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MARIANAS POLITICAL STATUS NEGOTIATIONS

Fourth Session
SAIPAN

May 15-31 1974

Office For Micronesian Status Negotiations
Washington , D. C.

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MARIANAS POLITICAL STATUS NEGOTIATIONS
FOURTH SESSION
MAY 15 TO MAY 31, 1974
SAIPAN, MARIANA ISLANDS
TRUST TERRITORY OF THE PACIFIC ISLANDS

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May 31, 1974

MARIANAS IV - FINAL COMMUNIQUE

The following is the text of the Joint Communique issued on Saipan May 31, 1974 at the conclusion of Round Four of the Marianas Status Negotiations. The communique was signed by the President's Personal Representative for Micronesian Status Negotiations, Ambassador Franklin Haydn Williams, the Chairman of the Marianas Political Status Commission, Senator Edward DLG. Pangelinan and the Vice-Chairman, President of the Marianas District Legislature, Vicente N. Santos:

Begin text:

"From May 15 to May 31, 1974, the Marianas Political Status Commission and the U.S. Delegation met for the fourth session of negotiations aimed at achieving the long held desire of the people of the Mariana Islands for political union between the present Mariana Islands District of the Trust Territory of the Pacific Islands and the United States.

The session consisted of several working meetings held on Saipan, and public meetings held on Rota and Tinian. These entailed a continued and progressive discussion of matters raised in earlier rounds, including questions concerning the basic political nature of the proposed commonwealth relationship, land, economic and financial assistance, transition and the nature of the formal Status Agreement to be entered into. The public meetings offered an opportunity to discuss with many of the people of the Mariana Islands District the progress which had been achieved and the issues which remain to be resolved.

During these discussions the delegations affirmed the basic decisions reached in earlier sessions with respect to the future political relationship between the Northern Marianas and the United States which include the establishment of a Commonwealth of the Northern Marianas under U.S. sovereignty with maximum internal self-government, including the right of the people to draft and adopt their own constitution and to establish local courts to administer local laws.

Land

A summary of the tentative agreements reached on land requirements follows:

1. Farallon de Medinilla. This island consisting of 229 acres (93 hectares) will continue to be made available to the United States as a target area. Maximum safety precautions will be enforced by the United States.

2. Tanapag Harbor area. Approximately 197 acres (78 hectares) in the southern portion of the Tanapag harbor area, now under military retention, will be made available for future contingency use by the United States. Most of this land will be used by the United States for the development of an American Memorial Park which will be used as a recreation area by the people of the Marianas. Preliminary plans for the park call for cleared beaches, an amphitheatre, a family picnic area, an arboretum, a swimming pool and other athletic facilities in addition to a monument. Land in the Tanapag harbor area not used for the Memorial Park or for military purposes will be made available to the future Government of the Northern Marianas for possible sub-lease for civilian harbor-related activities. There are no current plans for military use of this area. Subject to the limitations imposed by any future military use, the United States has agreed to permit maximum feasible joint use of any land and facilities which are developed for military purposes.

3. Isely Field area. Approximately 482 acres (193 hectares) south and adjacent to the southern runway of Isely Field and within the south boundary road also will be made available for future contingency use by the U.S. forces. As at Tanapag harbor this land will be made available to the future Government of the Northern Marianas for use or lease for industrial or agricultural purposes compatible with possible future military use.

4. Tinian. Approximately 17,475 acres (6,993 hectares) will be made available for the development of a joint service military base in accordance with the plans newly presented by the United States. These plans reduced the acreage required by approximately 1,200 acres (485 hectares) and eliminated the necessity for relocating San Jose Village. The United States will carefully reevaluate its military land needs in the area south and east of the northeastern portion of the proposed runway in order to make as much of this land as possible immediately available to the Government of the Northern Marianas under a land use arrangement for agricultural and other purposes compatible with planned military activities.

Joint use arrangements for both the new West Field and the rehabilitated San Jose harbor, with free access to both, will be developed. The rehabilitated harbor will be under the civilian control of the Marianas Government except during times of national emergency. Consistent with military requirements, land will be made available under a land use arrangement in the San Jose harbor area for civilian harbor-oriented activities. In addition, there will be maximum civilian use of land within the base itself for agricultural, fishing, recreational and other purposes including access through the base area to northern beaches compatible with the military operation of the base. Further discussions will

be held with respect to local community needs for public utility services. The U.S. offered to improve the road from San Jose Village to the Marpo Valley and north into the base area by the construction of a by-pass road to the civilian air terminal and around the air base. Opportunity will be provided for the development of a commercially operated ferry system between Saipan and Tinian and possibly Rota.

The United States indicated its intent to relinquish its use rights on all remaining military retention land in the Northern Marianas not covered by the new agreement - some 4,691 acres (1,898 hectares) - and to return them to the public domain at a time to be agreed but no later than the date when the formal status agreement becomes effective.

The two delegations discussed whether the land could be made available to the United States by lease or purchase and methods of determining fair market value. A Joint Land Committee has been appointed by the Marianas Political Status Commission and the President's Personal Representative to consider the exact details of specific requirements and means, procedures and terms for acquisition of land by the U.S. Government.

It was agreed that the consideration and development of appropriate safeguards in the area of eminent domain would be referred to the Joint Drafting Committee referred to below. The question of how to implement the prior agreement that the Marianas Government will have the authority to prohibit the alienation of land to persons not of Marianas descent was also referred to the Joint Drafting Committee. This Committee will consider as well limitations on the amount of public lands which might be made available to or held by any one individual.

Economics and Finance

A Report by the Joint Ad Hoc Preparatory Committee on Transition established at the third negotiating session last December was approved. The Report outlined a proposed program of studies and events to take place between the time of the signing of a political status agreement and the establishment of a new Government of the Northern Marianas under its own constitution. These studies will include those related to government organization and planning for the Marianas constitutional convention, research and planning for government reorganization and the initial legislative program, and research on U.S. federal programs and services. There would also be studies related to economic and social development planning, fiscal and revenue planning, physical planning and study of the impact of relocation of the capital of the Trust Territory. The events anticipated to take place include a political status education program and status plebiscite, a constitutional convention, a constitutional education program and constitutional

referendum, and finally the election of a new government.

A Joint Commission on Transition, consisting of representatives of the Marianas and United States, will be established to provide continuing consultation and policy guidance on all matters related to the change in political status. To assist the Commission, a Joint Secretariat consisting of six highly qualified professionals, is to be established to develop transition plans and schedules, conduct basic economic studies, arrange for the employment of experts and administer funds to be made available by the United States for these activities in the amount of \$1.2 million.

The two delegations tentatively agreed on an initial 7-year program of U.S. financial assistance to begin following the installation of a new Government of the Northern Marianas in accordance with a popularly approved constitution. This could be as early as July 1976. Under this tentative agreement the U.S. will provide \$13.5 million for each of these years in direct financial grants as follows: a grant of \$8 million a year to help meet the cost of government operations; a grant of \$1.5 million a year to the future Government of the Northern Marianas to be used for economic development loans, with \$500 thousand a year of this amount to be reserved for small loans to farmers and fishermen and to agricultural and marine cooperatives; and a grant of \$4 million a year for Capital Improvement Projects of which at the Marianas Political Status Commission request \$500 thousand a year will be reserved for Rota and \$500 thousand a year for Tinian because of the urgent development needs on those islands. U.S. assistance will be provided in constant 1975 dollars.

In addition, a wide range of services and assistance under regular U.S. federal programs will be available. The United States estimates the value of federal services and assistance at \$3 million a year. The total direct annual assistance is thus estimated at \$16.5 million. This does not include potential additional income from military construction and a growing military presence and spending.

Federal funds will augment the Commonwealth's other growing financial resources from internal taxes, anticipated rebates of U.S. federal income taxes after the new status becomes effective and income from public lands. All of these resources would be directed toward assuring the economic development of the Northern Marianas, higher personal income and living standards for the people, capital improvements for social and economic growth, as well as improved public services.

Commonwealth of the Northern Marianas Status Agreement

In the light of the progress achieved, both parties agreed to the establishment of a Joint Drafting Committee whose members

(1) will be charged with the preparation of a Status Agreement in keeping with the tentative agreements reached to date; and (2) will have the authority to draft subject to the approval of their principals specific language for the provisions to be included in the agreement. Their draft will be presented to the Marianas Political Status Commission and the United States at the next negotiating session. It was reaffirmed that any final agreement will have to be approved by the Marianas District Legislature, the people of the Mariana Islands District in a plebiscite, and by the United States Congress.

Separate Administration

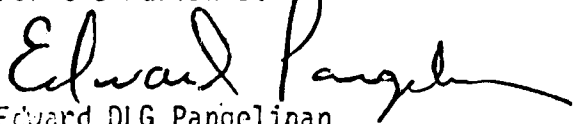
The final substantive item of discussion centered on the Marianas Political Status Commission's request for consideration of early transition to self-government and the possible separate administration of the Marianas District prior to the termination of the Trusteeship Agreement. The Commission shared its preliminary views with the United States Delegation for the purpose of opening a dialogue on this important subject. The U.S. in turn promised to take the matter under advisement and both parties agreed that further study and consultation on this question should be carried forward prior to the next negotiating session.

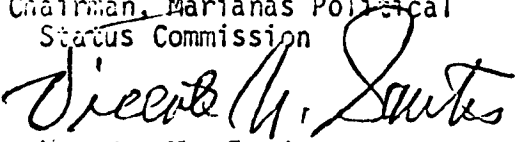
The members of the Marianas Political Status Commission and the U.S. Delegation expressed appreciation for the warm hospitality extended to them by the people of Rota, Tinian and Saipan and for all of the courtesies and cooperation received from the authorities of the TTPI Headquarters and the Marianas District Government.

No firm date was set for the next meeting but it is expected that it will take place in the early fall. In the meantime informal consultations will continue and technical, legal and drafting experts will be meeting in accordance with the agreements reached and recorded in this Joint Communique."

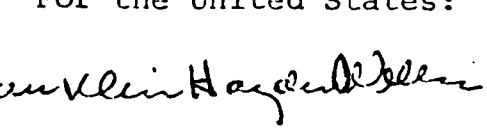
Date: May 31, 1974

For the Marianas:


Edward DLG Pangelinan
Chairman, Marianas Political
Status Commission


Vicente N. Santos
Co-Chairman, Marianas Political
Status Commission

For the United States:


Franklin Haydn Williams
The President's Personal
Representative for
Marianas Status
Negotiations

STATEMENT BY AMBASSADOR WILLIAMS AT CLOSING SESSION
May 31, 1974

Mr. Chairman, Members of the Marianas Political Status Commission.

Last evening the American Delegation and I had the pleasure of hosting a reception for the Marianas Political Status Commission and we were joined by the Acting HICOM and the Marianas District Administrator. At that reception, several members of both our delegations made impromptu remarks ranging from the serious to the humorous. And out of those comments and from the spirit that exists between our two delegations, something has become very clear to me. It is that while the individual memberships of our delegations may change, two principles have always remained constant and are as alive now as ever. First is the quietly sincere desire of the Marianas, stated so often before, to join in a close and permanent union with the United States of America. And the second and, I feel, equally important constant is the desire and commitment of America to welcome the people of the Marianas into the family. Taken together, these two principles mean we are both reaching for new horizons - as you reach to join the United States, so America extends its hand to you.

Mr. Chairman, as I bring this fourth round of negotiations to a close I find myself repeating something I have said before on occasions like this - that we have made substantial progress toward our common objectives. But in this fourth round we have seen movement and progress on many planes. Not only in the understandings and tentative agreements we have reached but also in our understanding of each other, and each other's society. This I believe marks a major step in realizing the political and cultural association we are working so hard to achieve.

As we leave the Marianas for our homes on the mainland and as you return to your loved ones and people, let us remember that the only true measure of what we have done here and what we will do lies in the happiness and security and quality of life which we build for our children and theirs.

THANK YOU.

April 16, 1974

REPORT OF THE AD HOC PREPARATORY COMMITTEE
ON TRANSITION IN THE MARIANAS

Introduction

During the Third Session on the future political status of the Marianas, the Chairman of the Marianas Political Status Commission (MPSC) and the President's Personal Representative for Micronesian Status Negotiations agreed that a joint Ad Hoc Preparatory Committee should be established to study and make recommendations regarding the scope, organization and timing of studies and programs necessary to an orderly transition to self-government in the Marianas. Agreed terms of reference for the Ad Hoc Committee are attached.

Pursuant thereto the Ad Hoc Committee has met and submits the following report to the Chairman of the MPSC and to the President's Personal Representative for Micronesian Status Negotiations.

GENERAL

Several discrete but interrelated steps are involved in creation of a self-governing Commonwealth of the Marianas. The first is a plebiscite to determine the future political status of the district. The second is a series of steps starting with the drafting of a constitution by a constitutional convention, followed by a constitutional referendum, the organization of a new government structure, the election of a new government and the drafting of an initial legislative program. The main responsibility for planning and implementing these latter activities should be borne by local leaders and institutions.

The Ad Hoc Committee is not able to make a firm estimate as to the time required to complete all of the tasks or activities mentioned in this report; it believes, however, that approximately two years is a reasonable timeframe.

In addition, there is a need for appropriate educational efforts to prepare the people so that they can participate in these activities or make an informed choice when a popular referendum or election is held.

It is also evident that if the new Commonwealth is to prosper, its leaders will require a sound plan for the social and economic development of the district, which takes into account all factors relevant to economic growth and social progress.

In this report the Committee presents its views and recommendations on the kinds of organizations, preparatory work and timing that will be required during the period preceding the installation of a new government, referred to as Phase I, plus a recommended budget.

ORGANIZATION

In order to ensure a timely and effective implementation of the necessary transition measures, the following organizations should be created immediately upon the signing of a status agreement.

A Joint Marianas-U.S. Commission on Transition

There is a joint responsibility for ensuring that the agreements reached on transitional steps are carried out as planned. In line with this the Committee recommends that a Joint Commission on Transition, an ex-officio body, be organized with the following members: the Chairman of the MPSC or its successor; the President of the District Legislature; two current or former members of the MPSC, one each from Tinian and Rota, appointed by the District Legislature; the Marianas District Administrator; the President's Personal Representative for Micronesian Status Negotiations; the Director, Office of Territorial Affairs, Department of the Interior; and up to two U.S. representatives to be designated.

The Commission should have two Co-Chairmen and meet on the call of either.

The main functions of the Commission should be:

1. To ensure that the terms of the status agreement and all related agreements on transition reached by the Marianas and the U.S. are faithfully executed;
2. To provide an institutionalized channel for close and timely consultation and liaison between the Mariana Islands and the U.S. Government on all significant transitional matters;
3. To formulate general guidelines for all necessary planning and research to be carried out during Phase I on matters of joint concern;
4. To provide policy guidance to the Joint Secretariat and perform whatever additional necessary functions it may decide are appropriate to the implementation of the Phase I program, e.g., to review studies or reports prepared by experts or the Secretariat.

A Transition Secretariat

To ensure that the general policy on transition and the specific guidelines of the Joint Commission are carried out, the Ad Hoc Committee recommends the creation of a full time "executive agent", a Transition Secretariat. This group would in essence be the "operating arm" of the Joint Commission.

It is our recommendation that this Secretariat be staffed by highly qualified professionals appointed by or approved by the Joint Commission, as follows:

1. A Director - preferably a citizen of the Marianas.
2. A Deputy Director, who would act as the Executive Officer - preferably a citizen of the United States.
3. A political scientist, ideally one who is expert in the field of public administration and constitutional law or state and local government.
4. An economist with substantial experience in dealing with problems of economic development.
5. A physical planner.
6. A liaison officer.

The Secretariat should be headquartered on Saipan and be fully responsible to the Joint Commission. It will also require a small clerical staff.

The Ad Hoc Committee recommends that the Joint Commission appoint the Director and Deputy Director of the Secretariat. The Director of the Secretariat would have the power to employ all but the Deputy Director, subject to the approval of the Joint Commission. He should also have the authority to let contracts or to hire expert consultants, within pertinent guidelines furnished by the Joint Commission.

Funds for salaries and other requisite support for the Secretariat should be provided by the U.S. Government through the Trust Territory Government.

Specific Functions or Responsibilities of the Secretariat

The primary role of the Secretariat would be to "manage" the study program approved by the Joint Commission and to ensure that all of the important steps toward the new political status, such as a constitutional convention, referendum, etc., are carried out on schedule; it should also:

1. Be responsible to the Joint Commission for planning, implementation and coordination of all agreed Phase I programs and activities falling under the Joint Commission's responsibility, i.e., serve as the staff arm of the Joint Commission;

2. Employ private firms or consultants as may be required to provide special advice or studies;

3. Administer all Phase I funds and provide quarterly progress reports to the Joint Commission on Phase I joint activities;

4. In addition, the Secretariat should be authorized to respond to requests from the Marianas representatives on the Joint Commission for assistance in the implementation of those transitional studies or activities which are principally the responsibility of the Marianas people.

In carrying out its responsibilities, the Secretariat should utilize to the extent available, the expert advice and services of personnel of the United States Government, the Trust Territory Government and the District Administration, and its political subdivisions.

WORK PLAN

There are two distinct kinds of activities needed to effect the transition to self-government and to initiate desired economic and social programs:

1. Research and planning activities; and
2. Specific or scheduled events and activities.

The first of these categories, research and planning, should include two major subdivisions:

- a. Studies or planning needs to establish and organize the new government and its initial program; and
- b. Studies or planning required in the economic and social area.

Government Organization Planning

The following main projects are needed in this area:

A. Studies and Planning for a Constitutional Convention

The MPSC should take the lead in this area, for it is the people of the Marianas who will have to live with

the consequences of all planning and related events regarding this critical effort.

The Secretariat should provide all appropriate assistance.

B. Research and Planning Regarding the Organization of a New Government of the Marianas and its Initial Legislative Program

These tasks are also of primary concern to the MPSC and other political leaders of the district.

The principal requirement is to prepare a plan for the reorganization of the current system of government - a blueprint on how best to convert from the present governmental structure to that established by the new constitution.

This will require a careful and discriminating planning effort. Some select research plus expert advice will be required.

Preparatory work in planning for and drafting an initial legislative program should also begin during Phase I, although there should be ample time for the Secretariat to review this requirement during the initial months of Phase I. This project will mainly require experts skilled in drafting legislation needed to effect decisions on government reorganization and to get the new government off to a good start.

C. Studies Regarding the Retention or Extension of U.S. Programs and Services

It is the Ad Hoc Committee's view that the Secretariat should be instructed to ensure that a thorough review of all U.S. programs and services of potential value to the new Commonwealth of the Marianas be undertaken by experts during the early stage of Phase I.

Economic and Social Planning

Extensive economic and social infrastructure planning should be initiated during Phase I to enable the new government to determine its fundamental goals and policies in this area. Such planning will also facilitate agreement on the kinds of external aid or assistance most relevant to the needs of the Marianas in these areas within the annual levels of assistance provided in the status agreement.

Planning in this area can probably be best done by an appropriate combination of government experts, U.S. or local, and private firms or consultants - including experts in such functional areas as agriculture, tourism, land use and management, fishing, government finance, etc.

This category of planning should include, but not necessarily be restricted to, all necessary research and planning for the following - (1) the drafting of a general plan for socio-economic development; (2) a fiscal and revenue plan; (3) a physical (infrastructure) plan; and (4) studies regarding the economic and social impact of relocating the capital of Micronesia.

A. Economic and Social Development Planning

First priority should be given to research activities required to form a basis for a development strategy and long-range social and economic development goals and programs - including health and educational goals - taking account of demographic trends, resource availabilities, including labor, water, soils, external assistance, etc.

Economic and social development planning should embrace several distinct but interrelated parts - recommendations regarding general development goals - social as well as economic, proposals for long-range government revenues and expenditure patterns plus general goals for the development of the district's infrastructure.

It should be the task of the Secretariat to determine what specific research or planning efforts are required to pose and analyze the principal alternatives and to suggest solutions most relevant to the situation.

B. Fiscal and Revenue Planning

The principal need here is to identify possible sources of additional government revenue and to analyze alternative fiscal policies designed to provide a set of incentives for economic growth and an equitable distribution of the burden. Efforts in this particular area need to take full account of any decisions or guidance based on the work being done on the definition of social and economic development goals and programs.

C. Physical - Infrastructure - Planning

It is clear that a certain amount of planning in this area needs to be done during Phase I, albeit additional detailed planning will inevitably follow in the Post-Phase I period. The Ad Hoc Committee believes that the main requirement is to identify in the first instance the

limitations placed on development by the constraints of the environment - climate, soils, fresh water, manpower, etc. Therefore, the examination of already completed physical planning documents will be an early and integral part of the economic development study.

It is the Ad Hoc Committee's opinion that a substantial amount of useful planning has been done in the District. Full account should be taken of this by those charged with developing an overall, integrated plan. Once a general economic strategy begins to take shape, a follow-on study of physical infrastructure requirements will need to be undertaken. The purpose of that study would be the formulation of a time-phased plan of physical improvements essential to the furtherance of economic and social development of the Marianas. It would deal with such matters as urban housing, recreation, schools and hospitals, etc., in the area of social development, and roads, docks, power, water, transportation, etc., in the area of economic development infrastructure.

The Ad Hoc Committee recognizes that physical planning in addition to that for which funding is proposed in this Report will be required in the Marianas. It cannot be determined at this time, however, exactly how much additional physical planning may be necessary or desirable and when it would be most timely. The Ad Hoc Committee agrees, therefore, that the question of additional physical planning will be reexamined during Phase I by the Secretariat, subject to review by the Joint Commission, and that such additional funds as are necessary will be requested by the Executive Branch of the U.S. Government during either the latter part of Phase I or the initial stages of Phase II.

D. Special Impact Studies

There is an obvious need for early and effective planning efforts with respect to the following matters: (1) local impact of relocation of the capital of the TTPI; for example, the need to reassign or find alternative employment for displaced personnel; (2) the use of vacated facilities on Capitol Hill; and (3) programs needed to train or retrain government personnel in the Marianas.

Specific Events or Activities

Planning for the following discrete events or activities toward the realization of the new political status should begin early in Phase I and include:

A. A political education program. This should be aimed initially at gaining widespread understanding of and support for the proposed status agreement. In effect this effort has already begun. Local leaders should continue these efforts and be able to look to the Secretariat or local governmental entities for all appropriate support.

B. The status plebiscite. The nature and timing of this should be a matter of priority concern to the Joint Commission and be implemented by the District government prior to the holding of a constitutional convention. Otherwise, serious problems could arise during the drafting of a new constitution and the planning of the new governmental structure.

C. The election of delegates to a constitutional convention and convening of the convention. This should be based on the preparatory work mentioned above and consultations between leaders of the District Legislature and the Administration, once the Joint Commission has had an opportunity to provide general guidelines.

D. A constitutional referendum. This should be held after an intensive educational effort by the leaders of the constitutional convention and their principal supporters with appropriate support from the Secretariat and the Administration.

E. Election of a new Marianas Government.

Timing

The Ad Hoc Committee's recommendations in this area are based on the assumption that the status plebiscite will precede rather than follow or occur simultaneously with the constitutional referendum.

It is assumed that the order of events would be the initiation of a program of education on political status, a status plebiscite, planning for the constitutional convention, a program of public education regarding the proposed constitution, planning the new government, and the installation of the new government, following U.S. Congressional review and approval.

Necessary planning and related preparatory work in other areas, such as economic and social planning, should commence as soon as possible after Phase I begins. The Ad Hoc Committee recommends that as much as possible in the way of preliminary organization be done before Phase I begins, for example, the lining-up of personnel for the Secretariat.

The Secretariat should, as a matter of first priority, draw-up a more detailed time-phased work program covering Phase I.

PROPOSED BUDGET

The United States as the Administrating Authority will be responsible for funding all Phase I activities, including the expenditure of any U.S. funds on agreed studies or projects. Therefore, the U.S. contribution to any of the above tasks, whether in the form of grants or payments to cover the administrative costs of the Joint Commission or the Secretariat, must be funneled through agents or agencies designated by the U.S., such as the Headquarters of the Trust Territory Government. For example, funds for the preparatory work and holding of the constitutional convention should be in the form of direct grants from the U.S. through the designated agency of the Trust Territory Government to the District Legislature. Conversely, U.S. funds for the support of the Secretariat or for physical planning should pass through the Trust Territory Government to the Secretariat for appropriate disbursement.

The proposed budget does not include the significant contributions already made or which will be devoted by the Trust Territory Government to projects or activities that should also be viewed as an integral part of transition to self-government, e.g., infrastructure projects, and the land cadaster program.

With regard to the latter, the cadaster program, it should be kept in mind that the U.S. is committed to complete a public land cadaster program within three years. Funds for this program were included either in the Fiscal Year 1974 supplemental budget or are being requested as part of the Fiscal Year 1975 budget for Micronesia. If additional funds are required to meet this commitment more money will be requested. The District Administration is responsible for the implementation of this program and is already organizing for this task. Therefore, the amount proposed earlier by the MPSC for this purpose is not included in the attached draft budget estimate. If they were, the total would increase by approximately \$1.6 million - the current estimated cost of the three year program for the Marianas District.

Moreover, the attached budget estimate does not reflect the considerable work which the Trust Territory Administration intends to perform in the District in the areas of physical planning, public works, agriculture, education, etc., during Phase I and II. In this regard, there has recently been a considerable upgrading of the planning effort at the district level. Supporting work by appropriate sections of the District Administration in such areas as physical planning will continue until the Trusteeship ends. Thus, the indirect contribution of these efforts to Phase I planning should be recognized by all concerned.

The need for the training of additional public servants and technicians is well recognized and will doubtless receive priority attention by the leaders of the Marianas and the U.S. Administration during the transitional period. In fact, the Department of the Interior has already initiated an intern program in this area. Therefore, funds for this are not included in the attached budget estimates.

The suggested allocations which follow should be viewed as tentative and subject to transfer to related tasks in accordance with agreed guidelines from the Joint Commission or recommendations of the Secretariat. A high degree of flexibility within broad functional divisions will be required in the interest of good management and timing.

It should also be recognized that additional funds for research or studies not yet identified or to augment agreed planning tasks may be required during Phase I. The U.S. is prepared to meet the costs of additional research or studies judged necessary to complete the agreed planning tasks, to include those which may need to be extended into Phase II.

The costs of administration are annual and will continue as necessary until the agreed tasks are completed. Budget estimates for research and planning and scheduled transitional steps are "no year" funds - i.e., they should be sufficient to complete the task or activity. As mentioned above, some additional funds for new or expanded work may be needed. It should be recognized, however, that all proposed U.S. expenditures are subject to Congressional approval and the availability of funds.

RECOMMENDED PHASE I BUDGET

Administration

Joint Commission	\$ 20,000
Secretariat	\$230,000
Contingencies	\$ 10,000
<u>Sub-Total</u> - - - - -	\$260,000

Research and Planning

Government Organization

Studies and Planning Constitutional Convention	\$ 50,000
Research and Planning Government Reorganization	\$ 50,000
Initial Legislative Program	\$ 50,000
Research. U.S. Federal Programs and Services	\$ 50,000
<u>Sub-Total</u> - - - - -	\$200,000

Economic and Social Planning

Economic and Social Development Planning	\$225,000
Fiscal and Revenue Planning	\$ 50,000
Physical Planning	\$225,000
Impact Relocation of Capital	\$ 50,000
<u>Sub-Total</u> - - - - -	\$550,000 *

Schedule Transition Steps

Political Status Education Program & Status Plebiscite	\$ 50,000
Constitutional Convention	\$ 75,000
Constitutional education program and constitutional referendum	\$ 50,000
Election new Government	\$ 25,000
<u>Sub-Total</u> - - - - -	\$200,000

GRAND TOTAL- - \$1,210,000

ATTACHMENT - Terms of Reference for Special Ad Hoc Committee

028673

TERMS OF REFERENCE FOR THE AD HOC PREPARATORY
COMMITTEE ON TRANSITION

A joint Ad Hoc Preparatory Committee will be appointed forthwith by the Marianas Political Status Commission and the President's Personal Representative to study and make recommendations to the Chairmen of the Marianas and U.S. Delegations before the next negotiating session regarding the scope, organization and timing of studies and programs necessary to an orderly transition to self-government in the Marianas. Specifically, the Ad Hoc Preparatory Committee will recommend to the Chairmen of the two delegations the following:

1. A detailed work plan, including a timetable and sequence of events, for preparing and undertaking:
 - a. A political education program;
 - b. A plebiscite on future political status;
 - c. A constitutional convention and referendum;
 - d. Legal studies relating to the organizational structure and initial legislative program of the new commonwealth government;
 - e. Studies to identify the Marianas' economic, social and physical infrastructure needs, taking into account as appropriate extant studies on these matters;
 - f. Studies to develop an appropriate fiscal and revenue system for the Marianas;
 - g. A study of the economic or social impact on the Marianas of a relocation of the Capital of Micronesia.
2. An appropriate organizational structure for accomplishing the important transitional studies and programs. This recommendation will include a description of how a Joint Commission could be organized to provide general guidance for the implementation of these tasks and how a Joint Secretariat might be established to provide specific direction and continuing administrative support;
3. A detailed budget to cover the costs of essential studies, programs, and events falling within the transition period.

The Ad Hoc Preparatory Committee will report their recommendations to the Chairman of the Marianas Political Status Commission and the President's Personal Representative no later than March 1, 1974. The Chairman and the President's Personal Representative will meet informally shortly thereafter, and before the next session of negotiations, to discuss how to proceed regarding implementation of the recommendations of the Ad Hoc Preparatory Committee.*

*/The members of the Ad Hoc Preparatory Committee were, for the United States Delegation, R.Y. Scott and S.A. Loftus; and for the MPSC, H.P. Willens and J.R. Leonard.

PRESS RELEASE - May 16, 1974

During the morning session today of the current Marianas Status Negotiations talks, Ambassador Haydn Williams, the President's Personal Representative for Micronesian Status Negotiations, gave the Marianas Political Status Commission an amended land use plan which would make possible a further reduction in the acreage on Tinian required by the United States for military purposes. The new American proposal, in addition to requiring less land, also took into full consideration safety needs and operational and engineering factors. The plan eliminates the necessity for relocating the village of San Jose, and thus will keep the entire southern part of the island (the area south of the projected extension of West Field and east of the harbor area) open for local community purposes and for other public and private development.

The new United States plan results from an intensive restudy based on technical surveys carried out over the past few months, which have made possible a greater degree of precision in drawing up the plan, and reflects in part views expressed earlier by the Marianas Political Status Commission.

The need to relocate San Jose Village under the original plan was based on safety considerations involved in unloading ammunition at the harbor. This entailed the designation of a safety arc of two miles radius which included the village.

New studies and surveys have shown that it is feasible to construct a separate facility for ammunition handling in the northern part of the island away from populated areas.

PRESS RELEASE - May 19, 1974

The Marianas Political Status Commission and the United States Delegation continued their discussions of the future political status of the Marianas over the weekend in Rota. On the way back to Saipan on Sunday the plane stopped in Tinian to enable the U.S. Delegation to place a wreath at the memorial for the eight people who recently lost their lives in a boating tragedy between Tinian and Saipan. Both delegations also used the occasion to pay their respect and to meet informally and briefly with the Tinian Municipal leaders.

In Rota the two delegations had an opportunity to explain directly to the people the current status of the talks between the Marianas Political Status Commission and the United States Government. On arrival on Friday after an enthusiastic airport reception and display of marching by the Boy and Girl Scouts of Rota the Marianas Commission and the U.S. Delegation held a

joint session with the Municipal Council. The next day the two delegations held a public meeting where many questions concerning the present negotiations were answered.

During the question period Ambassador Haydn Williams, head of the U.S. Delegation, said that he joined Chairman Pangelinan of the Marianas Commission in the hope that the talks would result in an agreement before the end of the year. There was considerable interest in the benefits of citizenship of the people of the Marianas after the Trusteeship ends. Ambassador Williams additionally indicated that initial funding has been appropriated for an accelerated public land survey and adjudication program which will take approximately three years and that the United States is committed to completion of the program.

The Municipal leadership of Rota hosted a reception for the two parties to the status talks on Friday evening and the U.S. Delegation reciprocated with a dinner on Saturday night.

On Tinian the wreath was laid by Ambassador Williams, whose brief remarks were followed by a prayer by Father Meno, Tinian parish priest. The Chairman and Vice-Chairman and the two Tinian representatives on the Marianas Political Status Commission and Ambassador Williams and Mr. Wilson then paid their respects on the Mayor, and the speaker and other members of the Tinian Municipal Council. They discussed the desire of both delegations to return to Tinian soon for another public meeting in order to hear the views of the people. Chairman Pangelinan and Ambassador Williams both also gave the Council members a status report on the talks to date. Particular interest focussed on the new U.S. proposal for land use on Tinian which would reduce the total acreage required and eliminate the need to relocate the village of San Jose.

PRESS RELEASE - May 22, 1974

The Marianas Political Status Commission and the United States delegation to the Marianas Political Status Talks visited Tinian Wednesday at the invitation of the Tinian Municipal Council for the express purpose of presenting to the people of Tinian in an open meeting the amended United States proposal for its federal land requirements on Tinian.

At the public meeting the Chairman of the Marianas Political Status Commission, Senator Edward DLG Pangelinan, gave a short description of the progress of the negotiations to date. Then Ambassador Haydn Williams, made a detailed presentation of the United States land requirements in the Northern Marianas with particular emphasis on Tinian including a briefing by Lieutenant

Colonel Dale Strait of the United States Air Force.

Ambassador Williams opened by saying that it had always been the desire of the United States that the people of the Marianas be informed and consulted on political status matters and that open public meetings had been held for this purpose throughout the Marianas since the talks began. Turning to land the Ambassador noted that the United States had already transferred considerable amounts of land to the public domain and that the United States was willing to see the early transfer of title of public lands to the islands.

The Ambassador noted that the United States presently controls 3,550 hectares of military retention land on Tinian and has a requirement for an additional 3,450 hectares, of which 275 are privately owned and the rest is public land. He stated that the United States is proposing to build a joint-services military facility to include a new military air field in the West Field area and the rehabilitation of San Jose Harbor. Both the airfield and the harbor will be open for private use. The people of Tinian will also have access to recreational and agricultural areas within the base. The Ambassador announced that a U.S.-Marianas joint-civil military advisory committee will be formed in the near future to consider a large number of questions involving civil-military relations. Ambassador Williams also explained that the village of San Jose did not now have to be relocated as a special "wet slip" would be built on the northern end of the island for the loading and unloading of ammunition making it unnecessary to have a two mile safety zone radius around the harbor of San Jose.

After the presentation, Mr. Joaquin Ariola, a lawyer representing citizens who wish to limit the military presence on the island spoke against giving the United States Government more than one-third of the island. Mayor Borja of Tinian speaking on the other side said that many people had supported the request of the United States for land on Tinian and were upset that the village of San Jose would not now be relocated. Ambassador Williams regretfully said that without a military requirement to remove the village the United States could not spend funds for relocation of the present village. Mr. Ken Jones, President of the Micronesian Development Corporation, described how military land requirements would affect his ranching operations on Tinian. Ambassador Williams responded that he did not believe that the further economic development of Tinian including agriculture was incompatible with the United States plans for a military base on the island. He said furthermore that he felt the opportunities for private enterprise on Tinian would be in fact enhanced by the United States plan.

PRESS RELEASE - May 27, 1974 - AMERICAN MEMORIAL PARK

In the current round of negotiations between the Marianas Political Status Commission and the United States, Ambassador Williams has elaborated on preliminary plans by the United States for an American Memorial Park in the Micro Beach area of Saipan. This area, from Micro Beach road northward to "A" Dock and extending westward to Wallace Highway, is part of an area required by the United States for contingency purposes. Since there are no present military use requirements, Ambassador Williams last December proposed a large living memorial park for the area honoring both Americans and Chamorros and Carolinians who lost their lives in the Northern Marianas in World War II.

At a meeting last March with Senator Edward DLG Pangelinan and Legislature President Vicente Santos, Chairman and Vice-Chairman of the Marianas Political Status Commission and District Administrator Francisco Ada, Ambassador Williams presented a conceptual design of the park. The plan called for extensive landscaping of the area and included family picnic sites, wooded trails, a small boat marina, and an arboretum and botanical garden. Also proposed were areas for sports and recreation, including a swimming pool, tennis and basketball courts and field games. A revised plan, presented last week, also includes a public amphitheatre which was suggested by the Marianas leadership last March as a possible memorial to people of these islands who lost their lives in World War II.

In his most recent comments, Ambassador Williams reemphasized that the park would be "a living memorial to our loved ones to be used and enjoyed by all the people of the Marianas". Both delegations to the negotiations agreed the park would be a major step for the conservation of the Micro Beach and marina area.

In meetings in Washington prior to this session of status talks, the heads of the Departments of Defense and Interior, the Chairman of the Joint Chiefs of Staff and Director of the Office for Micronesian Status Negotiations met to discuss the American Memorial Park and commissioned Interior's Bureau of Outdoor Recreation to submit a phased development plan. This will be made available to the Marianas leadership for additional input and suggestions. Subject to final approval by the United States Government, the Marianas Political Status Commission, and local authorities, actual construction of the park could begin as soon as the political status question for the Marianas is settled but it is hoped that the land clearing phase can begin sooner.