

MICRONESIAN STATUS NEGOTIATIONS

EIGHTH ROUND

MAY 28 - JUNE 2, 1976

AT

SAIPAN, NORTHERN MARIANA ISLANDS

OFFICE FOR MICRONESIAN STATUS NEGOTIATIONS  
WASHINGTON, D.C.

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TABLE OF CONTENTS

Table of Contents-----	i - ii
List of Participants-----	iii - iv
<u>Plenary Session</u> -----	1 - 10
Senator Salii's opening remarks-----	1
Ambassador Williams' opening remarks-----	1 - 3
Mr. Paul Warnke's description of agreements reached and Ambassador Williams' concurring remarks-----	3 - 7
Ambassador Williams' closing remarks-----	8 - 9
Senator Salii's closing remarks-----	9 - 10
<u>Joint Communique</u> -----	11 - 14
<u>Compact of Free Association</u> -----	15 - 47
Preamble-----	15
Title I (Internal Affairs)-----	16
Title II (Foreign Affairs)-----	17 - 18
Title III (Defense)-----	19 - 22
Title IV (Finance)-----	23 - 26
Title V (Applicable Laws)-----	26 - 29
Title VI (Trade and Commerce)-----	30 - 31
Title VII (Citizenship and Nationality)-----	31 - 32
Title VIII (Immigration and Travel)-----	32 - 33
Title IX (Representation and Consultation)-----	33
Title X (Dispute Settlement)-----	34 - 35
Title XI (Amendment and Change of Status)-----	35 - 37
Title XII (Approval of the Compact and Effective Date)	38 - 39

Compact of Free Association (Con't)

Annex A (Micronesia's International Activities)-----	40 - 42
Annex B (U.S. Defense Land Needs)-----	43 - 44
Annex C (Representational Provisions)-----	45 - 46
List of Individuals Initialling the Compact-----	47

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Joint Committee on Future Status

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Representative Ekpap Silk  
Co-Chairman

Senator Tosiwo Nakayama

Senator Bailey Olter

Senator Petrus Tun

Senator Ambilos Iehsi

Senator John Mangefel

Representative Ataji Balos

Representative Isidoro Rudimch

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Other Participants

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The President's Personal  
Representative for Micro-  
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FOR MICRONESIA (Con't)

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Mrs. Janet Craley  
Secretary

PLENARY SESSION, June 2, 1976  
Convened at 3:30 p.m. in  
Congress of Micronesia House Chambers

Chairman Salii: I would like now to open this formal session between the Joint Committee on Future Status of the Congress of Micronesia and Ambassador F. Haydn Williams, the Personal Representative of the President of the United States. I would like to take this opportunity to welcome the Ambassador and the members of his group on behalf of myself and all of us. I would also like to express my satisfaction at the progress that has been made in the negotiations which has culminated in this formal round and also to take account of the previous negotiations between the two delegations. I also would like to express my regret that we could not, at this negotiating round, complete the Compact, but that I would hope that the United States and Micronesia will find a way to reach final agreement in the future. Personally, I would like to thank the members of the Committee and also to thank the Ambassador and the members of his group. I would also like to express my gratitude to the staff.

Now, as Chairman, I would like to ask Mr. Paul Warnke, our legal counsel, to review the progress we have made, but before I do that, I would like to ask the Ambassador if he has any statement to make at this time.

Ambassador Williams: Mr. Chairman, Members of the Joint Committee on Future Status, prospective members of the Congress of Micronesia's new Commission on Status and Transition and the other leaders of Micronesia who are here this afternoon--I bring to each of you greetings from the President of the United States, from Members of the U.S. Congress and from your many friends in Washington.

This formal session marks the end of still another significant step on your long road toward the final resolution of your future political status--a decision of great importance--which will be made, in the end, by the people of the Carolines and Marshalls as they exercise freely and collectively their sovereign will.

You started down this road many years ago. Time has gone by and some time remains; but 1981 is not too far in the future and much needs to be done before the end of the Trusteeship and your assumption of full responsibility for your own self-government once the Trusteeship has been terminated.

The negotiations over the past few years toward the Congress of Micronesia's preferred objective, Free Association, have been slow, but progress--important progress--has nevertheless been made. Each round has brought about some new area of agreement and the informal working sessions of 1974 produced more than one ad referendum agreement on a full text of a Compact of Free Association. In some cases the same ground has been

reploughed and then again reploughed in order to accommodate the wishes of the Joint Committee on Future Status or the Congress of Micronesia. Of course, in time these negotiations will have to come to an end and final decisions will have to be made and abided by. The talks cannot go on interminably.

Today we have before us the result of years and years of patient work. Once again we have reached full agreement in all of the provisions of the Compact except for one new area dealing with your ocean resources and the Law of the Sea. The agreements which we have reached in all of the other areas cover:

- Your future full responsibility and authority over your internal affairs under your own government and laws.
- The authorities and responsibilities to be vested in the United States by the people of Micronesia for foreign affairs and defense.
- The levels of financial grants to be provided to your new government and to your future states by the United States.
- The applicability of U.S. laws and treaties under the Compact.
- Provisions with respect to your future Trade and Commerce.
- Citizenship and nationality.
- Immigration and Travel.
- Representation and Consultation.
- Dispute Settlement.
- Amendment and change of status.
- Procedures for the approval of the Compact, and
- Three Annexes dealing with Micronesia's future International Activities, U.S. Defense land needs and Representation provisions.

The one area in which we have not reached full agreement is an important one to both Micronesia and the United States. We recognize Micronesia's great and legitimate interest in preserving and protecting Micronesia's ocean resources for the full economic benefit of the people of Micronesia. We share this interest and your understandable objective. Law of the Sea matters of course have global significance and the United States has world-wide

interests which it must also keep fully in mind.

The talks here relating to your marine resources and their future development have been highly useful. Areas in need of further exploration have been identified. These areas are already being given immediate attention by my government and I believe that it would be beneficial if further exchanges between your experts and ours were to take place in the near future.

Upon my return I will be reporting to the President and I will be meeting with Members of the Congress. I would like to make it clear that my initialling the Compact here this afternoon is an intermediate step. It signifies my agreement to the Compact as drafted but in no way is my action binding on the Congress of the United States. Furthermore, the United States will wish to review the entire Compact once agreement has been reached on those provisions in the Compact yet to be worked out dealing with your marine resources and Law of the Sea questions.

It is with this understanding that I initial the agreements reached here and the earlier understandings set forth in the October 1974 draft Compact of Free Association.

Thank You, Senator Salii. I am now prepared to initial the Compact of Free Association for my Government.

Mr. Warnke: The Joint Committee on Future Status of the Congress of Micronesia has asked that I express the satisfaction of the Committee about the progress that has been made in developing a Compact of Free Association. Through the meetings of the Working Groups from both sides, which have been reported in detail both to the members of the Joint Committee and also to the members of the Future Status Commission, it has been possible to resolve a very substantial number of difficult problems. The Committee has reviewed and has approved these solutions.

There is, therefore, as you pointed out, Mr. Ambassador, basic agreement between the sides on the entire substance of a Compact, except for the question of Micronesian rights and responsibilities in the area of marine, seabed and subsoil resources. As has been explained, the view of the Micronesian side is that it is essential that the principle of Micronesian control over these vital sea resources be contained in the Compact. Accordingly, until this difficult and important area has been resolved, the Congress of Micronesia is not in a position to take its final action on a Compact or to present it for the approval of the people of Micronesia.



It is, however, we believe, desirable to record the substantial agreement that has been reached covering all of the other matters basic to the Compact of Free Association, apart from this one, and it might be useful if I were to go through the various Titles and indicate that to the best of my knowledge the Committee has accepted these provisions. Dealing first with the Preamble, the language has been worked out to the satisfaction of both sides and I understand that there are no remaining questions with respect to it.

Ambassador Williams: The United States agrees to the Preamble.

Mr. Warnke: On Title I, which deals with internal affairs, there is now no disagreement again apart from the impact of the marine resources question. Is that correct?

Ambassador Williams: Agreed.

Mr. Warnke: As to Title II, which deals with foreign affairs responsibility of the United States, again that has been fully worked out with the satisfaction of both sides with again that one qualification that the impact of the marine resources provision remains as yet to be developed.

Ambassador Williams: Agreed.

Mr. Warnke: As for Title III on defense, the various details essential to completion of the Compact have now been worked out. The proposals made by the United States and which have been accepted by the Committee have removed the necessity for prenegotiation of additional leases covering rights and uses and that is now reserved for a period within one year after the effective date of the Compact. This removes of course one of the technical barriers to the speedy completion and approval of the Compact. We have also been able to come to a satisfactory compromise with regard to the duration of the agreements which provide such rights and uses. Is that correct?

Ambassador Williams: Agreed.

Mr. Warnke: In Title IV, dealing with finance, the United States delegation came forward with proposals for a significant increase in the funding that would be provided to the Government of Micronesia and its States under the Compact. In particular, the Micronesian side appreciates the offer to provide higher levels of financing and a less precipitous decline in the five year levels and the Committee also welcomes the change in Section 402 which will provide financial assistance for economic development

on a grant rather than on a loan basis. There remains to be worked out by the Congress of Micronesia the precise method of allocating these funds among the various States. This, of course, is not a matter of controversy between Micronesia and the United States although we recognize that you would want to be in a position to review the final allocation for economic development.

Ambassador Williams: We agree, with the understanding that we will have the opportunity to review the Title at a later date.

Mr. Warnke: With respect to Title IV, it might be noted that considerable negotiation was necessary with respect to Section 405 concerning adjustment of the specified amounts to take into account changes in the purchasing power of United States currency and possible change in economic conditions. The necessary assurance has now been developed in the compromise provisions Section 405(b). So as I said, apart from the necessity for developing the allocation formula, we are now satisfied with Title IV.

Ambassador Williams: Yes, as I have said, we agree to Title IV with the understanding that we will be reviewing it again against the background of an agreement on the full Compact.

Mr. Warnke: In Title V, which deals with applicable laws, provision has been made for the reflection in Section 501 of the eventual agreement which is reached with respect to marine resources and maritime jurisdiction. This, of course, will control the applicability to Micronesia of treaties and international agreements dealing with the area of fishing rights and maritime jurisdiction. All of the other elements in Title V have been satisfactorily worked out, including the question of implementation of treaties and international agreements pending the enactment of implementing legislation by the Congress of Micronesia. So that the text of Title V is now satisfactory as I understand it from both sides.

Chairman Salii: Do we have your agreement, Mr. Ambassador, on that?

Ambassador Williams: Title V is agreed.

Mr. Warnke: In Title VI, agreement has been reached with respect to the respective responsibilities for regulation of air and maritime commerce and the United States side has proposed a paragraph in Section 602(a) which would provide that the United States will give sympathetic consideration to any requests for

preferential treatment for the importation of goods of Micronesian origin into the United States. It is the hope of the Committee--and I believe of the members of the Future Status Commission--that this undertaking may become more concrete and may be implemented as to specific products even before the Compact comes into effect. But the Title itself is now complete and I think to the satisfaction of both sides.

Ambassador Williams: We agree.

Mr. Warnke: Title Roman VII which deals with citizenship and nationality is now no problem between the two sides in view of the agreement that Micronesian citizens ought to have the privileges of nationals of the United States. So that Title is complete and acceptable to both sides.

Ambassador Williams: We agree.

Mr. Warnke: Title Roman VIII deals with immigration and travel, and Title IX deals with representation and consultation, both of these Titles have been fully worked out in previous meetings and as a consequence further negotiations at this particular set of meetings was not necessary.

Ambassador Williams: We agree to both Titles.

Mr. Warnke: In Title X, agreement has been reached on a much more comprehensive dispute settlement procedure, which provides for arbitration with the consent of both governments and for resort to the United States courts in order to settle disputes involving the interpretation or application of the Compact when arbitration is not acceptable to both sides. So Title X is now agreeable to both the United States delegation and the Micronesian side.

Ambassador Williams: We agree.

Mr. Warnke: Titles XI and XII provide respectively for termination and for approval of the Compact. The provisions have now been developed to the satisfaction of both sides and I believe both Titles are now both completed and accepted. Are there any questions with regard to the Titles?

Ambassador Williams: Agreed.

Mr. Warnke: There are in addition three Annexes which are an integral part of the Compact. The text of Annex A has been somewhat revised to make more specific the arrangements with respect to consultation on international agreements and it has been

specified that any kind of dispute that arises with regard to the application of Annex A and the activities involved will be subject to the dispute settlement procedure of Title X.

Annex B, it has been somewhat reworded to make clearer the arrangements with respect to the rights and uses of the United States in the lands and waters of Micronesia.

Annex C, deals with some of the technical matters with respect to representation of the Governments of the United States and of Micronesia and their respective countries and the privileges and so forth involved. That is an annex which has again been completed some time back and has not been reviewed at this point. It is my understanding that that Annex, and also Annex A and Annex B are satisfactory to both sides.

Ambassador Williams: We have agreed to all three Annexes.

Mr. Warnke: So the area that remains for negotiations thus is, though vital to Micronesia's economic future, a confined and specific one. It is the hope of the Joint Committee that Micronesia and the United States will be able to resolve expeditiously both the inclusion of the principle of Micronesian control over its marine resources in the Compact itself and the further detailed understanding that would probably be necessary. The objective, of course, would be to protect for the people of Micronesia their vital economic interests while assuring the United States its ability fully to discharge its international responsibilities and to protect its basic security interests. This is the one remaining area and hopefully in the near future we would be able to resolve that as well. Thank you very much.

Ambassador Williams: Are you going to initial the Compact now, Mr. Chairman?

Chairman Salii: We have the original copy here. The Co-Chairman and I will initial it and then we will pass it around to the other members and...

Ambassador Williams: I will then initial it for the United States.

*(Compact then initialled by Senator Lazarus Salii of Palau; Representative Ekpap Silk of the Marshalls; Senator Petrus Tun of Yap; Representative Isidoro Rudimeh of Palau; Senator Bailey Olter of Ponape; Representative Resio Moses of Ponape; Senator Tosiwo Nakayama of Truk; Senator John Mangefel of Yap; Senator Ambilos Iehsi of Ponape and by Ambassador F. Haydn Williams for the United States.)*

Ambassador Williams: Mr. Chairman, I have initialled all of the Titles, Sections and Annexes. I wonder if I might request that on your original copy that a last page be included simply naming all of those who did initial the Compact for the Joint Committee, and myself for the United States--of course, with the date on it.

Chairman Salii: Yes, we will agree to that.

Ambassador Williams: Lazarus, what we have all done here represents a lot of effort on the part of a large number of people and many of those who put in a major effort aren't here today. I would like to acknowledge my debt to some of them. Jim Wilson, my former deputy, who worked through several of the working sessions to produce the three drafts of 1974; Mary Vance Trent who is in Washington minding the Office for Micronesian Status Negotiations; and Admiral William J. Crowe of the Department of Defense who served with me from 1971 through 1973. I would like also to introduce to you those who are here on the American delegation this afternoon, each of whom, has been a great help to me over the past several days. On my right Commander David Burt, U.S. Navy, a member of Admiral Carroll's staff in Guam; Lieutenant Colonel Roger Crump, U.S. Army, who is detailed to the Office for Micronesian Status Negotiations; Ron Stowe, who came here from Geneva, lawyer for the State Department; Herman Marcuse, who has been involved in these talks since Koror, representing the Department of Justice. And on my far left, Jim Berg who represents the Department of the Interior, Office of Territorial Affairs; Captain James Elster, U.S. Navy, who is representing the Secretary of Defense; Nick Mauger who is the Deputy Status Liaison Officer, here in the Trust Territory; Dick Williams representing the State Department's Bureau of East Asian and Pacific Affairs; Mr. Alf Bergesen, our Status Liaison Officer in the Trust Territory, whom you all know; and on my immediate left, Commander Dick Wyttenbach, U.S. Navy, also detailed to the Office for Micronesian Status Negotiations.

Today as I understand it marks the last day of the formal life of the Joint Committee on Future Status of the Congress of Micronesia. This Committee made up of distinguished Micronesian leaders from every district has served the people of Micronesia well--especially its two devoted Co-Chairmen--Senator Lazarus Salii and Congressman Ekpap Silk.

I first met Ekpap and Lazarus in San Francisco in the Spring of 1971 more than five years ago. At the time there was no agreement in any substantive area between the United States and Micronesia as to your future political status.

024852

Since that time we have worked together patiently and harmoniously toward an agreement that would best serve our mutual interests--an agreement that would be of benefit to all of the people of Micronesia.

It has not been an easy task. However, we have over-come, one-by-one, the problems we have faced--the questions of land, laws, finance and the provisions for a future change in your political status--were in the end fully resolved.

Now there is one last hurdle to be cleared--and because of our past successes, I am confident that with good faith this last remaining issue will be resolved.

To Lazarus Salii I wish to extend my congratulations. I wish also to thank him publicly for his great contribution to the progress that has been made. All who are truly interested in Micronesia, in its future and in close and friendly relations between Micronesia and the United States owe him a great debt; for his superb leadership of the Joint Committee on Future Status; for his steadfast adherence to his mandate from the Congress of Micronesia; for his tenacity in presenting and defending Micronesia's interests and for the constant devotion and attention to the welfare of the people of Micronesia which he exhibited throughout every stage in the negotiations leading to the Compact which we have initialled here today.

Lazarus, you have been a great captain and a skillful navigator. You have brought your ship safely through many a stormy negotiating sea and now thanks in large measure to your efforts, the crossing is nearly over and the destined shore is in close sight.

Thank you. (Applause)

Chairman Salii: Mr. Ambassador, I stated in my very brief opening remarks that what we have accomplished today was the result of the efforts of so many people, some of whom are not here with us. I can think of Congressman Raymond Setik from Truk who has helped the Committee a great deal in the area of finance along with his colleague Senator Bailey Olter from Ponape, and we all know the Members of the Committee and those who worked with the Committee in the past such as Senator Roman Tmetuchl from Palau who will be in the new Status Commission. I have had the great fortune to have assisting the Committee also in the finance area, our Legislative Counsel, Mr. Kaleb Udui and Mr. Harry Brown. Without their help we would not have been able to make any progress during this round. We have Mr. Michael White who has been working ever since the creation of

the Committee and who has been very useful to our work. And, of course, the Committee had the great fortune to be able to retain the services of Mr. Warnke, and I would like to thank him very much from all of us.

Mr. Warnke: Thank you, Senator.

Chairman Salii: If I left out anybody, it was not intentional. And I want to make a blanket statement to so many people who were on our side and I want to acknowledge their contributions with my thanks. And especially during this current round, we have had the assistance of our President, Senator Nakayama and the Speaker, Bethwel Henry. Again, without their presence and counsel we would not be sitting here this afternoon.

And now I would like to say to you, Ambassador Williams, as the Special Representative of the United States that you have done a great job and to everybody on your staff and to all the members of the United States Government who have been helping, if not in the actual negotiations with you, then in the background, contributing to our success. So please convey my personal appreciation to everybody in Washington and especially to the President of the United States. (Applause)

And now, I would like to adjourn this formal negotiation between the Joint Committee and Ambassador Williams.

*(The meeting was adjourned at 4:15 p.m.)*

JOINT COMMUNIQUE

Eighth Round

Micronesian Status Negotiations

May 28 - June 2, 1976

Saipan

The leadership of the Congress of Micronesia and its Joint Committee on Future Status met with the President's Personal Representative for Micronesian Status Negotiations on Saipan, Northern Mariana Islands, on May 28 through June 1, 1976. On June 2, 1976, the members of the Joint Committee on Future Status of the Congress of Micronesia and the President's Personal Representative for Micronesian Status Negotiations met in plenary session. The working sessions and the plenary session constituted the eighth round of talks on the future political status of the Caroline and Marshall Islands.

The leadership of the Congress of Micronesia and its Joint Committee on Future Status reaffirmed their position that negotiations should proceed toward the Congress of Micronesia's desired objective, a Compact of Free Association between the United States and a future Federated States of Micronesia. In working sessions, the Congress of Micronesia-Joint Committee on Future Status Leadership and the President's Personal Representative reviewed the October 1974 draft Compact of Free Association. Suggested alterations to that draft were then presented to the full Joint Committee on Future Status for its consideration. Throughout this review process, the leadership of the Congress of Micronesia and its Joint Committee on Future Status reported to the full Joint Committee on Future Status, to prospective members of the new Commission on Future Status and Transition, and also consulted with several leaders from the various districts and Micronesian members of the Trust Territory Administration.

During this review process both sides confirmed old understandings and reached new understandings and agreement on the basic principles and the text of the draft Compact of