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TITLE VI

TRADE AND COMMERCE

Micronesian  
Control of  
Imports

Section 601

The Government of Micronesia may establish, change or eliminate import duties and other regulations including internal charges, laws and conditions governing the importation of and commerce in goods from outside of Micronesia, subject only to compatibility with relevant United States international obligations.

TITLE VI  
TRADE AND COMMERCE

Treatment of  
Micronesian  
Goods

Section 602

The United States will admit goods of Micronesia origin without duty into the United States. The United States reserves full discretion and authority to establish appropriate criteria and procedures to implement this undertaking.

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TITLE VI  
TRADE AND COMMERCE

Treatment of Section 603  
U.S. Goods

The Government of Micronesia will admit into Micronesia goods of United States origin on terms as favorable as those extended to any other non-Micronesian goods.

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TITLE VI

TRADE AND COMMERCE

Aviation and  
Maritime  
Commerce

Section 604

(a) In the exercise of its authority and responsibility under Section 201(a), the Government of the United States will apply to Micronesia appropriate international treaties and agreements which relate to air and maritime commerce.

(b) The Government of the United States agrees to obtain the consent of the Government of Micronesia before granting any new authority to any United States or foreign air carrier for international air commerce to or from Micronesia.

(c) The Government of Micronesia will enforce applicable international standards and regulations.

(d) The Government of Micronesia will be responsible for the domestic regulation of air and maritime commerce wholly within the territory of Micronesia.

PART VII  
CITIZENSHIP AND NATIONALITY

Section 701

The Government of Micronesia may establish criteria for  
Micronesian citizenship.

PART VII  
CITIZENSHIP AND NATIONALITY

Section 702

All persons who by birth or naturalization have become citizens of the Trust Territory of the Pacific Islands between July 18, 1947 and the effective date of this Compact, and who have taken no affirmative steps to preserve or acquire any foreign citizenship or nationality, shall be nationals but not citizens of the United States.

PART VII

CITIZENSHIP AND NATIONALITY

Foreign  
Nationality

Section 703

Any person described in section 702 who is a citizen or national of a country other than the United States, and who desires to retain that citizenship or nationality, shall make a declaration under oath of such desire within one year after the effective date of this Compact or within six months after becoming 21 years of age, whichever comes later, such declaration being made as prescribed by regulations. Having made such a declaration, any such person shall not be a national of the United States by virtue of this title. This section shall not be construed to preclude persons otherwise qualified under this title from becoming citizens of Micronesia and nationals of the United States.



TITLE VIII

IMMIGRATION AND TRAVEL

US Citizens in Section 801  
Micronesia

(a) The Government of Micronesia may regulate immigration and entry of non-Micronesians into Micronesia, consistent with the foreign affairs and defense responsibilities of the United States.

(b) Micronesian Provisions governing immigration and entry of United States citizens into Micronesia shall not be more restrictive than the comparable United States regulations governing Micronesians who are United States nationals.

TITLE VIII

IMMIGRATION AND TRAVEL

Micronesians  
in U.S. Section 802

Citizens of Micronesia who are nationals of the United States shall be free to enter, reside in or leave the United States at any time on the same basis as any other national of the United States. Citizens of Micronesia who are not United States nationals shall be accorded treatment as aliens for these purposes.

TITLE IX

REPRESENTATION AND CONSULTATION

Resident  
Offices

Section 901

The Governments of the United States and of Micronesia agree to establish in the central seat of Government of Micronesia and in Washington, D. C., respectively, official Resident Offices for the purpose of maintaining close and regular consultations on matters of mutual interest to them.

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PART X

DISPUTE SETTLEMENT

Section 1001

Disputes between the Government of Micronesia and the Government of the United States which relate to the interpretation of the provisions of this Compact shall be settled by negotiation between those governments or by any other appropriate procedure to which they may mutually agree.

TITLE X

ENVIRONMENT

In the exercise of its defense responsibilities, as well as in the provision of such U.S. programs and services as may be agreed to from time to time, the United States shall endeavor to protect the surrounding environment from permanent or irreparable damage by adherence to standards no less stringent than those required by law in the United States.

PART XI

AMENDMENT AND TERMINATION

Amendment

Section 1101

This Compact may be amended at any time upon the mutual consent of the parties.

PART XI

AMENDMENT AND TERMINATION

Termination Section 1102

(a) This Compact may be terminated by mutual consent of the parties at any time during the first fifteen years after it enters into force.

(b) Thereafter it may also be terminated unilaterally by either party in accordance with the following provisions:

- (1) This Compact may be terminated by the Government of the United States in accordance with its established constitutional processes.
- (2) This Compact may be terminated by the Government of Micronesia upon the affirmative vote of two-thirds of the members of each chamber of the Micronesian legislature and the approval in referendum of two-thirds of the Micronesian people eligible to vote in such a referendum. At least ninety days must elapse between introduction of such a measure in the legislature and its approval by that legislature, and at least sixty days must elapse between the time of final legislative approval and the date of the public referendum.
- (3) Termination of this Compact shall in no way alter the rights and obligations of the United States or of Micronesia with regard to base rights, denial of foreign military activity in Micronesia, or

other security agreements which may have been mutually concluded before or during the operation of this Compact. Such agreements shall be terminable only according to their own provisions.

(c) If termination of this Compact is effected pursuant to section 1102(a), that termination shall become effective on a date mutually agreed by the parties. If termination is effected pursuant to section 1102(b) without mutual consent, that termination shall be effective not less than one year from the date that the appropriate criteria of that subsection are satisfied.

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TITLE IV  
Financial Provisions

Section 401

The Government of the United States, in order to assist the people of Micronesia, agrees to provide the Government of Micronesia a sum not to exceed \$ \_\_\_\_\_ annually. This total will comprise the following categories of payment:

(a) Funds for unrestricted use by the Government of Micronesia toward the costs of the Central and District Governments and for Micronesian governmental programs and services and capital improvement projects for the welfare of the people of Micronesia;

(b) Funds to cover the payment for U. S. Federal programs which may be requested by the Government of Micronesia and extended to Micronesia with the approval of the Government of the United States.

(c) Funds in payment for agreements concerning Micronesian land and water areas.

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Section 402

The Government of the United States will contribute to a District Economic Development Fund on a matching fund basis with an annual maximum payment by the United States of \$ \_\_\_\_\_.

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Section 403

The Government of the United States agrees to provide to the Government of Micronesia the services of the U. S. Postal Service, U. S. Weather Service, and U. S. Federal Aviation Administration.

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Section 404

The provisions of Sections 401 (a) and (b) and Section 402 will be reviewed and amended as necessary in consultation between the Government of Micronesia and the Government of the United States at five-year intervals from the effective date of this Compact.

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