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PITUZYUW RUMGSAAG006 3530642-UUUU--RUMGSUU.

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ZNR UUUUU
P 190642Z DEC 74 ZNZ-1
FM HICOMTERPACIS SAIPAN MARIANA ISLANDS
TO ZEN/ALDISTADS TERPACIS
ZEN/TT LNO GUAM MARIANA ISLANDS
TT LNO KWAJALEIN MARSHALL ISLANDS
COMNAVMARIANAS GUAM MARIANA ISLANDS
CINCPACREP GUAM/TIPI GUAM MARIANA ISLANDS
CINCPAC HONOLULU HI
INTELLIGENCE CENTER PACIFIC (IPAC)
NAVINSERVO GUAM MARIANA ISLANDS
COMTWELVE SAN FRANCISCO CA
SECSTATE WASHINGTON DC
SECDEF WASHINGTON DC
JCS WASHINGTON DC
CNO WASHINGTON DC
CINCPACFLT MAKALAPA HI
CINCPACAF HICKAM AFB HI
CGFMFPAC CAMP H M SMITH HI
COMCBPAC PEARL HARBOR HI
NAVFACENGCOMHQ ALEXANDRIA VA
PACNAVFACENGCOM PEARL HARBOR HI
TT LNO HONOLULU HI
SAMTEC VANDENBERG AFB CA
FCDNA-LGA KIRTLAND AFB NM
CDRUSAGO MAKIMINATO JAPAN//TIPI-LNO//
AMEMB CANBERRA AS
BT

ORIG.....PID
INFO.....DPA
INFO.....BD
INFO.....DTC
INFO.....HC
INFO.....DHC
INFO.....SA/LA
INFO.....DRD
INFO.....NAVY LNO
INFO.....STATUS LNO
INFO.....

UNCLAS
COMTWELVE PASS INFO FOR AMB WILLIAMS
SECSTATE PASS TO DEPT INT/SEC INTERIOR/DOIA OSN
AMEMBASSY CANBERRA FOR PAC. ISL. MONTHLY
TIPI NO. 733

(MARIANAS STATUS TALKS END)

SAIPAN, DECEMBER 19 (MNS)---THE MARIANAS POLITICAL STATUS COMMISSION AND THE UNITED STATES DELEGATION RELEASED THE FOLLOWING JOINT COMMUNIQUE AT THE CLOSING PLENARY SESSION OF THE FIFTH ROUND OF STATUS NEGOTIATIONS. THE FIFTH SESSION IS SCHEDULED TO RESUME ON FEBRUARY 5, 1975 IN SAIPAN. HERE'S THE COMPLETE TEXT OF THE JOINT COMMUNIQUE:

"FROM DECEMBER 5 THROUGH DECEMBER 19, 1974, THE MARIANAS POLITICAL STATUS COMMISSION (MPSC) AND THE UNITED STATES DELEGATION MET FOR THE FIFTH SESSION OF NEGOTIATIONS AIMED AT ACHIEVING THE LONG HELD DESIRE OF THE PEOPLE OF THE NORTHERN MARIANA ISLANDS FOR POLITICAL UNION WITH THE UNITED STATES OF AMERICA.

"AN OPENING PLENARY MEETING WAS HELD ON DECEMBER 5, AT WHICH AMBASSADOR F. HAYDN WILLIAMS, THE PRESIDENT'S PERSONAL REPRESENTATIVE, AND SENATOR EDWARD DLG. PANGELINAN, CHAIRMAN OF THE MARIANAS POLITICAL STATUS COMMISSION SPOKE ABOUT THE PROGRESS OF THE NEGOTIATIONS AND THE ISSUES ON THE AGENDA FOR THE FIFTH SESSION, FOLLOWING THAT MEETING, WORKING SESSIONS OF THE MPSC AND THE U.S. DELEGATION WERE HELD ALMOST DAILY. THESE WORKING MEETINGS WERE DEVOTED LARGELY TO A REVIEW OF A DRAFT STATUS AGREEMENT (TO BE KNOWN AS THE COVENANT) AND TO A DISCUSSION OF THE TERMS UPON WHICH LAND NEEDED BY THE UNITED STATES FOR DEFENSE PURPOSES WOULD BE MADE AVAILABLE TO THE UNITED STATES. THE EFFECT OF THE REVISED U.S. PLANS FOR TINIAN WAS DISCUSSED AS WELL. FINALLY, A NUMBER OF ISSUES RELATING TO THE TRANSITION OF THE NORTHERN MARIANA ISLANDS

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TO ITS NEW POLITICAL STATUS WERE CONSIDERED.

"AGREEMENT WAS REACHED BETWEEN THE UNITED STATES AND THE COMMISSION ON VIRTUALLY ALL ISSUES WHICH HAVE BEEN RAISED IN THESE NEGOTIATIONS. THESE AGREEMENTS ARE REFLECTED IN THIS JOINT COMMUNIQUE, AND IN THE ATTACHED DRAFT COMMONWEALTH COVENANT.

COMMONWEALTH COVENANT

"AT THE CONCLUSION OF THE FOURTH SESSION OF THESE NEGOTIATIONS A JOINT DRAFTING COMMITTEE WAS ESTABLISHED AND CHARGED WITH THE PREPARATION OF A DRAFT AGREEMENT FOR THE CONSIDERATION OF THE PRINCIPALS. THE DRAFT PRODUCED BY THE COMMITTEE REFLECTED AREAS OF PRELIMINARY AGREEMENT AND AREAS WHERE FURTHER DISCUSSION BY THE PRINCIPALS WAS REQUIRED. DISCUSSIONS DURING THIS SESSION OF TALKS HAVE RESULTED IN PROVISIONAL AGREEMENT ON THE ATTACHED DRAFT "COVENANT TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS IN POLITICAL UNION WITH THE UNITED STATES OF AMERICA."

"THIS AGREEMENT IS PROVISIONAL DUE TO THE DESIRE OF EACH PARTY TO REVIEW CAREFULLY CERTAIN SECTIONS OF THE COVENANT BEFORE SIGNATURE. IN THE CASE OF THE UNITED STATES SUCH REVIEW WOULD INCLUDE FURTHER CONSULTATIONS WITH THE UNITED STATES CONGRESS. THE COMMISSION WILL REVIEW THE PROVISIONAL AGREEMENT WITH THE MARIANAS DISTRICT LEGISLATURE AND OTHERS IN THE NORTHERN MARIANA ISLANDS. ADDITIONALLY, THE ATTACHED DRAFT IS SUBJECT IN ITS ENTIRETY TO A THOROUGH TECHNICAL REVIEW BY BOTH PARTIES. FOLLOWING SIGNATURE THE COVENANT WILL BE FORMALLY SUBMITTED TO THE MARIANAS DISTRICT LEGISLATURE AND TO THE PEOPLE OF THE MARIANAS FOR THEIR APPROVAL AND THEN TO THE U.S. CONGRESS.

"IN PREVIOUS NEGOTIATING SESSIONS AGREEMENT IN PRINCIPLE HAD BEEN TENTATIVELY REACHED ON ISSUES SUCH AS THE NATURE OF THE POLITICAL RELATIONSHIP BETWEEN THE NORTHERN MARIANAS AND THE UNITED STATES, LOCAL SELF-GOVERNMENT, U.S. CITIZENSHIP OR NATIONALITY FOR MARIANAS RESIDENTS, UNITED STATES FINANCIAL ASSISTANCE, APPLICATION OF FEDERAL LAWS, TAXATION, THE JURISDICTION IN THE NORTHERN MARIANAS OF UNITED STATES COURTS AND THE EXTENT OF U.S. MILITARY LAND REQUIREMENTS. DURING THIS SESSION, THESE AGREEMENTS WERE EXPANDED OR MODIFIED WHERE NECESSARY AND REDUCED TO THE LANGUAGE CONTAINED IN THE DRAFT COVENANT. IN THE CASE OF UNITED STATES MILITARY LAND REQUIREMENTS AGREEMENT WAS REACHED FOR THE FIRST TIME ON PRICE AND METHOD OF ACQUISITION. AGREEMENT WAS ALSO REACHED ON INCREASED LEVELS OF DIRECT U.S. FINANCIAL ASSISTANCE IN THE AMOUNTS AND FOR THE PURPOSES INDICATED BELOW.

LAND FOR DEFENSE PURPOSES

"THE TOTAL UNITED STATES NEED FOR LAND FOR DEFENSE PURPOSES IN THE NORTHERN MARIANA ISLANDS IS APPROXIMATELY 7557.5 HECTARES (18,182 ACRES). THE MPSC HAS AGREED TO PROVISIONS IN THE COVENANT WHICH WILL ASSURE THE UNITED STATES THAT THIS NEED WILL BE MET. THE LAND WILL BE MADE AVAILABLE TO THE UNITED STATES BY A LEASE WHICH WILL BE EXECUTED BY THE NORTHERN MARIANAS GOVERNMENT OR BY THE LEGAL ENTITY ESTABLISHED TO HOLD LAND IN TRUST FOR THE PEOPLE OF THE NORTHERN MARIANAS. THE TERM OF THE LEASE WILL BE 50 YEARS, WITH AN OPTION TO RENEW THE LEASE FOR ANOTHER 50 YEARS. THE UNITED STATES WILL MAKE A LUMP SUM PAYMENT COVERING BOTH THE INITIAL PERIOD AND THE OPTIONAL RENEWAL WHICH WILL TOTAL \$19,520,600 FOR THE RIGHTS IT WILL OBTAIN UNDER THE LEASE. IN ADDITION, THE

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UNITED STATES HAS PROVISIONALLY AGREED TO LEASE BACK SUBSTANTIAL PORTIONS OF THE LAND--APPROXIMATELY 2,666 HECTARES (6,592 ACRES) FOR THE NOMINAL SUM OF \$1 PER ACRE PER YEAR. THE AGREEMENTS WITH RESPECT TO THE LAND WHICH THE UNITED STATES WILL LEASE ARE AS FOLLOWS:

"TINIAN. THE UNITED STATES WILL LEASE APPROXIMATELY 7,203 HECTARES (17,799 ACRES) ON TINIAN AND HAS PROVISIONALLY AGREED THAT IT WILL LEASE BACK, AS DESCRIBED BELOW, APPROXIMATELY 2,648 HECTARES (6,548) ACRES). THE TOTAL AMOUNT OF LAND TO BE MADE AVAILABLE TO THE U.S. IS SLIGHTLY BELOW THE ORIGINAL U.S. ESTIMATE OF NEED. THIS REDUCTION WAS MADE IN ORDER TO PERMIT THE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS TO RETAIN CONTROL OVER NINE ACRES OF VALUABLE LAND AT SAN JOSE HARBOR FOR CIVILIAN HARBOR RELATED PURPOSES. THE LUMP SUM PAYMENT WHICH THE UNITED STATES WILL MAKE FOR THE LAND IT WILL LEASE ON TINIAN WILL BE \$17,500,000.

"THE UNITED STATES HAS AN IMPORTANT DEFENSE REQUIREMENT FOR THE LAND WHICH WILL BE LEASED TO IT ON TINIAN. OVER THE LONG TERM IN ADDITION TO THE JOINT SERVICE LAND, SEA AND AIR TRAINING AND MANUEVERS, THE LAND MAY BE USED FOR AMMUNITION STORAGE AND FORWARD LOGISTICS, WITH AN OPERATIONAL JOINT SERVICE AIRFIELD AND A DEVELOPED HARBOR TO SUPPORT THESE ACTIVITIES. IN THE NEAR TERM, HOWEVER, THE MAJOR PLANNED USE FOR THE LAND ON TINIAN IS FOR GROUND, SEA AND AIR TRAINING EXCERCISES. TO SUPPORT THESE NEAR TERM OPERATIONS AND TO FACILITATE THE RAPID BUILD-UP IN AN EMERGENCY AND THE IMPLEMENTATION OF THE FULL PLANS FOR TINIAN, THE HARBOR AT SAN JOSE WILL BE REHABILITATED (INCLUDING POSSIBLY REBUILDING THE BREAKWATER, DREDGING THE CHANNEL AND REPAIRING THE DOCK AREA) AND WEST FIELD UPGRADED.

"THE LIMITED BASE CONCEPT IN THE NEAR TERM WILL MEAN THAT ADDITIONAL LAND WILL BE AVAILABLE FOR LEASE-BACK. THE U.S. HAS AGREED PROVISIONALLY TO THE FOLLOWING: (1) APPROXIMATELY 1,335 ACRES SOUTH OF WEST FIELD AND AT THE HARBOR WILL BE LEASED BACK TO THE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS AT SUCH TIME AS THESE LANDS ARE LEASED TO THE UNITED STATES. (2) THE LEASE OF APPROXIMATELY 1,624 HECTARES (4,010 ACRES NORTH OF WEST FIELD AND EAST OF BROADWAY NOW BEING USED BY THE MICRONESIAN DEVELOPMENT CORPORATION WILL BE ALLOWED TO CONTINUE IN ACCORDANCE WITH ITS TERMS. (3) AN ADDITIONAL 1,113 ACRES NORTH OF WEST FIELD AND WEST OF BROADWAY WHICH IS PRESENTLY UNDER EITHER GRAZING LEASES OR HOMESTEADED BY INDIVIDUALS WILL BE ACQUIRED BY THE NORTHERN MARIANA ISLANDS GOVERNMENT FROM THE PRESENT OWNERS OR LESSEES AND LEASED TO THE UNITED STATES AS DESCRIBED ABOVE. THE UNITED STATES, IN TURN, WILL THEN LEASE THIS LAND BACK TO THE PERSONS NOW USING IT IF THEY SO DESIRE. (4) THE FEE FOR ALL LEASEBACKS WILL BE \$1 PER ACRE PER YEAR. THE TERM OF THE LEASEBACKS WILL GENERALLY BE FIVE YEARS WITH AN OPTION TO RENEW IF THE UNITED STATES AGREES; BUT THE BULK OF THE LAND SOUTH OF WEST FIELD WILL BE LEASED BACK FOR TEN YEARS TO THE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS WITH AN OPTION TO RENEW WITH U.S. APPROVAL. (5) THE U.S. WILL BE ABLE TO CANCEL ANY LEASE-BACKS ON ONE YEAR'S NOTICE OR WITHOUT SUCH NOTICE IN THE EVENT OF URGENT MILITARY REQUIREMENTS OR A NATIONAL EMERGENCY. IN EITHER CASE THE LESSEE WILL BE PAID FAIR COMPENSATION. THE DETAILS OF THE LEASE-BACK ARRANGEMENT WILL BE

CONTAINED IN A TECHNICAL AGREEMENT REGARDING UNITED STATES LAND USE IN THE NORTHERN MARIANA ISLANDS.

"THUS, THE TOTAL AMOUNT OF LAND TO BE MADE AVAILABLE FOR CIVILIAN USE IS 2,648 HECTARES (6,548 ACRES). USES OF LAND LEASED BACK BY THE UNITED STATES MUST BE COMPATIBLE WITH PLANNED MILITARY ACTIVITIES. SUCH USES WOULD INCLUDE AGRICULTURE AND GRAZING. PERMANENT CONSTRUCTION WILL NOT BE PERMITTED WITHOUT U.S. APPROVAL.

"TANAPAG HARBOR. THE UNITED STATES WILL LEASE 71.7 HECTARES (177 ACRES) IN TANAPAG HARBOR FOR \$2,000,000 WHICH WILL BE PLACED IN TRUST TO EARN INCOME TO DEVELOP AND MAINTAIN 53.8 HECTARES (133 ACRES) OF THIS LAND AS A PUBLIC MEMORIAL PARK TO HONOR THOSE AMERICANS AND PEOPLE OF THE MARIANAS WHO LOST THEIR LIVES DURING WORLD WAR II. THE OTHER 44 ACRES WILL BE LEASED BACK TO THE GOVERNMENT OF THE NORTHERN MARIANA ISLANDS FOR HARBOR-RELATED ACTIVITIES.

"ISLEY FIELD. THE UNITED STATES WITHDREW ITS PROPOSAL THAT IT ACQUIRE 196 HECTARES (485 ACRES) ADJACENT TO ISLEY FIELD.

"FARALLON DE MEDINILLA. THE UNITED STATES WILL LEASE THIS UNUSED UNINHABITED ISLAND, CONSISTING OF APPROXIMATELY 83.4 HECTARES (206 ACRES) UNDER THE TERMS DESCRIBED ABOVE. THE LUMP SUM PAYMENT FOR THIS LAND WILL BE \$20,600.

TECHNICAL AGREEMENT

"THE UNITED STATES AND THE MARIANAS POLITICAL STATUS COMMISSION HAVE ALSO AGREED THAT A TECHNICAL AGREEMENT REGARDING UNITED STATES LAND USE IN THE NORTHERN MARIANA ISLANDS WILL BE EXECUTIVE ALONG WITH THE COVENANT. THE TECHNICAL AGREEMENT WILL STATE IN DETAIL THE MATTERS TO BE INCLUDED IN THE LEASE TO THE UNITED STATES, SUCH AS PROVISIONS DESCRIBING THE LAND TO BE LEASED, ARRANGING FOR THE SETTLEMENT OF CLAIMS AND ENCUMBRANCES, IMPLEMENTING THE AGREEMENTS WITH RESPECT TO LEASE-BACKS AND THE TRUST FUND FOR THE PARK AT TANAPAG HARBOR, AND DEALING WITH OTHER MATTERS. THE TECHNICAL AGREEMENT ALSO WILL PROVIDE FOR JOINT USE AGREEMENTS TO BE ENTERED INTO WITH RESPECT TO SAN JOSE HARBOR AND WEST FIELD ON TINIAN. FINALLY, THE TECHNICAL AGREEMENT WILL CONTAIN SEVERAL PROVISIONS WHICH WILL GOVERN THE RELATIONS BETWEEN THE MILITARY AND CIVIL AUTHORITIES. THESE PRINCIPLES WILL COVER MATTERS SUCH AS ACCESS TO BEACHES AND FISHING AREAS, CONSULTATIONS AND COORDINATED PLANNING, AS APPROPRIATE, REGARDING UTILITIES, SCHOOLS, MEDICAL CARE AND FIRE PROTECTION, AND OTHER MATTERS OF CONCERN. THE TECHNICAL AGREEMENT WILL BE DRAFTED BY SUBCOMMITTEES FROM EACH SIDE AND PRESENTED TO THE MARIANAS POLITICAL STATUS COMMISSION AND THE PRESIDENT'S PERSONAL REPRESENTATIVE FOR THEIR CONSIDERATION AND APPROVAL AT THE TIME THE FINAL COVENANT IS APPROVED.

ECONOMICS AND FINANCE

"BOTH THE UNITED STATES AND THE MARIANAS POLITICAL STATUS COMMISSION RECOGNIZED THAT THE CHANGE IN THE PLANS OF THE DEPARTMENT OF DEFENSE REGARDING THE CONSTRUCTION OF A MILITARY BASE ON TINIAN WILL HAVE THE EFFECT IN THE NEAR TERM OF REDUCING THE REVENUES OF THE NEW MARIANAS GOVERNMENT AND THE EMPLOYMENT

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OPPORTUNITIES OF THE PEOPLE OF THE MARIANAS BELONG PREVIOUSLY ANTICIPATED LEVELS. IT WAS PROVISIONALLY AGREED THAT IN ORDER TO COMPENSATE FOR THESE LOSSES, THE LEVELS OF UNITED STATES ASSISTANCE TO THE NORTHERN MARIANA ISLANDS TENTATIVELY AGREED TO LAST MAY WOULD BE INCREASED AS FOLLOWS FOR EACH OF THE SEVEN YEARS FOLLOWING THE ESTABLISHMENT OF THE NEW GOVERNMENT OF THE NORTHERN MARIANA ISLANDS UNDER ITS OWN CONSTITUTION:

"--\$250,000 FOR THE MARIANAS HOUSING AUTHORITY FOR A SPECIAL SEPARATE PROGRAM OF LOW-INTEREST LOANS FOR NEW HOUSING OR HOME IMPROVEMENTS FOR FAMILIES WITH LOW INCOMES THROUGHOUT THE MARIANAS; AND

"--\$250,000 FOR A SPECIAL EDUCATIONAL AND TRAINING FUND TO BE USED FOR RETRAINING PEOPLE OF THE NORTHERN MARIANAS WHO ARE DISLOCATED DUE TO THE CHANGE IN POLITICAL STATUS; FOR REORIENTATION OF THE CURRICULA OF SCHOOLS IN THE NORTHERN MARIANAS AS MAY BE NECESSARY; AND FOR IN-SERVICE TRAINING COURSES INTERNSHIPS AND PUBLIC ADMINISTRATION FELLOWSHIPS FOR CIVIL SERVICE PERSONNEL.

"DETAILS REGARDING THESE TWO SPECIAL PROGRAMS WILL BE PROVIDED TO THE TWO DELEGATIONS PRIOR TO THE RESUMPTION OF THESE NEGOTIATIONS.

SEPARATE ADMINISTRATION

"IN RESPONSE TO REQUESTS FROM THE COMMISSION FOR ASSURANCES REGARDING THE ADMINISTRATIVE SEPARATION OF THE MARIANAS FROM THE REMAINDER OF THE TTPI, AMBASSADOR WILLIAMS ACKNOWLEDGED THE DESIRE OF THE MARIANAS POLITICAL STATUS COMMISSION AND THE MARIANAS DISTRICT LEGISLATURE THAT SEPARATE ADMINISTRATION BEGIN AS PROMPTLY AS POSSIBLE AFTER THE APPROVAL OF THE COVENANT BY THE PEOPLE OF THE NORTHERN MARIANA ISLANDS AND SAID HE WOULD STRONGLY RECOMMEND THAT THE SECRETARY OF THE INTERIOR TAKE ALL NECESSARY ACTION TO ACCOMPLISH THIS GOAL.

RESUMPTION OF THE FIFTH SESSION

"IN VIEW OF THE PROGRESS WHICH HAS BEEN MADE, THE MARIANAS POLITICAL STATUS COMMISSION AND THE UNITED STATES HAVE AGREED TO RECESS THE FIFTH SESSION OF NEGOTIATIONS TO PERMIT NECESSARY TECHNICAL WORK TO BE COMPLETED ON THE COVENANT AND THE TECHNICAL AGREEMENT, AND TO PERMIT EACH PARTY TO REVIEW PROVISIONAL AGREEMENTS ALREADY REACHED. THE FIFTH SESSION OF NEGOTIATIONS WILL BE RECONVENED IN SAIPAN ON FEBRUARY 3, 1975, AT WHICH TIME THE MPSC AND THE UNITED STATES WILL MEET TO REVIEW THE FINAL LANGUAGE FOR THE PROPOSED COVENANT AND THE TECHNICAL AGREEMENT AND, IF LANGUAGE IS AGREED UPON, TO SIGN THESE DOCUMENTS.

"THE UNITED STATES DELEGATION WISHES TO RECORD THEIR SINCERE APPRECIATION FOR THE WARM AND GRACIOUS HOSPITALITY THEY HAVE ONCE AGAIN BEEN ACCORDED BY THE MEMBERS OF THE MARIANAS POLITICAL STATUS COMMISSION AND THE PEOPLE OF THE MARIANAS. BOTH PARTIES WISH TO EXPRESS THEIR THANKS TO THE MARIANAS DISTRICT ADMINISTRATOR AND HIS STAFF AND TO THE SAIPAN MUNICIPAL COUNCIL FOR THE SUPPORT THEY HAVE PROVIDED THROUGHOUT THESE TALKS.

THE COMMUNIQUE WAS SIGNED BY U.S. AMBASSADOR FRANKLIN HAYDN WILLIAMS, THE PRESIDENT'S PERSONAL REPRESENTATIVE AND EDWARD DLG. PANGELINAN, CHAIRMAN OF THE MARIANAS POLITICAL STATUS COMMISSION.

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