

3. REGULATORY ENVIRONMENT

3.1 National Fishing Policy

The trend in the fisheries sector over the past five years has been one that emphasizes improved resource management and expansion into new species and areas. Towards facilitating these objectives, the Government of Chile established a set of sector specific policies:

a. Fish Resources

To promote the largest possible catches compatible with the goal of sustainable harvests, as well as fish hatcheries and fish farming.

b. Fish Processing

To not directly participate or interfere in the fish processing industry, which corresponds to the private sector, while reserving the right to manage the marine resources upon which the industry relies.

c. Free Market

To foster free market wholesale pricing of fresh and processed fish by eliminating market distortions.

d. Pollution

To establish adequate measures to protect the marine environment from pollution.

In addition, the Chilean Government enacted what is called the "Ley de Pesca y Acuicultura" (General Fishing and Aquaculture Law) in 1991. The introduction of the 1991 Fisheries and Aquaculture Law represented a welcome change from the previous legislation, which had been in effect since 1931, and provided the industry with a framework that supported sustainable exploitation of the fisheries.

3.2 Key Elements of the 1991 General Fishery and Aquaculture Law²

3.2.1 Fisheries

Fisheries Access: The Fishery and Aquaculture Law adopts as its starting point the principle of free access to all fisheries. However, when the National Fisheries Council pronounces a fishery as "incipient", "fully exploited", or "in recovery from over-exploitation", access may be limited.

²Source: *Industrial Outlook Report: Chilean Fisheries Sector*
Embassy of the United States of America, Santiago, October, 1993.