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# State of the Nation Message

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) - FSM President Bailey Olter, Nov. 8, 1991, delivered his first State of the Nation Message to the FSM Congress and the people of the FSM at the FSM Congress Chamber.

The following is the text of the State of the Nation Message: "On behalf of Vice President Nena and myself, I would like to say how privileged I am to be given this honor to address this August Body. I very much welcome this opportunity to share with you the state of our Federation and my views on a number of major issues facing us.

At the outset, I invite you Mr. Speaker and your good colleagues to join me in expressing deep gratitude to our former Presidents, the Honorable Tosiwo Nakayama and second President the Honorable John Haglelgam for the sound foundation they have wisely laid for us to build upon. Their personal dedication to public service and their great achievements looms large before us and challenges us to reflect hard on the meaning of the oath of office under which you and I dedicated ourselves upon taking our respective offices.

### Looking at the Present:

This administration as you well know has been in office a mere six months. But even within such a short period, major developments came to pass that impacted this nation significantly. The most important of these is the admission of the FSM as a full member of the United Nations, on this note, I would like to (See MESSAGE, Page 2)

### FSM admitted to United Nations

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) - The United Nations on September 17 at 3:27 p.m. (EST) in New York and September 18 at 6:27 a.m. in Pohnpei, admitted the FSM by acclamation vote to the United Nations.

After the admission, remarks were presented including remarks by FSM Congress Speaker Jack Fritz, followed by flag raising in front of the United Nations. (See Speaker's speech, Page 7)

Eighty countries sponsored the FSM resolution with Fiji introducing the resolution to the United Nations Gen-

eral Assembly.

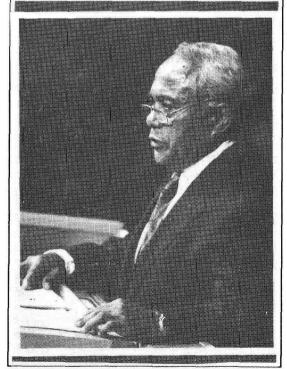
The United Nations Security Council (UNSC) on August 9, at 3:40 p.m. (EST), by unanimous consent, approved the Application of the FSM for membership in the United Nations, and again by unanimous consent, adopted a resolution recommending to the UN General Assembly (UNGA) that the FSM Application for UN membership be favorably considered when the UNGA meets for its 46th Regular Session, September 17, this

FSM President Bailey Olter on the historic occasion of admitting the FSM to the United Nations addressed the United Nations General Assembly on the 23 of September at the United Nations General Assembly Chamber in New York.

The following is the text of President Bailey Olter's address during the occasion on FSM gaining membership in the United Nations:

Mr. President, It is my high honor to address you today both as the Chairman of the South Pacific Forum and as President of my country, the Federated States of Micronesia, which was admitted only a few days ago to Membership in this Body. Given the key role that this great Organization is playing in the epochal state of World affairs, it is strong testimony to the

(See Olter's Address on Page, 8)



PRESIDENT BAILEY OLTER ADDRESSES UNITED NATIONS- Upon FSM admittance as member of the United Nations, FSM President Bailey Olter addresses the United Nations General Assembly.

(Continued from Page 1)

pay special tribute to President Haglelgam for initiating efforts toward membership in the world body. The support of the South Pacific Forum and its individual member countries can never be adequately repaid, and we are most thankful to them. The sympathetic support of the permanent Members of the Security Council was critical to our membership in the UN, I would like at this time to gratefully single out the United States of America which stood firmly by us in the Security Council and the General Assembly during the course of deliberations on our UN membership application.

# United Nations Membership Benefit:

Mr. Speaker, I would like to dwell on the United Nations membership for it does represent a bounty of benefits well beyond the financial expenditure this nation is called upon to contribute. Allow me to address the political gains first. I need not recall how difficult it has been for our young nation to gain recognition in the wold as the FSM came on the world stage since 1986. That melancholic sobering experience is now behind us. This nation is now on equal sovereign footing with other nations of this globe. The avenue for external assistance is virtually unlimited. FSM's political horizon is vastly expanded - the access to world body politics whose decisions impact the lives of our people is now wide open to the FSM. And we intend to make full use of this new avenue and access. This administration will work closely with Congress and the four states in our efforts to maximize benefits from the UN for while we have secured membership in a few of the UN organs, there are many more that we must examine for their potential economic benefits to our people.

Of outmost importance, in my estimation, is FSM's eligibility to join the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD), commonly known as the World Bank. Our UN membership is the key to membership in these organizations.

Beside overseeing the International Monetary System, IMF assists member countries in meeting balance of payment difficulties in international trade by providing short to medium term credits. Presently, IMF has \$120 billion at its disposal. The World Bank, on the other hand assists developing member countries through the long-term financing of development projects and programs. The World Bank borrows from its wealthy members and lends to its developing member countries. The authorized capital in 1990 was \$95 billion, with virtually unlimited borrowing power.

Mr. Speaker in and of themselves, the IMF and the World Bank are a bedrock of monetary and financial salvation. Against the backdrop of diminishing Compact of Free Association cash flow they provide a wellspring of hope for this nation. I ask that you give urgent consideration for FSM membership in these two organizations during your current session.

### South Pacific Forum Meeting:

The recently concluded annual meeting of the South Pacific Forum here in this August Chamber was a political windfall for the FSM. I am grateful to the Congress for its supportive role and active participation. The ceremonial reception of our guest by the traditional leaders of Pohnpei State was a rare contribution for which this nation is mot thankful. The demonstration of support by all four states went a long way to assure the success of the Forum Session. In particular, the State Government of Pohnpei's overwhelming welcome of the leaders of the South Pacific Forum undoubtedly shaped a favorable image of our country in the minds of our distinguished visitors from the South and certain metropolitan countries. It was a privilege and honor for me to chair the South Pacific Forum on behalf of the host - the people of the FSM.

# Cooperation with National and State Leadership:

Consistent with my stated inaugural address, I intent to work closely with Congress and the four states leadership, I asked for a leadership conference and was honored by such prompt response. I found the conference reassuring and I derived much strength from the unity of purpose that permeated the conference. We are moving quite deliberately on the decision of the conference to take steps to assure of meaningful voice in the conduct of air transport to, within and

from the FSM. I am submitting to you for consideration and appropriation request that will enable us to accomplish what you asked us to do.

### U.S. Tuna Quota:

Following my addressing the United Nations General Assembly in New York, I was able to meeting with his excellency, President George Bush. In that meeting, I voiced FSM's concern for the unresolved duty free canned Tuna Quota right it has under the Compact of Free Association. I am delighted to report that President Bush promptly obliged by issuing U.S. Presidential Proclamation 6343 in a matter of days, after our meeting. Such a proclamation translated into ten percent of a previous year's U.S. total domestic consumption of canned tuna - in terms of weight it is approximately 12 million pounds. To say that this is an incentive to private investors in the tuna industry is an understatement.

### Looking at Ourselves:

I spent an inordinate amount of time consulting with you and the various state leaders on a number of important matters. Prominent among these are potential nominees for the remaining cabinet posts. You shall have my nominees this session. I have taken great care to closely dialogue with you. I have done the same with the states. I did so in an effort to bring about unity of purpose. The rest is in your hands. I respectfully ask for support from each and every one of you.

It would be premature for me to unveil our administration's plan for action at this juncture without appropriate and adequate review by the various departments and agencies. However, I would like to share some observations and concerns with you today.

### **Basic Infrastructure:**

Much progress has been achieved in our social, economic and political development. You will agree with me, gentlemen, that without basic infrastructures - electrical power, water system, sewer system, paved road, the list goes on and on. We cannot have sustainable development. I invite the state and national leaders to address this now, and together. So much precious financial resources aimed at economic and social development projects have seeped through leaking water systems and lost in power blackouts.

### Maintenance:

Governments are very efficient in installing new equipment and projects. It is simply baffling why the same governments have not learn the meaning of the word, "Maintenance." A minimum of 10-15 percent of (See MESSAGE, Page 3)

(Continued from Page 2)

each project cost must be set aside periodically for proper "maintenance," if our equipment and infrastructures are to serve their purposes well.

### Manpower Development:

A great deal of training of manpower has taken place within and outside of the FSM. We must now pay more attention to what people should be trained for. Relevancy of training should be the primary goal.

### **Basic Education:**

We need to be reminded of the foundation of learning primary education. We must redirect the system of primary education to produce well-equipped individuals to face the working world and to have the necessary basic education to benefit from available training opportunities to equip individual citizens to gain meaningful employment. The Congress or the executive branch may follow U.S. approach - education goals to be achieved by year 2000.

### Health Care:

Preventive medicine, I am told is far more effective than curative medicine. I invite you to examine the budgets of the state and National Governments to promote creative efforts into our public health programs, including relevant mass media programming.

Our hospitals need upgrading. Population growth is outpacing hospital beds and staffing need. We must work cooperatively to meet the critical shortage of indigenous medical doctors and paramedics. We are grateful for the training provided by the Pacific Basin Medical Officer Training Program. It is largely funded by the U.S. Congress.

### **Progress and Future Prospect:**

Our only institution of higher learning, the Community College of Micronesia has received \$4 million from the U.S. Congress for its new Campus in Palikir. The FSM Congress earlier initiated funding of the College by appropriating some \$1.5 million. In congratulating our FSM Congress, I, on behalf of all of us, thank the United States Congress for its generosity. Ihope we can continue to count on the goodwill of both legislative bodies to complete the new campus as designed.

Reflecting once more on infrastructures, I take pleasure in reporting on some substantive progress in this area. The first phase of the Yap Harbor project is being completed on schedule. The second phase will commence next month. The total project is anticipated to be completed by early November of next year - on schedule. Along with a widened and safer Harbor, Yap State will have gained some 10,000 square meters of waterfront reclaimed land. All these have been made possible from the Government of Japan for which the FSM people are deeply grateful.

On August 24, 1991, a new 3,500 foot airfield was completed and certified on Onoun Island in Chuuk State. Commercial air service may begin as early as next month. A similar airfield was completed on Ta Island in the same state. Our thanks to the U.S. Civic Action Team in Chuuk for their valuable contribution to both projects. With the commencement of air service to both runways. I am happy to note our modest progress in bringing this badly needed service to some of our outer islands in three of our states. (Kosrae State of course does not have outer islands, unless chairman Claude Phillip considers Lelu as outer island of Tafunsak). The dream of connecting the pearly shell islands of our federation from East-West is fast becoming a reality.

Steady progress in spite of steady raining, Pohnpei Transportation Authority defies nature by making great strides in continued paving of the circumferential road of Pohnpei Island. I congratulate Pohnpei State for creating an independent public utilities corporation. It is a courageous initiative. In my humble opinion it is the right move. I invited Congress to give serious thought to creating an independent nation-wide public utilities corporation. The success story of FSM Telecommunications Corporation can and should be retold through an FSM public utilities corporation.

The recently completed fisheries complex is a great improvement to the dock and wharfage of Kosrae State. It will serve as a concrete incentive to potential investors in fisheries.

Mr. Speaker, this is but a sweeping survey of tangible progress in infrastructure building throughout the Nation. It is modest progress. But it is real progress.

### **Development Outlook:**

I would like now to focus on the three areas of economic development priorities: fisheries, agriculture and tourism.

### Fisheries:

All four states and the National Governments have and will be investing substantially in tuna fishing ventures. This is fitting. Tuna is our largest commercially known marine resource. The National Fisheries Corporation has entered into four joint ventures. Two of these ventures involve foreign partners, and the other two are with state organization.

Caroline Fishing Corporation is the first of such ventures. Commenced just over a year ago, the company has experienced serious setbacks due to unforeseen major delay in refitting one of the purse seine boats, mechanical and logistical problems. Corrective measures are being taken by man-

Yap Fishing Company is the second joint venture in tuna purse seining. It too is experiencing some difficulties due to refitting delay and incomplete financial packaging. Earnest discussions are in progress toward completing the financing arrange-

In tuna longlining, NFC has entered into joint ventures with Yap and Chuuk States to form Yap Fresh Tuna (YFT) and Chuuk Fresh Tuna (CFT) respectively. NFC will launch its own operation of four 53-foot longliners in February of next year.

Kosrae State has entered into joint venture with a foreign partner to form Pacific Tuna Industry. The physical structure is under construction. The aim of the venture is to transship purse seine and longline catches and do processing as well.

Pohnpei's Economic Development Authority is constructing another multi-purpose fishing complex. It will also process catches from purse seiners and longliners.

### **ADB Project:**

Membership in the Asian Development Bank (ADB) entitles FSM to borrow funds and receive technical assistance from ADR. ADB's technical and official staff visited the four states and National Governments. In-depth discussions took place focusing on commercial tuna development. Born out of these discussions is a proposed fisheries development project. The aim of the project to accelerate economic growth in the FSM by developing its commercial fisheries industry. The emphasis is on private sector participation. Sashimi - grade tuna is the targeted resource. The project is expected to attract foreign investment, earn foreign exchange, boost grass domestic product, generate employment opportunities and improve training facilities for commercial tuna fisherman. The total cost of the project is estimated at \$8.1 million. Mr. Speaker, I will review the project with you and your colleagues. I trust that you will accord the proposed project the same urgency my administration is giving it.

The very large ongoing and projected public expenditures in fisheries development requires close examination. While the fisheries resources are this nation's largest natural resources, we must be mindful of the need to develop these resources wisely. consistent with sound economic and conser-

(See MESSAGE, Page 4)

### (Continued from Page 3)

vation criteria. In the face of diminishing public funds and the lack of sufficient technical and commercial management expertise for this industry to prosper, and integrated nation-wide commercial fisheries program ought to be seriously considered. The focus of the program should be to encourage private investment, both foreign and domestic, in commercial fisheries. Such

program should be agreed upon by the National and State Governments in consultation with international experts and funding entities, on the basis of a detailed investigation and determination of the long term comparative competitive advantages which the FSM has in the world tuna industry. Only such a global and industry competitively approach will result in a stable and growing fisheries industry on a long term basis.

At the same time, we must recognize that commercial fisheries is a very dynamic, technically sophisticated and competitive industry with some long lead times prior to profitability. We must make a more determined effort to push this development into the private sector, with appropriate policy and infrastructural support from governments. It is therefor necessary for governments to seriously examine their direct operating role in such ventures.

In order to generate appropriate levels and types of private investment in commercial fisheries, the national and state governments need to devise investment incentives appropriate and necessary to attract private investment into the strategic activities. In addition, governments need to make available additional development financing for use by qualified private entrepreneurs and to adopt monetary policies which make available to FSM lending to public more of the savings which are presently accumulated in the commercial banks in this nation but are lentelsewhere. Government public funding, including funds accessed by government from the ADB, and other international lending and donor agencies, need to be more closely focused on providing the physical and social infrastructure necessary to support commercial fisheries.

We are very confident that with (1) a clear perception of our competitive comparative advantages and strategic direction; (2) the availability of appropriate investment incentives and financing mechanisms; (3) the formulation of more appropriate fiscal, monetary, commercial and labor policies and laws; and (4) the development of re-

quired physical and social infrastructure including power, water, expanded docks and dockside areas, mechanical and ship repair facilities, warehousing and vocational training, the commercial fisheries of the nation will boom through private investment.

Agriculture:

Copra remains the major export crop of our nation, however, I would like to suggest to the Congress and our four states to review our collective objectives. I am referring to the heavy financial subsidy copracommands. A comprehensive look in my view is overdue.

Marketing of fresh produce appears to be an insurmountable obstacle. It has sapped the will to work of our farmers. We must come together and asses how best to overcome the problems in marketing. The private sector has to be supported to take the lead. Private and public lending institutions ought to re-examine their policies and technical capabilities in this area. The State and National Governments too must do some serious self-examination. Are the roles they have played up to this point produced the desired results? What role does the public school system of our country play in the development of agriculture?

A team of agricultural experts from the Asian Development Bank has held counsel with four states and National Governments. The private sector is being focused upon by the team. My administration welcomes this initiative and invites Congress and the state leadership to review the outcome of this effort by ADB when it is available.

### Tourism:

The steady growth of our tourism industry over the years is a very encouraging picture. Private investors' leading role must be supported by Government.

Tourism must be recognized as an item of expert, invisible as it is. As in any export commodity, quality has to be assured. Tourism is a fragile commodity that requires careful handling. There are ample samples from which we can draw lessons from. Honolulu, Guam and Saipan offer us frameworks from which to structure our tourism industry that minimizes environmental and social negative impacts and maximizes economic development. Again, my administration extends a cooperative hand to the Congress, to the states and to the private sector. A concerted effort must be made to order activities, initiatives, and investment in the tourism industry. Because of the complementary nature of this industry, it will boost the agriculture and fisheries industries.

### Transportation and Communication:

United Airlines, built Waikiki. Continental Air Micronesia transformed Guam and Saipan into phenomenal economic booms. Cable and wireless built Hong Kong, American telephone and telegraph covers the entire globe. In order for this country to secure meaningful foreign investment, it must have reliable transportation and communications systems.

With this in mind, I am pleased to note the success achieved by the FSM telecommunications Corporation. I congratulate FSM Telecom for its wisdom in burying its cables. This will assure functioning telephone line in time of natural disasters and protect the outside plant assets of the corporation.

The Department of Transportation and Communications Secretary chairs an Airline Task Force which I created last August in consultation with the Congress and State leadership. This group is mandated to look into the sale of Continental Air Micronesia wit a view to protecting vital air service. The sale of Continental Air Micronesia offers an opportunity for the FSM to invest in the company. This will give the FSM a meaningful voice in this vital service and generate significant income. It is a vital investment and I ask for your support and cooperation. For the FSM, Air Services means more than flying airplanes and making money out of it; it is a public utility without which other services will come to a standstill.

Mr Speaker, Honorable members, my administration pledges to work closely with you and our states to create a more favorable private investment atmosphere throughout our federation. We must streamline our governments, increase productivity and efficiency. We must invest wisely and heavily in the development of our most valuable resource - human resource. Our manpower must be trained and retrained to meet the changing needs and challenges of tomorrow.

It is generally believed that FSM is isolated and resource poor. I want to contradict this belief. Our membership in the UN puts the leading edge of modern technology at our fingertips. We are now an integral part of the global community. Our resources are only limited by the imagination - our imagination. We must rely on our people's imagination.

On behalf of my family, Vice President Nena and his family, and the executive branch, dedicate this administration to the people of the FSM and their initiatives. I thank all of you, my fellow Micronesians in our four states for your attention.

Thank you."

# UNSC adopted resolution on FSM's membership in UN

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) - The United Nations Security Council (UNSC) on August 9, at 3:40 p.m. (EST), by unanimous consent, approved the application of the FSM for membership in the United Nations, and again by unanimous consent, adopted a resolution recommending to the UN General Assembly (UNGA) that the FSM application for UN membership be favorably considered when the UNGA meets for its 46th Regular Session scheduled for September 17, this year, according to a letter to FSM President Bailey Olter from FSM Ambassador to the United States Jesse Marehalau.

Secretary-General of the United Nations Javier Perez De Cuellar in his official communication to President Olter said, "I have the honor to inform you that at its 3002nd meeting," held August 9, 1991, "the Security Council adopted without vote resolution 703 (1991), recommending to the General Assembly the admission of the FSM in the United Nations."

THE RESOLUTION: The Security Council, having examined the application of the FSM for admission to the United Nations, recommends to the General Assembly that the FSM be admitted to membership in the United Nations."

Continuing, the Secretary-General said, "I should like on this occasion to extend my personal congratulations to your government and to transmit the statement made by the President on the Security Council on behalf of its members."

The President of the Security Council said, "on behalf of the members of the Council, I should like to underscore the historic importance of the resolution which we have just adopted recommending the admission of the FSM to membership in the United nations. This resolution is without a doubt the logical follow-up to resolution 683 (1990), adopted by the Security Council on 22 December 1990, by which it terminated the trusteeship arrangement for the Territories of Micronesia."

"For the Security Council as well as

for the Trusteeship Council, and for the United Nations as a whole, this resolution marks the culmination of an effort sustained over decades to enable the peoples of these Territories to take charge of their destiny and assume the place to which they are entitled in the community of nations," he said.

The President of the Council countinued saying the founders of our Organization had precisely that objective in mind namely the formation of a single, universal entity in which all States would share responsibility for the preservation of international peace and security without distinction as to level of economic development, size of population, military might or any other factor.

"The FSM will make an outstanding contribution to the United Nations by bringing to it an innovative approach and a fresh perspective on world affairs, in order to promote changes in established practices, many of which, as all the Members of the Organization are aware, are in need of renewal," he said.

"On behalf of the members of the Security Council, I congratulate the FSM on the decision which the Council had adopted recommending to the General Assembly its admission to membership in the United Nations", the President of the Council concluded.

Ambassador Marehalau and FSM Washington-based Counsel James Stovall who have been holding high level consultations on this matter with all the current members of the UN Security Council including the Permanent Five, were invited by the Council to be present and witness the historical action of the Security Council. "This action was the culmination of all the hard work over these many years that the FSM took to appropriately remove all the legal, political, and procedural obstacles that stand between us and our membership in the United Nations," Marehalau stated.

FSM President Olter, upon receiving the news from the United Nations said. "The action of the UN Security Council recommending approved of FSM UN membership by the General Assembly is indeed a historic event not only for the UN but most especially for our people. It reaffirms our confidence in the United Nations and it will enable us to assume our rightful place in the Community of Nations." President Olter expressed gratitude to the members of the Security Council and its President for their support and understanding, adding that FSM's entry into the UN is a fulfillment of the principles of that World Body to promote the political, economic social and education advancement of the peoples, and to further international peace and security.

According to reliable sources in the FSM Department of External Affairs, it is the tradition of the UN General Assembly that upon the entry of a new member to the UN, the Head of the Government of that new member will be invited to address the General Assembly during the latter part of September after the General Assembly formally approves the FSM membership.



GAWEL PRESENTS CHECK TO HADLEY -Acting Director of FSM Office of Administrative Services, Isabel Gawel (second from Left) is presenting a check in the amount of the beneficiary designation and made by deceased employee Uriel T. Hadley to his wife Elizabeth I. Hadley. Uriel Hadley was a longtime FSM employee who passed away while he was enrolled in the Group Life Insurance program available to all employees. It is an employee benefit program sponsored by the government, and it is designed so that the government pays part of the cost while the employee also pays part of the cost. Individual Assurance Company (IAC Group) has the contract with the employer, and its office in Hawaii provides service to the Pacific Area Region. The local representative agency in Pohnpei is Moylan's Insurance (FSM), and Moylan's Insurance representatives (Linda Musrasrik and Melner Issac) delivered the payment to be presented to the family of the late Hadley.

# <sup>6</sup> APPU convened its 49th Council Meeting in Palau

PALIKIR, Pohnpei, (FSM INFOR-MATION SERVICE) - The 49th Asian-Pacific Parliamentarians' Union (APPU) Council Meeting was held in Koror, Palau, September 1 to 5, co-hosted by the Republic of Palau and the Kingdom of Thailand.

The national groups of the Republic of China, Cook islands, Japan, Republic of Korea, Malaysia, FSM, Papua New Guinea, Republic of the Philippines, Kingdom of Thailand, Kingdom of Tonga, and Western Samoa, as well as associate groups of Guam and Republic of Palau, participated in the conference. In addition, the Central Secretariat, Asian-Pacific Cultural Center, and Asian-Pacific Development Center were represented, according to APPU Communique.

The President of Palau Ngiratkel Etpison opened the Meeting. Ignacio Anastacio was unanimously elected acting Chairman of the 49th Council Meeting, and the Kingdom of Thailand national group was elected Chairman of the 49th Council Meeting.

Thirteen resolutions were adopted by the APPU which were recommended to the forthcoming APPU meetings. Among the resolutions adopted, eight were economic, three were political, and two were special resolutions.

The Meeting, represented by distinguished parliamentary leaders from the Asian-Pacific region was, successfully concluded, reaching all its objectives with active participation. It reaffirmed the significant role of the Asian-Pacific Parliamentarians' Union and the need for all of the member nations, associate member nations and institutions to further consolidate their joint efforts for peace and cooperation in the region.

Remarks were warmly received by the 49th Council Meeting, presented by each of the Chief Delegates on behalf of their respective national and associate groups. The Council expressed its gratitude for the reports delivered on behalf of the Central Secretariat, the Asian-Pacific Cultural Center and the Asian-Pacific Development Center.

It was decided at the Meeting that the 50th Council Meeting and the 26th General Assembly will be held from December 1 through December 4, 1991 in Tokoyo, Japan. The Council extended its best wishes to Japan as host of the next Council Meeting and General Assembly.

The associate group of Guam expressed its interest in hosting the 51st Council Meeting to be held in Agana, Guam, June of next year and the Councils expressed their appreciation to the associate group of Guam.

The 49th Council also extended its profound gratitude to both of the cohosting nations, of the 49th Metting for their hospitality and their contributions to the success of the Meeting.

# FSM National Government Health Insurance Plan

PALIKIR, Pohnpei (FSM Information Service) - The National Government, May 01, 1991, instituted an Emergency Regulation which is regulating the National Government Employees Health Insurance Plan (NGHIP). These regulations were promulgated by the Office of Administrative Services (OAS) Director Kohne Ramon, pursuant to the authority granted to him by 52 FSMC 409 (Supp. 1987). The purposes of these regulations are to repeal and replace regulations adopted, October 2, 1989 in order to revise the premium and benefit structures and make other necessary changes, according to OAS Acting Director Isable J. Gowel.

The Plan has three sub-plans which include the following: Basic Plan-Employees share of premium under this plan are \$4.80 per adult per pay period and \$4.80 for all children under 18 years old. Coverage under this plan is 100% up to \$100,000. Employee pays \$2.00 prescription fee per case where applicable. This plan covers medical expenses in local hospitals including approved referrals. Referral under the basic plan must be approved by Hospital

Referral Committee, OAS Director and the Third Party Administrator. Guam Memorial Health Plan (GMHP) and Queens Health Care Plan are the third party administrators. In Hawaii Kuakini Medical Center and Honolulu Medical Group are the hospitals accepting the FSM Health Plan, while in Guam and the Philippines, GMHP make arrangements for referral, according to Gowel.

Supplemental Resident - Employees share of premium under this plan are \$7.20 per adult per pay period and \$7.20 for all children under 18 years old. These amounts are in addition to what the employee will pay under the basic plan. Coverage is 90% up to \$100,000. Employee is responsible for \$100 deductible and \$2.00 prescription fee per case where applicable and 10% of the total cost. This plan covers medical expenses of self referrals only, Gowel said.

Supplemental Non-Resident- Premium under this plan are \$12, all children under 18 years old, plus the amount under the basic plan. Coverage under this plan is 90% up to \$100,000. The employee pays 10% of the total cost plus \$100 deductible per annum. The plan does not pay medical expenses in

excess of \$100,000 within a calendar year. Overseas employees must enroll under this plan in order to be able to use the FSM NGHIP at those hospitals abroad.

Gawel says that all full time employees of the National and State Governments and Quasi Agencies of these Governments are eligible to enroll in the FSM NGHIP. Enrollment is done at the Personnel Offices of the State Governments and at the Office of Administrative Services, National Government. At the other agencies, enrollment is taken place at the Central Offices. Open Season for enrollment is in November of each year. Current Open Season deadline is September 30, 1991. You must enroll first in the Basic Plan in order to enroll in one of the Supplemental Plans.

A participant may withdraw from the plan by giving written notice to the serving Personnel Office 15 days prior to the intended date of termination. For specific informations, please contact Health Insurance Section Division of Personnel Administration, OAS, P.O. PS-35, FSM National Government, Palikir, Pohnpei 96941, Gawel concluded.

Text of Speaker Jack Fritz's Remarks upon admission of the FSM to the United Nations.

Mr. President, Mr Secretary-General, and distinguished Representative.

I consider it a very special honor Mr. President, that as part of my country's first official statement within this Body, I express my congratulations to you on your election as President of the 46th Session of the General Assembly. I am confident that with your experience and under your able leadership you will guide us through the many difficult issues that this session will be deliberating upon for the betterment of mankind.

Mr. President, it is with a deep sense of accomplishment that I express on behalf of the people of the Federated States of Micronesia our deepest gratitude and sincere appreciation for the action that has been taken here today concerning our country, and, most especially, for the historic action by this Body in admitting the Federated States of Micronesia to membership in this world organization. Individual members who have so graciously received our representatives during the past months will always have our special appreciation. Of course, I must also recognize and thank the distinguished members of the Security Council, without whose favorable consideration our membership could not have been possible today. Finally, the delegation of the United States along with the delegations of all who sponsored the resolution proposing my country's membership, will be inscribed with lasting gratitude in the historical annals of the Federated States of Micronesia.

Mr. President, some 45 years ago, when this World Body was founded, it was with the objective that this universal entity must eventually encompass all peace-loving peoples that accept the responsibility for the preservation of international peace and security, irrespective of size of population, military might or level of economic development.

It is again this background and with a very deep sense of fulfillment that I speak to you, Mr. President, and distinguished Representatives in this assembly to formally accept the decision of the United Nations on our membership and to reaffirm our commitments to the principles of the United Nations.

For all the citizens of the Federated States of Micronesia, this occasion is one of great joy and deep emotion, since a long-cherished dream has at last become a reality. We are a young nations, but our process of political development and self-determination has involved long years of international adjustments and preparation and external effort. Even while our country was still in formation, membership in this Body was seen as a goal because of our unqualified desire for peace and the avoidance for all time of any further subjection to the ravages of armed conflict. Those like ourselves, who have known suffering on account of wars which they did not cause must have special reverence for the United Nations System and a deep-seated desire to be a part of it.

We are grateful for the assistance extended to us by the United Nations under the Trusteeship System, but we were also impatient to have our own voice in the advancement of the principles of the Unite Nations Charter. Now, having reached that goal today, we are determined even more than before to take on the responsibility that faces us with greater confidence.

In this connection, I gratefully acknowledge the kind words of the President of the Security Council on the occasion of the Council's action on Resolution 203, (1991) recommending admission of my country to the United Nations. In his statement, the President said, and I quote:

"The Federated States of Micronesia will make an outstanding contribution to the United Nations by bringing to it an innovative approach and a fresh perspective on world affairs, in order to provide changes in established practices, many of which, as all members of the organization are aware, are in need of renewal," unquote.

The expectations of the Security Council as articulated by its distinguished President in the passages that I have just quoted many be difficult to meet but perhaps necessary and I am confident that the blending of fresh ideas with the experience of those that have performed with distinction in this body could bring about innovative approaches to the present-day world problems.

For our part, as a modest start, we bring to this task a relatively fresh, but not inconsiderable experience in dealing with the world community. Prior to this day the Federated States of Micronesia had already opened formal relations with 23 countries, became an active participant in Pacific Regional affairs through the South Pacific Forum and other Intergovernmental Organizations, secured membership in two United Nations specialized agencies, ICAO and WHO, acceded to a number of the important multilateral conventions such as the Vienna Conventions of Diplomatic and Consular Relations. Furthermore, we have taken an immediate interest in certain universal issues of critical importance to our islands and are participating actively within the limits of our resources in the work of the Intergovernmental Negotiating Committee for a Framework Convention on Climate Change, and the United Nations Conference on Environment and Development.

It is our hope to learn with the help of others here the ways in which we can serve constructively. We pledge or energies to work with you all in advancing the principles of this organization and, by putting into practice our deep held belief in principles of this organization, a belief that is also manifested in the preamble to the Constitution of my country, principle's which I believe they can also be taken as expressing the spirit of the commitment we have now made to the charter of this great body, and I quote:

"We affirm our common wish to live together in peace and harmony, to preserve the heritage of the past, and to protect the promise of the future... Our ancestors, who made their homes on these islands displaced no other people. We, who remain, wish no other home on these islands, displaced no other people. We, who remain, wish no other home than this. Having known war, we hope for peace. Having been divided, we wish unity. Having been ruled, we seek freedom... We extend to all nations what we seek from each - peace, friendship, cooperation and love in our common humanity," end of quote.

For this day, Mr. President, the spirit of universality at last embraces my people. We are humble, we are proud, and we are truly grateful.

Thank you, Mr. President.

# <sup>8</sup> FSM President Bailey Olter addresses the United Na

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living principles of the Charter that you would pause now to allow one of your newest Members to speak.

First of all, Mr. President, for the South Pacific Forum and for my country, I wish to refer to the great sense of anticipation brought forth by your election to head this, the 46th Session of the General Assembly. Your experience and high standing has made you a most fortunate choice to provide the critical leadership that will enable us all to deal effectively with so many issues which, now more than ever before, can be addressed by this Body with a high expectation. You have our warm congratulations and our best wishes.

I wish also to express thanks and appreciation to the distinguished Secretary-General, Sr. Perez de Cuellar, as he continues each day through his diligent service to enrich the life of every citizen of the World. Today the United Nations has emerged during some of the most challenging times in all history as a stronger and more dynamic organization than at any time since its founding. The Secretary-General's unstinting and selfless devotion to the advancement of the principles of the Charter will never be forgotten.

Mr. President,

The Federated States of Micronesia is especially honored to have been admitted to Membership at the opening of this 46th Session along with six other distinguished Nations, and to have been able to share with them the sense of joy and fulfillment which pervaded on that historic day. Thus, along with our Pacific colleagues of the Forum, we extend warm congratulations to our neighbor and former Trusteeship partner, the Republic of the Marshall Islands. For the Democratic People's Republic of Korea, and the Republic of Korea, we rejoice that they have been able to take this long-awaited step together. To the Republics of Estonia, Lativa and Lithuania, their entry here brings a dramatic end to more than forty years of longing for the restoration of their sovereignty. We hope that the simultaneous attainment of Membership by such a large group will encourage still others, both within our Pacific Region and elsewhere, to become members and bring the goal of universality closer to ultimate attainment.

Mr. President,

The countries of the South Pacific Forum share with the rest of the World deep thankfulness for the many historic victories of the forces of freedom and democracy during the past year. The World is truly moving into an era of

government founded upon respect for human dignity. No longer need we think of the "Free World" as only half of humanity. The prospect of seeing within our lifetimes the establishment of the new World Order that seemed throughout most of this century to be beyond attainment, must inspire us all with determination to help

those who need special consideration for transitional needs and to make sure that the momentum now underway is not lost. This very Organization is now, more than ever, the principal banner behind which the ultimate victory of humankind will be attained.

Mr. President,

The Federated States of Micronesia was honored to host the twenty-second annual meeting of the South Pacific Forum in Palikir, our capital on the beautiful island of Pohnpei, on July 29 and 30. The Heads of Government of the 15 Member countries within our Region reviewed progress and made decisions on a number of issues considered important to the region, which were generally of a political, economic or environmental nature. I will mention briefly some of the subjects that were discussed.

Regrettably, the Forum noted that its longstanding, deep concern with nuclear weapons testing in the Region cannot yet be put aside. From our perspective, one of the lessons of the recent Middle East conflict is that each and every one of the leading nations of the World must set a strong example if the impulses of some to engage in nuclear weapons development in support of their unworthy ambitions is to be suppressed. For that reason we welcomed the decision by France, a leading Member of this Body, to become a party to the Nuclear Non-Proliferation Treaty and to sign and ratify the convention of the South Pacific Regional Environmental Program. We still await, however, a cessation of their testing of nuclear weapons in our Region. Mr. President, as Forum Chairman, I cannot overstress the determination of all the Members to persevere with and wherever possible expand our efforts to reach the consciences of those who seem willing to visit the potentially devastating consequences of nuclear testing on far away island people, but are unwilling to carry out such activities within their home-

On a happier note, the Forum was gratified that its earlier concerns communicated to the United States regarding destruction of chemical weapons at Johnston Atoll were not ignored. While we were not able to prevent a European stockpile of these weapons from being transferred to Johnston Atoll for future destruction and remain opposed to that activity within our Region, President Bush personally committed to our Heads of Government at a Summit gathering in Honolulu that no further stocks will be brought there and agreed to permit monitoring of the activity by a Forum scientific mission. We thank the United States for its recognition of our concern and hope that the point has been made effectively that our Region cannot be considered by the larger nations as a convenient empty space for the disposal of toxic and

hazardous waste and chemicals and radioactive materials. In that regard, the Forum also looks forward to strengthening the provisions of the London Dumping Convention at the next consultative meeting in 1992.

The most immediate and serious environmental threat to the Region was recognized to be climate change brought on or intensified by the acts of mankind, in particular by emissions of industrially generated greenhouse gases. The Forum stressed the importance for the international community to develop and adhere to a Framework Convention on climate Change containing commitments to immediate and significant reductions in greenhouse gas emissions by the industrialized countries, and committing all countries to strive for greater energy efficiency through, among other things, the development of alternative energy sources. The Forum further noted with appreciation that the Intergovernmental Negotiating Committee on a Framework Convention acknowledges the need to address the special situation of low-lying, vulnerable Small Island States, who will be among the first to suffer adverse consequences or even possible extinction as a consequence of sea level rise caused by global

On another environmental issue of great magnitude, the Forum welcomed recent progress toward achieving a complete ban on the destructive practice of driftnet fishing. The Forum hopes for the effectiveness of the Convention for the Prohibition of Fishing with Long Driftnets in the South Pacific which entered into force on 17 May 1991, and calls for faithful observance of the mandates of General Assembly Resolutions 44/225 and 45/197.

It is also hoped that this Body will not diminish its vigilance which, up to now, has contributed greatly to the movement toward eradication of driftnet fishing.

Referring to economic matters, the Forum recognizes the need for its Member countries to participate more actively in international trade fora. With regard to the current growth and strengthening of regional trading blocs, we hope that these will evolve in harmony with, and not displace the processes of the General Agreement of Tariffs and Trade. We join other members of the international community in underlining the importance of a just multilateral trading system, in particular, to the development prospects of poorer countries. We call for an expeditious and successful conclusion of the Uruguay Round of trade negotiations.

The Forum is, of course, deeply committed in its support for the self-determination of all peoples, including peoples in the Pacific Region. We anticipate great progress during the International Decade for the Eradication of Colonialism and call upon all remaining colonial powers meanwhile to establish an effective framework within the human rights of people living under colonialism are protected, including their rights to self-determination.

A particular focus of Forum attention is, and has been on the developments in New Caledonia, where a group of Forum Country Ministers recently completed a visit to observe the situation of the indigenous Kanak population. While more concrete action is encouraged, the Forum recognizes that the French authorities are pursuing positive measures to promote equitable political, economic and social development in the territory.

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# tions General Assembly as FSM became member

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It is to be hoped that these and other measures will create an atmosphere in which a peaceful evolution to self-determination will occur.

Mr. President.

That concludes my statement as Chairman of the South Pacific Forum. I make the balance of these remarks on behalf of my country, the Federated States of Micronesia.

Many peoples and countries of the World today live in better conditions and can have hopes for a brighter future as a direct result of the work of this Organization. Even so, I would venture to suggest that few others besides the citizens of the Federated States of Micronesia can point to the long and tangible encouragement from this Body that my people have received, virtually throughout the entire period that the Charter has been in effect. Permit me, then, Mr. President, on this day to give special recognition and thanks to the Members of the Trusteeship Council, to all past and present Members of the Security Council and to the Secretariat - to the governments and to all individual who, throughout the years, worked so tirelessly at our sides to bring about the eventual achievement of our goal of self-determination. Forgive me for singling out one particular Member in this regard, bu the United States, as our former Administering Authority, must receive unqualified praise for its singular commitment and its

In many years to come, whenever the people of the Federated States of Micronesia reflect upon the origins of our country we will b grateful that the Untied Nations was present early on our journey, to embrace us with the great principle of the Charter respecting the right of all peoples to self-determination. Now, however, we are no longer mere objects of this Organization's spiritual and material support. We have willingly subscribed to the Charter and accepted all obligations attendant thereto. It is incumbent on us to make repayment in some part for those long years of your devotion to our advancement in the only way we can - by devoting ourselves to becoming an effective Member Country and discharging our obligations faithfully to make positive contributions. Mr. President, we make that pledge.

Because the principles which brought our people together under our Constitution are so closely related to the principles of the Body's Charter, we have naturally found ourselves in strong support of the expressions and actions of the United Nations, particularly those directed toward the enhancement of human rights and the suppression of armed conflicts. Even on our remote Pacific islands, we cheered when the Berlin Wall came down. We felt repugnance at the Iraqi invasion of Kuwait. Today, we join in calling upon the Government of Iraq to comply fully with all United Nations Resolutions. Along with all peoples, we are deeply relieved by the apparent end of the Cold War, but even as we applaud the momentous events of self-determination unfolding in Eastern Europe and the Soviet Union we feel empathy for the difficult choices being faced by so many courageous peoples, and sympathy for their hardships. We pray for an early end to the tragic civil conflict in Yugoslavia. We also pray for the earliest possible release of all hostages held in the Middle East, taking heart from the unrelenting efforts of this Body and the Secretary-General.

Mr. president, because this is my country's first appearance in the General Debate, and because we associate ourselves with my earlier remarks on behalf of the South Pacific Forum, I will confine my self now to enlarging upon a single topic mention earlier, which is of particular concern. That is the issue of the World's coordinated response to the consequences flowing from climate change brought on by activities of Mankind.

We are thankful that the Members of this Body had the foresight to convene the historic negotiations now in progress relating to Environment and Development and Climate Change, and look forward to the signing of effective instruments on these subjects next June, in Brazil. Even prior to our becoming a Member of the United Nations we were given the opportunity to participate in these processes thanks to your recognition that Mankind's concern with the outcome is truly universal. In that regard, we welcomed the decision to seat the delegation of the Cook Islands at the Climate Change negotiations just completed in Nairobi, the wisdom of which was confirmed by the valuable contributions of their delegate of those meetings.

Like a number of countries in the Pacific and elsewhere, the Federated States of Micronesia is an oceanic State, comprised of small islands within a sovereign territory approaching the size of the Continental United States. Our ocean waters, therefore, are vast. Even so, we do not think of ourselves as small islands separated by great empty spaces. The ocean has been and always will be our great provider. Its bounty alone is our principal resource for economic survival, and we are conscious of our need to live in constant harmony with it. Until recently we believed we are too few in number for our actions to affect the great ocean, but while much about it is not yet well understood, we have come to realize that the ocean has many responses to man's activate around and upon it.

Two of those responses are brought about by ocean warming due to climate change, and affect our islands' very habitability. They are sea level rise and alteration of marine biological diversity. Both have been recognized by the

scientists participating on the Intergovernmental Panel on Climate Change, and both must be addressed effectively if our country is to survive and develop.

As the oceans are warmed and polar icecaps subjected to melting due to unnatural concentrations of greenhouse gases in the atmosphere, ocean levels will rise. I am not exaggerating to say that island sand low-lying coastal regions in many parts of the World which are now home to millions of people would first be rendered uninhabitable and ultimately would disappear completely. No amount of assistance or technology transfer would prevent this outcome, and it could begin to occur within current lifetimes. In some

reports, "migration" has been mentioned as a strategy for adaptation, but the World's experience to date with the forced migration of peoples has been uniformly tragic. The only answer is to control the activities that will cause the seas to rise.

Of almost equal significance to island peoples is the known fact that ocean warming will adversely impact a wide range of marine organisms, including the corals which are the basis for our reef fisheries and our defense against the violence of the open ocean. Additionally, stocks and movements of commercial ocean fish, on which virtually all our plans for significant development are based, would be subjected to changes which the scientists describe as profound, but which cannot be precisely identified based on current knowledge.

Mr. President, it is clear that small island states are indeed in the frontline of countries in the World who are facing dire consequences of climate change brought on by human-induced global warming - consequences which would flow from the impact on our great provider, the ocean.

But I must go further, and refer to a major reason why the warming of the ocean is of concern not only to low-lying islands but to the entire World. it is that the ocean waters and many of its living creatures such as corals are known to be a huge storehouse of carbon dioxide and other greenhouse gases. We know that warming causes those gases to be released from the oceans into the atmosphere, but we are not yet able to project the process with scientific certainty. Given that the Pacific Ocean alone comprises almost one third of the entire surface of the Earth,

the risks associated with man's t kind triggering such release through unbridled activities on land are too staggering to ignore. The existence of this and other related oceanic mechanisms is not a matter of speculation. They are scientific reality, and for that reason the interests of all Mankind dictate that the development of our comprehensive understanding of them be given a high priority in the allocation of resources committed by the Framework Convention.

As an oceanic island country, we believe it is our place and our responsibility to call attention to the key role for the oceans in our global environment. We, along with other island countries have undertaken to do so at the sessions of the Intergovernmental Negotiating Committee, and with the support of this Body I am optimistic that the Framework Convention on Climate Change will make due provision for this critical consideration.

In conclusion, Mr. President, I wish once more to refer to our joy and our humility at being permitted to speak on this occasion. We did not lightly undertake the responsibilities of Membership in this World Body, but though we are small we earnestly hoped that the voice of the Federated States of Micronesia will earn respect in years to come, for having been raised constructively in the advancement of the Charter and in the work of this, the greatest cooperative undertaking in the history of the World.

Thank you Mr. President.

# 10 First Ecotourism conference in the Pacific held in Pohnpei

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) - The first ecotourism conference in the Pacific Islands ended with applause as Francis Toribiong of Palau affirmed that Micronesia can do their own development and must not be forced out of controlling island businesses. More than 100 government leaders, tourism directors, bankers and business people and academic experts attended that conference, entitled, "Ecological Tourism and Small Business in the Pacific" held at Palikir, Pohnpei, September 17-20, according to a release from by Director of the Pacific Business Center Program Angela William at the University of Hawaii at Manoa.

It was acknowledged at the end of the three-day conference that higher education officials, land owners and developers of tourism policies would have to work together to form a cohesive program which benefits island residents.

Despite the problems of achieving such cooperation, however, the consensus was ecotourism offered a cautious and ethical opportunity to foster sustainable economic growth.

Toribiong, who owns a successful hotel and dive shop in Koror, Palau, offered his own experience as an example. He was told by Japanese investors that he was unqualified to manage the hotel on his land in which they had invested. But he cleverly forced the foreign managers off his island, took over the businesses, showed an immediate profit and convinced his investors that he could take charge.

"They tried to buy me out, but I like to do what other people do to achieve success," said Toribiong. "I want to lead, I want to control and I want the credit. We Micronesians have to be on our own, but we have to know how to take care of our people, our land and our water.

Discussions during the conference examined the impact of ecotourism on island economies, how to evaluate potential ecotourism sites and the importance of training in order that islanders can run their own business.

William said that political leaders

went back to their respective islands better prepared to formalize their tourism policies to reflect ecotourism industry trends.

"Ecotourism is not a fad," she said. "Tourists are taking the lead to change the industry and protect fragile environments. Our intent was to provide information and build bridges in order to influence policy makers and to increase awareness of opportunities for small business development. We are not attempting to run off large investments, but all leaders share a concern about their island cultures and environment and need tools to deal with changes.

The Pacific Business Center in association with the Economic Development Administration, U.S. Department of Commerce and the Pohnpei State Government, coordinated the conference, which opened on the day the Federated States of Micronesia and the Republic of the Marshall Islands were admitted as full voting members into the United Nations.

FSM Vice President Jacob Nena welcomed participants and the rare opportunity for leaders and business people to sit down and discuss a shared future.

"The event that has brought us all together has many significant implications for first rate economic development," said Nena. "Our group of islands faces similar issues concerning growth, tourism and environmental concerns. I am happy to have this opportunity for our islands to come together and share information and experiences in our special and unique area of the world."

Assistant Secretary of Commerce L. Joyce Hampers emphasized to the audience the importance of retaining control of its destiny.

"You live in the most beautiful place in the world," said Hampers. "Don't let anyone take it away from you."

Hampers administers the Economic Development Administration's grant and loan guarantee programs which support job-creating projects in the Pacific, and assured leaders that Economic Development Authority (EDA) was available to help with infrastructure development.

She was traveling with her regional director, John Woodward and the region's EDA Chief of Public Works. Separate meetings were held to work on many proposals for joint funding of infrastructure such as water lines, ecotourism locations and roads.

Financial constraints have limited private development in the past, but Donald Jonah, owner and operator of The Sandy Beach Hotel in the State of Kosrae, reminded people that ecotourism is a promising path because business people can start small and maintain control. He told a story, to much laughter, of how he started his successful hotel by taking his wife's sink and his own bed out of his house and installing them in the first of many small locally-built cottages for tourists.

One of the crucial elements of economic expansion is providing adequate training of local people to enable them to be a long-term work force in the tourism, where tourism is the largest industry, proposed hotel management laboratory schools to be located on each island. She said her college would have one by 1995.

"Local people must be trained not only for managerial and skilled positions within the tourism industry but in order to become decision makers within the industry," said McPhetres. "No true economic development can occur unless we develop our human resources. These hotel schools would be staffed and run by students with the evidence of their faculty. This approach is consistent with the island way of learning: theory and practice going hand-in-hand with a lot of on-the-job training."

McPhetres believes tourism needs to be encouraged but also controlled.

"It is my belief that it can only be controlled if decision makers at every level throughout the industry are indigenous people," said McPhetres, "This can only occur with the involvement of the local institution of higher education. I am deeply concerned as an educator to see that such growth is

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# **Ecotourism**

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translated into development that will benefit the people of our islands."

William Bodde, Jr., U.S Ambassador, Republic of the Marshall Islands, which has created a new Tourism Authority to help promote small scale tourism, said ecotourism has great potential everywhere in the Pacific.

"We do not know if the economics will make large-scale resort development possible in the Republic of the Marshalls, but in the meantime there have been some efforts to find a niche for ecotourism," said Bodde. He cited, "outer island escapes," via plane which enabled visitors to see historic sites, enjoy water recreation and meet artisans and buy handicrafts.

He told people that Waikiki in Hawaii is one of the best examples of containing tourists in relatively small, confined area, and that tourism can be vital engine of economic development, having proven itself in Hawaii, Kenya, Africa, Fiji, in the South Pacific and elsewhere.

"Ecotourism is not a cure-all, but it does take us in the right direction and offers the islands a rational and incremental approach that is environmentally-friendly to development," said Bodde.

In a speech played live over the local radio station in Pohnpei, Dr. Failautusi Avegalio from the University of Hawaii warned people that companies involved in development must be willing to undergo "social audits" to ensure that actions are appropriate and enhance, rather than damage, island cultures.

He recommended a "system approach" to tourism development that would embrace all of the islands in the region. Dr. Avegalio also said that what happens in Pohnpei does affect development in Kosrae, Chuuk and even American Samoa and warned of what he termed the "Fijian syndrome" in discouraging the importation of foreign labor.

"We have many lessons to learn from around the Pacific Rim concerning tourism development," said Dr. Juanita Liu from the University of Hawaii. "The tourism industry in the Pacific Islands has to be developed cautiously, using an environmental and ethical context as well as the market approach."

She said that political leaders wisely requested practical follow-up sessions on each island to implement the principles of ecotourism by involving land owners and educational programs. The Pacific Business Center and Dr. Liu plan to conduct such follow-up sessions.

Other speakers contributed to her workshop with suggestions as to how to determine and develop destination sites,

community values in the expansion of ecotourism, marketing, the experiences of proprietors of on-going ecotourism facilities in the region, goals and policies of development and the public and private role in investment.

Contributors to the conference included Continental/Air Micronesia, Mobil Oil Company, Bank of Guam, Sea Grant Extension Service at the University of Hawaii at Manoa, Bank of the FSM, United States Embassy of Pohnpei, and the Bank of Hawaii.

### Dr. C represents FSM to APMC at Manila

PALIKIR, Pohnpei (FSM Information Service) - Acting Secretary of Human Resources Dr. Catalino L. Cantero attended the Fourth Asia and Pacific Ministerial Conference (APMC) in Manila October 7-11. Inaugurating the conference at the Philippine International Convention Center was Her Excellency Corazon Aquino, President of the Republic of the Philippine. Instrumental in coordinating the FSM delegation is His Excellency Purisimo A. De Peralta, Philippine Ambassador to the FSM.

Dr. Cantero in the capacity of Acting Secretary of the Department of Human Resources made a courtesy call on President Corazon Aquino. In her message to Dr. Cantero, President Aquino extended her country's congratulations and good wishes to the FSM for the recent admissions to the United Nations.

The Fourth Asia and Pacific Ministerial Conference adopted the Manila declaration to work to alleviate poverty in the ESCAP Region in the year 2000 and beyond, to combat Aids, and other social problems.

In his remarks before the convention, Dr. Cantero requested FSM's membership in ESCAP which received full support from the ESCAP Secretariat.

In a letter from the United Nations, Secretariat, indicated that the FSM will be formally accepted as a full member in April 1992 at no cost to the FSM Government, however the FSM stands to benefit from the ESCAP programs in the areas of education, health, etc.



DR. CANTERO CALLS ON PRESIDENT AQUINO - Acting Secretary of Human Resources Dr. Catalino Cantero during APMC called on President Corazon Aquino. Present during the visit were Dr. S.A.M.S. Kibria, Exectuive Secretary of ESCAP, and Dr. Mita Pardo de Tavera, Secretary of the Department of Social Welfare and Development. From left to right: Cantero, Kibria, Aquino, and Tavera.

# 12 PMC signs agreement to purchase Air Mike

SAN FRANCISCO, United States (FSM INFORMATION SERVICE) - Pacific Micronesia Corporation (PMC) signed on October 28 an agreement with Continental Airlines, Inc. to purchase Continental's Air Micronesia operation, known as "Air Mike," according to a PMC release.

The agreement was filed October 28 with U.S. Bankruptcy Court in Wilmington, Del. Under the agreement, PMC will purchase Air Mike for \$270 million in cash, plus \$20 million in preferred stock.

Senior management of Guam-based PMC includes George Doubleday II, Chairman and CEO, and Scott Gibson, Senior Vice President. Both have extensive airline experience, as well as specific expertise in Air/Pacific trade development and tourism.

"We are very pleased and excited about reaching agreement with Continental to purchase Air Mike," Doubleday said, adding, "The Pacific region has tremendous growth potential, with markets that are rapidly expanding. I want to assure the nearly 1100 employee of Air Mike that they may all remain with the new company and that we will do our best to make the airline an exciting place to work in the coming years."

Doubleday previously was Regional Managing Director-Southeast Asia with Pan American World Airways, based in Hong Kong, and is currently Chairman of the InnerAsia Group in San Francisco. Gibson was formerly Senior Director - International Marketing and Planning at Continental Airlines, and has been a partner in the consulting firm, INTERACT. John Eckel, Jr., an independent businessman in Houston, is also a member of the founding team.

The PMC investor group will be led by Arral & Partners (Asia) Limited, an American managed, Hong Kong based investment firm which manages partnerships funded principally by U.S. corporations and pension funds, and United Micronesia Development Association, Inc. (UMDA), a Northern Marianas corporation, PMC also anticipates that the local governments in the Central Pacific served by Air Mike will play an active role in

the new company.

Air Mike currently flies from Guam to six cities in Japan, two in the Philippines, two in Australia, Taiwan, South Korea, Indonesia, Hong Kong, New Guinea and 12 islands in Micronesia. It operates 17 aircraft, including five DC-10's, 10 Boeing 727s and two F-27s.

The Transaction includes all Continental's route authority to fly from Guam to points in the mid-Pacific, Far East and South Pacific, all offices, gates, landing slots, maintenance facilities, airport facilities, parts inventories, data processing and communications equipment, and real estate owned by Air Micronesia. Not included in Continental's authority from the mainland United States and Honolulu to Tokyo, Australia and New Zealand.

"We have had tremendous support and encouragement from local business and government leaders," Doubleday said, "and we are most enthusiastic about the prospects for developing a truly regional airline that is responsive to the needs of the island nations that we serve, as well as expanding and improving our service to the international destinations of the Air Mike route system. I am most impressed with the spirit and professional capability of the Air Mike employees that I have met so far, and I am looking forward to developing a highly motivated and caring airline team that is service-conscious and sensitive to our customer needs."

The acquisition is expected to be finalized early next year.

# Olter help negotiate tuna quota with U.S.

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - Assistant Secretary of State for East Asia and the Pacific at the Department of State in Washington, D.C., Richard H. Solomon in his letter dated October 3 to FSM President Bailey Olter congratulates him for FSM's admission to the United Nations General Assembly, and said, "During your meeting with President Bush, you raised the matter of imports of canned tuna from the Federated States of Micronesia. Concerned elements of the United States Government have been working for many months to clarify the regulations which pertain to these imports. I am pleased to be able to advise you that on September 30, the President signed Presidential Proclamation Number 6343 which will provide the clarification necessary to permit tuna imports from the freely associated states to be treated as described in the Compact of Free Association."

FSM Ambassador to the United States Jesse Marehalau in his letter to the President congratulates the President and thanked him for his assistance in resolving the tuna quota problem which had been worked on for a long time.

A President's Proclamation 6343 was issued by President Bush after President Olter met with him privately in New York. "The Proclamation," says the letter, "is concerning Canned Tuna which incorporated and

satisfied all the concerns that we have been trying to resolve with the U.S. Customs people. The language and interpretations of this new proclamation restores all the benefits that FSM is entitled to under the appropriate sections of the Compact of Free Association."

The letter stated that, "With the Presidential Proclamation now in place, the U.S. Customs Office will adhere to it and abandoned their earlier interpretations which says FSM is not entitled to the ten percent quota. Counsel Stovall has carefully reviewed it and agreed that State Department used our FSM version of proposed language in the Proclamation and thus all of the FSM's concerns in this subject matter has been fully addressed satisfactorily from our Washington's point of view."

Ambassador Marehalau recommends that, "in the future, if any FSM agency or joint venture group that wants clear interpretations on tuna quota from the U.S. Customs office, it would be wise to channel that kind of inquiries to the U.S. via our Department of External Affairs and this Mission to the U.S. In this way, we can avoid this kind of problem that has taken a meeting of two Presidents to resolved."

Marehalau in his letter also thanked FSM External Affairs and Attorney General's Office for working closely with them on the subject matter.

# China Embassy celebrates 42nd Anniversary

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) -The first People's Republic of China (PRC) Ambassador to the FSM Li Qinping welcomed everyone to the reception held at the China Restaurant in September, commemorating the 42nd Anniversary of PRC.

Present include Vice President Jacob Nena, FSM Supreme Court Chief Justice Edward C. King, Diplomatic Corps, FSM Department of External Affairs Acting Secretary Epel Ilon, and other official and guests.

Appeared initially before the toast proposed by Ambassador Li to the constant development of the friendly relations and cooperation between China and the FSM, to the prosperity of FSM and the well-being of its people, to the health of His Excellency the President Bailey Olter and First Lady, Vice President Nena and Mrs. Nena, was Li's 42nd PRC National Day message, followed by Nena's words of congratulation.

"First of all," Ambassador Li said, "I would like to extend, on behalf of my Government, the congratulations to all of you that the United Nation (UN) General Assembly has voted by acclamation for the admission of the FSM into the UN. Now FSM is a member of the world body of independent countries. And also please allow me to express my heartfelt thanks to all of you for attending the reception tonight to celebrate the 42nd Anniversary of the Founding of my country. Forty two years ago, that was on October 1st, 1949, the Chinese people established a new China, the People's Republic of China. In history, 42 years is only a twinkling, but history is like an ever flowing river. Today embodies its "Yesterday," and also begins its 'Tomorrow.' China has traveled a tortuous road in the past 42 years. In those years, the Chinese people have carried out socialist independently, construction achieving a success that has attracted worldwide attention. History has also proved that without indepen-



AT THE CHINA ANNIVERSARY - Vice President Jacob Nena and Mrs. Nena with Ambassador Li Qinping during the 42nd China Anniversary held at the China Restaurant. From left to right: Li, Nena and Mrs. Nena.

dence, sovereignty an contact with the outside world, a country cannot develop."

"We, China and FSM, are both developing countries. It is not long since our two countries established diplomatic relations. But since then, our friendly relations and cooperation have seen rapid progress. My Government attaches great importance to maintaining and developing friendly relations and cooperation with FSM Government and have always held that countries, no matter big or small, all have their own strong points, and that as long as they respect and trust each other and treat each other as equals, they will be able to have friendly relations and cooperation which will develop and endure. The smooth progress of the Sino-Micronesian relations is a vivid example. I am confident that with the joint efforts of our two sides, the Sino-Micronesian friendly relations and cooperations will surely register further development," Li concluded.

Vice President Nena said, "It is with great pleasure that I join you this evening to commemorate that Founding of the People Republic of China (PRC). On behalf of the people and the Government of the Feder-

ated States of Micronesia, I would like to extend our heartfelt congratulations and best wishes to the people and the Government of the People Republic of China on this, the 42nd Anniversary Of The Founding Of The People's Republic Of China."

"Despite the short period since the establishment of formal diplomatic relations between our two countries, I am proud that we have accomplished a great deal. I also wish to take this opportunity to extend our heartfelt gratitude to the government of the People Republic of China for its support on our membership in the United Nation," Vice President Nena said, adding, "I would also like to assure Your Excellency and the esteemed government of the People's Republic of China that now that the FSM has rightfully gained its place in the community of nations, we will work with you, not only in matters of mutual interests but also in regional and global matters as well. Guided by our One-China policy, together the FSM and PRC of course, joining our friends and neighbors will, I am confident, make outstanding contributions to our regional as well as international undertaking."

# THE NATIONAL UNION, September - November 1991

# 14 A week-long Court Clerical Conference held in Palikir

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) -A week long Supreme Court Clerical Conference commencing 10:00 a.m., September 30, participated by the Chiefs and Assistant Clerks, Secretaries, Reporters and Recorders of States Courts and Supreme Courts from the FSM and the Republic of Belau which held at the FSM Court House in Palikir was opened by FSM Supreme Court Chief Justice Edward C. King.

Conference aims to introduce the procedures for appellate, civil and criminal with the General Court orders in relation to legislations and clerical operation also offers an opportunity on option for the participants to learn word processing, transcript preparation and methods in writing statistical reports.

King said that the participants are all absolutely welcome to Palikir

when he opened the conference."This conference is a continuation of the conference we had through out the years. This is always a pleasure for me to see a lot of familiar faces, that I have seen in various other places at other time. This conference also offers the opportunities for me to get to know those that I have not met yet and other people that our staff have not met. So you are all absolutely welcome."

"Our Court Systems have now being functioned for guide some times in some ways. Many of us have traced our selves back to the Trust Territory Days. Still some of us do not. Our staff is fresh and are new, and we do not have any body who had been working under the Trust Territory Court System at present. Therefore, we are unable to trace our oregion beyond 10 years period," King said.

"We know a lot of the basics about how to run our Court Systems. We need to try to do it better to abolish our skills and get a better focus on what it is that we are trying to do. Why exactly that there are clerk's offices and what are their functions," King added.

King said that the participants are attending the conference which is the product of the Judicial Seminar recently hosted by Kosrae State Court in May. The goal of this Conference is to move up the present Court System to a step further, leads the system to understand not to be thinking just about keeping paper straight, getting counters out and having hearings start on time, but focus on the system to work smoothly, proceed faster and to get the cases heard.

"There is a need for the Courts through out the Federated States of Micronesia and Belau to proceed faster. There is also a need to get our cases heard, work quickly and find out how long it does to take us to decide matters. How long does it take cases to the hearings? How to we keep tracks of mechanism do we use and to make sure that we are functioning in an effective way. Obviously if we have a criminal appeal, and the person has to go into jail while the appeal is bending, if ultimately, the court reverses the confection, it makes a fool of every body. It just not an acceptable situation. The tension of the civil litigation is terrible. It can effect people's life very profoundly and the people can get sick, die in the course of civil litigation because it means so much to them. It effect them so much. For us to allow the litigation to linker on longer than it absolutely essential, can be a major disservices to the people who have come to the court to seek justice," King said.

"The court office can play a very major role in assisting to assure that we are functioning effectively. Some people say, "A Justice delay is a justice denied." There is a great deal of truth in that. The Court Office by issuing statistical reports can help the judges see where the problems are by being able to age case in order to work quickly on cases. We have so many cases that are six months or older, many cases that have been given to judges for submission but not been decided on and no action has been taken on them for a period of ninety days or more. By bringing these matters to the administrative people or to the attention of the chief justices and to make sure that every body alerts of these needs," King said.

"Another theme of the conference is

the appellate procedures. It is particularly important with in the FSM these days for several reasons. The State Courts can be faced with many difficult problems. We will always have this inter play between the Trail and the Appellate Divisions of the FSM Supreme Court, but there is no way now to avoid the fact that the same kind of inter play is going to take place between the State and the National Courts. It was going to be increased because of the larger criminal jurisdictions," King said.

"The other fact is that the Appellate Divisions of the State Courts are not making good decisions which is of some important to courts systems in the FSM. We have to figure out how to do that better from all the reasons that have been stated. The entire system breaks down if we can not get those matters put together and heard quickly by the state courts," King said.

"The case is appealed to the FSM Supreme Court, if involved a National Constitutional issue or issue relating to the National laws. If it is taking 3 years to get an appeal works through the State Appellate Division so there can be an additional periods of another three years to get another appeal to be heard. This is a serious problems in our systems. It raises questions about the creditability of the entire systems. We must make the system better than it has been identified as the greatest problems beside land cases which also can take a long time," King concluded.

The participants of the conference from Federated States of Micronesia including a delegation comprising of the Chief Clerk of Court Kolber Angei, Assistant Clerks of Court Kereta Dereas and Rysang Simina, Secretaries/Court Reporters Miako Hengio, Misiko Elymore and Norsiana Akira from Chuuk State.

The Yap State delegation is consisting of the Chief Clerk of Court Jesse Thinfan, Court Reporters Missy Worswick and Mili Midrad, Legal Secretary Doloris Tafanglemar and Assistant Clerk of Court Cesca Chieg.

The Kosrae State delegation is com-(See CONFERENCE, Page 15)

# Conference....

(Continued from Page 14)

posing of the Chief Clerk of Court Richard Sigrah, and Secretaries/Reporters Shrue Lonno, Airin Palik and Dina Abraham and a Secretary/Reporter of the State Supreme Court Snyder Saimon represents Pohnpei State.

The delegation from the Republic of Belau including Chief Clerk of Belau Supreme Court Grace Y. Sam, Assistant Clerks of Supreme Court Aholiba Albert, Susan Ngirausui, Jacob Ngirablosch, Linda B. Thomas, Debbie Mineichi; Supreme Court Recorders Lulu Techur and Huana Benhart and Supreme Reporter Cathy Tellei.

The FSM Supreme Court Chief Justice King, Acting Chief clerk of Court Kohsak Keller, Publications Manager Emirose Elanso, Secretaries/Court Reporters Derinta Iehsi, Ramona Innocenti, Rolina Otto and Georgia Rungun, State Justice Ombudsman Hilman Sigrah, National Justice Ombudsman Nickontro Johnny, Law Clerks Dan Hall, Beauleen Carl and Warren Wichman represent the FSM Supreme Court.

# Copra price increased

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) - The FSM Coconut Development Authority Board of Directors has approve an increase of copra price from the present 7 cents per pound to 15 cents per pound effective December 1, 1991 for a period of four weeks ending December 29, 1991 at which time the Board and the Management will review the resources available to determine the reduction in the price after the above period. Following are detail changes per grade of copra in pound and in short-ton:

Grade I, .15 cents per pound, \$300 per short-ton. Grade II, .145 per pound, \$290 per short-ton. And Grade III .14 cents per pound, \$280 per short-ton.

The decision was taken by the Board during its board's meeting held September 26-27. The reasons for the Board's decision in increasing the copra price is to provide additional revenues for the copra farmers during the period indicated above.

# Australian Embassy donated copier to CCM

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE) - The Australian Embassy Charge d' Affaires in Pohnpei, Raewyn Henelius, formally handed over, September 4, a high speed \$9725 Canon NP 3825 photocopier for the Community College of Micronesia to the President of the CCM, Paul Gallen, which has been provided under the Small Grants Scheme, according to Henelius. "The Embassy is extremely grateful to the college for accepting a delay in the hand over to allow the Embassy to use the copier during the recent South Pa-

cific Forum to cope with the much expanded workload created to support the Australian delegation led by the Minister for Foreign Affairs and Trade, Senator Gareth Evans," Henelius said. "The photocopier which arrived in time while all CCM Canon photocopiers are malfunctioned, operates on control cards, based at the Central Student Services and will provide services to all CCM program areas including Student Services, Academic Affairs, Students and Faculty Supports Services and the Administrative Services," Gallen said.



AUSTRALIAN EMBASSY DONATED COPIER - Raewyn Henelius of the Australian Embassy, September 8, formally handed over a Canon copier to CCM President Paul Gallen for the College. From left to right are Gallen, Henelius, and Vice President for Support and Student Affair at CCM, Hers Tesei, witnessing the presentation.

## Brims replaces Raewyn at the Australian Embassy

PALIKIR, Pohnpei (FSM IN-FORMATION SERVICE) - Mike Brims arrived Pohnpei to replace Raewyn Henelius as Charge d' Affaires of the Australian Embassy, according to a news release from the Australian Embassy in Kolonia.

Brims is a permanent member of the mission in the role of First Secretary and consul, but will be in charge of Australian Embassy affairs until the arrival in November of the new Australian Ambassador designate Peter Standford. With the arrival of Ms. Helen Hayes, Attache/Vice Consul, September 9, the permanent diplomatic establishment of the Mission is a three Australian officers.

Brims is a career Diplomat who, prior to arrival in Pohnpei, served in Australian Missions in Chile, Sri Lanka, Denmark, Western Samoa, and Laos. He is married and has two children. Because of schooling commitments, his family have remained in Australia for the present, release concluded.

# 16 FSM mourns for Moses and Edmund

PALIKIR, Pohnpei (FSM INFOR-MATION SERVICE)-The Nanmwarki of U Municipality and Pohnpei State Legislature Vice Speaker passed away recently.

Nanmwarki Johnny Moses who was the U Municipality Chief Magistrate, 1959, was a Deacon (Sounkoha) 1937, Christian Endeavor President (Kaun en Iokounpwont) 1938, Lay Minister (Sounpadak en Mwomwodiso) 1950, Ordain Minister (Wahnparon) of U Congregational Church and was retired in 1971.

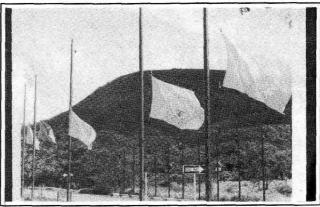
He passed away, September 30 at the age of 91 years old. Late Moses is predeceased by his wife Simako Moses, a number of grand children and 8 adopted children. He was laid to rest, October 1st at the family cemetery in Nahn U and the former Wasahi of U, Fredrick Kihleng was the successor, (Nanmwarki of U) during the Funeral Ceremony, according to information received from the Pohnpei State Government.

The church peers, traditional leaders, Pohnpei State and FSM National Governments Officials with his families and friends paid their respect to late Nahnmwarki Moses. Pohnpei State Governor Rasio S. Moses adopted a Proclamation, ordering al flags of Pohnpei to be lowered to half mast in honoring and respecting the Nanmwarki through the date of his interment as symbolic to the Pohnpei State peoples' regret/grieve to the death of the respected/valued traditional leader and to express their deeply felt sympathy to his family and friends, the reliable source added.

FSM Vice President Jacob Nena,

Supreme Court Chief Justice Edward C. King, and the three branches activities heads of the FSM National Government attended the funeral.

The Second Pohnpei State Legislature on the 30th Day of its 9th Regular Session introduced Legislative Resolution (LR) No. 276-91, expressing and extending deepest sympathy and sincerest condolences to the family, relatives, and friends of the late Nahnmwarki of U, the Honorable Johnny Moses, and to the people of U Municipality and



Half-Masted flags

Pohnpei State for the Nanmwarki's inopportune passing. The resolution concluded saying that the late Nahnmwarki of U was respected and greatly admired by his church peers as well as the traditional leaders of Pohnpei State. At the time of his passing, the late Moses held the highest traditional title of Sangoro, Nahnmwarki of U, which position, as leader of U Municipality, he held with pride and dignity for over thirty-seven years and he will be sorely missed by his people, the source concluded.

President Bailey Olter on November 11, issued a Declaration ordering all FSM flags be flown at Half-Mast begin-

ning sunrise November 12 until November 16, 1991 in mourning for the sudden death of Pohnpei State Legislature Vice Speaker Joannes Edmund.

The Declaration stated, "Pursuant to the FSM Regulations for display of the flags of the Federated States of Micronesia, I, Bailey Olter hereby order the flags of the FSM be flown at Half-Mast in Pohnpei and throughout the nation and its various overseas offices outside the FSM beginning at sunrise November the 12th until sunset on No-

vember 16, 1991, in mourning of the sudden death of the Honorable Edmund, Vice Speaker of the Pohnpei State Legislature."

Edmund was brought to Pohnpei Hospital for medical assistance and treatments for his sudden lack of

speech and unconsciousness, and was immediately admitted to the Medical Ward at 11:00 p.m., November 9, 1991, pronounced death at the general ward 4:00 a.m. November 11, by Pohnpei State Hospital Family Practitioner Dr. Fariborz Zear. The remains of Edmund was burried on November 12.

An Officials funeral was held at the Pohnpei State Legislature November 11 at 3:00 p.m. FSM National Government Officials attended the official funeral in paying respect to the late Vice Speaker. Late Edmund is predeceased by his widow Priska Edmund, three daughters, and five sons.

### THE NATIONAL UNION

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