



THIRD POST-FORUM DIALOGUE - Posing for official group photo. The Dialogue partners who attended the Post-Forum Dialogue were representatives of the Governments of Canada, the People's Republic of China, France, Japan, the United Kingdom, the United States of America, and the Commission of the European Community.



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Post-Forum Dialogue partners convened in Pohnpei

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The Third Post-Forum Dialogue convened at the FSM Congress Chamber, August 1 to 2. The Dialogue partners who attended were representatives of the Governments of Canada, the People's Republic of China (PRC), France, Japan, the United Kingdom (UK), the United States of America, and the Commission of the European Community (EC). They met with a Forum panel consisting of the Federated States of Micronesia as Chairman, and representatives of Vanuatu and Solomon Islands. A number of other Forum countries attended

as observers, according to a report by Forum Chairman, FSM President Bailey Olter.

The Dialogue comprised of two parts. First was a Plenary at which President Bailey Olter, Forum Chairman outlined the key positions reached by the Forum and all the partners made formal statements. This was followed by individual meetings with each partner at which specific issues of concern in Forum relations with each were discussed in more detail.

The Forum panel concentrated in all the Dialogue sessions on economic and environmental issues, since these had

emerged as undoubtedly the main themes of the Forum. The political and security area for the most part was touched upon lightly, although particular issues of clear Forum concern - for example, nuclear testing were brought up as appropriate. The broad approach by partners on both economic and environmental issues were encouraging. The Forum was assured of continuing commitment to the economic development of the region by partners, and in the main of support in wider economic fora such as APEC and GATT for the region's interests. There was also

(See *POST-FORUM*, Page 2)

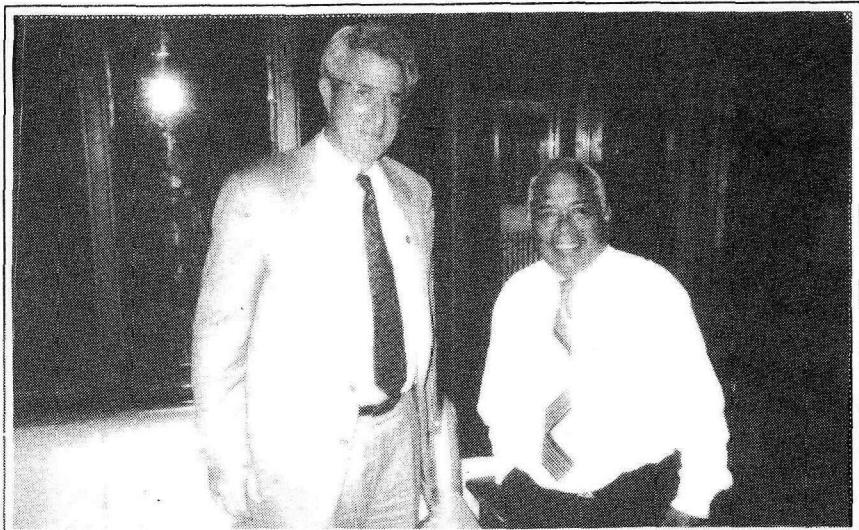
² Post-Forum....

(Continued from Page 1)

general understanding of the Forum's position on the environment, in particular of the critical importance to the region of the global climate change negotiations and next year's UNCED meeting, though clearly work remains to be done with several partners notably the United States and China to translate general understanding into specific commitments to necessary action.

The dialogue with Canada concentrated very much on development assistance. The Canadians noted that their Government's fiscal situation was forcing spending cutbacks, including development assistance, though the South Pacific allocation had to date been protected. They undertook continued consultation on the future of their major ocean development projects, while making the point that the budgetary situation precluded promises at this stage. Canada urged Forum Governments to make more use of non-traditional sources of assistance available in Canada. Given that resources provided by Canada to the region remain relatively small, the Secretariat as part of its follow-up will be providing more information to member governments about these other sources. Canada gave assurances (echoed by the United States) that the North American Free Trade Agreement under negotiation among themselves, the United States, and Mexico would not adversely affect access for products of Forum countries, though clearly this will require continued monitoring by the Secretariat.

Discussions with the People's Republic of China, as in 1990, spent considerable time on Forum/Taiwan relations, with the Chinese delegation reiterating its position that Taiwan is an unalienable part of China and that any official Forum/Taiwan contact is unacceptable to the People's Republic of China. It protested again about the use of the term "Republic of China" in the Communiqué. The delegation, however, understood the need for Forum countries to deal with Taiwan in economic areas, and raised no objections to the Secretariat's exploring, in consultation



SOLOMON VISITS PRESIDENT - Assistant Secretary of State for East Asia and the Pacific Richard Solomon (left) visited FSM President Bailey Olter (right) while in Pohnpei for the Post-Forum Dialogue.

with the People's Republic of China, possible modalities for a Forum/Taiwan meeting. It also confirmed that, in principle, the People's Republic of China is eager to attend the Dialogue in 1992 in Honiara, although the Government of Solomon Islands has no diplomatic relations with the People's Republic of China.

The panel responded that the Forum was well aware of the PRC's position, and asked for its (PRC's) understanding of the Forum's: four Forum members recognize Taiwan and other Forum Governments respect their views. In addition, many other Forum Governments have substantial economic contacts with Taiwan which increases the importance of consultations with Taiwan. It stressed that any Forum/Taiwan or Forum/PRC interaction must be without prejudice to the relations individual Forum members have with the PRC or with Taiwan, which are bilateral matters solely for the Governments concerned to decide.

While the Chinese position on Taiwan was in substance unchanged from the 1990 Dialogue, the discussion this year was neither as heated nor as prolonged, leaving more time to deal with economic and environmental questions. While discussions were only in General terms, the Chinese expressed a desire in principle to work to increase market access for FICs, and to devise ways to channel assistance through Forum institutions.

They were also generally supportive of the Forum's position on environmental issues, though their emphasis on the need for developed countries to take the lead in reducing greenhouse emissions, and in other environmental areas, does cast some doubt on their willingness to take immediate action.

The Dialogue with the EC concentrated heavily on economic assistance. This no doubt reflects the nature of the region's relationship with the EC, though it also owed something to the relatively junior level of EC representative: The EC delegate seemed unable to talk in any depth on issues, (such as EC political integration, of considerable potential relevance to the region), outside the economic assistance area. The delegation was reassuring in general terms on continuing assistance to the region despite competition from East Europe for funds, on support for the Forum's environmental concerns, and on access for FIC exports after implementation of the single European market. They were forthcoming, however, on more specific and immediate concerns such as the rigidity and complexity of aid delivery procedures, extension of the regional program to non-ACP countries, or further assistance for South Pacific participation in Expo 1992. The generally defensive responses on broader questions of the EC's international economic responsibilities, es-

(See POST-FORUM, Page 3)

Post-Forum

(Continued from Page 2)

pecially as they relate to the Uruguay Round, were not encouraging either.

There was more coverage of political areas in the Dialogue with France although the panel did also run over the economic and environmental concerns of the Forum, to a generally sympathetic response. Much time was spent on New Caledonia, where the atmosphere was helped considerably by the success, from both sides' viewpoints, of the Forum Ministerial Committee's visit. The French delegate said he had been encouraged by the Forum's discussion and conclusions on the New Caledonia issue. A major theme in his remarks was the French desire to promote vigorously the greater integration into the region of the French territories. President Olter in his report said that he understood the Secretariat is already working on opportunities for involvement by the territories in specific activities. He also gave assurances that France would welcome further visits to New Caledonia by any Cabinet Minister from any Forum country.

The French delegate also gave an outline of the conclusions of a study by the International Atomic Energy Agency of radioactive leakage from Mururoa Atoll, which he claimed showed conclusively that no leakage at all was taking place. He cast doubt of the independence and motives of the Greenpeace scientists who alleged otherwise. The panel vigorously reiterated the Forum position. They noted in particular that, if conflicting scientific evidence existed, the only safe course was to assume the worst case, and that in any case the Forum's opposition to French nuclear testing was based on security and disarmament concerns as well as environmental ones.

Discussions with Japan was somewhat hampered by the need for interpretation, though the delegation came better equipped than most with useful written materials on Japanese positions and programmes. One of the main benefits of the meeting was the opportunity to explain Forum interests in global and Asia/Pacific regional economic con-

sultations, such as GATT and APEC, give Japan's key role in such. It was useful also to obtain undertakings on continuing economic assistance to the region, including to look further at expanding assistance delivered through Forum institutions, although no progress was made on specific projects of this sort already under discussions, such as a Forum trade office in Tokyo. The delegation was also supportive of the Forum's position on environmental issues, noting in particular new Japanese funds allocated for environment-oriented ODA. Driftnetting is clearly still an area of some sensitivity however (although the commitment to a defacto cessation in the region was reiterated) and there was no real change either in the delegation's position on a multilateral fisheries treaty.

The Dialogue with the United Kingdom was by some distance the least substantial of the meetings, perhaps partly reflecting the lack of contentious issues, as well as a UK involvement in the South Pacific primarily on a bilateral basis. In a number of instances in which the panel did have points to make, the UK representative's disposition was to avoid expressing a view by suggesting that the issues were better raised at the supra-national level with the EC. The delegation was generally supportive of the Forum on economic development and environmental matters, but the discussion was rather shallow.

There was greater emphasis in the dialogue with the United States than in others on the global and regional security environment. The panel thought this appropriate in light of the key role US has played since World War II in security arrangements in the Asia/Pacific region. Little new matters emerged in the US presentation, but it was useful to be able to remind the US of South Pacific interests at a time of rapid and continuing changes in the international and Asia/Pacific security scene.

On the economic side, the US delegation was concerned to stress its desire to get concrete action on the Joint Commercial Commission underway as soon as possible. It stressed though that

resources for the South Pacific side would have to be largely provided from within the region. The panel reiterated the Communiqué's words, that the Forum has delegated continuing work on this to the Prime Minister of the Cook Islands. While the delegation reaffirmed the US Government's commitment to economic assistance to the region, including through extension of the multilateral fisheries treaty, it also made clear that it saw the flow of funds to developing countries increasingly depending on the private sector, for example, through the activities of the Overseas Private Investment Corporation. In general, the delegation said, the US approach to the region in the short term was to focus on implementation of policies outlined at last year's US/South Pacific Summit.

See POST-FORUM, Page 4



FAYSAL VISITS FSM - United Nations Fund for Population Activities (UNFPA) Director Faysal Abdel Badir (right standing), Suva, Fiji presented a Population Clock to FSM Vice President Jacob Nena (left standing) in a brief ceremony held at the Cabinet Room. The Vice President expressed FSM's gratefulness to UNFPA and other United Nations Agencies for their active support in the development of the FSM and also expressed his belief that with the admission of FSM as a member of the UN, FSM's relationship with the UN Agencies will be further strengthened. Faysal was on an UNFPA Mission to FSM, August 21-25. He discussed population issues with different department and four agencies of the FSM Government and also participated in the reviews of the projects funded by UNFPA.

4 Post-Forum

(Continued from Page 3)

THE NATIONAL UNION, August 1991

In the Forum Chairman's assessment, this was a generally successful series of Dialogue meetings. He reported that he understand discussions on the whole were considerably more substantive than in the past, no doubt reflecting increasing confidence and experience on both sides, as the Dialogue process is now three years old. As the region's shared international concerns grow, an opportunity to change views with its partners is potentially very important to the Forum. The higher level of representation by several partners this year shows that this is recognized also by the partners.

There is still room, nonetheless, to look at the possibility of further adjustments to procedures, especially on questions of agenda and timing. "This year, given timing constraints, the panel as I have noted," Olter stated, "concentrated on particular economic and environmental issues." President Olter reported that he was sure this was the right approach, since leaders had clearly identified these as of the greatest importance to the region. It does, however, raise the question of whether alternative mechanisms ought to be found to address with Dialogue partners some of the other significant issues which this Dialogue touched on only lightly. Some issues of economic development are obviously addressed more substantively at other regional economic meetings for example. "Similarly, especially since the security area got relatively little attention at this Dialogue, we might consider whether further consultations, with selected partners, in association with the Forum Regional Security Committee could partially fulfill the Forum's objectives in this area," reported Olter.

As far as timing is concerned, several partners have indicated that they would prefer a Dialogue directly after the Forum, rather than after an intervening day. This could have advantages in terms of immediacy and the ability of some leaders and officials to stay on for the Dialogue, though it would certainly handicap the panel in its preparations. Some sort of compromise, perhaps in-

volving an immediate plenary, with individual sessions following the next day, might be considered, so might a variation in length of sessions to reflect the relative substance of each agenda.

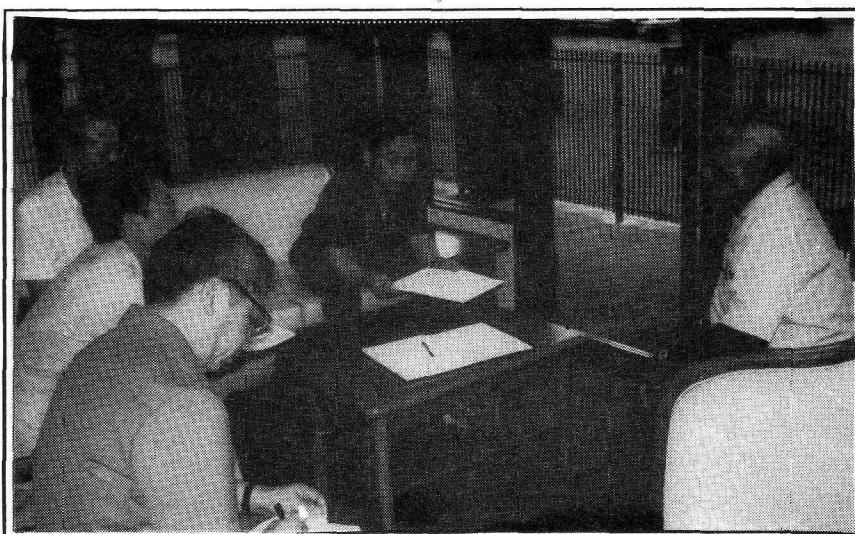
The experience of this year, does, furthermore, require us to monitor closely the list of partners. Seven in-

dividual Dialogue sessions each year is a major commitment for the Forum, the report concluded.

The 1992 Forum Meeting will be hosted by the Solomon and 1993 by the Republic of Nauru. The Forum will be hosted by member countries alphabetically starting with Australia in 1994.



US REPRESENTATIVES TO POST-FORUM VISITED VICE PRESIDENT - From left to right are General Counsel for the Overseas Private Investment Corporation Howard Hills, FSM Vice President Jacob Nena, Assistant Secretary of State for East Asia and the Pacific Richard Solomon, and Department of Commerce Deputy Assistant Secretary for International Economic Policy Rick Johnston.



CHINA OFFICIAL VISITS FSM - Vice Minister of Foreign Affairs of the People's Republic of China officially visited the FSM immediately after the conclusion of the Post-Forum Dialogue. The Vice Minister's visit is the first official visit by the People's Republic of China high ranking official to the FSM. While in Pohnpei, Mr. Liu called on President Bailey Olter and hosted a reception at the China Restaurant while President Olter hosted another dinner reception in honor of Mr. Liu the night before. From right to left are: President Olter, Vice Minister Liu Huaqui, Chinese Ambassador to the FSM Li Qinping, Interpreter Ma Xuesong, and Deputy Director of the Department of North America and Oceania, the Ministry of Foreign Affairs, Ma Zhengang.

U.S. Ambassador spoke on FSM relations under Bush's Administration

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The U.S. Ambassador to the FSM, Aurelia Erskine Brazeal, this year, spoke in the Ambassadorial Series to Community College of Micronesia (CCM) Staff Senate and faculty at CCM Campus in Kolonia about U.S.- FSM relations under U.S. President George Bush's Administration.

"I appreciate the opportunity to speak to you today as part of the Staff Senate's Ambassadorial Series. It is a privilege to be here to discuss U.S. and FSM relations under the Bush Administration," Brazeal said.

She said, "My view is simple: During this administration is precisely the time when America should work with the Federated States of Micronesia (FSM) under the terms of the Compact of Free Association on how best to move from the Post-1945 world (Epitomized by the now permanently defunct Trusteeship status) to the Post-1990s world — and into the 21st Century. My assumptions behind this statement are simple as well. The United States and the FSM must work out the adjustments cooperatively, must keep the global context self-inflicted move, or even a slow drift, towards a lessening of the bonds of the relationship and I believe that we will make the adjustments and strengthen even more our relationship."

"The dominant trends shaping the 21st Century are the decline of communism as an economic and political system, an increasingly integrated economy of global scale sparked by spectacular technological change, and a worldwide trend toward democracy and free enterprise. Pacific Basin Nations, including especially the U.S., are on the cutting edge of these trends. They

have demonstrated to the world that the unleashing of market forces and human creativity is the strongest basis for sustained prosperity. National success in future world economies will belong to societies that nature individual initiative, openness, the free flow of information and fair competition. In particular, the nature of power may shift from the traditional — military and financial — to become the ability to rapidly process and act upon information," Brazeal added.

"Where might the FSM fit into this global picture?" Brazeal questioned, adding, "Blessed by an abundance of the key ingredient — human resources — needed for this future world, the FSM using the Compact of Free Association can concentrate on making the 1990s the decade of economic development. You here today are part of that future. The information age will need your skills and your country — the Federated States of Micronesia — will need your leadership."

"The efficient use of Compact funding will prepare the FSM for the information age and a leadership position among Pacific Island Nations. On December 22, 1990, the United Nations (UN) Security Council confirmed the Termination of Trusteeship Status for the Federated States of Micronesia. It confirmed the actions taken by the U.N. Trusteeship Council on an earlier date. This action endorsed the fact that the FSM has emerged as a legitimate, respected actor in regional and international affairs," Brazeal said.

"Where can the U.S. fit into this process?" Brazeal questioned, adding, "One of the dedicated purposes of a large part of the Compact of Free Association Assistance is to

create the infrastructure necessary for a progressively self-reliant FSM economy. Guidelines established by the FSM's own Economic Development Plan (19985-1989) appear to complement the objectives of such assistance. These are, in part, seeking market-oriented economic development; protection of the environment; manpower development; investment in income and employment generating projects; promotion of R&D; promotion of exports. One of the Bush Administration's priorities is helping the FSM achieve these goals."

In addition Brazeal said, "The path to be followed by the U.S. and the FSM is set in the Compact of Free Association. It will be our guide — for our political, security, economic and cultural relations — all aspects of our Free Association. Our nations face a historic opportunity to help shape a firm, more secure, and more prosperous world in which our shared ideals and our democratic way of life can flourish. The energy, the faith, the devotion which each of us brings to this endeavor will determine how the peoples of our two countries prosper. The Bush Administration seeks to strengthen even further the friendship between the United States and the Federated States of Micronesia as we move down this path."

"Already we have arrived at the landfalls of trust, mutual advantage and deep friendship. In short, our relations are excellent. I am confident they will remain so. I will continue to do my part in explaining U.S. policy and objectives to you, the citizens of the FSM. I look forward to working with you in the months and years ahead in a close, cordial and respectful way to promote mutual interests," Brazeal concluded.

6 FSM & Fiji signed Cultural Cooperation Treaty

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - FSM President Bailey Olter and Prime Minister of the Republic of Fiji Ratu Sir Kamisese Mara on July 30, signed a treaty between the FSM and Fiji at the Cabinet Room concerning cultural cooperation.

The two countries in signing, desirous of strengthening the spirit of cooperation and friendship existing between the two countries; inspired by the common desire to promote and develop cultural relations and understanding between their respective people.

Each government shall, subject to its laws and regulations: endeavour to accord to the other, all available facility to ensure better understanding of their respective cultures through the exchange of books, periodicals, and other publications relating to history, arts, literature, science and education; cinematographic films including television and radio programs dealing with culture, arts, science and education; arts and cultural exhibitions; encourage the exchange between their countries of professors, scholars, journalists and members of scientific and cultural institutions; encourage the establishment in its territory of associations of the other country with scholarships and other facilities for study and research in their respective countries in the scientific, technical and cultural fields, including research projects on pre-historic and historic ties between the two countries; and encourage sports competitions between their respective nationals as well as exchanges of coaches and sharing of training techniques between their recognized sports organizations.

Both governments agreed to take steps to prohibit illegal trafficking of cultural property; consult with each other to review the operation of this agreement and to discuss, when deemed necessary, implementation of its provisions.

This agreement shall not affect the validity or execution of any obligation arising from other international agreements, conventions, treaties or protocols concluded by either government.

The governments of the Fiji and FSM have designated their Ministry of For-

ign Affairs and the Department of External Affairs, respectively, as their implementing agencies for the purpose of this agreement. The implementing agencies shall communicate through diplomatic channels.

Either government may propose in writing amendments to this agreement to which the other government shall reply within 120 days upon receipt of such notice. Any amendment shall come into force after formal written agreements have been given by both governments.

This agreement shall enter into force on the date of signature by both government and shall remain in force for a period of five years and shall continue in force thereafter unless sooner terminated by either government by three months' prior notice in writing.

Projects which, at the expiration of this agreement have already been commenced but have not been fully implemented, shall be carried out to their completion in accordance with the provisions of this agreement, unless there's a mutual agreement to terminate.



FSM AND FIJI SIGNED TREATY - FSM President Bailey Olter and Fiji Prime Minister Ratu Sir Kamisese Mara, July 30, signed a treaty between the two countries concerning cultural cooperation. From left to right are Acting Secretary of External Affairs Asterio Takesy, Olter and Sir Kamisese Mara.

FSM supports prohibition of driftnet fishing

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - a bill introduced by Speaker Jack Fritz during the First Special Session of the FSM Congress would prohibit the Micronesian Maritime Authority (MMA) from issuing fishing permits to domestic or foreign vessels fishing by means of driftnet, gill net, or other similar methods of catching fish, according to a release from the FSM Congress.

The MMA is the FSM Government agency that negotiates and issues fishing permits to foreign fishing companies that do commercial fishing in the FSM waters.

The 22nd South Pacific Forum which concluded its meeting at the FSM Capital in Palikir reaffirmed its commitment to

the Tarawa Declaration which committed members of the Forum to the cessation of driftnet fishing within their waters and to actively contribute to international efforts to prohibit such practice. In this regard the Forum welcomed the entry into force on May 17, 1991 of the Convention for the Prohibition of Fishing with Long Driftnet in the South Pacific and reaffirmed its call for all eligible countries to accede to the Convention and its Protocols, as appropriate.

The FSM is a member of the Forum and a signatory to a Forum Communiqué issued at the conclusion of the Forum Meeting in Palikir in which driftnet fishing was prohibited.

(See DRIFTNET, Page 7)

FSM adjourned 1st Special Session

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - FSM Congress adjourned its First Special Session August 18 confirming two of President Bailey Olter's nominations of Robert Weilbacher as Secretary of the Department of Transportation and Communication, and Bethwel Henry as Postmaster General.

President's other nominations include Dr. Eliuel Pretrick as Secretary of Human Resources; Al Tuuth, Secretary of Finance; and Andon Amaraich, Associate Justice.

Congress passed C.B. 7-90 CD4, appropriating \$50,000 to fund a reception to be hosted by the FSM National Government following admission to the United Nations, Mid-September of this year, approved C.B. 7-93 CD15, approving the National Budget, and C.B. 7-95, to modify the use of funds previously appropriated for disaster Relief in Pattiw, Weiu and the Hall Islands in Chuuk.

Other resolutions adopted include:

C.R. 7-25 CD1, confirming the nomination of Kency James of Chuuk to the FSM Social Security Board.

C.R. 7-28, confirming Aren Palik of Kosrae to the FSM Development Bank Board.

C.R. 7-40, expressing deepest sympathy and condolences to the family and friends of the late Uriel T. Hadley and the people of Pohnpei for his untimely passing.

C.R. 7-29, setting the FY 1992 appropriations ceiling of 40,000,000.

C.R. 7-30, approving the 1991 Pacific Basin Initiative Grant application.

C.R. 7-34, approving the 1992 Substance Abuse Grant application.

Driftnet

(Continued from Page 6)

The bill was assigned to the Committee on Resources and Development.

Speaker Fritz also introduced another bill to further increase percentage of fuel tax revenues distributed to the four FSM states from 80 percent to 100 percent.

Vice Speaker Dohsis Halbert offered two other bills seeking \$300,000 to supplement funding for the paving of the Sokehs Island circumferential road, and to effect the reversion of all undeveloped real property in the National

FSM & PNG signed Maritime Boundaries Treaty

7

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The FSM President Bailey Olter and Papua New Guinea (PNG) Prime Minister Rabbie Namaliu on the 29th of July signed a treaty between the FSM and PNG concerning maritime boundaries and cooperation on related matters.

The two countries desiring to establish maritime boundaries and to provide for certain other related matters in the area between the two countries, resolving, a good neighbors and in spirit of co-operation and friendship, to settle permanently the limits of the area within which the FSM and PNG shall respectively exercise sovereign rights with respect to the exploration and exploitation of their respective sea and seabed resources; taking into account the United Nations Convention on the Law of the Sea regarding the regime of the continental shelf and exclusive economic zone. Witnessing the signing from left to right standing are: Micronesia Maritime Authority Director Peter Sitan, Acting Attorney General Camilo Noket, Office of Planning and Statistics Engineering Technician, National Planner John Mangefel, Vice President Jacob Nena, and Acting Secretary of External Affairs Asterio Takesy.



FSM AND PNG SIGNED TREATY - From left to right are Micronesia Maritime Authority Director Peter Sitan, Acting Attorney General Camilo Noket, Office of Planning and Statistics Engineering Technician Daniel S. Issac, National Planner John Mangefel, Vice President Jacob Nena, and Acting Secretary of External Affairs Asterio Takesy witnessing the signing of the Treaty between the FSM and PNG concerning maritime boundaries and cooperation on related matters. Sitting from left to right are President Olter and Prime Minister Rabbie Namaliu signing the Treaty.

Capital Complex in Palikir to Pohnpei State Public Land Authority.

The Chairman of the Committee on Judiciary and Governmental Operations (J&GO) Senator Wagner Lawrence introduced three bills adding to the election law that individuals may register to vote up to and including the day of the election, to authorize the FSM Public Auditor to audit any nonprofit organization, and to add a temporary exemption from the gross revenue tax to encourage economic development.

Ways and Means Chairman Claude

Phillip authored three other bills to appropriate \$1,500,000 and \$450,000 respectively for secondary road projects in the FSM and construction of Continuing Education Centers in Chuuk, Yap and Kosrae.

For road projects, states of Chuuk and Pohnpei each gets \$500,000 while Yap and Kosrae gets \$250,000 each. For the Continuing Education Centers, each of the three states will receive \$150,000.

The other bill would simply delete certain obsolete references to the term "Trust Territory" in the FSM laws.

8 Pohnpei & Japan signed agreement on Diesel Power Plant & Spur Line Contract

PALIKIR, Pohnpei (FSM INFORMATION SERVICE)-An agreement was signed August 8, between the State of Pohnpei, and 3 companies from Japan regarding a Diesel Power Generation Plant and Spur Line Contracts in a brief ceremony held at the Office of the Pohnpei State Governor in Kolonia.

Signing for Pohnpei was Governor Resio S. Moses and for Japan, Yoshimoto Pole CO., LTD. President Katsumi Yui, Toshiba Engineering Corporation Plant Department Deputy General Manager Akira Iwai, and Bussan Electrics Machinery Trading CO. LTD. President Shoichi Nakamura.

Witnessing the ceremony were the Nahnken of U Municipality Ihlen Joseph; Pohnpei State Executive Officer Kikuo Apis; Special Counsel to Governor Lloyd Mashita; Assistant to Governor for the Office of Budget, Planning and Statistics Dion Neth; State Fiscal Planner for the Offices of Budget, Planning and Statistics David Morgan; Assistant to Governor for Personnel, Labor and Manpower Development and member of Board of Director of Pohnpei Utility Corporation Podis Pedrus; Pohnpei Tourism Executive Director and Pohnpei Utility Corporation Board of Director Secretary Youser Anson; Director of Public Work Department and Pohnpei Utility Corporation Interim General Manager Largo Edwin, Official Incharge of construction and Pohnpei Contract Review Board Chairman Finale Henry; and Pohnpei Utility Corporation Board of Director Chairman Marcelino Actouka.

An initial remark to welcome the visiting mission by Moses placed emphasis on the power generator, pointed out continuous maintenance necessary on the present power system to which the new contract with Yoshimoto Pole CO., LTD, Toshiba Engineering Corporation and Shoichi Nakamura is the Pohnpei State best solution. Moses

welcomed Yui, Iwai, Nakamura and other members of the visiting mission to Pohnpei State.

Yui, Iwai and Nakamura expressed their willingness, accepted the contracts, declared their positions in both the Diesel Power Generation and the Spur Line contracts. The Contractors proceeded and determined other services in addition to the contracts for Pohnpei State. Actouka who spoke on behalf of the Pohnpei Utility Corporation Board of Director sighted great accomplishment from the agreement in maintaining the power systems as well as providing electricity skills development to the native of the Pohnpei State.

The 4.371 million dollar, 22.5 MG watt diesel power generation has 14 months contract term and spur line has 12 months contract term. The Diesel Power Generation Contractors will manufacture the generating machines in Japan, transport them to Pohnpei State, construct project facilities here in Pohnpei, install generating machines, supervise and direct the operations of the new

power systems and provide training opportunities for the development of skills to Pohnpeians working in the diesel power plant.

The Plant which will be the source of power supply for the Fisheries and tourism industries development, the people of Pohnpei in the municipalities and in Kolonia and to the other industries, consists of Daihatsu 40 tons machines, the biggest machines seen on the islands to be built by Daihatsu Factory in Japan. The contract will open employment opportunities for the people of Pohnpei to construct the plant.

The Spur Line Project is to add single phase distribution lines to remote communities. It is purposely planned to distribute power to all sites including those communities not being served by the present power system due to their in land locations with in one mile or more, where the present power system does not reach. The contract commences after the issuance of the Government's notification to the Contractor.

ADB approves \$450,000 for FSM

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The Asian Development Bank (ADB) has approved \$450,000 to finance a Technical Assistance (TA) on FSM Agriculture Sector Development, according to the Administrator, Agriculture Division, FSM Department of Resources and Development (R&D), Sailas Henry.

Pragma Corporation, a USA Consultant Firm was selected among the five other firms who bid to do the TA for FSM Agriculture Development Sector. A team of consultants specializing in livestock, forestry, fruit, root crops, and agriculture economy including Policy and Planning Specialist and Team Leader Dr. William R. Furtick, Agriculture Economist Robert Lucas, Tropical Agriculture Specialist Dr. Chian Leng Chia, Agro-Forestry Specialist William Raynor, Livestock Specialist Dr. Tro V. Bui and the Institutional Development Specialist and Sociologist Dr. Joseph O'Reilly were contracted by the corporation arrived Pohnpei August 12 to commence works in FSM and submit to government it's final report by early January 1992, Henry said.

The delegation was based at the FSM R&D visited the FSM States, meeting with state and the National Government officials, reviewed reports and studied to sum up a report on the most viable agricultural projects that the FSM Government can submit to ADB to finance, Henry concluded.

Micronesia Institute awarded \$20,000 from Henry Luce Foundation Inc.

9

Washington, D.C. (FSM INFORMATION SERVICE) - The Micronesia Institute has been awarded a grant in the amount of \$20,000 from the Henry Luce Foundation, Inc., to support the further development of the Micronesian Endowment for Historic Preservation, according to a release from the Micronesian Institute.

The grant was announced by Chairman and CEO of the Foundation Henry Luce III.

The young non-profit Endowment was created to preserve Micronesian culture through the protection of customs and historical sites and through traditional education, states the Endowment brochure. Incorporated in 1985 in Majuro, Republic of the Marshall Islands, the Endowment uniquely encompasses the family of Micronesian peoples, crossing political and national boundaries.

The Luce Foundation grant will be used by the Micronesia Institute, guided by the Endowment Officers and other advisors, to encourage the establishment of an American National Committee for the Endowment; to initiate approaches to foundations, corporations and governments for substantial grants to the Endowment; and to enable the Endowment officers to participate at major international conferences when other funds are not yet available for

Micronesians.

The goal is a fund of at least \$5 million at the termination of the Compact of Free Association with the Federated States of Micronesia and the Republic of the Marshall Islands, so that the yield will permit the FSM and the Marshalls to continue programs in historic preservation despite potential cut-off of U.S. funds, and so that the preservation programs in the Republic of Palau, whose political status is unsolved, Guam, and the Northern Marianas may grow. The fund is managed by Kidder Peabody, Inc.

Grants and contributions to the Fund may be sent to the Micronesia Institute at 1275 K Street NW, Suite 360, Washington, D.C. 20005-4006, earmarked "Endowment." All contributions are fully tax-deductible under section 501-c-3 of the U.S. tax code.

In addition to the Luce Foundation, grantors to the Micronesia Institute for development of the fund to date include Mobil Oil Micronesia Inc., the Ian Mactaggart Trust of Great Britain; and Continental Air Micronesia.

Officers and Directors of the Endowment are the Historic Preservation Officers of the different areas. These are: President Teddy John, who is also the Historic Preservation Officer for the FSM; Vice President Michael Fleming, Commonwealth of the Northern

Marianas; Treasurer Carmen Bigler, Secretary of Interior and Outer Island Affairs, Republic of the Marshall Islands; and Secretary Victoria Kanai, Republic of Palau. Other directors include Bermin Sigrah, Kosrae; Emensio Eperiam, Pohnpei; Elvis Killion O'Sonis, Chuuk; Andrew Kugfas, Yap; and Richard Davis, Territory of Guam. It is hoped that the historic preservation officers of Kiribati and Nauru will later become part of the Micronesian Endowment.

The Endowment was formed in conjunction with the Micronesia Institute, which serves as its United States associated organization. Thomas King, Ph.D., consultant and formerly with the President's Advisory Council on historic preservation, is acting as pro-bono Washington, D.C. representative to assist in the creation of the American National Committee.

Private supporting committees in each region will be formed once the Endowment Fund has grown sufficiently. The Endowment will also draw on committees of professionals in appropriate disciplines for expertise and project evaluation.

A copy of the brochure can be acquired by writing to the Micronesia Institute at the above address. Contributions to the Endowment Fund would be welcome.

THE NATIONAL UNION, August 1991

MCH ANNOUNCEMENT

The Department of Human Resources announces that the Public is invited to review and comment on the Maternal and Child Health (MCH) Services Block Grant Application for Fiscal Year 1992, specifically with respect to the three project components of Preventive and Primary Care Services for Pregnant Women, Mothers and Infants up to age one; Preventive and Primary Care Services for Children and Adolescents; and Family-Centered, Community-Based, Coordinated Care and the Development of Community-Based Systems of Care for Children with Special Health Care Needs.

Additional information include program budget information for each of the three component plus an aggregated budget; assurances, i.e., new and existing; annual plan; and FY 1990 MCH Annual Progress Report.

Copies of the MCH Block Grant application are available at the office of the Secretary, Department of Human Resources, FSM National Government, Palikir, Pohnpei, telephone number (691) 320-2619/2643 or Fax (691) 320-25263.

Written comments may be sent to Dr. Catalino Cantero, Acting Secretary, Department of Human Resources. Comment received after August 30 will be forwarded directly to the Maternal & Child Health Bureau, U.S. Department of Health and Human Services, Rockville, Maryland.

Law School scholarship

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - FSM Public Defender is announcing that for this Fiscal Year (1992), the FSM Congress has appropriated \$20,000 specifically for law school scholarship.

This particular program is being administered by the Office of Public Defender for the current fiscal year. Any FSM citizen pursuing law studies, at any law school, in the current school year is eligible to apply for this grant.

For details, please contact Joe Phillip or Gene S. Babauta at the Public Defender Office at telephone number (691) 320-2648, Fax: (691) 320-5775, or write to the office at P.O. Box PS 174, Palikir, Pohnpei FM 96941.

10 Onoun dedicates 3,500 ft. runway airport

THE NATIONAL UNION, August 1991

ONOUN (Ulul), Chuuk (FSM INFORMATION SERVICE) - A new 3,500 ft. runway airport was dedicated August 24 on Onoun Island, Chuuk State.

The Onoun Airport's dedication began promptly at 10:00 a.m. along side the new runway paralleling the beautiful ivory-white strand of this five-mile long island. It began with speeches by former FSM President Tosiwo Nakayama, Chuuk Governor Sasao Gouland, FSM President's designated representative Asterio Takesy, Speaker of Chuuk Legislature Kisande Sos, Senate President Ira Akapito, Micronesian Maritime Authority (MMA) representative Andon Amaraich, and Onoun Mayor Episom intermittent with songs, cheers, and native dances adding to the festive gala celebration. Chuuk State First Lady, Mrs. Sos and Episom simultaneously cut the ribbon signifying the official grand opening of the 3,500 ft. runway airport.

Speaking as former President and representing the traditional Chief of Onoun, who is his older brother, Nakayama welcomed all the guests and thanked them for taking the time to come for the Onoun Airport dedication. Governor stated this was a commitment he made to Onoun upon taking office and was gratified to see it completed. He went on to say that the Ta airport will be next to be completed with clearance and surfacing.

Takesy conveyed FSM President's congratulations to the people of Onoun for their accomplishment and expressed appreciation to the FSM Congress for funding the airport, Chuuk State for the personnel and funding support, U.S. Government for fielding the Civic Action Team (CAT) and Pacific Missionary Aviation for generously donating free spaces on its 8-seater plane transporting dignitaries to and from Onoun for the occasion.

Takesy paid tribute to the hard-working people of Onoun for the enormous task of clearing 5,000 ft. by 700 ft. tract of land with axes, picks, shovels,



CHUUK GOVERNOR AT ONOUN AIRPORT DEDICATION - Chuuk State Governor Sasao Gouland spoke during the dedication of Onoun Airport August 24th of this year.

machetes and bare hands. Due to lack of funding, only 3,500 ft. was hard-surfaced and compacted by the CAT Team. He concluded by reading aloud a letter from U.S. Ambassador to the FSM Aurelia Brazeal regarding the occasion.

Speaker Sos expressed amazement at the size of the airport. He elected to fly in to Onoun and see for himself and have an overview of the job. He pointed out that shortened time vis-a-vis ocean vessel will enhance economic development and facilitate emergency services. This is a basic infrastructure just like power and water that is long overdue, he concluded.

Amaraich representing MMA pointed out the need now being fulfilled by airport with respect to fisheries development. Plane will be able to move fresh fish caught by people of Onoun and neighboring island from Onoun to Weno. The Compact funding of the four CAT Teams was intended not just for outer island but for the entire FSM as a nation.

President Akapito of Chuuk's Senate congratulated the people of Onoun for the monumental job. He stated the airport was conceived under President Nakayama's administration and completed under Olter's administration. Noting that the land for the airport runway was noted by the local land-owners, he expressed hope that legal land hassles will not creep into Onoun

as they have infested Weno.

In welcoming the guests to the dedication on Onoun Island, Mayor Episom expressed hope that commercial air service to Onoun would begin soon. He went on to thank the national, state and municipal officials for gracing the occasion and for responding to his invitation. He presented the Captain of the CAT Team with a woven mat inscribed with message of appreciation. He also presented woven mats and carved paddles to the dignitaries preceded by a long traditional chant by Topule of Onoun telling the historic significance of the paddle. In turn, Governor Gouland and Takesy presented Mayor Episom with the certification document by FSM Transportation Department for Onoun Airport. This certification was issued after appropriate inspection by the Department and U.S. Federal Aviation Agency. With the certification in hand, Onoun Airport is now ready for commercial air service.

The dignitaries took time to hum with the local people and showered the dancers with fragrant perfumes and the myriads of children with candies and bubble gums. The dancing took on a twist toward foreign dances such as Palauan, Marshallese, Fijian and Hawaiian.

Transportation for participants and guests at the dedication ceremony were provided by Chuuk State Government and Pacific Missionary Aviation (PMA).

Five students of Pohnpei won 1991 Governor Scholarship

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - Governor Resio S. Moses presented awards and certificates of recognition to the 1991 Governor's Scholars recipients, August 19, at the Governor's Conference Room in Kolonia.

The awardees include Ricardo and John Cera Cruz of Calvary Christian Academy (CCA) School, Mylani M. Alexander and Steven Seiola of Ohmine Elementary School, and Elpet Pedley of Elening School Deteour Madolanihmw (ESDM).

"There are five students from the Elementary Schools Systems in Pohnpei," said the Governor, "who are able to make it to the 1991 Governor's Scholars List. These students have the highest scores from the High School Entrance Examinations administered in Pohnpei State this year. I wish at this time to congratulate and present to them the Certificates of Recognition and the 1991 Governor Scholars Awards."

Ricardo and John, sons of Andelise J. Cruz and Cera Cruz of Kolonia, scored highest in the PICS High School Entrance Examination and Ricardo also scored highest in the CCA High School Entrance Examination. Alexander, daughter of Eliory Carl and Monoa

Alexander of Sokehs, scored highest in the Xavier High School Entrance Examination, Seiola, son of Ioana and Endor Seiola of Kolonia, scored highest in the Pohnpei Agricultural and Trade (PAT) High School Entrance Examination, and Pedley, son of Dosko and Alter Pedley of Madolenihmw, scored highest in the Ohwa Christian High School Entrance Examination, according to Moses.

Moses continued and said that the education assistance from the Education Systems of Pohnpei State and from the

families of the awarded individual pupil provided helpful preparations that make it possible for them to become the 1991 Governor's Scholars. He concluded by calling upon all grade schools pupils to keep up their good works in schools and join with him in congratulating the five Governor's Scholars of 1991. Moses believes that continuing efforts from the entire community of Pohnpei comprising of both the secular and religious groups existing at present is the basis of supports for quality education to provide better world to our future generations.



GOVERNOR SCHOLARS - Posing with Governor Resio S. Moses for a group photo are the winners of this years Governor's Scholarship.

Vocational Education Planning Conference held in Palikir

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The Office of Education, Department of Human Resources on August 12 to 16, sponsored a week long vocational education planning conference in Palikir, Pohnpei, designed to develop a working plan for vocational education programs in the FSM schools, according to a release from the Department Acting Secretary Dr. Catalino L. Cantero.

This conference is the result a recommendation made by the Ohio State University Study which encourages establishment of vocational education curriculum for grades 1 to 12, focusing on both current projected economic development activities of the nation.

During the conference, the group generally agreed that vocational instructions shall begin at grade four where vocational awareness, orientation and exploration may

be meaningful. However, it was only a recommendation that requires the State Directors review and approval, the release stated. The outcome of the planning conference was a work plan, developed to assist responsible individuals with what they are expected of and when their tasks would be completed.

Further to the work plan, a project proposal will be developed once the state directors give

light to the recommendation and the work plan. The proposal is expected to seek congressional funding to help carry out the task specified in the work plan.



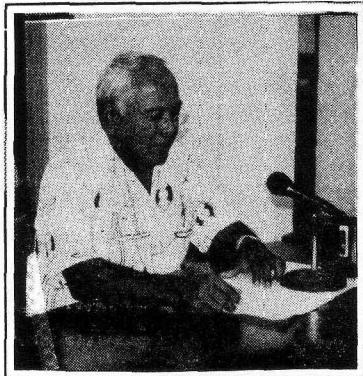
VOCATIONAL CONFERENCE - Above are the participants of the vocational conference held in Palikir. Left to right: Chuuk Vocational Education Specialist Masasing Eis; Kosrae Vocational Education Specialist Joel Tilfas; Ponape Island Central School Department of Agriculture Chairperson Nannon Dayrit; Yap Vocational Education Specialist Nigel Norton; and FSM Administrator, Education Programs Weldis Welley.

1² President Olter issues Con-Con proclamation

THE NATIONAL UNION, August 1991

PALIKIR, Pohnpei, (FSM INFORMATION SERVICE)-President Bailey Olter on August 9, in accordance with Section 705, Title I of the FSM Code, issued proclamation of the four ratified amendments to the FSM Constitution (Con Con) including Committee Proposals Nos.: 90-13, SD1; 90-19, CD1; 90-23, CD1, SD1 and 90-25, CD1, SD1.

The following is the proclamation by the President, "By the authority vested in me as



President Olter

President of the Federated States of Micronesia under Title One of the Code of the Federated States of Micronesia I hereby proclaim that Constitutional Convention Committee Proposal No.: 90-13, SD1, to amend Section 2(p) of Article IX of the Constitution of the Federated States of Micronesia for the purpose of repealing the power of the national government to define major crimes, has been ratified by the People of the Federated States of Micronesia in accordance with the requirements of Article XIV of the Constitution of the Federated States of Micronesia and is effective as the supreme law of the Federated States of Micronesia as of July 2, 1991.

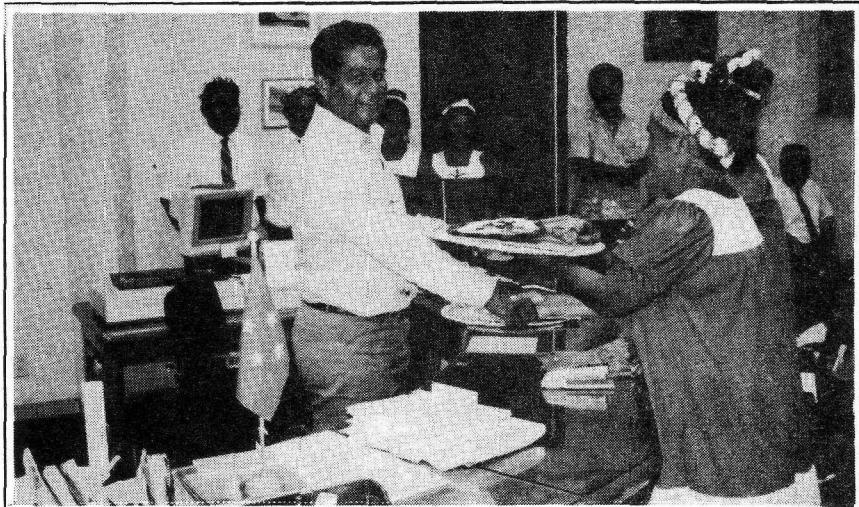
I hereby proclaim that Constitutional Convention Committee Proposal No. 90-19, CD1 to amend Section 11 of Article XI of the Constitution of the Federated States of

Micronesia to provide that, in rendering a decision, a Court shall consult and apply sources from the Federated States of Micronesia, has been ratified by the People of the Federated States of Micronesia in accordance with the requirements of Article XIV of the Constitution of the Federated States of Micronesia and is effective as the supreme law of the Federated States of Micronesia as of July 2, 1991.

By the authority vested in me as President of the Federated States of Micronesia under Title One of the Code of the Federated States of Micronesia I hereby proclaim that Constitutional Convention Committee Proposal No.: 90-23, CD1, SD1, to amend Section 5 of Article XIII of the Constitution of the Federated States of Micronesia to remove the language relating to transition and to prohibit indefinite land leases in certain

circumstances, has been ratified by the People of the Federated States of Micronesia in accordance with the requirements of Article XIV of the Constitution of the Federated States of Micronesia and is effective as the supreme law of the Federated States of Micronesia as of July 2, 1991.

I hereby proclaimed that Constitutional Convention Committee Proposal No.: 90-25, CD1, SD1 to amend Sections 2 and 3 of Article IX of the Constitution of the Federated States of Micronesia for the purpose of delineating national power over health and education, has been ratified by the People of the Federated States of Micronesia in accordance with the requirements of Article XIV of the Constitution of the Federated States of Micronesia and is effective as the supreme law of the Federated States of Micronesia as of July 2, 1991."



LELU CHOIR VISITS FSM - FSM Vice President Jacob Nena on August 9, welcomed Lelu Church Choir to President's Office, as the group pay courtesy call on the Vice President. Budget Office Administrator Reed Nena tour the choir at the Capital. The Choir sang songs and presented largess to Vice President Nena for him and the President. Nena in return spoke about the FSM Capital, introduced his staff and presented the President's and his portraits as a token to the Choir. To most of the choir members, it was their first visit to FSM Capital. A group photo of the Choir, and the Vice President was taken. The Choir visited Wapar Congregational Church in Madolenihmw, Pehleng Kitti, Sekere in Sokehs, Kepinle and Kosrae Community Church in Kolonia. Night programs of worship services, dramatization of Biblical stories, singing, gifts exchange and offerings was held at each hosting Church where housing and meals were also provided, and other activities.

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