in any real or personal properties, rights, or privileges to the Authority;
- (b) Incur expenses on behalf of the Authority, subject to reimbursement under such terms and conditions as may be agreed upon with the Authority;
- (c) Do any and all things necessary to aid or cooperation in the planning or carrying out of the duties, powers and obligations of the Authority.
- (d) Lend, advance, grant or contribute funds to the Authority and provide for or waive the repayment of any such funds loaned or advanced;
- (e) Contract with or furnish services of the Authority upon terms and conditions as may be agreed upon; and
- (f) Enter into any agreements which may extend over any period of time.

Source: PL 7-7-8 §21, modified.

§1150. Insurance policies; liability of national government.

- (a) To the extent that any liability of the national government, with respect to the Authority, or of the Authority is covered by a policy or policies of insurance, and national government waives its limitation of liability.
- (b) All claims made against any policy of insurance purchased by the Authority shall be made in accordance with the procedures and time limitations set forth in the policy or policies of insurance, except that:
  - (1) All claims shall be presented to the manager of the Authority, who shall promptly present the same to the insurance carrier, or to their designated agents for processing, and

(2) No policy shall place a time limit on filing claims of less than six months.

(c) Each policy of insurance written covering the Authority or its interest shall contain a clause waiving any defense of sovereign immunity which may be raised against the payment of the claim by the carrier up to the limits of the policy.

Source: PL 7-7-8 §14, modified.

§1151. Authority exempt from bond requirements.

The Authority shall not be required to give any bond as security for costs, supersedeas, or any security in any suit or action brought by or against it, or in proceedings to which it may be a party in any court in the Republic. It shall have the remedies of appeal and writ of error to all courts without bonds, supersedeas, or security of any kind.

Source: PL 7-7-8 §20, modified.

§1152. Authority not exempt from laws regulating investment by noncitizens.

Nothing in this chapter shall be deemed to exempt any operation, venture, joint venture, contract, lease, arrangement, service, or other activity of any description whatsoever of the Authority, or any person or entity receiving its assistance, from any requirements of any law or regulation with respect to investment by noncitizens in the Republic.

Source: PL 7-7-8 §23, modified.<sup>52</sup>

§1153. Penalties; in general.

Any person who violates any provision of this chapter, or any valid rule or regulation promulgated under this chapter, concerning the operation of the Authority, is, on conviction, punishable by a fine of not to exceed \$1,000.00, or by imprisonment not to exceed three months, or both.

§1154. Same; financial interest of members, officer and employees.

(a) No Board member, officer, or employee of the Authority, either for himself or as agent for anyone else, shall benefit directly or indirectly by reason of any sale, purchase, contract or transaction entered into

by the Authority except as otherwise provided by this chapter, and provided that this section shall not apply to a Board member who owns less than five percent of the entire capital stock of a corporation which benefits directly or indirectly from a transaction.

(b) Any person who shall directly or indirectly become interested in any such sale, purchase, contract or transaction while serving as a Board member, officer, or employee of the Authority shall be guilty of a misdemeanor. Upon the filing of complaint of such misdemeanor, the Board, in its discretion, may suspend the services of the charged person pending final determination thereof. Upon conviction thereof, he shall forfeit his position or office and shall be punished by a fine not to exceed \$2,000.00, or by imprisonment not to exceed one year, or both.

source: PL 7-7-8 §19, modified.

*[Republic of Palau, Public Law 3-42 (excerpt)]*

27 PNC 121 is amended as follows:

§121 Palau Maritime Authority: created; term; chairman; meetings; compensation

(a) There is hereby established a Palau Maritime Authority composed of seven members to be appointed by the President with the advice and consent of the Senate.

(b) Members shall be appointed for terms of four years; provided, however, that of the initial members appointed subsequent to this amendment, two shall serve terms of two years, two shall serve terms of three years, and three shall serve terms of four years. Members may be removed only for cause. Vacancies shall be filled in the same manner as the original appointments for the remainder of the term of office of the vacancy.

(c) The present Palau Maritime Authority members shall continue to serve until at least four members of the new Board of Directors established by the amendment of subparagraph (d) of this subsection have been appointed and approved by the Senate. The members of the Board of Directors established by this act shall not assume their position and perform their functions and duties until at least four members have been duly appointed and approved. In no event, however, shall the members of the present Palau Maritime Authority serve beyond March 31, 1991.

**AN ACT**

To amend 27 PNC 167 to require approval of the Olbil Era Kelulau for foreign fishing agreements.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIL ERA KELULAU DO ENACT AS FOLLOWS:-

Section 1. Amendments 27 PNC 167 is amended to read as follows:

§167. Fishing permits; in general.

.....

(b) Fishing permits will only be issued in accordance with a foreign fishing agreement approval by joint resolution of the Olbil Era Kelulau; provided that permits issued for noncommercial fishing in accordance with Section 1/1 of this title need not be pursuant to a foreign fishing agreement.

Section 2. Effective date This Act shall take effect upon the approval by the President of the Republic of Palau, or upon its becoming law without such approval except as otherwise provided by law.

PASSED: July 30, 1991

Approved this 16th day of August, 1991

**The Honorable Ngiratkel Etpison  
President, Republic of Palau.**

**TITLE 24**  
**ENVIRONMENTAL PROTECTION**

**DIVISION 2: WILDLIFE PROTECTION**

24 PNC 1201  
1211

PROTECTED SEA LIFE

24 PNC

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Chapter 12: Protected Sea Life  
Subchapter I: Turtles

§1201 Limitations on taking of turtles.

§1201. Limitations on taking of turtles.

(a) No hawksbill turtles or sea turtles shall be taken or intentionally killed while on shore, nor shall their eggs be taken.

(b) No hawksbill turtle shall be taken or killed except shell is at least 27 inches when measured over the top of the carapace shell lengthwise; no green turtle shall be taken or killed except whose shell is at least 34 inches when measured over the top of the carapace shell lengthwise.

(c) No sea turtle of any size shall be taken or killed from the first day of June to the thirty-first day of August inclusive, nor from the first day of December to the thirty-first day of January inclusive.

(d) Notwithstanding any provisions of this section to the contrary, taking of sea turtles and their eggs shall be allowed for scientific purposes when specifically authorized by the President.

(e) A person violating any of the provisions of this section shall, upon conviction, be imprisoned for a period not exceeding six months, or fined not more than \$100.00, or both.

Source: Subsections (a) through (d) -- 45 TTC §2;  
subsection (e) -- 45 TTC §5; section modified.

Subchapter II: Sponges

§1211 Control of sponge harvesting.

§1211. Control of sponge harvesting.

(a) No sponges artificially planted or cultivated shall be taken or molested, except by permission of the President.

(b) A person violating any of the provisions of this section, upon conviction, be imprisoned for a

period not exceeding six months, or fined not more than \$100.00, or both.

Source : Subsection (a)-- 45 TTC §3; subsection (b) -- 45 TTC §5;  
section modified.

Subchapter III: Mother-of-Pearl

§1221. Control of black-lip mother-of-pearl oyster shell harvesting.

§1221. Control of black-lip mother-of-pearl oyster shell harvesting.

(a) No black-lip mother-of-pearl oyster shell (*Pinctada margaritifera*) shall be taken except whose shell is at least four inches in diameter as measured across the nacre.

(b) No black-lip mother-of-pearl oyster shell of any size shall be taken from the first day of August to the thirty-first day of December inclusive.

(c) Notwithstanding any provisions of this section to the contrary, black-lip mother-of-pearl shells of any size may be taken at any time for, scientific purposes when specifically authorized by the President.

(d) A person violating any of the provisions of this section shall, upon conviction, be imprisoned for a period not exceeding six months, or fined not more than \$100.00, or both.

Source: Subsections (a) through (c) -- 45 TTC §4; -- 45 TTC §5;  
section modified.

Subchapter IV: Dugong

§1231 Conservation of dugongs.

§1231. Conservation of dugongs.

(a) No person shall kill, trap, capture, wound, possess, transport, restrain or otherwise have under his control any dugong or any part or product thereof, except as provided for in subsections (b) and (c).

(b) The President may, upon cause shown, grant a permit for the capture, restraint, or transportation of dugong subject to such terms, conditions and restrictions as he may deem fit and proper.

(c) If any dugong is accidentally caught in a fishing net, trap, wire, or by any other fishing method, it must be released immediately if still alive. If found dead in such fishing apparatus, the person who found it must notify the chief executive officer of the state where found. The chief executive officer shall ascertain that the dugong was caught inadvertently and found dead and, after establishing these facts, shall release the dead dugong to the person who found it.

(d) A person found guilty of violating this section shall, upon conviction, be imprisoned for a period of not more than six months, or fined not more than \$50 00 or both for the first offense; for every offense thereafter, the convicted person shall be imprisoned for not more than one year, or fined not more than \$100.00, or both.

Source: PDC §203, modified.

#### Subchapter V: Trochus

§1241 Trochus; defined.

§1242 Same; harvesting restricted.

§1243 Same; designation of season; rules and regulations for harvesting.

§1244 Same; authority of state government to permit removal and replanting of beds.

§1245 Export of clam meat prohibited.

§1241. Trochus; define.

For purpose of this subchapter, the term Trochus shall be considered Trochus niloticus. The names of Trochus maximus, Tectus niloticus, and Tectus maximus shall be considered names synonymous with Trochus niloticus.

Source: 45 TTC §51(2), as amended by RPEL 1-30 §1, modified

§1242. Same; harvesting restricted.

The harvesting of or in any way intentionally interfering with the growth of trochus in the waters of any state of the Republic is prohibited, except as provided in sections 1243 and 1244 of this chapter.

Source: 45 TTC §51(l), as amended by RPPL 1-30 §1, modified

§1243. Same; designation of season; rules and regulations for harvesting.

(a) Each state government may designate and vary from year to year an open season or seasons for such period of time as deemed advisable for the harvesting of trochus in its territorial waters, and may designate certain reefs or sections thereof that shall be closed for harvesting of trochus, notwithstanding the fact that the season is open. The open season may vary different areas or islands within each state. Public notice shall be given in each state of the dates designated for the harvesting of trochus and of the reefs, that have been declared closed, if any, by posting a writing in the Palauan and English languages in a public and conspicuous place and filing a copy of each designation with the Clerk of Courts.

(b) During an open season, any citizen of Palau may dive for and harvest trochus in the state to which the season applies, within those areas in which he has the right to fish under established local custom and subject to any regulations of the concerned state government governing the taking of trochus; provided that no trochus shall be taken whose shell is less than three inches in diameter at the base.

(c) Each state government may, if it is deemed expedient, prohibit the harvesting of trochus during any calendar year or years. Public notice shall be given of the prohibition in the same manner as the notice designating the dates for the harvesting of trochus in subsection (a) of this section.

Source: 45 TTC §52, as amended by RPPL 1-30 §1, modified.

§1244. Same; authority of state government to permit removal land replanting of beds.

(a) If a state government determines that water operations which will interfere with an existing trochus bed are in the public interest, a written permit may be issued by the appropriate state official for the removal and replanting of such bed at the expense of the person or persons desiring to conduct the underwater operations.

(b) Each state government may at any time authorize the removal and transportation of trochus for the purpose of introduction to other reefs, islands or atolls.

Source: 45 TTC §53, as amended by RPPL 1-30 §1, modified.

Subchapter VI: Clams

§1261 Export of clam meat prohibited.

§1261. Export of clam meat prohibited.

(a) For purposes of this section, clam shall mean; Tridacna gigas (Otkang); T. squamosa (Ribkungel); T. derosa (Kism); T. maxima (Melibes); T. crocea (Oruer); and Hippopus hippopus (Duadu)..

(b) Any person who shall engage in a commercial activity for purposes of exporting clam meat or part thereof, or engage or take part in such export shall be guilty of a misdemeanor and upon conviction, shall be imprisoned for a period of not more than 1 year, or fined not less than \$500.00 nor more than \$2000.00, or both.

Source: RPPL 1-9 §1, modified.

Chapter 13: Illegal  
Methods of Capture

Subchapter I: Fishing with  
Explosives, Poisons or Chemicals

§1301 Definitions.

§1302 Catching marine life with poisons, etc.; possessing or selling marine life caught with explosives, etc.; placing explosives, etc. in waters with intent to kill marine life.

§1303 Exceptions.

§1304 Use of local roots, nuts, or plants.

§1305 Penalties.

§1301. Definitions

In this subchapter, the terms “poisons,” “chemicals,” or “substances” include, but are not limited to, hypochlorous acid or any of its salts, including bleaches commonly sold under various trade names, such as Clorox and Purex, and bleaching powders, preparations containing rotenone, tephrosin or plant material from Barrington asiatica, coculus ferrandianus, Hura crepitans, Piscidia erythrina, Tephrosia purpurea, and wikstremia.

Source: 45 TTC §1(1) (a), second sentence, modified.

§1302. Catching marine life with poisons, etc.; possessing or selling marine life caught with explosives etc.; placing explosives, etc. in waters with intent to kill marine life.

Except as provided in section 1303 of this subchapter:

(a) No person shall knowingly catch any fish or other marine life by means of explosives, poisons, chemicals or other substances which kill fish or marine life.

(b) No person shall knowingly possess or sell any fish or any other marine life caught by means of explosives, poisons, chemicals, or other substances which kill fish or marine life.

(c) No person shall knowingly place or cause to be placed, in any waters of the Republic, explosives, poisons, chemicals, or other substances with the intent to kill fish or other marine life.

Source: 45 TTC §1(1)(a), first sentence, §1(1)(b), modified.

§1303. Exceptions.

The provisions of section 1302 of this subchapter shall not apply where the President:

(a) Has granted written permission to use the means prohibited in section 1302; or

(b) Has determined that:

(1) The purpose of obtaining the fish or other marine life is to avoid the waste or loss of such fish or marine life; and

(2) The consumption or sale of fish or other marine life caught by any means the use of which is prohibited in section 1302 is not harmful or hazardous to health and human life.

Source: 45 TTC §1(2), modified.

§1304. Use of local roots, nuts or plants.

Nothing in this subchapter shall be construed to prevent any person from catching any fish or other marine life by the use of local roots, nuts, or plants which have the effect of stupefying but which do not kill fish or other marine life.

Source: 45 TTC §1(3), modified.

§1305. Penalties.

Any person who violates any of the provisions of this subchapter shall, upon conviction, be fined not more than \$100.00 or more than \$2000.00, or imprisoned for not less than six months or more than two years, or both.

Source: 45 TTC §1(4), modified.

Subchapter II: Other Prohibitions

§1321 Definitions.

§1322 Placing of explosives or poisons in waters; taking of marine life affected by explosives or poisons

§1323 Exception.

§1324 Prima facie evidence.

§1325 Penalties.

§1326 Seizure of gear

§1321. Definitions.

In this subchapter:

(a) "Marine life" means anything which lives, either wholly or partly, within water. It includes, but is not limited to, fish, mollusks, coral, and all plants.

(b) "Poison" means any substance which is capable of stunning, killing, otherwise incapacitating any marine life. "Poison" includes, but is not limited to, petroleum, coal or oil tar, lamp-black, aniline, asphalt bitumen, residuary products of petroleum, or carbonaceous materials or substances.

Source: PDC §205(b), modified.

§1322. Placing of explosives or poisons in waters; taking of marine life affected by explosives or poison.

Except as provided in section of this subchapter:

(a) The placement of any explosive in any waters of the Republic is prohibited.

(b) The placement of any poison in such a way as to allow it to be discharged, passed, or deposited in the waters of the Republic is prohibited.

(c) The taking of marine life which has been taken, killed, or stunned by use of an explosive or poison is prohibited.

Source: PDC §205(a)(1), modified.

§1323. Exception.

The President, or his representative, may issue a permit to persons involved in scientific research, exploration, construction, or other uses, not including fishing with explosives or poisons as described in subchapter I, which in the opinion of the President is in the best interests of the people of Palau. The permit shall specify the persons who may use a poison or explosive, and the time during which they may use the poison or explosive.

Source: PDC §205(a)(2), modified.

§1324. Prima facie evidence.

The possession of any explosive or poison by fishermen, or persons in the habit of fishing, or persons who are in the water or close by any water where marine life can be taken, and the possession of fish which have been taken by any explosive or poison shall be prima facie evidence of violation of this subchapter.

Source: PDC §205(c), modified.

§1325. Penalties.

Any person who violates any provision of this subchapter shall, upon conviction, be imprisoned not more than six months, or fined not more than \$100.00 dollars, or both.

Source: PDC §205(d), modified.

§1326. Seizure of gear.

(a) Any fishing gear used by a person who is convicted of violating this subchapter shall be subject to forfeiture to the national government.

(b) If the gear is owned by a person other than the person convicted of violating this subchapter, the gear shall not be subject to forfeiture unless it is shown that the owner had knowledge that the gear was being used for an illegal purpose and that the owner then failed to inform the person using the gear that it was not to be used for an illegal purpose.

Source: PDC §205(e), modified.