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APRIL 24, 1976

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SUMMARY MEMORANDUM

The leadership of the Congress of Micronesia and the CO-chairmen of the JCFS met with Ambassador Williams and members of his staff on Saipan on April 23 and 24 for an informal discussion of the entire range of future status problems and agreed on a tentative work program concerning the Draft Compact of Free Association.

Two preliminary lines of work were considered useful. The legal representatives of the Joint Committee and the Ambassador would continue to expedite their consultations in Washington to discuss legal questions and make recommendations. Secondly, representatives of the Joint Committee and of the Ambassador would meet to review financial questions. A U. S. representative would also attend the meetings in early May in Truk which will consider the UNDP indicative plan.

In connection with the study of the financial provisions of the Compact, both sides agreed that they should study the Ambassador's suggestion that the assistance to be provided under Title IV should be allocated by the Compact in such a fashion as to perhaps cover most of the expenses of the central government of Micronesia, and a lesser proportion of the expenses of the district governments, possibly on a per capita basis. Revenues for the central government from the states would be on an agreed formula.

It was planned that a further meeting of those who participated in

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the April meetings would be held, if needed, to prepare for a negotiating round to be held toward the end of May. This meeting, it is anticipated, would produce an agreed version of the draft Compact which would be recommended to the new Commission for its endorsement and forwarded to the Congress of Micronesia

This would be followed by consideration by the Congress of Micronesia, at its special session, of the revised draft Compact of Free Association, with a view to its approving that document and submitting it to the Micronesian people at the November 1976 election. There would have to be an intensive political education program to explain the Compact during August, September, and October under the supervision of a Plebiscite Commissioner before the vote on the Compact, and it would have to be made clear that acceptance of the Compact would require some selective amendments to the proposed Constitution of the Federated States of Micronesia. If the Compact were rejected the referendum on the proposed Constitution would go forward in July of 1977 as tentatively scheduled.

It was agreed that there would be a brief public announcement that the two sides met for a general and useful discussion of future political status questions.

Handwritten notes:
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