

St. Paul Island named Foreign Trade Zone

WASHINGTON — Congressman Don Young announced last week that St. Paul Island's application for designation as a Foreign Trade Zone by the U.S. Department of Commerce has been accepted by the Foreign Trade Zone's Board.

A Foreign Trade Zone is a duty-free area located within the United States but outside of U.S. Customs territory. All types of goods may be imported into a Foreign Trade Zone duty free, and there they may be stored, processed, manufactured or assembled.

Processed or manufactured goods exported from a Foreign Trade Zone to a foreign country would not have to pay U.S. duties, and goods shipped to U.S. destinations would pay reduced duties and not be subject to some U.S. quotas.

"This designation will allow the Pribilof Islanders a means to expand the development of a private sector economy and reach economic self-sufficiency," Young said.

"St. Paul's strategic location in the middle of the rich fishing grounds of the Bering Sea makes it an ideal site for facilities to support and provision the fishing industry," he said.

Two shore-based fish processing plants will be built on the island as a direct result of the FTZ designation, Young said. Korean and Japanese companies are planning on building facilities on the island as well.

The two processing plants are expected to become the largest sources of permanent employment on the island.

Vern McCorkle, city manager of St. Paul believes the designation would be a progressive step for St. Paul's future.

"The Foreign Trade Zone will allow St. Paul to develop a private economy not based on the fur seal industry. The acceptance of St. Paul's application by the Foreign Trade Zone Board opens up a wealth of opportunities for both domestic and foreign companies interested in developing the Bering Sea Fishery."