

OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS

WASHINGTON, D.C. 20240

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March 25, 1974

Memorandum Of Conversation

Participants: Captain E. C. Whelan
Colonel Athol Smith

Subject: Situation Report on Roi Namur

Background

- In Fall of 1973, re-negotiations of Roi Namur leases were interrupted for two reasons:

1. To provide time for the Trust Territory Government to assemble representative data on current land values in Trust Territory for use of both sides in the negotiations.
2. An impasse between DOD and Interior over the funding responsibility for Roi Namur leases.

Current Status

- Trust Territory Government has not yet provided results of land values survey to DOD. The U.S. Navy has only recently, again requested this data.
- The question of responsibility for Roi Namur funding was passed to OMB for decision and guidance in November, 1973.
- On 14 February, 1974, OMB assigned responsibility to DOD to negotiate for U.S. Government and to fund costs of re-negotiations. Interior was directed to assist as requested by DOD. Adjudication by an appraisal tribunal was authorized if early reasonable settlement impossible. Coordination with OMSN (Ambassador Williams) was also specified.
- In late February, OSD directed Navy to:
 - Resume negotiations as soon as possible (instructions to follow)
 - Make reasonable effort for a negotiated settlement and then resort to adjudication, with a goal on reaching a settlement not later than this Fall.

during the spring & summer
in any case

-- Keep Ambassador Williams informed through DOD/ISA.

- Definitive negotiating guidance and instructions should be completed by OSD and forwarded to Navy by 29 March.

- Negotiations between U.S. Government (DOD/Navy) and Marshallese representatives is expected to commence in late April.

Outlook

- We believe Micronesian Legal Services Corporation (Ted Mitchell) is preparing to seek re-negotiation of all leases in the Kwajalein Missile Range Complex in order to obtain additional compensation from the U.S. Government.

Recommendation:

If the subject arises, Senator Salii and Representative Silk should be appraised of U.S. intent. Further discussion should be limited to continued OMSN support for the draft language of the existing compact and for the past view that the Kwajalein lease problems are properly matters of primary concern to the Marshall Islands District and DOD.

Al Smith