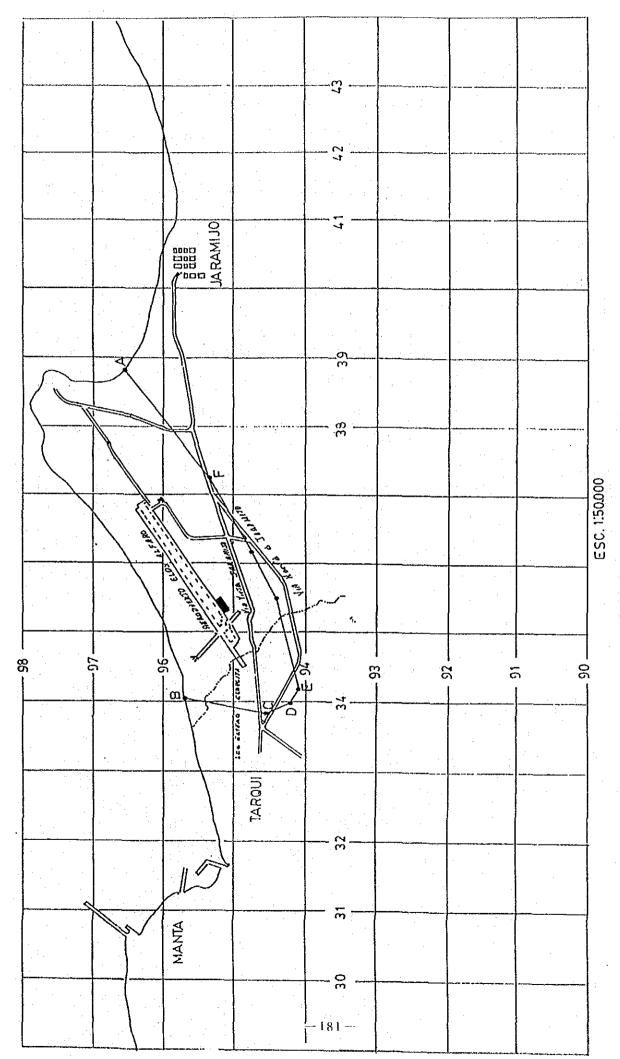
(2) Limited Area by Air Force

The Air Force controls the Manta International Air Port. It prohibits the usage of the land including airport without approval and the exclusively use of the land area.

On the sea area, navigations are free in front of the limited area at ordinary time, but navigations are also limited at emergent time.



LIMITED AREA BY AIR FORCE

(3) Manta Urban Development Plan

The meeting with Arq.Ricardo Alava, Urban Planning Director and Ing.Mature, Chief of Community Civil Work Department was held at Manta Community in order to get information about Manta Urban Development Plan.

The Urban Development Plan was explained. The works for the urban construction plan have already started. The main objectives of this work include:

- 1. Treatment of the mouth of Manta and Burro River in order to eliminate the actual sedimentation problem.
- 2. To improve the environmental conditions of the zone aside Rio Burro.
- 3. To canalise the Burro River in order to eliminate the winter flooding of Manta street located aside the river.
- 4. To reduce the runoff of Burro river to a constant and low level.
- 5. To improve the traffic jam present between Tarqui neighborhood and Manta downtown which includes some bay-pass bridges.

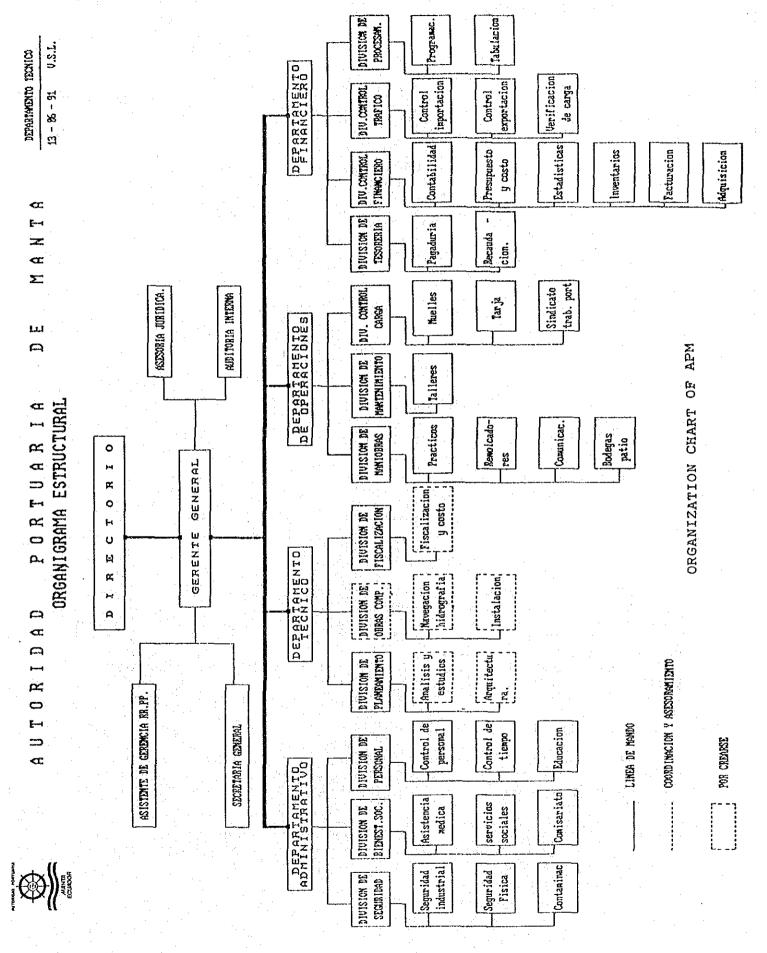
This project is supported by the Ecuadorian Development Bank (BEDE) and it will be carried out under Manta community supervisor. The agreement to initiate those works was established between Manta's Mayor and Engineer Paladines and GENCOLSA Consultants on May 7, 1991.

Paladines' Consultants will carry out all works included on groups 3, 5 and 9. (Specification Contract) with a total cost of S/.927,000,000. They received S/. 148,000,000, on June 12, 1991 as an advanced payment to start the works.

On the other hand, GENCOSA Company will carry out the works concerning vial planning and some improvements on Burro River; such works are included on groups 1, 2, 5, 6, 7 and 8. (Specification Contract), with a total cost of S/.2,850,000,000. They also received S/. 380,000,000, on June 12, 1991 as an advance payment to start the works.

A copy of existing drawings for the project are available at Port Authority of Manta. Some documents ragarding main objectives, specifications and a (copy of a) general map showing the exact location of the 35 (thirty five) dams projected jto be built along the Burro river was also obtained.

7. Organization of Manta Port Authority



8. Fishery Law (Extract)

FISHERY LAW AND FISHERY DEVELOPMENT No. 178

General Guillermo Rodriguez Lara President of the Republic

Preamble (Omission)

FISHERY LAW AND FISHERY DEVELOPMENT
TITLE I
Fundamental Arrangements
(Omission)

TITLE II
Fishery Sector
(Omission)

C H A P T E R 2
PUBLIC FISHERY SECTOR
(Omission)

TITLE III
Fishing Activity
(Omission)

CHAPTER 1
Practice
(Omission)

C H A P T E R 2 Extractive Phase

Art. 21.- The Extractive Phase consists of activities that as a result, capture bioaquatic species. Its regulation, control and encouragement correspond to the Ministry of Energy and Natural Resources. The phase of the cultivation of the bioaquatic species includes the spawning, growth and production done only with the care and caution of not interrupting the biological process in its natural state, and not to go against the ecological balance in order to obtain a rationalized production.

Art. 22.- The fisheries can be:

- a.) Artisanal, when fishing is done by individual fishermen or cooperatives that use fishing as a means of making a living and for consumption at home, using a small fishing gear and, of course, small fishing boats.
- b.) Industrial, when fishing is done with large vessels using biger fishing gear and this activity is done for commercial or processing purposes.

- c.) Investigative, when fishing is done for scientific, technical and training purposes.
- d.) Sports, when fishing is practiced as a pleasure/enjoyment or as an exercise.

Paragraph 10. ARTISANAL FISHERY

Art. 23.- The artisanal fishery is exclusively reserved for national fishermen.

Art. 24.- The Ministry of Energy and Natural Resources will organize the artisanal fishermen into cooperatives or other associations that will allow them to have technical assistance, some credit and other legal benefits.

The Ministry of Work and Social Welfare will approve with a previous favourable report from the General Directorate for Fisheries, the standing rules of the cooperatives and other artisanal fishing associations and will communicate this matter to the Ministry of Energy and Natural Resources for their registration.

REFORM

Art. 10.- Article 24 will state:
"The Ministry of Energy and Natural Resources through the Undersecretary for Fisheries Resources will organize the artisanal fishermen into cooperatives or other associations that will

allow them to have technical assistance, some credit and other legal benefits.

The Ministry of Work and Social Welfare will approve with a previous favourable report from the General Directorate for Fisheries, the standing rules of the cooperatives and other artisanal fishing associations and will communicate the matter to this Ministry".

Paragraph 20. FROM THE INDUSTRIAL FISHERY

Art. 25.- In order to execute the Industrial Fishery it is required an authorization, through an Agreement, from the Ministry of Energy and Natural Resources.

Art. 26.- Anyone involved in Industrial Fishery should have boats owned or rented, or in association, from the necessary vessels technically equiped.

Art. 27.- The Ministry of Energy and Natural Resources will indicate the the construction quotas, the number and type of the fishing vessels fleet according to the corresponding regulations.

The Directorate of the Merchant Marine of the Coast will authorise the construction or remodeling of fishing vessels previous the favourable report from such Ministry.

- Art. 28.— The Ministry of Energy and Natural Resources will annually fix the maximum volumes, sizes and the fisheries species that are allowed, according to the results of scientific investigations, technical estimates and to the necessities to preserve the bioaquatic species.
- Art. 29.— In accordance with the development plans and programmes, classified companies will be authorised to have associations with foreign flag fishing vessels that are not constructed in the country, for the period of three years, extended to two more years prior to the corresponding request. Such vessels will pay the rights referred on Article 33 of this Law.

The above mentioned authorization will be given by means of a written agreement by the Ministries of Energy and Natural Resources, National Defense and Finance. The same authorization will be given to cold-storage foreign flag vessels that assist national fishing fleet which will be subjected to the same conditions.

No. 328
THE MINISTRY OF INDUSTRIES, COMMERCE, INTEGRATION AND FISHERIES
Preamble
(Omission)

C H A P T E R 3 REGISTRATIONS AND LICENCES

Paragraph 1o.

NATIONAL FLAG VESSELS

- Art. 32.- Each national flag vessel carrying-on fishing activities, it must have the following documentation aboard:
- a.) The annual fishing licence granted by the General Directorate for Fisheries or by the Fishing Inspectorate.
- b.) The registration and licence issued by the Maritime Authorities.
- c.) The fishing licence for each one of the crew members.
- d.) The rest of documents shown in the Maritime Police Code.

The Captain or the Ship owner who does not comply with the above required documents will be subjected to punishment according to this Law.

Art. 33.- National flag fishing vessels will pay for the Fishing Licence the amount determined, annually, by the National Fishery Development Council, according to the type of boats.

Paragraph 20.

FOREIGN FLAG VESSELS

Art. 34.— The Ministry of Energy and Natural Resources can authorize the entrance of foreign flag vessels. The corresponding registration and fishing licences will be issued by the General Fisheries Directorate, directly by them or through the Consulates based in Ecuador, according to the established regulations.

Art. 35.- In order to carry out fishing trips in territorial waters, foreign flag vessels should have aboard, apart from the documentation requested by the Maritime Police Code, the Fishing Licence valid for the calendar year and the fishing permit valid for the duration of one fishing trip.

Boats that are carrying out investigations, and those that enter with the Authorization established in Article 29 are exempt to have the above described documents.

Art. 36.— Authorized fishing vessels with foreign flags that carry out fishing trips, will pay rights in sucres or in equivalent foreign currency for the licence valid until December 31st. of each year and for the fishing permit valid for the duration of one trip, according to the amounts established or modified by Executive Decree prior a favourable legal opinion from the National Fishing Development Council.

Art. 37.- It is forbidden the entrance to the country of fishing, shrimp, lobster foreign flag vessels, except if they require the need of dry-docking services or repairs or in case of forced docking.

REFORM

Art. 12.- Article 37 will state:

"It is forbidden the entrance to the country of fishing, shrimp, lobster and factory foreign flag vessels, except if they require the need of dry-docking services or repairs or in case of forced docking.

C H A P T E R 4 THE PROCESSING PHASE

- Art. 38.- The processing phase is one which involves the conservation and transformation of fishery products.
- Art. 39.— The Ministry of Energy and Natural Resources, prior the necessary studies and coordination with competent organisms, will fix the areas on which industrial fishing installations and operations can be authorised, subjected to the corresponding regulations.
- Art. 40.- The Ministry of Energy and Natural Resources through the Undersecretary for Fisheries Resources will have the responsibility to demand the fulfilment of the obligations acquired by the fishing companies, taking care of the records and and compiling any necessary information.
- Art. 41.- The fishing companies will be subjected to the rules of hygiene, quality control and records. Products that are not suitable for consumption will be taken by the General Directorate for Fisheries, in coordination with the Health Authorities, and incinerated, preceeding a notification to the owner of such products.

C H A P T E R 5
Commercialization Phase
(Omission)

C H A P T E R 6
Common Arrangements to this Title
(Omission)

TITLE IV FISHING ENCOURAGEMENT

C H A P T E R 1
Classification of Fishing Companies
(Omission)

CHAPTER 2
Benefits
(Omission)

C H A P T E R 3
Special Benefits
(Omission)

TITLE V
INFRACTIONS AND PROCEDURES
C H A P T E R 1
Infractions and Sanction
(Omission)

CHAPTER 2
Competence and Procedures
(Omission)

TITLE VI GENERAL ARRANGEMENTS (Omission)



