



# THE NATIONAL UNION

PEACE • UNITY • LIBERTY

AN OFFICIAL PUBLICATION OF THE PEOPLE OF FEDERATED STATES OF MICRONESIA

Volume 14

Palikir, Pohnpei, April 15, 1993

Number 3

## Dr. Cantero took oath of office

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - President Bailey Olter in a brief ceremony on April 7, in the Cabinet Room, administered the oath of office to Dr. Catalino Cantero of Pohnpei as the Secretary of the newly created Department of Education.

Congress confirmed Dr. Cantero's nomination during its 4th special session which was held in March.

President Olter in submitting his nomination of Dr. Cantero to the FSM Congress stated, "I have searched the country for qualified FSM citizens and have identified the individual I believe most qualified to lead the way in de-

veloping and guiding the educational need of our country. I am therefore, without reservations, very happy to advise you that Dr. Cantero has humbly accepted this nomination and is ready to respond to the call of Congress for the advice and consent process."

The President requested Congress to give its advise and consent in, "good timing" because of the urgency to move forward on the educational development such as the restructuring of the College of Micronesia System."

Cantero is the first Micronesian to earn his doctorate degree or Ph.D, the

(See DR. CANTERO, Page 3)

## CFSM adjourned its Fourth Special Session

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - Congress of the FSM by unanimous delegations' vote, overrode the President's veto on Congressional Act No. 7-124, relative to Congress Bill No. 7-198, C.D. 4, passed by Congress during its Fourth Regular Session.

C.B. 7-198, to amend title 34 of the FSM Code by amending Section 202, 203, and 204 by repealing Section 207 in its entirety, and enacting a new Section 207 in lieu thereof; by adding a new Section 208 for the purpose of increasing the permissible rate of interest changed by lending institutions; to delete the definition of net yield rate; to expressly allow fees for processing loans to authorized the use of floating interest rates; and require the posting of interest rate paid on deposits, and the prime rate.

In his veto message to Speaker Fritz on December 24, last year, President Olter said, "In my opinion, people and enterprises in a developing country like the FSM cannot afford to pay increased rates. The present usury law has served us well and should not be changed." The President added, "before we permit higher interest rates, we must study this question much more carefully, especially as it relates to development."

In Standing Committee Report No. 7-364 by the Committee on Resources and Development, signed by Chairman Redley Killion of Chuuk and Senators Wagner Lawrence, of Pohnpei, Joseph J. Urusemal of Yap, Moses Mackwelung of Kosrae, Leo A. Falcam of Pohnpei, and Nishima Yleizah of Chuuk, stated,

(See CFSM, Page 2)



FIRST SECRETARY OF EDUCATION - Dr. Catalino Cantero took the oath office administered by President Bailey Olter on the 7th of April with Dr. Cantero's wife Ruth Cantero holding the Bible. In front, left to right are President Olter, Dr. Cantero and Mrs. Cantero. In the back are witnesses during the brief ceremony held in the Cabinet Room.

(Continued from Page 1)

"after careful deliberation, it is the conclusion of your committee that it is necessary for the Congress to override the Presidential veto, for the following reasons."

Members of the executive branch testified in support of the bill in the public hearings; loans in the FSM are inherently more risky than those made in the United States; and banks cannot accept real estate as collateral because of the restriction on land ownership in the FSM.

The Committee also reported that the Banks of Guam and Hawaii combined exported funds equal to 72 percent of their total deposits. Which means that only 28 percent of their total deposits is invested in the FSM. This being the case, the two banks violated Title 29, Section 504, subsection 2, (b) of the FSM Code as amended which says, "the percentage of loans made by such bank to the citizens and residents of, and business entities located in the Federated States of Micronesia exceeds 50 percent."

The Committee supported the variable or float interest rate on long term loan, in response to changes in the prime rate. The report stated that the result will be more capital available for the developing economy. "To summarize, the old usury law has not served us well, but is responsible for a miscalculation of our domestic resources. Allowing banks greater flexibility in setting of interest rate should substantially contribute to the Nation's development goals," the report concluded.

Congress also override Congress Bill 7-375, a bill for an act to appropriate \$500,000 for funding the purchase of medical equipment supplies and pharmaceuticals by Government Health Service facilities in the Nation.

The Congress in its last session also took action on 25 other measures before adjourning on the 26th of March.

The following Congressional Bills were passed during the last session.

C.B. 7-378, to appropriate \$2 million to provide funding for the Business Development Loan Fund.

C.B. 7-427, to modify the use of funds previously appropriated therein and to modify the allottee of funds.

C.B. 7-432, to modify the use of certain funds previously appropriated therein for Pohnpei public project.

C.B. 7-433, to appropriate \$321,480 for conducting a Housing and Population Census.

C.B. 7-438, to provide additional funding for the operation of the Board of Regents of the COM, and to pay money owed to the U.S. Postal Services.

C.B. 7-443, to modify the use of funds appropriated for Kosrae public projects.

C.B. 7-444, to modify the use of funds previously appropriated for Kosrae State public project.

C.B. 7-449, to change the site of one of the airstrips in Pohnpei State from Nukuoro to Kapingamarangi.

C.B. 7-451, to modify the use of certain funds appropriated therein for Chuuk State public projects, and to change the allottee of certain fund appropriated therein.

C.B. 7-452, to change the use of certain funds previously appropriated for Chuuk State public projects.

C.B. 7-453, to change the use of certain funds previously appropriated for Chuuk State public projects.

C.B. 7-456, to modify the use of certain funds previously appropriated and to modify the allottees of funds.

Congress confirmed nine nominations from President Olter including the nomination of Dr. Catalino Cantero of Pohnpei to the position of Secretary for the Department of Education in the Naional Government. Congress also confirmed the nominations of the members of the Board of Regents of the College of Micronesia-FSM and the members are: Podis Pedrus, Pohnpei; Andrew Yatilman, Yap; John Sohl, FSM; Lyndon Abraham, Kosrae, and Kangichy Welle, Chuuk.

The nomination of Bermin Weilbacher was confirmed as FSM representative on the three member Board of Regents of COM under the new treaty which took effect on April 1, 1993.

Nominations for Ihlen Joseph and Patrick Mackenzie were confirmed as members of the Board of Directors of the FSM Development Bank.

Confirmed also include a resolution to ratify the Treaty Among the Government of the Republic of Marshall and

the Republic of Belau regarding the College of Micronesia; and three other approving the FSM Adult Education State Plan for fiscal years 1993-1994 pursuant to Section 210(2) of Title 55 of the FSM Code; a resolution approving the FSM Development Disabilities Assistance Program State Plan for fiscal years 1993 and 1994 pursuant to Section 210(2) of Title 55 of the FSM Code; and a resolution to modify the total funds estimated to be available for appropriation from the General Fund of the FSM for fiscal year 1993.

The 8th Congress will convene in May this year in its First Regular Session.

### ANNOUNCEMENT

**PALIKIR, Pohnpei (FSM INFORMATION SERVICE)** - All students attending or planning to attend the former CCM, College of Micronesia-FSM (COM-FSM), must get a U.S. Social Security number in order to be eligible for Financial Aid this semester and in the future. To apply for a U.S. Social Security number, the students or their parents must have: a birth certificate, which they can get from the hospital or the State Court, or a valid passport. The birth certificate must be either the original or a notarized copy of the original; and current students must also have a State or School identification card.

Send or bring these documents; the birth certificate or a valid passport and state or school identification card to the College of Micronesia's CCM Financial Aid Office starting, March 22, 1993.

When the school receives these documents, the students will then be provided an application for the United States Social Security number.

If current and future students do not complete this process, their Financial Aid applications cannot be processed. All present and future students must get a U.S. Social Security number. This must be done as soon as possible.

## Dr. Cantero ....

(Continued from Page 1)

highest award in educational world, from Ohio University in educational administration. Dr. Cantero has devoted his entire life to educational development.

Dr. Cantero was an advisor to the Department while awaiting confirmation by Congress.

Dr. Cantero has been Acting Secretary of the Department of Education since the establishment of the Department until his appointment.

As Dr. Cantero awaits his confirmation, President Olter appointed Yosiro Suta, Administrator, Federal Programs, Community Services and Foreign Assistance, as interim Acting Secretary.

Dr. Cantero was sworn-in with his wife Ruth Cantero holding the Bible.

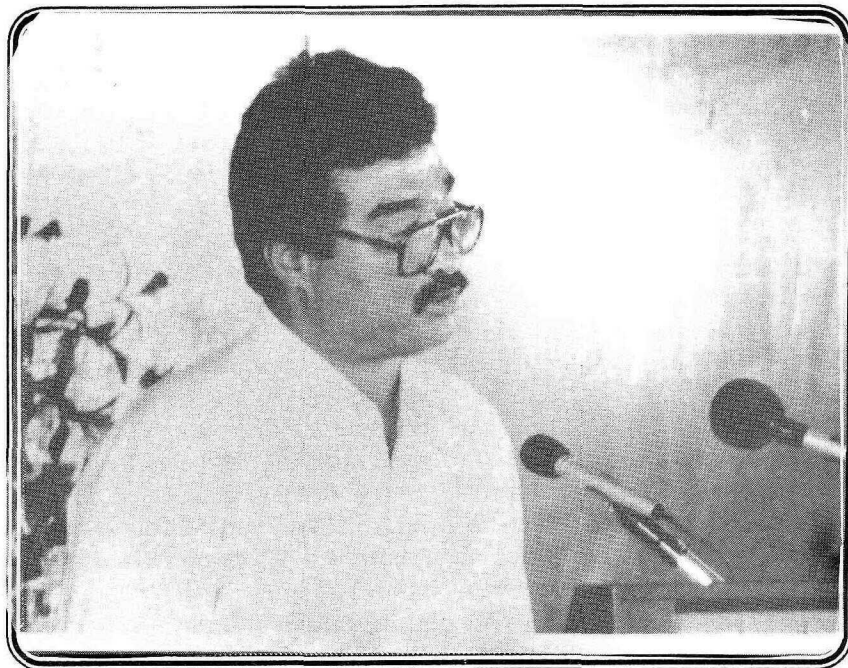
Present at the ceremony were Vice President, and Cabinet members, FSM Acting Chief Justice, staff from Congress, Governor of Pohnpei State, staff from the Bank of the FSM, and the President of the COM-FSM and staff, and State Education Directors who were in Pohnpei for a meeting and the staff at the Education Department, and other officials, relatives, and friends.

### ADB mission visited FSM to identify proposals for financing

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The 1993 Annual Country Programming Review Mission of the Asian Development Bank visited the Federated States of Micronesia last February to identify proposals to be financed by the Bank based on the Development Country's Strategy Study. In each State the members of the Mission met with, reofficials and discussed inputs for their program priorities.

The Mission is composed of Paul Macabe, Program Officer and Mission Leader; V.N. Gnanathurai, Economist; and M. J. Aquino, Senior Assistant. International Financing Coordinator, Nakama Sana accompanied the Mission to the states.

Following the Mission's visits, a Memorandum of Understanding (MOU) was signed between the FSM's Secre-



*APIL MET IN POHNPEI - The 23rd Meeting of the Board of Directors of the Association of Pacific Island Legislatures (APIL) was opened on March 25, with welcoming remarks by Pohnpei Lt. Governor Victor Edwin who said he welcome the participants on behalf of the traditional leaders, state officials and people of Pohnpei and wished for them a successful and productive conference. Edwin thanked the participants for selecting Pohnpei as their meeting site and assured them Pohnpei's support for the work of the association. Adding that APIL's concern for common problems and issues in the region deserves praise. Edwin offered the assistance of the State and wished them a pleasant stay in Pohnpei. Present at the opening ceremony were representatives of Yap, Chuuk, Pohnpei, Kosrae, the Republic of Palau, and the Commonwealth of the Northern Mariana Islands, while representatives from Hawaii, American Samoa, Guam and Republic of the Marshall Islands were absent. Above is Lt. Governor Edwin delivering his remarks.*

### CFSM Confirmed Weilbacher's nomination

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - Congress confirmed the nomination of Bermin Weilbacher as one of the three members of the Board of Regents of the College of Micronesia under the new treaty.

President Bailey Olter nominated Weilbacher as FSM representative on the three member Board of Regents of the College of Micronesia under the new treaty which took effect, April 1st.

Under the new treaty each government, the Republic of Palau, the Repub-

tary of Finance, on behalf of the Federated States of Micronesia and Mission Leader, on behalf of the Asian Development Bank, which generally emphasized fisheries, agriculture and tourism as areas of development in the next three years.

lic of the Marshalls, and FSM will have one representative on the board.

In his transmittal letter to Congress, the President said that Weilbacher has over 23 years of public service and administrative experience, ranging from Acting Governor for the State of Pohnpei to Director of Cooperative Extension Service and Agricultural Experiment Station for the College of Micronesia. Weilbacher currently serve as President's Chief of Staff. In that capacity he assists the President in the overall functions of the office.

Weilbacher's many years of experience in administering various agencies, his extensive background in agriculture, and his familiarity with implementing U.S. land grant programs makes him an ideal choice as FSM's member on the COM Board of Regents.



## Caroline Fisheries Corporation (CFC) Progress Report

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The Government of the Federated States of Micronesia has identified fisheries development as its top development priority area. Financial resources in both the National and State Governments are being earmarked for the private sector fisheries developments. Along this development policy the National Fisheries Corporation, Pohnpei State and a foreign partner from Australia formed a private corporation. This joint corporation called Caroline Fisheries Corporation (CFC) which was incorporated on May 25, 1990 in Pohnpei by and between National Fisheries Corporation (NFC) an FSM agency, Economic Development Authority (EDA), a Pohnpei State agency, as two domestic partners along with an Australian-shell company, created just for this purpose, called Tuna Development Company (TDC) as the foreign partner.

The initial investing activity of the corporation was the purchase of three old and small purse seiners, namely Queen Mary (QM), Eastern Pacific (EP) and Trinidad III (TD) from, deceptively, Tuna Development Company, the third and the foreign partner. The process of incorporating the joint venture then was approved by both the FSM and Pohnpei State leadership as documented. In what seems today to be a very odd arrangement of business, the three partners together somehow agreed then after buying the OLD vessels from one of them, TDC, to give back the vessels again to TDC to manage with a fee and all rights to operate the company on what the principal considers normal in his own terms.

Given time, money and trust, TDC's first year of management netted a substantial deficit that prompted Pohnpei State EDA to inject US\$1 million into the operation to save the company from shutdown. The company was originally managed financially and administratively out of Perth, Australia with one office in Guam where all financial earnings for the company was kept and controlled in Australia. Pohnpei office

was established almost a year after the incorporation only to find that what should have been done out of Pohnpei from the beginning was being done in Australia with the approval of the Incorporators and the relevant shareholders representatives.

Immediate recommendations were made to the Board of Directors in November 1991 to reassess the situation carefully before allowing TDC to continue operating the company. After several meetings and indepth discussions the Board approved that effective January 1, 1992, the operation must be placed and operate from Pohnpei while maintaining the office in Guam for major repair works and marketing coordination.

As such, the management was transferred to Pohnpei from Australia. Along with the transfer was a lucrative Accountant, \$1.66 million in debt and a nearly penniless bank account.

The Board met in February 1992 to assess the standing situation and to recommend appropriate actions to resolve the deteriorated condition of the joint venture. All three shareholders were approached for more injection of capital funds. EDA indicated its earlier contribution of US\$1 million and urged NFC and TDC to at least match its contribution. NFC indicated its intend to raise funds through local commercial banks and also through the FSM Government, while TDC vehemently claimed its inability to raise or contribute funds to remedy product of its own making. The board contended that the company must continue with no immediate financial solution. The new management, however, assessed the situation and recommended, by Operational Manager, that only \$600,000 will be needed to maintain and continue operation while the remaining outstanding balance can be dealt with later for settlement.

In an effort to remedy what seemed to be an imminent bankruptcy scenario, NFC injected in March 1992 US\$240,000 as a bridging loan to settle most immediate outstanding debts in

order to keep the vessels operating/fishing. In addition, the payaos were deployed in January 1992 as only "experimental" but beckoning. The hope for any recovery was murky then, as the result for this initiative was awaited to be tested. Fisheries experts claimed that payao fishing takes two to three months after deployment to show effect. Luck struck as this strategy turned fruition a month later. The first impression of real success was not felt until few months later when catch levels were consistent on an upward trend unprecedented in success as compared to the previous trends. Fishing reports indicated direct association between payao fishing and improved catch levels.

The payao fishing continued to be a successful method and becoming the centerpiece of CFC's continuing viability. During the short-lived payao fishing era (March-June), the company, for the first time, rung up operational surpluses that were allocated to liquidate part of debt inherited from TDC. The financial condition of the company for the quarters ending March and June 1992 was very healthy and potentially promising to resolve all financial woes on hand provided that the trend continued as it was even with low fish prices. As both the fishing partner and the financial fluidity of CFC were reeling back to recovery, because of the successful implementation of this program, matter turned into misfortune and mishaps in late June and beginning of July 1992.

Japanese and Taiwanese fleet licensed in FSM suspected and caught destroying the devices and continued to destruct them until no payao was left. Further to this infrastructure damage, the worldwide depressed economy forced the tuna prices down to its lowest in nearly two decade and stayed low for the remaining of the Calendar year 1992. The catch level dropped 65% lower on a monthly basis and the tuna prices dropped approximately 30% from original projected prices. To further compound the "injury" the age of the

*(Continued on Page 5)*



## CFC Progress Report

(Continued from Page 4)

vessels, especially Queen Mary (QM), required immediate reconditioning as the only option to keep her in operation while EP's condition continued to deteriorate in a parallel fashion.

During late July 1992 the payao system was completely destroyed. The management went on its way and filed three civil lawsuits with three foreign companies whose vessels were incriminated in the destruction of the devices and the violation of payao fishing conditions. During the same period QM's condition became completely unfit for further fishing, hence, the refitting was promptly pursued. This activity was arranged without funds. The company's operation and financial capability was again reduced by 33%. In addition, the "beating of the dead-horse" continued when the fish quality standard in all the canaries in Bangkok were raised to the higher level as required by the US market resulting in higher rejection rate for the fish caught by the fleet. This again added further constraint to the struggle to maintain CFC's "only-nose-above-water" surviving condition.

Despite all these crippling forces/circumstances on hand then, the management continued to exercise prudence in its obligation to maintain quality performance on the part of the ship officers/crewmen and financial maintenance and control. The result of the payao fishing had left moderate funds to keep the remaining two vessels operable while funding for the drydock cost was expected to come from the FSM federal government during July but... Nevertheless QM was put up in drydock in Singapore awaited the August 1992 FSM Congress special session, August session came to pass without funds, TDC was again approached for fund contribution with no avail. QM refit was completed on September 4, 1992 and unfortunately there were no funds for the settlement of the cost. The vessel was detained at the CFC's own cost in addition to the actual shipyard and other specialty jobs. The meager funds (approx. US\$85,000.00) left from the

earlier surpluses were yielded to liquidate the escalation of cost incurring then in Singapore

The annual Board meeting was called on 9/14/92 to review the existing circumstances. TDC and NFC failed to show. EDA acknowledged the situation but was not able to act alone to resolve the problems except to reiterate that NFC pressed forward with FSM Congress for the funds in November 1992 regular session. TDC Director submitted his resignation followed by the EDA Director. The management continued the operation with very minimal Board involvement as debt in Singapore ballooned, catching decreased and prices continued depressed at levels below the company's breakeven point. All matters were handled under severe crisis orientation, nonetheless, the the company's recovery was still hopeful. In the end there were no policy level decisions made to take steps, bold or otherwise, but the mood was to wait for the November Surprise. The cost in Singapore continued to escalate while at the same time CFC was loosing down time in port while QM was already reconditioned and ready for catching fish.

In December the two, TD & EP, operating vessels ran out of fuel and food and was called to port for replenishment. Things came to a halt. There were no funds to execute any vessel's operating activity needs other than the crew salary and basic food only enough to feed them in port. The government process took its course for release of the funds.

Given all the delays in garnering adequate funds to liquidate all past outstanding dues and refit both QM and Eastern Pacific (EP), the initial \$1 million requested earlier by NFC was raised to \$2 million level. A series of discussions and hearings were conducted with the Congress Committees along with the NFC staff for the request. The meeting came to pass in late November 1992, with the FSM Congress blessed the request with only US\$1.7 million. In addition, NFC came through with its former

commitment, in February, of funds through the local banks with the net loan to CFC of US\$470,000 during mid-December 1992. The proceeds of this loan was drawn down for the QM refit and its detained costs accrued over the past approximately 100 days in Singapore in the amount of roughly US\$650,000. QM then left Singapore headed for Guam for her net and Pohnpei to deliver salt and other supplies. For what seemed to take forever, the FSM appropriation was partially and finally released from FSM Department of Finance, Dec. 31, last year

Major outstanding accounts were put to order. The vessels were replenished and reconditioned in Pohnpei port under the direct supervision of the port engineer in January. QM arrived from Guam, unloaded the supplies, and proceeded to fishing ground. Trinidad III(TD) and EP were rigged and followed several days later. Currently the vessels are actively fishing.

The management is engaged in the development of a business expansion plan to complement the existing outfit. The initial approach is the purchase of two 1000 metric ton capacity class vessel currently available at values approximately 45% of the actual appraised price. This unique opportunity is critical to the expansion investment plan as the cash flow and rate of return of the financial projection demonstrated excellent investment conditions.

In addition the start-up fund to establish a shoreside supply and service business is integrated as part of the overall industry development that can be commenced new.

The future projection of this industry's development in this nation by far the most promising piece of the economic pie that can make the difference in our nation's quest for self reliance. Alas, the foreigners are exploiting the "pot of gold" profusely. Serious economic consideration must be brought to bear by this nation to realistically assess the existing policies to tailor them for better returns on the wealth this country has in its own backyard.

## Bank of the FSM met in Chuuk and elected its Board of Directors

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The Bank of the FSM Annual Shareholder meeting was held in Chuuk on March 11, 1993. The highlight of the meeting was the election of the new Board of Directors and the presentation of the Bank's Annual Report on the condition of the bank. The meeting was well attended.

For the first time since the Bank started its operation, the National Government became a full member of the Bank through its acquisition of 300,000 shares and the election of four new directors to represent its interest on the Bank's Board. Pohnpei State also became a member and has a representative on the board. The twelve newly elected Board of Directors were confirmed by the shareholders and proxies in attendance. Elected for a new one year term are the following: Del Pangelinan - Chairman - FSM Development Bank; Palokoa K. Charley - President - Kosrae State; Ihlen Joseph - Vice President - National Gov-

ernment; Patrick Mackenzie - Secretary - National Government; Hilary Tacheliol - Treasurer - Yap State; Vitus Susaia - Member - Pohnpei State; Tony Ganngivan - Member - Yap State; Rensly Sigrah - Member - National Government; Peter Namio - Member - Chuuk State; Myron Hasiguchi - member - Chuuk State; Cyril Chugrad - Member - National Government; Manny Mori - Member - FSM Development Bank

In addition to the election of the new Board, the Board also confirmed the nomination of the Bank Chief Executive Officer, David Smith, and appointed the following officials to serve on the management team: Duncan E. McGillivray, Vice President for Branch Administration; Esther Welles Assistant Controller; Timothy L. Neal Assistant Vice President for Commercial Lending; Mark Mathow, Assistant Vice President & Branch Manager, Yap Branch; Aren Palik, Assistant Vice

President & Branch Manager, Kosrae Branch; Arno Kony Assistant Vice President & Branch Manager, Chuuk Branch; and Ruth Cantero, Assistant Vice President & Branch Manager, Pohnpei Branch.

And finally the Board decided against declaring any dividend this year. The Board could have declared a small dividend for 1992, but decided to reinvest the earning back into the Bank. The Board will consider this matter at its next meeting and decide on an appropriate date to declare dividends.

## The Bank of the FSM reported profit

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The Bank of the FSM is pleased to advise its stockholders how their Bank has progressed and how it performed in 1992. The Bank for the first time made a profit in 1992 by earning \$452,000. This was a return of almost 16 percent on average 1992 equity, and 1.33 percent on average 1992 assets. These are high returns within the banking industry.

The Bank also received new capital contribution in 1992 of over five million dollars. This new capital has positioned the Bank for growth into the foreseeable future. The bank had eight million in capital at year end, and the capital to asset ratio was over 20 percent. Total asset of year end was \$40 million.

The Bank is also proud to announce the termination of the Memorandum Of Understanding (MOU) between the Bank and the FDIC. This MOU had been put in place as a consequence of previous weaknesses in operation, and has constrained and governed Bank's affairs for the past several years. Because of the progress the Bank has made, especially during the past year and the elimination of the problems identified in their last examination. The FDIC not only terminated the MOU, but upgraded the bank's overall rating classification to a very high level. Additionally, the FDIC also encourages the Bank to expand its services within the FSM.

The Bank's founding charter dedicates its resources entirely to local economic development and the present management will dedicate their full time and efforts to achieving this mission.



**ADB TO ASSIST POHNPEI WITH \$400,000** - Representatives of Pohnpei State and FSM National Governments and the Asian Development Bank (ADB) on March 26, 1993, signed a Memorandum of Understanding at the Department of External Affairs regarding the Watershed Management Project in Pohnpei. Under the agreement, ADB will provide Pohnpei State with \$400,000 over a period of two years and technical assistance for the Integrated Watershed Development Project. In attendance at the ceremony were Bumio Silbanuz, Director of the Department of Conservation and Marine Surveillance, Herson Anson, Chief, Division of Forestry, and Bill Raynor, Field Representative of the Nature Conservancy. Representing the FSM were Al Tuuth, Secretary of Finance; Sailas Henry, Administrator, Division of Agriculture, Department of Resources and Development, and Endy Brotoisworo, Environmental Specialist, Asian Development Bank. Sitting, left to right are Silbanuz, Brotoisworo, Tuuth. Standing, left to right are Anson, Raynor, and Henry.





**PATA MEET IN POHNPEI** - *The Pacific Asia Travel Association's (PATA) Micronesia Chapter's Quarterly Membership's on March 29 to the 30th met in Pohnpei. During the General Membership's Meeting Pohnpei Governor Johnny P. David on behalf of the traditional leaders, Pohnpei State Government and the people of Pohnpei, extended the traditional Kaselehlia and wished the participants a successful meeting. "We can benefit from your sharing with us your experiences in the tourism program in your areas," Governor David said, adding, "you can also offer advice to us on your experiences, especially as we are developing our own program. He stated that his people need more training in the area of tourism.*

### **Olter appointed two more members of Panel**

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - President Bailey Olter has appointed two more members to the Public Service System Disciplinary Action Appeal Panel pursuant to Public Law No. 7-90. Appointed were Kohsak Keller, Chief Clerk of FSM Supreme Court and Edgar Isaac, Assistant Director of Administration for Congress of the Federated States of Micronesia. Their appointments took effect on February 22, this year.

Other members include Suda Rayel, Director of Administration, Congress of FSM, from the Executive Branch are Weldis Welly, Administrator, Division of Program Development and Research, Education; Reed Nena, Administrator, Division of Administrative Management, Budget; Iromy Rosokow, Tourism Officer, R&D; and Gertrude Gootnan, Auditor II, Public Auditor.

The Appeal Panel is charged with the responsibility of hearing appeal by an aggrieved Public Service System's employee for adverse action or actions taken by his supervisors against him. The Panel would arbitrate the arguments presented and render judgements.

### **Pohnpei sold \$4.0M bonds under Medium Term Note**

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - Pohnpei State sold bonds totalling \$4.0 million under the Medium Term Note scheme, according to the Department of Finance's January monthly report.

The maturity dates of the bonds are as follows: the first \$1 million will be due for repayment on October 15, 1995 at an annual interest rate of 5.75 percent; the 2nd \$1 million will be due for repayment on October 15, 1998 at an annual interest rate of 7.10 percent; the 3rd \$1 million will be due for repayment on October 15, 1999 at an annual interest

rate of 7.26 percent, and the last million dollars owed on the note will be due for repayment to the bond holders on October 15, of the year 2000 at an annual interest rate of 7.51 percent.

The total proceeds in the amount of \$4 million has been received and was turned over to Hawaiian Trust, the designated custodian Bank. When a borrowing entity needs to spend money, it informs the Hawaiian Trust the amount desired, Bank then released the money to the borrower's account at a designated Bank in the FSM through wire transfer.

Any amount of loan proceeds not immediately needed, is invested by the Custodial Bank until needed, according to an official from the Investment Division in Finance.

### **Reminding you of UN job opportunities**

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - The FSM Department of External Affairs once again wishes to remind all interested FSM nationals about the United Nations recruitment examination scheduled to be held on June 15, in Palikir for those in the FSM and on June 16 in New York for those in the United States.

In order to be able to take the examination, you must send your completed application (P11) by mail to: The United Nations, Professional Staffing Service; Room S-2535, United Nations, New York, NY 10017, USA; or Fax to this number, (212)-963-3683. If you are in the FSM, mail it to this address: The External Affairs Department, FSM Government, P.O. Box PS 123, Palikir, Pohnpei, FM 96941 or Fax: 320-2933. Your application must be received by April 22, 1993.

Candidates must be 32 years old or younger and have at least a first level university degree (bachelor) in economic, public information and social science. Successful candidate may be recruited as economic affairs officer, public information officer or social affairs officer.



**FSM HEALTH DAY** - *April 7, this year was the Federated States of Micronesia Health Day featuring immunization of children. At the Pohnpei State Hospital the Director of the Pohnpei State Health Services sent out a statement via local radio station and cable television in Kolonia, Pohnpei State, emphasizing on the need for children to have updated immunization in preventing most diseases and for the betterment of their growth. A banner was hung across the main road in Kolonia with FSM Health Day on it, reminding the parents the importance of taking their children for immunizations. Large signs were put-up near the road prior to the Health Day in the four major languages in the Federated States of Micronesia telling the parents to take their children for immunizations. In Pohnpeian - dok en silasik kin doarehla mour, in Chuukese - safeey tu' mwunu' u'm manaw, in Kosraean - Kosrkoer mas mwe molela mou, and in Yapese, mu fek fakam ko taflay ko bitir.*





**CULTURAL DAY IN POHNPEI** - Above are girls from Pohnpei dancing during the Pohnpei Cultural Day on Marach 31, 1993 at the Spanish Wall Park. The Day began with floats from all municipalities especially the headstarts centers. At the park after the remarks were dances and other presentation of cultural and custom activities. Madolenihmw celebrated Cultural Day in Madolenihmw on the same day with presentation of Pohnpeian dances and other cultural and custom and activities.

## The Timothy Jerry Scholarship established

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - On July 15, 1992, Micronesia lost a very influential and valuable educator, the former Vice President of Instructional Affairs, Timothy Jerry of Pohnpei. In honor of the leadership and inspiration Jerry displayed, the College of Micronesia-FSM Staff Senate has initiated a scholarship to be given in Mr. Jerry's name, according to a letter from the COM-FSM, Staff Senate Secretary, Member of the Timothy Jerry Scholarship Fund, Danny O, Wyatt.

Jerry began his academic career first at the College of Guam earning an Associate of Arts degree, then at the University of Hawaii in 1966 where he graduated with a Bachelor's degree and he earned a Master's degree from Glassboro State College in New Jersey in 1973. He taught science at the Ponape Intermediate School, Pohnpei Islands Central School (PICS), and in Saipan for the Trust Territory Department of Education prior to teaching and chairing the former CCM Math/Science Division. In 1977 he became an administrator and served until his death in 1992. While having served as President of the Pingalapese Community, he was a member of the Pohnpei Congregational church as well. "People throughout this region came across the man and invariably received both kindness and leadership in their interactions with him. He stood out in his community," said Wyatt.

Such leadership and commitment we feel cannot go unacknowledged. Therefore, the Staff Senate has initiated, with Timothy Jerry family, the Timothy Jerry Scholarship Fund to be awarded annually to an outstanding College of Micronesia graduating student for furthering that student's education.

Wyatt stated that he is sure there are many who knew the kindness, empathy, leadership and wisdom of Timothy Jerry Scholarship Fund. "There is no better way to let the man's name live on as he led us in life, than through a scholarship in his name," concluded Wyatt.

## PIRAAP met in the Marianas

PALIKIR, Pohnpei (FSM INFORMATION SERVICE) - A Joint conference of Pacific Insular Regional Anti-substance Abuse Program (PIRAAP) and the Micronesian Chiefs of Police was held in Saipan, Commonwealth of the Northern Mariana Islands last February which was hosted and chaired by Phil DeLongchamps, Program Manager, U.S. Department of Interior, Office of Territorial and Insular Affairs (OTIA), says Douglas J. Juergens, Chief of Litigation, FSM Office of Attorney General.

The theme of the conference was "Law Enforcement in Micronesia." Guest speakers included representatives of the U.S. Federal Bureau of Investigation (FBI), U.S. Alcohol Tobacco and Firearms (ATF), U.S. Customs, U.S. Secret Service, OTIA Law Enforcement Training Coordinator Bill Stinnet and

OTIA Consultant, Mike Korhonen.

The entire program was productive. It also provided an opportunity for the newly formed organization, the Pacific Area Prosecutor's Association, to meet and discuss common problems.

OTIA provides funding for a panoply of law enforcement programs in Micronesia, which provides for the reimbursements to participants for their participations in the joint conference.

FSM's participants in the conference included Juergens, Jack J. Jack, Chief of Division of Security & Investigation, Pius Chotailug, Deputy Administrator, MSDE, Attorney General's Office. Participants were also from the four FSM States, and others representing the U.S. Territories of American Samoa and Guam, the Commonwealth of the Northern Mariana Islands, and the Republics of Palau, and the Marshalls.

### THE NATIONAL UNION

Published by: The Office of the President/Information  
 FEDERATED STATES OF MICRONESIA  
 P.O. Box 34, PALIKIR STATION  
 PALIKIR, POHNPEI FM 96941